

# City of Menlo Park

## 6<sup>th</sup> Cycle Housing Element: 2023-2031

*Revised HCD Review Draft*

With redlined changes

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# TABLE OF CONTENTS

Chapter 1: Introduction.....	1-1
Chapter 2: 5 <sup>th</sup> Cycle Evaluation.....	2-1
Chapter 3: Housing Conditions and Trends .....	3-1
Chapter 4: Affirmatively Furthering Fair Housing .....	4-1
Chapter 5: Actual and Potential Constraints to Housing.....	5-1
Chapter 6: Energy .....	6-1
Chapter 7: Site Inventory and Analysis .....	7-1
Chapter 8: Goals, Policies and Programs .....	8-1
Chapter 9: Definitions of Key Housing Terms .....	9-1
Appendix 4-1: Outreach Summary.....	4-1- 1
Appendix 4-2: City of Menlo Park Assessment of Fair Housing .....	4-2-1
Appendix 4-3: February 12, 2022 Community Meeting Notes.....	4-3-1
Appendix 4-4: Policy and Program Recommendations from the Golden Gate Regional Center and Housing Choices .....	4-4-1
Appendix 4-5: 21 Elements Resident Survey Analysis.....	4-5-1
Appendix 4-6: Charts on Ethnicity/Race and Disabilities.....	4-6-1
Appendix 5-1: San Mateo County Constraints .....	5-1-1
Appendix 7-1: Site Inventory .....	7-1-1
Appendix 7-2: Affirmatively Furthering Fair Housing (AFFH) Maps.....	7-2-1
Appendix 7-3: Development in Menlo Park .....	7-3-1
Appendix 7-4: Sample Affordable Housing Developments.....	7-4-1
Appendix 7-5: Site Sheets.....	7-5-1
Appendix 7-6: City-Owned Parcels in Menlo Park.....	7-6-1

# Introduction

## PURPOSE OF THE HOUSING ELEMENT

Housing Elements are housing plans that are one part of a community's General Plan – a guide to how each city, town, or county is planned and managed, from roads and sidewalks to parks and neighborhoods. With an update required every eight years by the State of California, this Housing Element covers a planning period from 2023-2031 (also referred to as the “6<sup>th</sup> Cycle”) and will create a foundation for all the goals, policies, programs, and objectives related to housing in Menlo Park.

While local governments do not generally build housing themselves, they create the rules that affect where housing can be built, how much, and how it is approved. The 2023-2031 Housing Element has been prepared to respond to current and near-term future housing needs in Menlo Park and provide a framework for the community's longer-term approach to address housing needs. The Housing Element contains goals, information, and strategic directions (policies and implementing programs with objectives) that the City of Menlo Park (City) is committed to undertaking together with the community and other stakeholders to provide for housing development.

Housing affordability in San Mateo County and the greater Bay Area is a critical issue. Menlo Park's housing conditions reflect many areawide and even nationwide trends, influenced by rising housing costs and the lack of supply to meet the demand for all income levels.

Because of these issues, it becomes increasingly difficult for employers to fill job openings; roadways are congested with workers traveling long distances in and out of Menlo Park and surrounding areas; and many young people, families, longtime residents, lower-income households, and people with special housing needs face relocation challenges stemming from the inability to secure housing they can afford and/or that meets their needs. Additionally, unaffordable housing prices can exacerbate homelessness and create barriers to transitioning unhoused individuals and families into permanent housing.

The Housing Element touches upon many aspects of community life. This Housing Element updates the goals, policies, and implementing programs contained in the City's 2015-2023 Housing Element (also referred to as the “5<sup>th</sup> Cycle”) and other City policies and practices to address housing needs in the community. New for the 2023-2031

planning period is the emphasis on furthering fair housing. 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.

The following are some of the specific purposes of the 2023-2031 Housing Element:

1. **Promote Equity.** Ensure equitable access to housing for all people regardless of age, race, color, sex, sexual orientation, marital status, disability, ancestry, and national origin.
2. **Maintain Quality of Life.** Maintain a high quality of life in Menlo Park by ensuring new housing is well-designed and has access to services.
3. **Support Diversity of Population and Housing.** Assess housing needs and provide a vision for housing within the city to match the needs of a diverse population.
4. **Provide a Variety of Housing Opportunities.** Provide a variety of housing opportunities at different income levels to accommodate the needs of people who currently work or live in Menlo Park, such as teachers, young adults, seniors, and other groups of people who have expressed challenges in finding homes or cannot afford market-rate housing in Menlo Park.
5. **Comply with the 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 2023-2031 planning period.
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 needs of extremely low-, very low-, low- and moderate-income households.
8. **Address the Housing Needs of Special Needs Groups.** Continue existing and develop new programs and policies to meet the projected housing needs of persons living with disabilities (including developmental disabilities), seniors, and other households with special needs 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. Develop objective design standards for multifamily housing to reduce barriers to housing development.

10. **Address the Needs of People Experiencing Homelessness.** Plan for and support emergency shelters, low barrier navigation centers, and transitional and supportive housing opportunities.
11. **Provide Adequate Housing Sites.** Identify appropriate housing sites within specified areas near transportation, commercial and public services, recreation opportunities, and schools; establish the accompanying zoning required to accommodate housing development.

## 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 § 65580-65589. Although the Housing Element must follow State law, it is a local document. The focus of the Menlo Park Housing Element is to meet the housing needs of Menlo Park residents.

Unlike the other mandatory General Plan elements, which typically have a 20-year planning period, the Housing Element is updated every eight years 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 a Housing Action Plan with goals, policies, quantified objectives, and scheduled programs to preserve, improve, and develop housing.
- Provide a housing needs assessment, including identifying and analyzing existing and projected housing needs for all economic segments of the community and special needs populations.
- Include a summary of community outreach efforts and input received from the community.
- Evaluate progress on the policies and programs from the previous Housing Element cycle (2015-2023).
- Affirmatively further fair housing and include policies and programs that address fair housing.
- Identify adequate sites that will be rezoned and available within the Housing Element planning period (2023-2031) to meet the City's share of regional housing needs at all income levels.
- Review affordable housing at risk of conversion to market-rate and identify potential resources to preserve affordable housing.
- Identify and analyze potential and actual governmental and nongovernmental constraints to the development of housing.

- Analyze the zoning for various housing types, including multifamily housing, emergency shelters, transitional and supportive housing, mobile home parks, accessory dwelling units, and more.
- Provide a Site Inventory of housing opportunity sites.
- Be submitted to HCD for certification that the Housing Element complies 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 implement regulations that provide opportunities for, and do not overly constrain, housing development.

The Housing Element must provide clear policies and direction for making decisions relating to zoning, subdivision approval, and capital improvements related to housing needs. The Housing Action Plan included within the Housing Element is intended to:

- Identify adequate residential sites available for a variety of housing types for all income levels.
- Focus on providing adequate housing to meet the needs of lower- and moderate-income households.
- Address potential governmental constraints to the maintenance, improvement, and development of housing.
- Conserve and improve the condition of the existing affordable housing stock.
- Promote housing opportunities for all persons.

In accordance with State law, the Housing Element must be consistent and compatible with other elements (or sections) of the Menlo Park General Plan. Concurrent with the preparation of the 2023-2031 Housing Element, the City is updating the Safety Element and creating a new Environmental Justice Element (collectively referred to as the “Housing Element Update project”).

## 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 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.

A series of consistency modifications will be made to the City of Menlo Park General Plan as part of the 2023-2031 Housing Element. The consistency modifications ensure that any potential impediments to the implementation of the Housing Element are addressed in the other elements of the General Plan.

## 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 2023-2031 Housing Element not only essential and valuable but also a critical component of the work effort. The approach for preparing this Housing Element is consistent with State law contained in Government Code § 65583(c)(7), which states that:

*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 development of the Housing Element was guided by the City's extensive community outreach effort and the City's participation in the outreach efforts and activities of 21 Elements, which is a collaborative effort to assist all jurisdictions in San Mateo County with their Housing Element preparations. The 21 Elements effort included presentations and coordination with housing experts and organizations that provide services to lower-income and special needs groups throughout San Mateo County. A detailed discussion of community outreach efforts undertaken by the City in developing the Housing Element is discussed in Chapter 4: Affirmatively Furthering Fair Housing.

## CONSIDERATION OF PUBLIC COMMENT

The City opened the Initial HCD Draft Housing Element for a 10-business-day review period June 13, 2022, and closed the comment period on June 24, 2022. With the intent to garner as much feedback as possible, the City continued to receive and consider comments for the draft Housing Element up through July 5, 2022. The full list of public comments can be found in Appendix 1-1, along with verbal comments provided at the May 16 and June 6, 2022 public meetings.

In consideration of all the comments received for the public review draft Housing Element, the major themes of the feedback are noted below, accompanied by a

summary of how the City made revisions to the draft Housing Element in response to the feedback.

- **Removing Constraints on Development of Affordable Housing**
  - Programs have been refined to modify regulations in order to support the development of affordable housing development. (Programs H1.A, H4.A, and H4.D)
  - New Programs have been developed to make affordable housing development easier. (Programs H4.U and 4H.V)
- **Increasing Housing Equity**
  - Policy H1.3 was refined to seek funding for the development of transitional housing.
  - Program H5.C was refined to place greater emphasis on training/education regarding equity and past discriminatory practices.
  - Programs have been refined to place greater emphasis on inclusionary housing and anti-displacement. (Programs H2.E, H4.A, H4.B, and H4.D)
- **Support for Special Needs Populations**
  - Program H3.M was added for wheelchair visitability.
  - Program H4.D was refined to consider outlining development targets for special needs populations.
- **Increase coordination with Schools**
  - Policy H4.17 was added to increase coordination with developers and schools.
- **Increase opportunities for childcare facilities**
  - Program H2.F was added to increase allowance for childcare.



# 5<sup>th</sup> Cycle Evaluation

## REVIEW OF THE 2015-2023 HOUSING ELEMENT

California Government Code § 65588 requires a Housing Element to evaluate the appropriateness, effectiveness, and progress relative to achieving its stated goals and objectives. This complete and thorough review process provides information that informs best practices for achieving successful implementation over the next planning period during each revision cycle. Additionally, by comparing the City's Regional Housing Needs Allocation (RHNA) performance for 2015-2023 against the RHNA target for 2023-2031, the City can assess the strengths and weaknesses of various strategies for continuous improvement.

Accomplishments under the 2015-2023 Housing Element are evaluated in this chapter to determine the effectiveness of the previous Housing Element, the City's progress in implementing the 2015-2023 Housing Element, and the feasibility of the housing goals, policies, and programs.

The City of Menlo Park's 2015-2023 Housing Element was adopted on April 1, 2014, after a robust public outreach and engagement process. Through this process, the resulting 2015-2023 Housing Element focused on achieving an adequate supply of safe, decent housing for all residents of Menlo Park through maintaining and preserving the existing housing stock; preserving the character of Menlo Park's residential neighborhoods; meeting the City's RHNA; and providing additional affordable housing. Specifically, the 2015-2023 Housing Element identified the following goals:

- Goal H1 Continue to Build Local Government Institutional Capacity and Monitor Accomplishments to Effectively Respond to Housing Needs**
- Goal H2 Maintain, Protect, and Enhance Existing Housing and Neighborhoods**
- Goal H3 Provide Housing for Special Needs Populations that is Coordinated with Support Services**
- 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**

Collectively, these goals and related policies and programs also served to meet the City's RHNA housing targets. As indicated in Table 2-1, the City far exceeded its RHNA

housing target for the above moderate-income level (788 percent) and is near to achieving the targets for the very low-income level (93.1 percent) through the end of 2021. The low- and moderate-income levels are 70.5 percent and 15.4 percent completed, respectively, through the end of 2021.

*Table 2-1: 2015-2023 Regional Housing Needs Allocation Accomplishments*

<b>Income Level</b>	<b>RHNA Allocation</b>	<b>Total Through 2021</b>	<b>Percent Complete</b>
<b>Very Low</b>	233	217	93.1%
<b>Low</b>	129	91	70.5%
<b>Moderate</b>	143	22	15.4%
<b>Above Moderate</b>	150	1,182	788%
<b>Total</b>	<b>655</b>	<b>1,512</b>	<b>N/A</b>

Source: City of Menlo Park 2021 Annual Progress Report

Overall, during the 2015-2023 planning period, the City showed positive success in programs that focused on meeting the needs of unhoused individuals and families; adopting meaningful legislation to protect vulnerable populations and encourage housing production; and partnering with other jurisdictions, non-profit organizations, and developers to provide housing and services. The City also experienced challenges in executing certain programs, with efforts still ongoing or have been stalled. The City also faced difficulties producing lower-income housing that is attributed to legal challenges to the City’s inclusionary housing policy. A summary of these efforts is provided below, with references to specific program items that were included in the 2015-2023 Housing Element. Additional information and analysis for each policy and program are provided in Attachment A. The section concludes with a discussion on programs that were not addressed during the planning period.

### **Providing for Unhoused Individuals and Families**

The City participated in multiple efforts working with partners locally and regionally to address the needs of unhoused individuals and families. Throughout the 2015-2023 planning period, a team of City staff facilitated and led the Menlo Park Homeless Outreach team, which includes community-based organizations that provide homeless outreach and support services (H3.H). City staff also works closely with the San Mateo County Department of Human Services to coordinate outreach and referral services, with the goal of ending homelessness in Menlo Park. The team meets regularly to discuss case management, strategize coordinated outreach and intervention, streamline resources, and prepare action plans for homeless individuals (H3.H).

In 2020, the City Council formed a subcommittee to address high-risk health and safety concerns at a large homeless encampment populated by approximately 60 individuals in an area called the Ravenswood Triangle. This effort involved multi-jurisdictional agencies coordinating an intensive effort to conduct outreach, remove debris and eventually remove and rehouse the encampment over the course of several months.

## Legislative Changes

In conjunction with the adoption of the 2015-2023 Housing Element, the City adopted a series of ordinances that established zoning for emergency shelters (H3.A), transitional and supportive housing (H3.B), and procedures for reasonable accommodation requests by individuals with disabilities (H3.C). The City also worked towards the goals of facilitating development standards and incentives to encourage residential and affordable housing projects within the Affordable Housing Overlay (AHO) zone and a new Residential Mixed Use (R-MU) district (H3.G and H4.1).

## Partnership Efforts

The City has a strong partnership with the County of San Mateo and community-based organizations in addressing the needs of unhoused individuals. Highlighted housing assistance providers recommended by the City include, but are not limited to, Samaritan House, HIP Housing, and HouseKeys which administers the City's Below Market Rate (BMR) Housing Program. The City has successfully partnered with the County Department of Housing to implement rental housing assistance programs. In the 2015-2023 Housing Element, Menlo Park set a goal to assist 220 extremely low- and very low-income households every year. There are currently approximately 248 active housing vouchers issued for Menlo Park, which assist a total of 521 individuals. Of the total, 157 households include elderly residents or individuals with disabilities, and 86 are households with children (H3.D). The City has also leveraged the strength of public-private partnerships, for example, in the continuing work with MidPen Housing, an affordable housing developer, to facilitate a 140-unit housing development at 1300 Willow Road. This project received \$9.3 million in funding from the City to offset development costs. In 2016, the City also supported the revitalization of 1221 Willow Road, which is a 130-unit development that primarily serves seniors (H3.1, H4.H).

In February 2021, the City Council approved \$5.5 million of below-market-rate (BMR) housing funds awarded to HIP Housing to acquire a 14-unit apartment building. The purchase allowed HIP Housing to convert market-rate units to deed-restricted BMR rental housing and secure additional affordable housing opportunities for the Menlo

Park community. HIP Housing has completed the purchase and filled all vacant units with qualified, low-income tenants.

In May 2021, the City Council authorized \$1.2 million from the BMR housing fund to support Habitat for Humanity Greater San Francisco's proposal to create a Homeownership Preservation Program. The program will assist low-income homeowners in Menlo Park with major repairs and rehabilitation projects that address acute safety issues and enable homeowners to age in place and remain in the community they have been a part of for many years. The program is scheduled to begin in 2022.

In October 2021, the City Council approved \$250,000 in American Rescue Plan funds to increase funding of the Housing Assistance Program administered by Samaritan House San Mateo. The program provides rental and mortgage assistance to qualified households related to the COVID-19 pandemic or other emergency circumstances. At the end of 2021, Samaritan House had distributed a total of approximately \$96,000 of the program's initial \$100,000 funding allocation, which assisted 32 households comprised of 86 individuals who remain stably housed.

## Programs Not Completed

In the 2015-2023 Housing Element, Menlo Park pursued 46 program objectives. The following seven programs were not completed during the planning period because efforts are still ongoing, but not complete, or, efforts are stalled for reasons related to the prioritization of other tasks and/or reliance on outside funding or leadership:

- Amend the Zoning Ordinance to Protect Existing Housing (H2.C)
- Assist in Implementing Housing Rehabilitation Programs (H2.D)
  - o In 2021, the City provided BMR funds to HIP Housing to support the purchase of a 14-unit development to preserve affordable housing.
- Investigate Possible Multi-Jurisdictional Emergency Shelter (H3.E)
  - o San Mateo County recently launched a countywide effort to address homelessness through the Project Homekey program.
- Modify R-2 Zoning to Maximize Unit Potential (H4.A)
- Implement Inclusionary Housing Regulations (H4.B)
  - o The BMR program is ongoing and improvements are currently under consideration.
- Modify BMR Guidelines (H4.C)
  - o The BMR program is ongoing, and improvements are currently under consideration.

- Review the Subdivision Ordinance (H4.M)

## Appropriateness of Housing Element

The overarching goals and policies of the 2015-2023 Housing Element continue to be appropriate and are generally kept in the Housing Plan, with modifications to streamline or clarify objectives where applicable. As indicated in Attachment A, many housing programs continue to be appropriate and the intent of these programs will be kept in the Housing Element and revised to address specific housing needs, constraints, or other concerns identified as part of the 2023-2031 Housing Element.

The policies and programs of the 2015-2023 Housing Element that were developed to modify the City's former Zoning Code (Menlo Park Municipal Code Title 16) have been implemented and will be removed from the Housing Element as they are no longer necessary.

The 2023-2031 Housing Element will revise existing programs and include new programs, where appropriate, to ensure that the City's priorities are addressed, that requirements of State law are addressed and that constraints to housing are removed, to the extent feasible. See Chapter 8 for the goals, policies, and programs of this Housing Element.

## Housing and Services for Special Needs Populations

Menlo Park provides services and housing resources for special needs populations such as seniors (age 65 plus), those living with disabilities (including developmental disabilities), people experiencing homelessness, and families with female heads of households—groups that have historically experienced greater challenges in securing affordable housing options that meet specific needs.

To finance these programs, the City maintains a Below Market Rate Housing Fund as a source of funding for housing and services for special needs population groups, as well as supporting countywide housing efforts (H1.H and H1.F). While many programs provide services to a breadth of special needs populations, the following are highlighted actions that contributed to targeted efforts:

- **Farmworkers:** There are no farms or farmworker housing in Menlo Park. Although less than one-tenth of one percent of the population in Menlo Park is employed in agriculture, the City provides funding through County-wide housing programs that provide housing and services for farmworkers at the county level (H1.F).

- **Seniors (Age 65 Plus):** During the planning period, the City approved a 90-unit senior housing development (Sequoia Belle Haven Project at 1221 Willow Road), which utilized the City’s Affordable Housing Overlay program to receive a residential density bonus and development concessions (H3.G). Additionally, the City currently assists approximately 157 senior or disabled households in Menlo Park with housing vouchers received through the County and State (H3.C).
  
- **People Living With Disabilities (Including Developmental Disabilities):** During the planning period, the City adopted Ordinance 1003 to establish Menlo Park Municipal Code Chapter 16.83, Reasonable Accommodation, which provides reasonable accommodation procedures for individuals living with disabilities, including developmental disabilities (H3.C). The City also provides support to HIP Housing, which provides services for households living with disabilities (H3.F).
  
- **People Experiencing Homelessness:** During the planning period, the City adopted Ordinance 1002 that permitted emergency shelters, with up to 16 beds, by-right in various areas of the city (H3.A). The City also developed the Menlo Park Homeless Outreach Team to better serve people experiencing homelessness, address encampments and re-house individuals, and has strengthened its partnership with the Department of Veterans Affairs on homelessness-related issues (H3.H and H3.I).
  
- **Families with Female Heads of Household:** During the planning period, the City adopted Ordinance 1004 to allow supportive and transitional housing as a permitted use within the city. While the provision of supportive and transitional housing benefits many types of individuals, it is an especially important type of housing for families with single-person heads of household – particularly female heads of households – that may require emergency and transitional housing services (H3.B). The City also supports the County’s Housing Voucher Program for low-income families, with approximately 86 households with children in Menlo Park, a portion of that population are households with one parent (H3.D).<sup>1</sup>

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<sup>1</sup> Menlo Park. 2020 Housing Element Annual Progress Report.

## Attachment A: City of Menlo Park 2015-2023 Housing Element Evaluation

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
<b>Goal H1: Implementation Responsibilities; Continue to Build Local Government Institutional Capacity and Monitor Accomplishments to Respond Effectively to Housing Needs</b>			
Policy H1.1 Local Government Leadership	Recognize affordable housing 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 action in a timely manner.	This policy is desired for retention in the 2023-2031 Housing Element.	Retain
Policy 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.	This policy is desired for retention in the 2023-2031 Housing Element.	Retain
Policy H1.3 Neighborhood Responsibilities within Menlo Park	Seek ways, specific to each neighborhood, to provide additional housing as part of each neighborhood's fair share of 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.	This policy is desired for retention in the 2023-2031 Housing Element.	Retain
Policy H1.4 Neighborhood Meetings	Encourage developers of major housing projects to conduct neighborhood meetings with residents early in the process to undertake problem-solving and facilitate more informed, faster, and constructive development review.	This policy is desired for modification in the 2023-2031 Housing Element.  For all discretionary review projects, the City requires a Project Description document, which includes the purpose of	Modify application guidelines for the Project Description

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
		the proposal, scope of work, architectural style, site layout, existing and proposed uses, and outreach to neighboring properties.	document to require (not optional) documented outreach to neighboring properties.
Policy H1.5 Inter-Jurisdictional Strategic Action Plan for Housing	Coordinate housing strategies with other jurisdictions in San Mateo County as appropriate to meeting the City's housing needs.	This policy is desired for retention in the 2023-2031 Housing Element.  This policy occurred as part of the City's participation in 21 Elements for the Housing Element Update.	Retain
Policy H1.6 Equal Housing Opportunity	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.	This policy is desired for retention in the 2023-2031 Housing Element.  The City works with Project Sentinel, Community Legal Services of East Palo Alto, Legal Aid Society of San Mateo County, and the San Mateo County Department of Housing in handling fair housing complaints. Calls to the City are referred to these resources for counseling and investigation. These resources also provide direct fair housing education to Menlo Park residents.	Retain
Policy H1.7 Local Funding for Affordable Housing	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 Program requirements for residential and non-residential developments.	This policy is desired for retention in the 2023-2031 Housing Element.  The City's Below Market Rate Housing Fund has contributed to increased affordable housing opportunities in Menlo Park, building on successful public-private partnerships and inter-jurisdictional coordination with entities such as the County of San Mateo Department of Housing.	Retain



<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Policy H1.8 Organizational Effectiveness	<p>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:</p> <ol style="list-style-type: none"> <li>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.</li> <li>b. Provide representation on committees, task forces, or other forums addressing housing issues at a local, regional, or state level.</li> </ol>	<p>This policy is desired for modification in the 2023-2031 Housing Element.</p>	<p>Modify to include expansion of staff capacity to monitor and implement affordable housing policies and projects.</p>
Policy H1.9 Housing Element Monitoring, Evaluation, and Revisions	<p>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.</p>	<p>This policy is desired for retention in the 2023-2031 Housing Element.</p> <p>The City continues to meet all Annual Progress Report requirements for the Housing Element and acknowledges the need to continually seek opportunities to enhance communication regarding housing issues. There is strong collaboration between City staff, the Housing Commission, the Planning Commission, and the City Council.</p>	<p>Retain</p>
Program H1.A Establish City Staff Work Priorities for Implementing Housing Element Programs	<p>As part of the annual review of the Housing Element (see Program H1.B), establish work priorities to implement the Housing Element related to community outreach, awareness, and input on housing concerns and strive to ensure that all City publications, including the City's Activity Guide, include information on housing programs. City Staff work priorities specific to Housing Element implementing programs include:</p> <ol style="list-style-type: none"> <li>a. Conduct the annual review of the Housing Element</li> </ol>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>The City continues to meet all Annual Progress Report requirements for the Housing Element. Annual Progress Reports are available on the City's website.</p> <p>The City continues its participation with the countywide 21 Elements effort.</p>	<p>Modify program references to reflect updated housing programs.</p>

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	<p>(Program H1.B).</p> <ul style="list-style-type: none"> <li>b. Review options for funding housing affordable to extremely low-, very low-, low, and moderate-income households. (Program H4.Q).</li> <li>c. Make recommendations to City Commission on strategies for housing opportunity sites and funding (Program H1.B).</li> <li>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 (Program H4.H).</li> <li>e. Conduct community outreach and provide community information materials through an open and non-advocacy process (Program H1.E).</li> <li>f. Engage property owners in identifying opportunities for the construction of affordable housing affordable to extremely low-, very low-, low-, and moderate-income households (Program H4.H).</li> <li>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 (Program H4.J).</li> <li>h. Develop ongoing and annual outreach and coordination with non-profit housing developers and affordable housing advocates (Program H1.I).</li> <li>i. Continue to participate in ongoing regional activities related to housing, including participation in ongoing efforts as part of the countywide 21 Elements effort.</li> </ul> <p>Objectives: Establish staff priorities for implementing Housing Element programs.</p>	<p>Specific priorities that relate to other programs are addressed in this table for that program.</p>	

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Program H1.B Review the Housing Element Annually	<p>As required by State law, review the status of the Housing Element programs by April of each year, beginning April 2014. As required by statutes, the annual review will cover:</p> <ol style="list-style-type: none"> <li>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 § 65400.</li> <li>b. Statistical summary of residential building activity tied to various types of housing, household need, income, and Housing Element program targets.</li> </ol> <p>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.</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>The City continues to meet all Annual Progress Report requirements for the Housing Element. Annual Progress Reports are available on the City's website.</p>	Modify to reflect the timeframe of the 2023-2031 Housing Element.
Program H1.C Publicize Fair Housing Laws and Respond to Discrimination Complaints	<p>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:</p> <ol style="list-style-type: none"> <li>a. The City Manager shall designate an Equal Opportunity Coordinator in Menlo Park with responsibility to investigate and deal with complaints.</li> <li>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</li> </ol>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>An Equal Opportunity Coordinator is no longer needed as the City provides public information materials and referrals to Community Legal Services in East Palo Alto (CLSEPA), Legal Aid Society of San Mateo County, and Project Sentinel to assist tenants and landlords in resolving conflicts and understanding their respective rights and obligations. Project Sentinel, an independent non-profit, provides free education and counseling to community members, housing providers, and tenants about fair housing laws. They also investigate complaints and provide advocacy services for those who have experienced housing discrimination.</p>	Modify to reflect the timeframe of the 2023-2031 Housing Element. Modify to remove designation of Equal Opportunity Coordinator and update references to community partners. Focus program on

Policy or Program	Description, Program Objectives and Timeframe	Evaluation Notes	Recommendation to Retain, Modify or Remove
	<p>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.</p> <ul style="list-style-type: none"> <li>c. Enforce a non-discrimination policy in the implementation of City approved housing programs.</li> <li>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.</li> <li>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.</li> <li>f. As needed, the City will outreach to lenders to increase flow of mortgage funds to city residents.</li> </ul> <p>Objectives: Obtain and distribute materials. (See Program 1H.D)</p>	<p>Information regarding the housing discrimination complaint referral process is posted on the City's website and available for the public and City staff to review.</p>	<p>strengthening ties and resource offerings with community partners who are subject-matter experts.</p>
<p>Program H1.D Provide Information on Housing Programs</p>	<p>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, including the City's designated BMR administrator, 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</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>The City currently uses a third party to administer the BMR housing program. This policy should be modified to reflect current practice.</p> <p>The City provides a housing-specific website that includes information and direct links for its programs. Informational</p>	<p>Modify to reflect the timeframe of the 2023-2031 Housing Element. Modify to include focus on multilingual information and people with</p>

Policy or Program	Description, Program Objectives and Timeframe	Evaluation Notes	Recommendation to Retain, Modify or Remove
	<p>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. Objectives: Review and obtain materials by June 2014; distribute and post materials, conduct staff training by December 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.</p>	<p>materials are also available at City Hall. The public may also opt-in for an available email subscription to receive Housing Commission agendas and general updates. Materials and information for specific programs such as the Energy Workshop in 2016, Grid Alternatives, HERO, PACE, water rebate and BMR programs have also been provided on dedicated webpages, through social media, as City Council Digest items, in quarterly garbage and water bill inserts, or as letters sent directly to affected residents.</p>	<p>special needs.</p>
<p>Program H1.E Undertake Community Outreach When Implementing Housing Element Programs</p>	<p>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 Commission 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:</p> <ol style="list-style-type: none"> <li>a. Maintain the HE mailing list and send public hearing notices to all interested public, non-profit agencies and affected property owners.</li> <li>b. Post notices at City Hall, the library, and other public locations.</li> <li>c. Publish notices in the local newspaper.</li> <li>d. Post information on the City's website.</li> <li>e. Conduct outreach (workshops, neighborhood meetings) to the community as Housing Element</li> </ol>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>Materials and information are available on the City's website and at City Hall. Housing Commission meetings are conducted monthly. The public may opt-in for an available email subscription to receive Housing Commission agendas and general updates. Additional public outreach is conducted based on program type. Agendas and notices for all meetings of City commissions and committees are posted at City Hall and on the City's website.</p> <p>Since 2016, the Housing Commission has also formed various subcommittees to focus on specific topics, such as BMR Housing Guidelines, BMR Nexus, Housing Policy, NOFA, Anti-Displacement, and Marketing. In 2017, the Housing Commission also modified its meeting schedule by meeting monthly as opposed to quarterly, and its membership expanded from five to seven commissioners.</p>	<p>Modify to include outreach to people living with disabilities, including developmental disabilities, including partnering with groups such as Housing Choices.</p>

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	<p>programs are implemented.</p> <ul style="list-style-type: none"> <li>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.</li> <li>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 Ch. 12.48, Salvaging and Recycling of Construction and Demolition Debris, of the City of Menlo Park Municipal Code and CBC requirements.</li> <li>h. Provide public information materials about available energy conservation programs, such as the PG&amp;E Comfort Home/Energy Star new home program to interested property owners, developers and contractors.</li> <li>i. Promote and help income-eligible households to access federal, state and utility income qualifying assistance programs.</li> <li>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.</li> </ul> <p>Objectives: Conduct community outreach and distribute materials (see Programs H1.C and 1H.D).</p>		
Program H1.F	Continue to coordinate with the San Mateo County	This program is desired for retention in the 2023-2031	Retain

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Work with the San Mateo County Department of Housing	<p>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.</p> <p>Objectives: Coordinate with County efforts to maintain and support affordable housing.</p>	<p>Housing Element.</p> <p>Continued participation and coordination have occurred as part of the countywide 21 Elements organization. The City works with the County Department of Housing and other jurisdictions on housing-related topics such as accessory dwelling units and short-term rentals, and coordination in implementing Housing Element programs. The City continues to participate in the Home for All Learning Network and Community Convenings, all efforts that aim to support affordable housing.</p>	
Program H1.G Adopt an Anti-Discrimination Ordinance	<p>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.</p> <p>Objectives: Undertake Municipal Code amendment and ensure effective implementation of anti-discrimination policies and enforcement as needed.</p>	<p>This program is desired for removal in the 2023-2031 Housing Element as it has been completed.</p> <p>In 2018, the City Council adopted Ordinance 1048 to establish Menlo Park Municipal Code Chapter 8.54, Tenant Anti-Discrimination. The purpose and findings of Chapter 8.54 are:</p> <ol style="list-style-type: none"> <li>a. Equal housing opportunities should be available to all people. The City is opposed to and desires to eliminate discrimination in a person's ability to obtain housing based on a person's source of income.</li> <li>b. The purpose of this chapter is to establish a right of tenants to be free from discrimination based on their use of a rental subsidy, including Section 8 and other rental programs.</li> </ol>	Remove – Completed
Program H1.H Utilize the City's Below Market Rate (BMR) Housing Fund	<p>Administer and 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.</p> <p>Objectives: Accumulate and distribute funds for housing</p>	<p>This program is desired for retention in the 2023-2031 Housing Element.</p> <p>The City advertises the availability of funds in the BMR Housing Fund on regular basis, not less than every two years.</p>	Retain

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	affordable to extremely low, very low, low and moderate income households.	<p>On September 15, 2020, City Council approved an increase in funding to MidPen Housing's 1300 Willow Road project to reach a total of \$9.3 million. This project was approved for \$6.7 million from the BMR housing fund in March 2019.<sup>2</sup></p> <p>On November 18, 2020, a Notice of Funding Availability (NOFA) of approximately \$10 million from the BMR Housing Fund was released to support the preservation or production of permanently affordable housing. The City received three proposals by the submission deadline. All applications were received from nonprofit housing organizations with a strong track record of assisting residents in Menlo Park and throughout San Mateo County. The proposals were diverse and included property acquisition for affordable housing conversion, a home rehabilitation program, and construction of BMR ownership units.<sup>3</sup></p> <p>In February 2021, the City Council approved \$5.5 million of BMR housing funds to HIP Housing to acquire a 14-unit apartment building. The purchase allowed HIP Housing to convert market-rate units to deed restricted BMR rental housing and secure additional affordable housing opportunities for the Menlo Park community. HIP Housing completed the purchase in March 2021 and filled all vacant units with qualified, low income tenants.<sup>4</sup></p> <p>In May 2021, the City Council authorized \$1.2 million from the BMR housing fund to support Habitat for Humanity Greater San Francisco's proposal to create a Homeownership Preservation Program. The program will</p>	

<sup>2</sup> City Council Agenda Packet, Item H-3 (March 23, 2021).

<sup>3</sup> City Council Agenda Packet, Item H-3 (March 23, 2021).

<sup>4</sup> City Council Agenda Packet, Item K-1 (February 23, 2021).



Policy or Program	Description, Program Objectives and Timeframe	Evaluation Notes	Recommendation to Retain, Modify or Remove
Program H1.I Work with Non-Profits on Housing	<p>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.</p> <p>Objectives: Maintain a working relationship with non-profit housing sponsors.</p>	<p>assist low-income homeowners in Menlo Park's Belle Haven neighborhood with major repairs and rehabilitation projects that address acute safety issues and enable homeowners to age in place and remain in the community. The program is scheduled to begin in 2022.<sup>5</sup></p> <p>A third proposal received from MidPen Housing to build 12 low-income ownership units at 335 Pierce Road is under review. The property has also been identified as a potential housing opportunity site in the 2023-2031 Housing Element.<sup>6</sup></p> <p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>The City works with a variety of community partners to deliver housing services and increase affordable housing opportunity. Highlighted housing assistance providers recommended by the City include, but are not limited to, Samaritan House, HIP Housing, and HouseKeys which administers the City's Below Market Rate (BMR) Housing Program.</p> <p>Menlo Park currently works with Project Sentinel, Community Legal Services of East Palo Alto, Legal Aid Society of San Mateo County, and the San Mateo County Department of Housing in handling fair housing complaints.</p> <p>The tenant relocation assistance ordinance was passed by City Council in 2019. In addition, the Council approved the establishment of a community housing fund to be administered by local nonprofit, Samaritan House. As of 2020, Samaritan House, with support from the City, has</p>	<p>Modify references to community partners.</p>

<sup>5</sup> City Council Agenda Packet, Item M-1 (May 11, 2021).  
<sup>6</sup> City Council Agenda Packet, Item E-4 (March 22, 2022).

Policy or Program	Description, Program Objectives and Timeframe	Evaluation Notes	Recommendation to Retain, Modify or Remove
		<p>continued to offer financial assistance to lower income tenants experiencing hardships and/or potential displacement.</p> <p>The City also continued to assist MidPen Housing as they finalized funding sources for their 1300 Willow Road project, including the completion of their Affordable Housing and Sustainable Communities (AHSC) grant application preparation and submittal in early 2020. In September 2020, The City increased its funding commitment by \$2.631 million for the 1300 Willow Road project to help MidPen Housing reach 100 percent funding. As part of the Notice of Funding Availability released in November 2020, the City intended to continue its support of strong partnerships with local non-profit housing organizations (see Evaluation Notes for Program H1.H for other highlighted work with housing non-profits).<sup>7</sup></p>	
<p>Program H1.J Update the Housing Element</p>	<p>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 2015-2023 planning period.</p> <p>Objectives: Assure consistency with SB375 and Housing Element law.</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>The City Council adopted the 2015-2023 Housing Element on April 1, 2014, which was certified by HCD on April 16, 2014. The City was awarded both SB2 and LEAP grant funding to assist with the preparation of the Housing Element for the RHNA 6 cycle (2023-2031). The City continues to participate in the countywide 21 Elements effort as part of the Housing Element Update process.</p>	<p>Modify to reflect the timeframe of the 2023-2031 Housing Element.</p>
<p>Program H1.K Address Rent</p>	<p>Provide for increased use and support of tenant/landlord educational and mediation opportunities and continue the</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p>	<p>Modify references to</p>

<sup>7</sup> City Council Agenda Packet, Item H-3 (March 23, 2021).

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Conflicts	<p>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.</p> <p>Objectives: Resolve rent issues as they arise</p>	<p>The City provides public information materials and referrals to Project Sentinel to assist tenants and landlords in resolving conflicts and understanding their respective rights and obligations.</p> <p>Project Sentinel, an independent non-profit, provides free education and counseling to community members, housing providers, and tenants about fair housing laws. They also investigate complaints and provide advocacy services for those who have experienced housing discrimination. Information regarding the housing discrimination complaint referral process is posted on the City's website and available for the public and City staff to review.</p> <p>In November 2019, the City Council passed an urgency ordinance to enact state law AB 1482 locally prior to the January 1, 2020 effective date, enacting rent increase and just cause protections. Throughout 2020, the City has continued to be an informational resource for local tenants unfamiliar with new state laws. Informative material is available on the City's website, including contact information for free legal services.</p>	community partners.
Program H1.L Update Priority Procedures for Providing Water Service to Affordable Housing Developments	<p>At least once every five years, update written policies and procedures that grant priority for service allocations to proposed developments that include housing units affordable to lower income households consistent with SB 1087 (Government Code § 65589.7)</p> <p>Objectives: Comply with Government Code § 65589.7.</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>The water demands presented in the 2020 Urban Water Management Plan for Menlo Park include projected future water use by lower income households.</p>	Modify to reflect the timeframe of the 2023-2031 Housing Element.
Program H1.M Lobby for	In coordination with other jurisdictions in San Mateo County, as appropriate, lobby for modifications to State	This program is desired for removal in the 2023-2031 Housing Element.	Remove

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Changes to State Housing Element Requirements	<p>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:</p> <ul style="list-style-type: none"> <li>a. Enable State projections and the development of regional housing needs to be a more transparent process, subject to public hearings and peer review.</li> <li>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.</li> <li>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.</li> <li>d. Assist local governments in meeting their affordable housing requirements and the resulting need for additional schools and infrastructure required (water, waste water, etc.).</li> <li>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.</li> <li>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</li> </ul>	<p>Various members of the City Council and City staff have attended meetings with legislators and other jurisdictions to provide input on proposed legislation. The City also continues to participate with the countywide 21 Elements effort which enables coordinated review, discussion, analysis, and comment for local jurisdictions within San Mateo County on various housing and planning related legislation.</p>	

Policy or Program	Description, Program Objectives and Timeframe	Evaluation Notes	Recommendation to Retain, Modify or Remove
	<p>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).</p> <p>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.</p> <p>Objectives: Work with other San Mateo County jurisdictions and lobby for modifications to Housing Element law (coordinate with Program H1.B)</p>		
<b>Goal H2: Existing Housing and Neighbors; Maintain, Protect and Enhance Existing Housing and Neighborhoods.</b>			
Policy H2.1 Maintenance, Improvement and Rehabilitation of Existing Housing.	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.	This policy is desired for retention in the 2023-2031 Housing Element.	Retain
Policy H2.2 Preservation of	Limit the conversion of residential units to other uses and regulate the conversion of rental developments to non-	This policy is desired for retention in the 2023-2031 Housing Element.	Retain

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Residential Units	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.		
Policy H2.3 Condominium Conversions	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.	This policy is desired for retention in the 2023-2031 Housing Element.	Retain
Policy H2.4 Protection of Existing Affordable Housing	Strive to ensure that affordable housing provided through governmental incentives, subsidy or funding, and deed restrictions remains affordable over time, and the City will intervene when possible to help preserve such housing.	This policy is desired for retention in the 2023-2031 Housing Element.	Retain
Policy H2.5 Maintenance and Management of Quality Housing and Neighborhoods.	Encourage good management practices, rehabilitation of viable older housing, and long-term maintenance and improvement of neighborhoods.	This policy is desired for retention in the 2023-2031 Housing Element.	Retain
Policy H2.6 Renewable Energy/Energy Conservation in Housing	Encourage energy efficiency and/or renewable energy in both new and existing housing and promote energy conservation and/or renewable energy in the design of all new residential structures and promote incorporation of energy conservation and/or renewable energy and weatherization features in existing homes. In addition, the City will support the actions contained in the City's Climate Action Plan (CAP).	This policy is desired for modification in the 2023-2031 Housing Element.  In 2019, the City of Menlo Park adopted groundbreaking local amendments to the State Building Code that would require electricity as the only fuel source for new buildings (not natural gas). This ordinance only applies to newly constructed buildings from the ground up, and does not include additions or remodels.	Modify to align with Reach Codes and goals and include reference to CAP.

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Program H2.A Adopt Ordinance for "At Risk" Units	<p>While there are currently no "at risk" subsidized units in Menlo Park, 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.</p> <p>Objectives: Protect existing affordable housing.</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>"At risk" homes are those that are at risk of converting into market rate housing within the next five years. Menlo Park continues to have no "at risk" subsidized affordable units in Menlo Park. "At risk" units are those that appear to be in danger of conversion from subsidized housing units to market rents.</p> <p>In 2021, the City exercised its right to purchase a below market rate (BMR) ownership unit, which had a sales term of only 90 days so that the City could find a new, qualified BMR owner. The City's purchase will preserve the unit and allow the City to identify and sell the unit to a new BMR buyer outside the original 90-day sales term; new purchase agreements include an updated resale term that allows the City 180 days to find a qualified buyer for potential resales.<sup>8</sup></p>	<p>Modify to reflect the timeframe of the 2023-2031 Housing Element and increase notice period to tenants.</p>
Program H2.B Promote Energy Efficient/Renewable Programs	<p>Develop local policy and/or programs that promote and/or increase energy efficiency/renewable energy in the community. Promote county, state (Energy Upgrade California), federal and PG&amp;E energy programs for energy assessments and improvements. Seek grants and other funding to supplement City energy conservation/renewable activities.</p> <p>Objectives: 50 or more homes and businesses participating in a program.</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>The objectives were met. In 2021, 98 percent of residents and businesses are served by Peninsula Clean Energy (PCE). PCE provides greenhouse gas free (fossil-fuel free) electricity to homes and businesses. With the ECO plus service, at least 50 percent of the electricity provided by PCE comes from renewable sources, such as solar and wind, and none comes from coal and natural gas. Only 1.62 percent opted out of the program and went back to PG&amp;E. Menlo Park continued to participate in regional energy</p>	<p>Modify to reflect participation in Peninsula Clean Energy and to continue promoting energy efficient programs on the City's website.</p>

<sup>8</sup> City Council Agenda Packet, Item H-3 (March 23, 2021).

Policy or Program	Description, Program Objectives and Timeframe	Evaluation Notes	Recommendation to Retain, Modify or Remove
		<p>efficiency/renewable energy regional programs, such as Home Energy Renovation Opportunity (HERO), GRID Alternatives, and Bay Area Regional Energy Network (BayREN).<sup>9</sup></p> <p>In 2018 and 2019, GRID Alternatives installed 14 solar arrays in the Belle Haven neighborhood. Within the past two years, the City Council approved a couple of progressive initiatives to capitalize on the greenhouse gas free electricity provided by PCE by:</p> <ol style="list-style-type: none"> <li>1) Adopting an all-electric reach code requirement for all new construction (2019).</li> <li>2) Adopted a 2030 Climate Action Plan with the bold goal to reach carbon neutrality (zero emissions) by 2030. One of the first actions is to explore policy or program options to convert 95 percent of existing buildings to all-electric by 2030 (adopted 2020).</li> </ol>	
Program H2.C Amend the Zoning Ordinance to Protect Existing Housing	<p>Consistent with State law, 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:</p> <ol style="list-style-type: none"> <li>a. Avoid contradicting the Ellis Act.</li> <li>b. Consider regulations used in other communities</li> <li>c. Consider 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.</li> </ol>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>The Zoning Ordinance modification efforts during the ConnectMenlo General Plan updating process (2016) focused on the creation of new live/work/play opportunities in the Bayfront (M-2 Area), including allowing housing in an area that previously did not include residential uses. The City recognizes that potential Zoning Ordinance changes to limit the loss of residential units and/or the conversion of units can be strategies to maintain the City's housing stock. This is an ongoing item the City will evaluate along with other housing priorities.</p>	Modify to reflect the timeframe of the 2023-2031 Housing Element.

<sup>9</sup> City Council Agenda Packet, Item H-3 (March 23, 2021).



<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	<ul style="list-style-type: none"> <li>d. Collaborate with the San Mateo County Department of Housing, Mid-Pen Housing Corporation and others, as needed to ensure protection of affordable units in Menlo Park.</li> <li>e. Consider rezoning of properties for consistency to match and protect their existing residential uses.</li> </ul> <p>Objectives: Protect existing rental housing as part of infill implementation and other Zoning Ordinance changes</p>		
<p>Program H2.D Assist in Implementing Housing Rehabilitation Programs</p>	<p>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:</p> <ul style="list-style-type: none"> <li>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.</li> <li>b. Encourage private sponsors to develop and maintain housing units using state and federal housing assistance programs for emergency and other repairs.</li> <li>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.</li> <li>d. Investigate possible use of housing rehabilitation loans to assist homeowners in implementing the City's secondary dwelling unit programs.</li> </ul>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>This program should cover the entire city. Rehabilitation and preservation projects are currently funded through the City's BMR fund. The City may also rely on non-profit agencies and leveraging of local, county, state, and federal funding sources when available.</p> <p>The County has temporarily stopped administering the CDBG rehabilitation loan program, except in emergency situations. The City continues to service existing loans in the portfolio.</p>	<p>Modify to reflect the timeframe of the 2023-2031 Housing Element and highlighted properties/areas of interest. Modify objectives to identify coordination with the County to assess needs/resources.</p>

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	Objectives: Apply to the County for CDBG funds to provide loans to rehabilitate very low- and low-income housing (20 loans from 2015-2023)		
<b>Goal H3: Specialized Housing Needs; Provide Housing for Special Needs Populations that is Coordinated with Support Services.</b>			
Policy H3.1 Special Needs Groups	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.	This program is desired for retention in the 2023-2031 Housing Element.	Retain
Policy H3.2 Health and Human Services Programs Linkages	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.	This program is desired for retention in the 2023-2031 Housing Element.	Retain
Policy H3.3 Incentives for Special Needs Housing	Use density bonuses and other incentives to assist in meeting special housing needs, including housing for lower income elderly and disabled.	This program is desired for retention in the 2023-2031 Housing Element.	Retain
Policy H3.4 Adaptable/Accessible Units for the Disabled	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.	This program is desired for retention in the 2023-2031 Housing Element.	Retain

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Policy H3.5 Transitional and Supportive Housing	Recognize the need for and desirability of transitional and supportive housing and treat transitional and supportive housing as a residential use that will be subject to the same restrictions that apply to other residential uses of the same zone.	This program is desired for retention in the 2023-2031 Housing Element.	Retain
Policy H3.6 Rental Assistance Programs	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.	This program is desired for retention in the 2023-2031 Housing Element.	Retain
Policy 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.	This program is desired for retention in the 2023-2031 Housing Element.	Retain
Policy H3.8 Coordination with Other Agencies in Housing the Homeless	Engage 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 Program or similar activities. The City will allocate funds, as appropriate, for County and non-profit programs providing emergency shelter and related support services.	This program is desired for retention in the 2023-2031 Housing Element.	Retain
Policy H3.9 Local Approach to Housing for the Homeless	Support 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 the 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	This program is desired for retention in the 2023-2031 Housing Element.	Retain

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	<p>locations to be established in the Zoning Ordinance. In addition, the following would apply:</p> <ul style="list-style-type: none"> <li>a. In recognition that homeless veterans are a special needs in San Mateo County, the City will work with the U.S. Department of Veterans Affairs in Menlo Park to identify possible programs and locations for housing and support services for homeless veterans.</li> <li>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.</li> <li>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.</li> <li>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</li> </ul>		

Policy or Program	Description, Program Objectives and Timeframe	Evaluation Notes	Recommendation to Retain, Modify or Remove
	commercial development in the same zone, except for the specific written and objective standards as allowed in State law.		
Program H3.A Zone for Emergency Shelter for the Homeless	<p>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. 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:</p> <ul style="list-style-type: none"> <li>a. Maximum number of beds;</li> <li>b. Off-street parking based upon demonstrated need;</li> <li>c. Size and location of on-site waiting and intake areas;</li> <li>d. Provision of on-site management;</li> <li>e. Proximity to other shelters;</li> <li>f. Length of stay;</li> <li>g. Lighting; and</li> <li>h. Security during hours when the shelter is open.</li> </ul> <p>Objectives: Amend the Zoning Ordinance.</p>	<p>This program is desired for removal in the 2023-2031 Housing Element as it has been completed.</p> <p>Ordinance 1002, adopted on April 29, 2014, identifies the location of the overlay to allow an emergency shelter for the homeless for up to 16 beds as a use by-right and includes standards consistent with State law as established in SB2.</p>	Remove – Completed
Program H3.B Zone for	Amend zones to specifically allow residential care facilities, transitional and supportive housing (see definitions), as	This program is desired for removal in the 2023-2031 Housing Element as it has been completed.	Remove – Completed

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Transitional and Supportive Housing	<p>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.</p> <p>Objectives: Amend the Zoning Ordinance.</p>	Ordinance 1002, adopted on April 29, 2014, updated the definitions of transitional and supportive housing to be consistent with State law and adds transitional, supportive housing and small (6 or fewer persons) residential care facilities as part of the definition of a “dwelling” in the Zoning Ordinance, so these uses are treated the same way as other residential uses as required by State law under SB2.	
Program H3.C Adopt Procedures for Reasonable Accommodation	<p>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 a request 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.</p> <p>Objectives: Amend the Zoning Ordinance and/or modify administrative procedures; create public handout.</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>Ordinance 1002, adopted on April 29, 2014, established procedures, criteria, and findings for enabling individuals with disabilities to make housing improvements to improve living conditions.</p>	Modify adoption language to be focused on continuation/support and to reflect the timeframe of the 2023-2031 Housing Element.
Program H3.D Encourage Rental Housing Assistance Programs	<p>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.</p>	<p>This program is desired for modification in the 2023-2031 Housing Element</p> <p>There are approximately 248 housing vouchers issued for incorporated Menlo Park, which assist a total of 521 individuals. Of the total, 157 households include elderly or disabled persons and 86 are households with children.<sup>10</sup></p>	Modify objectives to reflect existing voucher use and to reflect timeframe of the 2023-2031 Housing Element.

<sup>10</sup> City Council Agenda Packet, Item H-3 (March 23, 2021).

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	Objectives: Provide assistance at current Section 8 funding levels to assist 220 extremely low and very low-income households per year (assumes continued funding of program).		
Program H3.E Investigate Possible Multi-Jurisdictional Emergency Shelter	Pursuant to State law requirements, and as the opportunity arises, consider participation in a multi-jurisdictional emergency shelter, should one be proposed in the future.  Objectives: Coordinate in the construction of homeless facility (if determined feasible).	This program is desired for modification in the 2023-2031 Housing Element.	Modify to reflect recent developments at the County level and explore opportunities for partnership.
Program H3.F Assist in Providing Housing for Persons Living with Disabilities	Continue to contribute financial support for the programs of the Center for the Independence of the Disabled and other non-profit groups that improve housing opportunities for disabled persons, including people with developmental disabilities.  Objectives: Provide housing and services for disabled persons.	This program is desired for modification in the 2023-2031 Housing Element.  Continued participation and coordination has occurred as part of the countywide 21 Elements organization. Working with the County Department of Housing and other jurisdictions on housing-related topics such as accessory dwelling units and short-term rentals. Participation in the County's Home For All initiative has continued and aims to identify housing needs for all sectors of the community. The City also supports the activities of local non-profit housing providers, such as HIP Housing, whom provide services for persons living with disabilities.	Modify to identify partnership with 21 Elements and modify objective to indicate outreach and promotion of available funds.
Program H3.G Develop Incentives for Special Needs Housing	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	This program is desired for modification in the 2023-2031 Housing Element.  The City's Affordable Housing Overlay (AHO), which was established in 2013, was applied to MidPen's 90-unit affordable, senior housing development. Along with financial	Modify to include additional incentives and to reflect the timeframe of the 2023-2031

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	<p>disabilities in the community, including people with developmental disabilities. 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:</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>c. The City will coordinate with the Golden Gate Regional Center to ensure that the needs of the developmentally disabled are considered as part of the program.</li> </ul> <p>Objectives: Amend the Zoning Ordinance to provide opportunities for housing and adequate support services for seniors and people living with disabilities.</p>	<p>incentives, the AHO provides density bonuses and a parking reduction for senior housing.</p>	<p>Housing Element.</p>
<p>Program H3.H Continue Support for Countywide Homeless Programs</p>	<p>Support activities intended to address homeless needs in San Mateo County. Below are specifics:</p> <ul style="list-style-type: none"> <li>a. The City will work with and support the Veteran's Administration and Haven House emergency shelter programs.</li> <li>b. The City will continue to support Human Investment Project (HIP Housing) programs.</li> </ul>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>City staff have continued to lead and support the Menlo Park Homeless Outreach Team (Team), which consists of staff from the Housing Division, Police Department and community-based organizations that provide homeless outreach and support services.</p>	<p>Modify to include partnerships with non-profits and reference to the Menlo Park Homeless Outreach Team.</p>



<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	Objectives: Support housing and services for the homeless and at-risk persons and families	City staff work closely with community-based organizations and the San Mateo County Human Services Agency to coordinate outreach and referral services, with the goal of ending homelessness in Menlo Park. The Team meets regularly to discuss case management, strategize coordinated outreach and intervention, streamline resources and prepare action plans for homeless individuals. The City continued to support HEART, HIP Housing and other community based organizations to support efforts to reduce homelessness and increase housing stability.	
Program H3.I Work with the Department of Veterans Affairs on Homeless Issues	Work with the Department of Veterans Affairs to identify possible programs and locations for housing and support services for the homeless, including homeless veterans.  Objectives: Coordination in addressing the needs of the homeless	This program is desired for retention in the 2023-2031 Housing Element.  The Department of Veterans Affairs (VA) is working with local non-profit housing developer MidPen Housing to build new affordable housing focused on serving veterans in Menlo Park and the greater region. The City has participated in discussions with both the VA and MidPen to stay informed about the project and learn about opportunities to be involved. The City will continue to work with the VA, MidPen, and other affordable housing developers and advocates to improve conditions for the unhoused.	Retain
<b><i>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.</i></b>			
Policy H4.1 Housing Opportunity Areas	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	This policy is desired for modification in the 2023-2031 Housing Element.	Modify to include supporting language to affirmatively further fair housing.

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	<p>units at low or below market rate prices or rents.</p> <ul style="list-style-type: none"> <li>b. The site has the potential to meet special housing needs for local workers, single parents, seniors, small families or large families.</li> <li>c. The City has opportunities, through ownership or special development review, to facilitate provision of housing units to meet its objectives.</li> <li>d. The site scores well for Low Income Housing Tax Credits (LIHTC) subsidy or has unique opportunities due to financing and/or financial feasibility.</li> <li>e. For sites with significant health and safety concerns, development may be tied to nearby physical improvements, and minimum density requirements may be reduced.</li> <li>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).</li> <li>g. Consider incorporating existing viable commercial uses into the development of housing sites.</li> </ul>		
<p>Policy H4.2 Housing to Address Local Housing Needs</p>	<p>Strive to provide opportunities for new housing development to meet the City’s 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.</p>	<p>This policy is desired for retention in the 2023-2031 Housing Element.</p>	<p>Retain</p>

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Policy H4.3 Housing Design	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.	This policy is desired for modification in the 2023-2031 Housing Element.	Modify to be less subjective and emphasize design that meets the needs of seniors and people living with disabilities.
Policy H4.4 Variety of Housing Choices	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 items include: <ul style="list-style-type: none"> <li>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.</li> <li>b. Housing opportunities for families with children should strive to provide necessary facilities nearby or on site.</li> <li>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</li> </ul>	This policy is desired for modification in the 2023-2031 Housing Element.	Modify to emphasize increased housing opportunity for people living with disabilities.

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	<p>(SRO) housing, shared living and co-housing, mobile-homes, manufactured housing, self-help or “sweat-equity” housing, cooperatives and assisted living.</p> <p>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).</p>		
Policy H4.5 Density Bonuses and Other Incentives for Affordable Housing Development	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.	This policy is desired for modification in the 2023-2031 Housing Element.	Modify to include considerations for expanding the ministerial review process, fee waivers, and reduced parking requirements.
Policy H4.6 Mixed Use Housing	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).	This policy is desired for modification in the 2023-2031 Housing Element.	Modify to include commercially zoned areas that will be re-zoned to allow limited residential.
Policy H4.7 Redevelopment of Commercial Shopping Areas and Sites	Encourage the development of housing in conjunction with the redevelopment of commercial shopping areas and site when it occurs as long as adequate space for retail services remain.	This policy is desired for modification in the 2023-2031 Housing Element.	Modify to remove caveat that adequate retail services remain. This is in response to affordable

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
			housing developers citing such requirement as a barrier to the development of new housing.
Policy H4.8 Retention and Expansion of Multi-Family Sites at Medium and Higher Density	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 re-zoning 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.	This policy is desired for modification in the 2023-2031 Housing Element.	Modify to eliminate discussion of downzoning multi-family sites.
Policy H4.9 Long-Term Housing Affordability Controls	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).	This policy is desired for retention in the 2023-2031 Housing Element.	Retain
Policy H4.10 Inclusionary Housing Approach	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	This policy is desired for modification in the 2023-2031 Housing Element.	Modify to include amendments to the Below Market Rate Housing Program.

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	requirements.		
Policy H4.11 Secondary Dwelling Units	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.	This policy is desired for modification in the 2023-2031 Housing Element.	Modify to replace “secondary dwelling units” with “accessory dwelling units.”
Policy H4.12 Fair Share Distribution of Housing throughout Menlo Park	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.	This policy is desired for modification in the 2023-2031 Housing Element.	Modify to include supporting language to affirmatively further fair housing.
Policy H4.13 Preferences for Affordable Housing	Implement BMR housing preferences for people who live or work in Menlo Park to the extent consistent with Fair Housing law.	This policy is desired for retention in the 2023-2031 Housing Element.	Retain
Policy 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 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.	This policy is desired for retention in the 2023-2031 Housing Element.	Retain

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Program H4.A Modify R-2 Zoning to Maximize Unit Potential	<p>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. In addition, allow secondary dwelling units on R-2 lots that are less than 7,000 square feet with approval of a use permit.</p> <p>Objectives: Amend the Zoning Ordinance to minimize underutilization of R-2 development potential.</p>	<p>This program is desired for removal in the 2023-2031 Housing Element.</p> <p>Staff plans to revisit modifications to the R-2 Low Density Apartment District in the future and assess the utilization of the allowed density for this zoning district.</p>	Remove
Program H4.B Implement Inclusionary Housing Regulations	<p>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.</p> <p>Objectives: Implement requirements to assist in providing housing affordable to extremely low, very low-, low- and moderate-income households in Menlo Park.</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>On September 15, 2020, the City Council received an Inclusionary Housing Feasibility Analysis completed by BAE Urban Economics, Inc. and approved a resolution establishing a process for determining the affordable in-lieu fee for rental housing projects not providing some or all of their inclusionary housing requirements. This study also tested the feasibility of adding additional affordable housing requirements for new rental projects and provided analysis to inform the City's decision-making processes related to setting BMR in-lieu fees.</p>	Modify to include amendments to the Below Market Rate Housing Program.
Program H4.C Modify BMR Guidelines	<p>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</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>The last revision to the BMR Housing Program guidelines was approved by Menlo Park City Council in 2018. Additional changes to the BMR program guidelines are an ongoing topic of consideration by the City's Housing Commission and other elected/appointed bodies.</p>	Modify to clarify objectives of the BMR Housing Program and to emphasize continuous evaluation of the BMR Housing Program to match best

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	<p>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.</p> <p>Objectives: Amend the Zoning Ordinance to require affordable units in market rate developments.</p>		practices within the affordable housing sector.
<p>Program H4.D Update the BMR Fee Nexus Study</p>	<p>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.</p> <p>Objectives: Update to fees consistent with the nexus of potential impacts on affordable housing need</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>BAE Urban Economics, Inc. completed their study known as the Inclusionary Housing Feasibility Analysis in 2020. The City commissioned BAE to study the following four scenarios: 1) Providing low income rental units (i.e., units affordable to households with incomes equal to or less than 80 percent of the Area Median Income or AMI) in compliance with the City's existing BMR Housing Program; 2) Providing 20 percent of units as low-income units; 3) Adding a small number of units reserved for households with moderate incomes (defined in this analysis as households with incomes equal to 120 percent of AMI) addition to meeting a 15 percent low-income requirement; and 4) Payment of an in-lieu fee that represents the "point of indifference," or the fee that would be equivalent in cost to providing affordable units on site, from the perspective of a developer. The City Council adopted a resolution establishing a process for determining the in-lieu fee for rental housing, which would be done on a case-by-case basis.</p>	<p>Modify to address commercial linkage fee and move affordable housing in-lieu fee discussion to the Inclusionary Housing Regulations program.</p>
<p>Program H4.E Modify Second Dwelling Unit</p>	<p>Continue to encourage secondary dwelling units, and modify the City's current regulations to reduce the minimum lot size, and consider allowances for larger secondary</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p>	<p>Modify to reflect State Law and additional</p>



<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Development Standards and Permit Process	<p>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.</p> <p>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 new secondary dwelling units between 2015-2023, with 5 per year) — 18 very low, 18 low and 4 moderate income second units.</p>	<p>Menlo Park Municipal Code Chapter 16.79, Accessory Dwelling Units, was last revised by Ordinance 1066 in 2020. The purpose of the codified Accessory Dwelling Units regulations include:</p> <ul style="list-style-type: none"> <li>a. Increase the supply of smaller units and rental housing units by allowing accessory dwelling units to locate on lots which contain existing or proposed single-family dwellings and existing two (2) family and multifamily dwellings;</li> <li>b. Establish standards for accessory dwelling units to ensure that they are compatible with existing neighborhoods; and</li> <li>c. Comply with state law regarding accessory dwelling units (California Government Code § 65852.2 and 65852.22).</li> </ul>	opportunities to encourage accessory dwelling units.
Program H4.F Establish a Process and Standards to Allow the Conversion of Accessory Buildings and Structures to a Secondary Dwelling Unit	<p>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 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. Reevaluate the effectiveness of this program in producing secondary dwelling units and consider other options, such as a secondary dwelling unit amnesty program, after one year from adoption of the ordinance.</p> <p>Objectives: Adopt procedures and requirements to allow</p>	<p>This program is desired for removal in the 2023-2031 Housing Element as it has been completed.</p> <p>Menlo Park Municipal Code Chapter 16.79, Accessory Dwelling Units, was last revised by Ordinance 1066 in 2020. The codified Accessory Dwelling Units regulations include specific development standards for projects involving conversions of existing structures, with the intent of minimizing obstacles for development.</p>	Remove – Completed

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	conversion of accessory structures and buildings (15 new secondary dwelling units: 6 very low-income, 6 low-income and 3 moderate-income units)		
Program H4.G Implement First-Time Homebuyer Program	Continue to work with agencies and organizations offering first-time, moderate income-homebuyers down-payment assistance loans for homes purchased in the city.  Objectives: Provide referrals	This program is desired for retention in the 2023-2031 Housing Element.  The City is referring first time homebuyers to HEART of San Mateo County for down payment assistance since BMR funds are no longer available for this program. Information is available on the City's Housing webpage per Housing Programs H1.C and H1.D. The City continues to maintain a BMR interest list for other potential BMR unit sale and resale opportunities as they occur.	Retain
Program 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 housing affordable to extremely low, very low, low and moderate income households: 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	This program is desired for removal in the 2023-2031 Housing Element.  In March 2019, the City Council approved the abandonment of City owned right-of-way, which allows for a greater number of units for extremely low and very low-income households to be developed on the 1300 Willow Road site. In September 2020, the City Council approved an increase in funding to MidPen Housing's 1300 Willow Road project to reach a total of \$9.331 million. <sup>11</sup> The City will continue to identify partnership opportunities that further the development of affordable units in Menlo Park.	Remove and incorporate language into other programs that direct the City to work with non-profit housing developers.

<sup>11</sup> City Council Agenda Packet, Item H-3 (March 23, 2021).

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	<p>affordable housing developers, and (4) offering the incentives contained in the R-4-S and AHO zoning to promote lot consolidation;</p> <ul style="list-style-type: none"> <li>c. Undertake community outreach as part of the rezoning and, as appropriate, in coordination with the potential developer and property owner;</li> <li>d. Use the affordable housing overlay zone (when adopted – see Program H4.C) to incentivize housing affordable to extremely low, very low, low and moderate income households and lot consolidation on specific sites;</li> <li>e. Complete site-planning studies, continue community outreach, and undertake regulatory approvals in coordination with the development application;</li> <li>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 housing affordable to extremely low, very low, low and moderate income households, use of affordable housing funds, implementation of other Housing Element Programs, and other assistance by City Planning staff in development review;</li> <li>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;</li> <li>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;</li> <li>i. establish specific mechanisms to expedite processing</li> </ul>		

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
	<p>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;</p> <p>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 housing affordable to extremely low, very low, low and moderate income households.</p> <p>Objectives: Identify incentives and procedures to facilitate development of housing affordable to extremely low, very low, low and moderate income households on higher density housing sites.</p>		
<p>Program H4.I Create Multi-Family and Residential Mixed Use Design Guidelines</p>	<p>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.</p> <p>Objectives: Adopt design guidelines for multi-family and mixed-use housing developments</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>As part of the General Plan and M-2 Area Zoning Update, the City Council adopted the new R-MU (Residential Mixed Use) zoning district. The proposed zoning district includes design standards, which include several provisions addressing building modulation, height variation, site design, and open space requirements.</p>	<p>Modify to address the adoption of objective design standards.</p>
<p>Program H4.J Consider Surplus City-Owned Land for Housing</p>	<p>Promote the development of housing on appropriate surplus City-owned land.</p> <p>Objectives: Identify opportunities for housing as they arise</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>The City does not have identified surplus City-owned property available for housing, however, through the Housing Element Update process, there has been expressed interest in the redevelopment of City-owned parking lots in the</p>	<p>Modify to specify housing will be considered on City-owned parking lots.</p>

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
		Downtown for housing.	
Program H4.K Work with the Fire District	<p>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.</p> <p>Objectives: Undertake local amendments to the State Fire Code and approve City Council Resolution ratifying the Fire District's local amendments</p>	<p>This program is desired for retention in the 2023-2031 Housing Element.</p> <p>Menlo Park Fire District developed a draft ordinance to the 2019 Fire Code, which was approved by their board of directors in October 2019. The City Council approved a resolution ratifying the Fire District's amendments to the Fire Code in December 2019.</p>	Retain
Program H4.L Coordinate with School Districts to Link Housing with School District Planning Activities	<p>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.</p> <p>Objectives: Coordinate with local school districts in planning for future housing in consideration of each school districts long-range planning, resources and capacity.</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>City staff have continued to be in contact with local school districts to share information on new residential development proposals. Staff have also been participating in the Home for All effort to convene school districts throughout the county to help identify development opportunities and to support the process. The Sequoia Union High School District noted that this program has not been successful in their opinion.</p>	Modify for consistency with changes to Policy H4.1.
Program H4.M Review the Subdivision Ordinance	<p>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.</p> <p>Objectives: Modify the Subdivision Ordinance as needed</p>	<p>This program is desired for retention in the 2023-2031 Housing Element.</p> <p>There is no activity to date.</p>	Retain
Program H4.N Create	Study modifications to zoning to allow residential uses in commercial zones dependent on proximity to other services	This program is desired for modification in the 2023-2031 Housing Element.	Modify to identify specific areas

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Opportunities for Mixed Use Development	<p>and transit and the preservations of viable local-serving commercial uses.</p> <p>Objectives: Conduct study and establish regulations to allow housing in commercial zones</p>	<p>As part of the General Plan and M-2 Area Update approval in December 2016 (ConnectMenlo), the City Council adopted zoning amendments to the C-2-B zoning district to allow residential uses to create mixed-use opportunities in key areas along the Willow Road Corridor and created the R-MU zoning district. Several properties that were previously zoned for commercial and industrial uses were rezoned with the new zoning district to create opportunities for higher density housing and mixed-use developments. In April 2022, the City Council decided not to pursue evaluation of potential downzoning in the Bayfront area with concurrent upzonings elsewhere in the city.</p>	<p>where mixed use development will be considered.</p>
Program H4.O Review Transportation Impact Analysis Guidelines	<p>Review the City's Transportation Impact Analysis (TIA) Guidelines to reduce the processing time for projects that are not exempt from CEQA.</p> <p>Objectives: Modify Transportation Impact Analysis (TIA) guidelines</p>	<p>This program is desired for removal in the 2023-2031 Housing Element as it has been completed.</p> <p>In December 2016, the City Council adopted a new Circulation Element, recognizing that work on the Transportation Master Plan (TMP) was a high priority. A consultant team was hired in 2017 to lead the TMP effort and an 11-member city-led Oversight and Outreach Committee (OOC) was formed to help guide the process. In 2019, the City Council added update of the Transportation Impact Analysis (TIA) Guidelines to their work plan. In early 2020, the City Council provided feedback on the approach to modify the TIA Guidelines. An updated version of the TIA Guidelines was adopted by City Council on June 16, 2020. On November 17, 2020, the City Council adopted the Transportation Master Plan.</p>	<p>Remove – Completed</p>
Program H4.P Update Parking Stall and Driveway	<p>Review and modify Parking Stall and Driveway Design Guidelines, including driveway widths, back-up distances, and turning templates to provide greater flexibility in site</p>	<p>This program is desired for removal in the 2023-2031 Housing Element.</p>	<p>Remove – This will be replaced with a program to</p>

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
Design Guidelines	<p>planning for multi-family residential housing.</p> <p>Objectives: Modify Parking Stall and Driveway Design Guidelines</p>	<p>In 2017, the City began a preliminary review of the parking stall and driveway design guidelines. Review of the guidelines is underway. According to the Fire District, projects shall conform to the CA Fire Code for Access and design for emergency access easements, if required.</p>	<p>evaluate changes to parking requirements.</p>
Program H4.Q Achieve Long-Term Viability of Affordable Housing	<p>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.</p> <p>Objectives: Establish project management and other ongoing project coordination needs</p>	<p>This program is desired for retention in the 2023-2031 Housing Element.</p> <p>The City continues to process applications for the development of market-rate, below market-rate, and mixed-income projects in accordance with State law and industry best practices. City staff work closely with project applicants to encourage and document neighborhood outreach and incentivize affordable housing.</p>	<p>Retain</p>
H4.R Modify Overnight Parking Requirements to include the R-4-S Zoning District	<p>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.</p> <p>Objectives: Modify Section 11.24.050 [Night Parking Prohibited] of the Municipal Code as needed</p>	<p>This program is desired for removal in the 2023-2031 Housing Element as it has been completed.</p> <p>In October 2015, the City Council approved the removal of on-street parking along the north side of Haven Avenue as part of the Haven Avenue Streetscape Project. Identified as housing opportunity sites in the Housing Element, two parcels along Haven Avenue were redeveloped with 540 multi-family residential units. The objective of the Haven Avenue Streetscape Project is to provide a direct connection for bicyclists and pedestrians between the Bay Trail and the City of Redwood City's bikeway and sidewalk network by constructing sidewalks and bicycle facilities along Haven</p>	<p>Remove – Completed</p>

<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
		Avenue. The removal of on-street parking is helping facilitate the enhanced multi-modal improvements along this corridor. Bike lanes along a portion of Haven Avenue have been installed. The City is working with Caltrans to complete the remaining portion by 2022-2023.	
H4.S Explore Creation of a Transportation Management Association	<p>Explore 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.</p> <p>Objectives: Explore creation of a Transportation Management Association (TMA).</p>	This program is desired for removal in the 2023-2031 Housing Element as it has been completed.	Remove – Completed
H4.T Explore Pedestrian and Bicycle Improvements	<p>Coordinate with the City of Redwood City to explore a pedestrian and bicycle overpass over Highway 101 between Marsh Road and 5<sup>th</sup> Avenue in Redwood City as part of the City's comprehensive General Plan update.</p> <p>Objectives: Coordinate with Redwood City on potential pedestrian and bicycle improvements</p>	<p>This program is desired for modification in the 2023-2031 Housing Element.</p> <p>In November 2020, the City adopted the Transportation Master Plan that now serves as an update to the City's previous Sidewalk Master Plan and Comprehensive Bicycle Development Plan. The City was awarded a grant from the San Mateo County Transportation Authority (Measure A funds) to implement the Haven Avenue bicycle/pedestrian improvements. The improvements include new facilities to a key corridor that connects Menlo Park, San Mateo County and Redwood City. The project area includes Haven Avenue between Marsh Road and the Redwood City boundary, an area where several properties were recently rezoned to higher density housing. Through work on the Transportation Master Plan, improvements in the area have been identified. In addition, as part of the Menlo Gateway hotel and office project, pedestrian and bicycle improvements will be implemented. Bike lanes along a portion of Haven Avenue</p>	Modify to broaden language to apply to general multimodal improvements.



<i>Policy or Program</i>	<i>Description, Program Objectives and Timeframe</i>	<i>Evaluation Notes</i>	<i>Recommendation to Retain, Modify or Remove</i>
		<p>have been installed. The City is working with Caltrans to complete the remaining portion by 2022-2023. The City will be completing multiple grant funded bicycle/pedestrian improvements by winter 2021. These improvements include: new sidewalk facilities on Pierce Road, Coleman Avenue, and Oak Grove Avenue, and new bicycle facilities on San Mateo Drive and Ringwood Avenue. The City will be commencing the design and construction of a new sidewalk on the north side of Sharon Road between Altschul Avenue and Alameda de las Pulgas.</p>	

DRAFT

# Housing Conditions and Trends

The overall purpose of Chapter 3: Housing Conditions and Trends, is to provide a quantified analysis of housing needs for Menlo Park as required by Government Code § 65583, subdivision (a)(1)(2) and § 65583.1, subdivision (d).

This chapter provides a numerical analysis of housing needs based on various metrics mainly provided by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC), who are jointly responsible for regional planning of the nine county, 101 city San Francisco Bay Area. This analysis sets the stage for the types of policies and programs that are required to address specific housing needs for Menlo Park.

## OVERALL HOUSING NEEDS

### Population

The Bay Area is the fifth-largest metropolitan area in the nation and has seen a steady increase in population since 1990, except for a dip during the Great Recession. Many cities in the region have experienced significant growth in jobs and population. While these trends have led to a corresponding increase in demand for housing across the region, the regional production of housing has largely not kept pace with job and population growth.

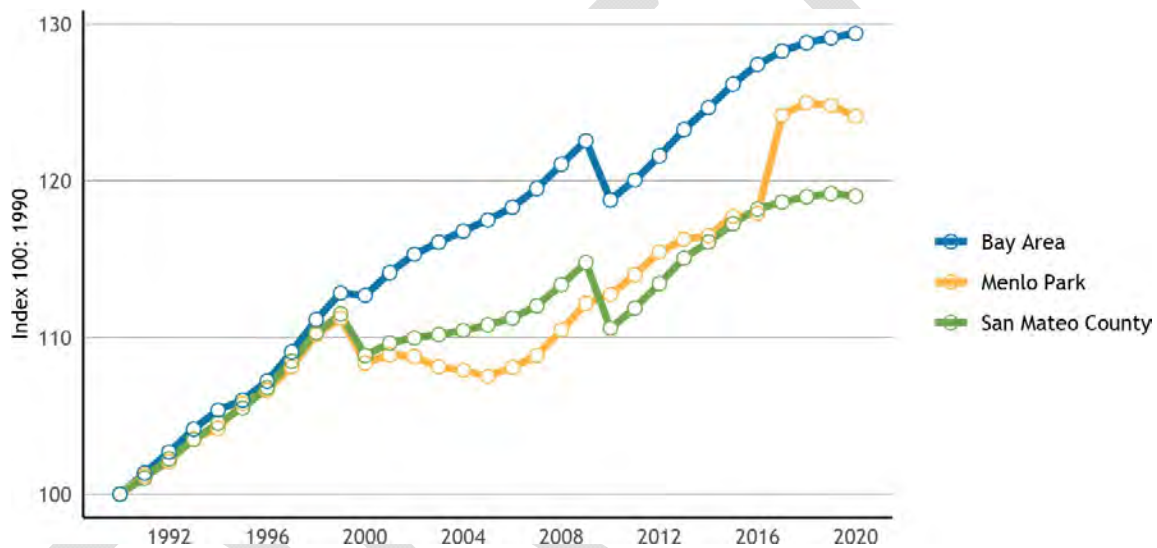
Menlo Park's population was estimated at 35,254 in 2020 (California Department of Finance). From 1990 to 2000, the population increased by 8.4 percent. Between 2000 and 2010, the population continued to increase, though at a slower rate of 4 percent. The population grew by about 10 percent from 2010 to 2020, one of the fastest growth changes in the city over the past 30 years. Population growth over the past 10 years in Menlo Park is slightly higher than the region with the city's population rising at approximately 2.5 percentage points higher than San Mateo County and 1 percentage point higher than the greater Bay Area. In Menlo Park, 17.4 percent of the population moved during the past year, which is 4 percentage points greater than the regional rate of 13.4 percent. Population growth trends are shown in Table 3-1 and Figure 3-1.

**Table 3-1: Population Growth, 1990 – 2020**

Geography	1990	1995	2000	2005	2010	2015	2020
Menlo Park	28,403	30,048	30,785	30,541	32,026	33,440	35,254
San Mateo County	649,623	685,354	707,163	719,844	718,451	761,748	773,244
Bay Area	6,020,147	6,381,961	6,784,348	7,073,912	7,150,739	7,595,694	7,790,537

Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; California Department of Finance, E-5 series

**Figure 3-1: Population Growth, 1990-2020**



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; California Department of Finance, E-5 series

*Note: The data shown on the graph represents the population for Menlo Park, San Mateo County, and the greater Bay Area region indexed to the population in the year 1990. The data points represent the relative population growth in each of these geographies relative to their populations in 1990.*

## Population Age

Similar to national and regional trends, Menlo Park has an increasing senior population as baby boomers<sup>1</sup> reach retirement age. According to the U.S. Census, the median age in Menlo Park increased from 37.4 to 38 years of age between 2000 and 2019, which is slightly older than the



<sup>1</sup> Baby Boomer is typically categorized as a person born between 1946 and 1964.

median age of 36.5 years in California and younger than the median age of 39.7 years in San Mateo County. More specifically, the population of those under 14 and those who are 55 and over has increased since 2010 (Table 3-2).

Baby boomers and millennials<sup>2</sup> have significant impacts on shaping the city's housing needs. Millennials have surpassed baby boomers as the largest generation and are beginning to enter their 40s. The distribution of age groups in a city shapes what types of housing the community may need in the future. An increase in the older population adds to the need for more senior housing options. Higher numbers of children and young families can point to the need for more family housing options and related services.

There has been a move by many older adults to "age-in-place" or downsize to stay within their communities, which contributes to the demand and need for multifamily and accessible units. Millennials are less likely to own a home and tend to have fewer savings than previous generations. They may need more support when purchasing a new home, particularly as housing prices continue to rise.

*Table 3-2: Age of Residents in Menlo Park, 2000-2019*

<b>Age Group</b>	<b>2000</b>	<b>2010</b>	<b>2019</b>
Age 0-4	2,030	2,458	2,580
Age 5-14	3,778	4,275	4,935
Age 15-24	2,825	2,889	3,455
Age 25-34	5,345	4,507	4,540
Age 35-44	5,344	5,056	4,739
Age 45-54	4,100	4,713	4,697
Age 55-64	2,474	3,550	4,412
Age 65-74	2,070	2,138	2,427
Age 75-84	1,935	1,516	1,533
Age 85+	884	924	820
<b>Totals</b>	<b>30,785</b>	<b>32,026</b>	<b>34,138</b>

Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, Census 2000 and Census 2010; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

## Race and Ethnicity

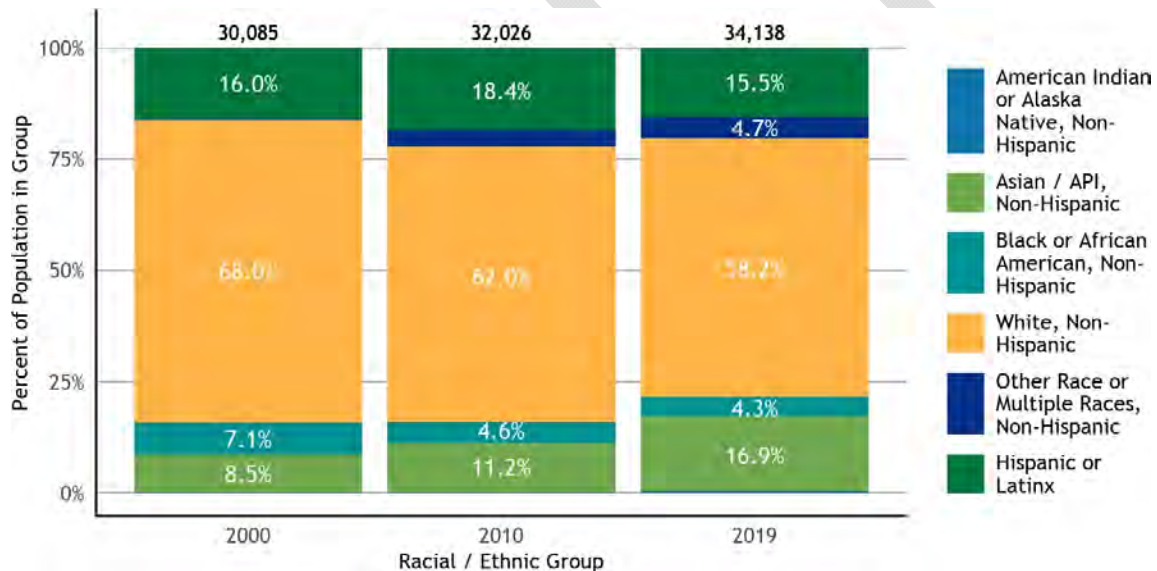
Understanding the racial makeup of a city and region is important for designing and implementing effective housing policies and programs. These patterns are shaped by both market factors and government actions, such as exclusionary

<sup>2</sup> Millennial is typically categorized as a person born between 1981 and 1996.

zoning, discriminatory lending practices, and displacement, that have occurred and continue to impact communities of color today.

The Asian/Asian Pacific Islander (API) (Non-Hispanic) population has increased the most from 8.5 percent in 2000 to 16.9 percent in 2019. The Other Race or Multiple Race (Non-Hispanic) population increased from less than one percent in 2000 to 4.7 percent in 2019. The Black/African American (Non-Hispanic) population decreased from 7.1 percent in 2000 to 4.3 percent in 2019. The Hispanic/Latinx population decreased slightly from 16 percent in 2000 to 15.5 percent in 2019. The greater proportional decrease was in the White (Non-Hispanic) population, which decreased from 68 percent in 2000 to 58.2 percent in 2019 (Figure 3-2).

**Figure 3-2: Population by Race in Menlo Park, 2000-2019**



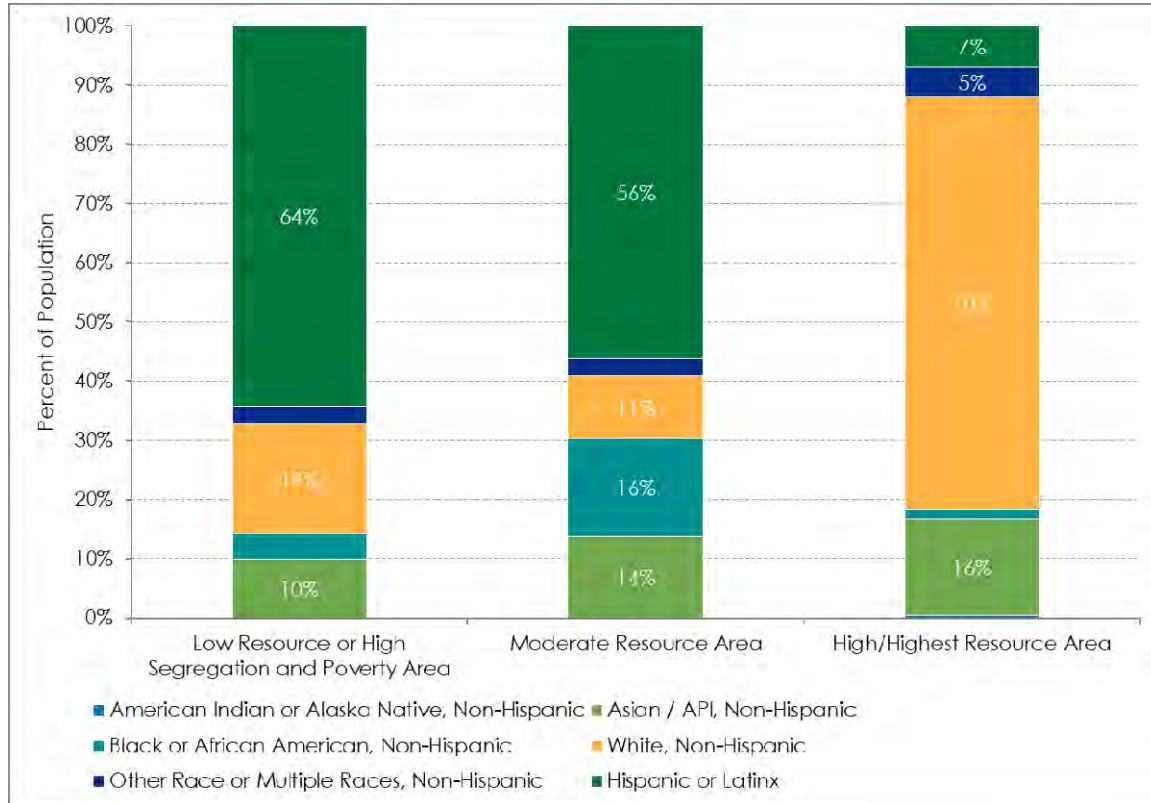
Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

Approximately 80 percent of all residents live in neighborhoods identified as "High/Highest Resource" areas as defined by the State, while 3.4 percent of residents live in areas identified by this research as "Low Resource or High Segregation and Poverty" areas.

These neighborhood designations are based on a range of indicators covering areas such as education, poverty, proximity to jobs and economic opportunities, low pollution levels, and other factors. Communities of color are disproportionately living in low and moderate-resource areas. The Hispanic/Latinx population consists of over half of the population living in low or

moderate resource areas but only makes up 7 percent of the population in high resource areas (Figure 3-3).

**Figure 3-3: Menlo Park Populations By Race and Resource Area**



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; California Tax Credit Allocation Committee (TCAC)/California Housing and Community Development (HCD), Opportunity Maps (2020); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002

Over one-quarter of residents, 26.1 percent, were born in a different country. Approximately 4.4 percent of households are limited English-speaking households, which the U.S. Census defines as households where no household member over the age of 14 speaks English "very well." The language spoken by these families varies greatly, with Spanish, Asian languages, and other European languages being the most common.

### Employment Characteristics

According to the U.S. Census, about 3.9 percent of workers in Menlo Park also live in the city, and 12.8 percent of Menlo Park residents work in Menlo Park. The percentages differ because there are approximately three times as many jobs in Menlo Park as employed residents. The high percentage of in-

commuters is attributable to a range of factors including the limited affordability and availability of housing which limits the ability to find housing within the city. Another contributing factor is the city's location and boundary configuration, making many other jurisdictions a short commute distance away (Table 3-3).

*Table 3-3: Local Workers Commuting In Menlo Park*

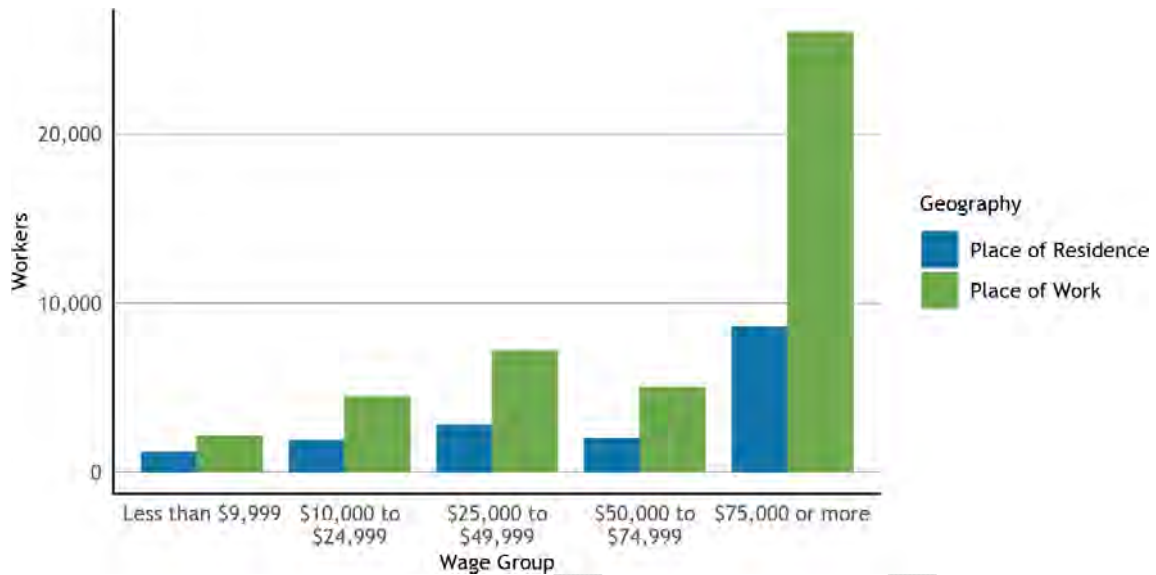
<b>Commuting Characteristics</b>	<b>Menlo Park</b>
Employed Population in Jurisdiction	15,404
Jobs in Jurisdiction	52,830
Workforce In-Commuting (%)	96.1
Population Out-Commuting (%)	87.2

Source: U.S. Census, OnTheMap (2019)

Figure 3-4 shows the jobs-to-worker balance broken down by different wage groups, offering additional insight into local dynamics. A community may employ relatively low-income workers but have relatively few housing options for those workers – or conversely, it may house residents who are low-wage workers but offer few employment opportunities for them. Such relationships may provide insight on the high demand for housing in specific price ranges.

A relative surplus of jobs relative to residents in a given wage category suggests an inflow of workers from other jurisdictions for those jobs, while conversely, surpluses of workers in a wage group relative to jobs means the community will not have enough jobs for those residents and they will work in other jurisdictions. Such flows are not inherently bad, though sub-regional imbalances may appear over time. Menlo Park has more low-wage jobs than low-wage residents (where low-wage refers to jobs paying less than \$25,000 annually). At the other end of the wage spectrum, the city also has more high-wage jobs than high-wage residents (where high-wage refers to jobs paying more than \$75,000 annually).

Figure 3-4: Menlo Park Workers by Earnings

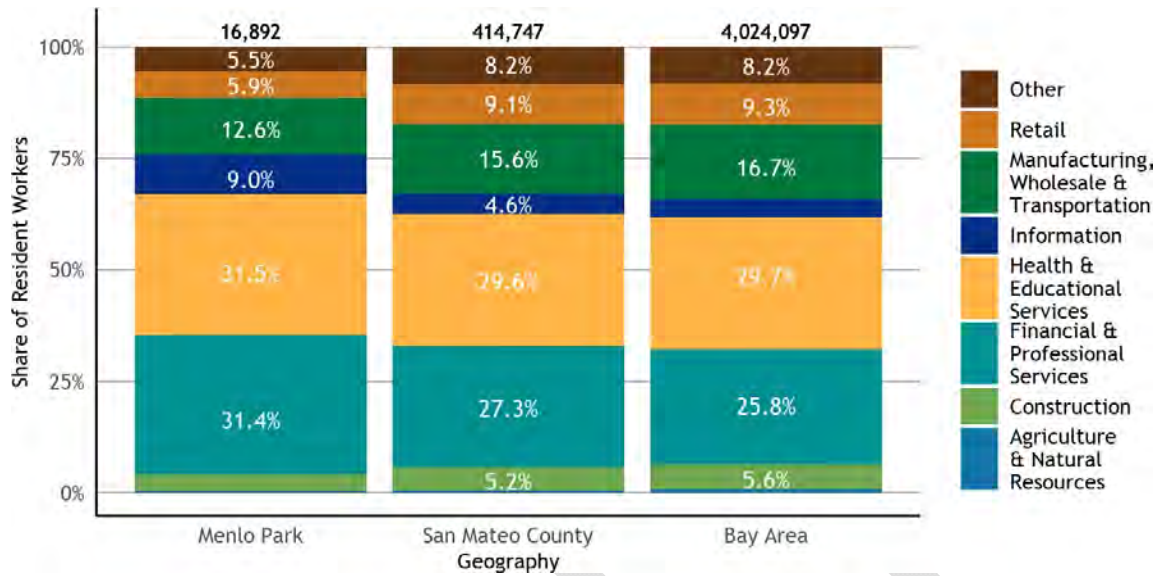


Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019, B08119, B08519

The majority of residents who are in the workforce (69 percent) were in "management, business, science and arts occupations", significantly more than the rate in San Mateo County and the Bay Area where this occupation accounts for 50 percent of the workforce. The Census Bureau also analyzes employment by industry. As shown in Figure 3-5, the industries of greatest employment for Menlo Park residents are health and educational services (32 percent) and financial and professional services (31 percent). The health and educational services industry is also the largest employer in San Mateo County and the greater Bay Area.



Figure 3-5: Resident Employment by Industry



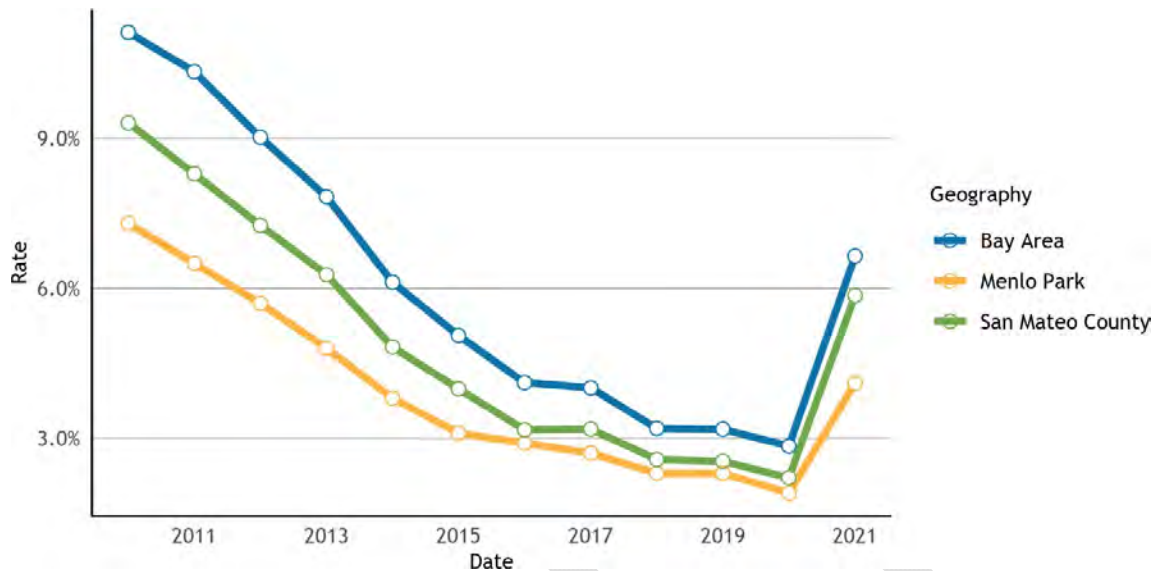
Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019

As the regional council of governments for the San Francisco Bay Area, the Association of Bay Area Governments (ABAG) makes projections for increases in population and the number of households for each jurisdiction in the nine-county Bay Area. *Plan Bay Area 2050 Final Blueprint* includes ABAG's most recent projections for demographic, economic, and land use changes in the coming decades.

The projections outlined in *Plan Bay Area 2050 Final Blueprint* cover the period from 2015 through 2050. Based on the economic composition of the Bay Area and expected growth nationwide, the region is projected to add approximately 1.4 million jobs between 2015 and 2050. San Mateo County is projected to gain 129,000 more households between 2015 and 2050, representing a 48 percent increase. Over the same period of time, the county is projected to experience job growth of 29 percent, resulting in approximately 114,000 new jobs.

Unemployment rates have been low in the city. There was a 3.2 percentage point decrease in the unemployment rate between January 2010 and January 2021. Jurisdictions in the Bay Area experienced a sharp rise in unemployment in the early months of 2020 due to impacts related to the Covid-19 pandemic and experienced general improvement and recovery in the later months of 2020.

Figure 3-6: Unemployment Rate



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; California Employment Development Department, Local Area Unemployment Statistics (LAUS), [Sub-countySub-County](#) areas monthly updates, 2010-2021

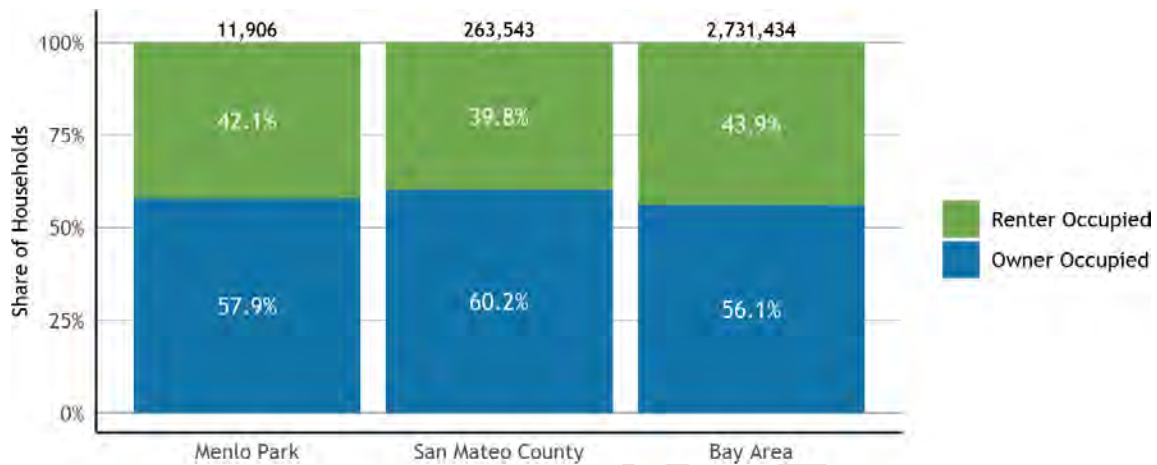
Menlo Park residents tend to be well-educated. Ninety-four percent of residents who were 25 years old or older had at least a high school degree in 2019 and close to 70 percent had at least a bachelor's degree. Approximately 67 percent of residents ages 16 and older were in the labor force in 2019, which is approximately 2.5 percentage points lower than the county rate and 3 percentage points higher than the state.

## Tenure

The number of residents who own their homes compared to those who rent their homes can help identify the level of housing insecurity – the ability for individuals to stay in their homes – in a city and region. Generally, displacement of renters occurs quicker with price increases.

In Menlo Park, more households are homeowners than renters: 57.9 percent are owners and 42.1 percent are renters. The proportion of households that own their homes in the city is slightly lower than the proportion for county (60 percent) and slightly higher than the Bay Area (56 percent) as shown in Figure 3-7.

Figure 3-7: Housing Tenure



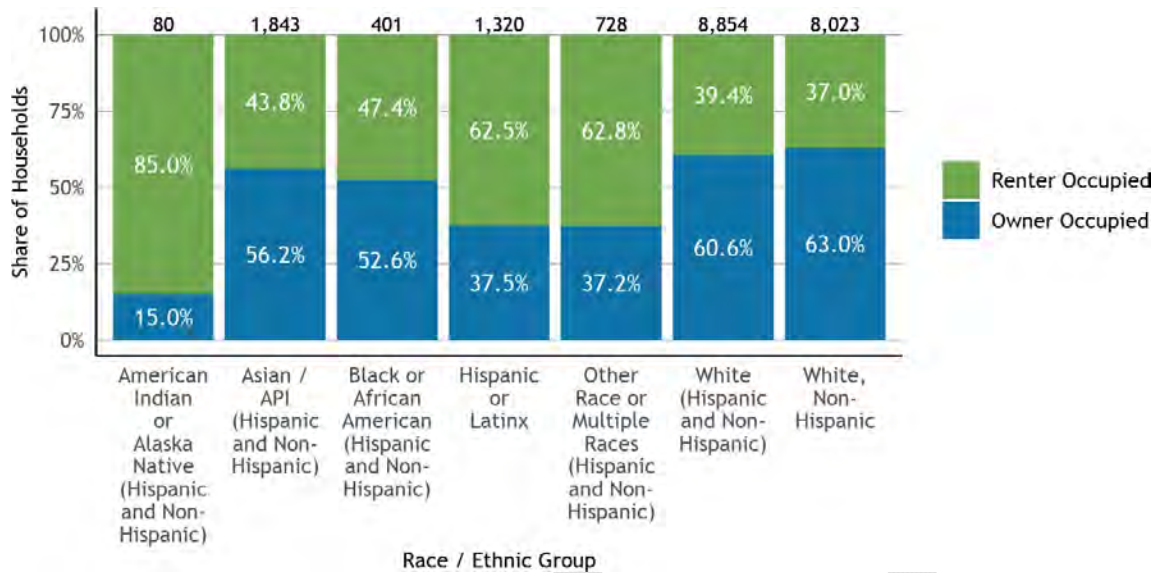
Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003

Homeownership rates often vary considerably across race and ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth but also stem from federal, state, and local policies that historically limited access to homeownership for communities of color while facilitating homebuying for White residents.

While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policy are still evident across Bay Area communities.<sup>3</sup> In Menlo Park, 37.5 percent of Hispanic/Latinx households own their homes and 37.2 percent of other or multiple races households own their homes compared to 63 percent of non-Hispanic White households (Figure 3-8).

<sup>3</sup> See, for example, Rothstein, R. (2017). *The Color of Law: A Forgotten History of How Our Government Segregated America*. New York, NY & London, UK: Liveright Publishing.

**Figure 3-8: Housing Tenure by Race of Householder in Menlo Park**

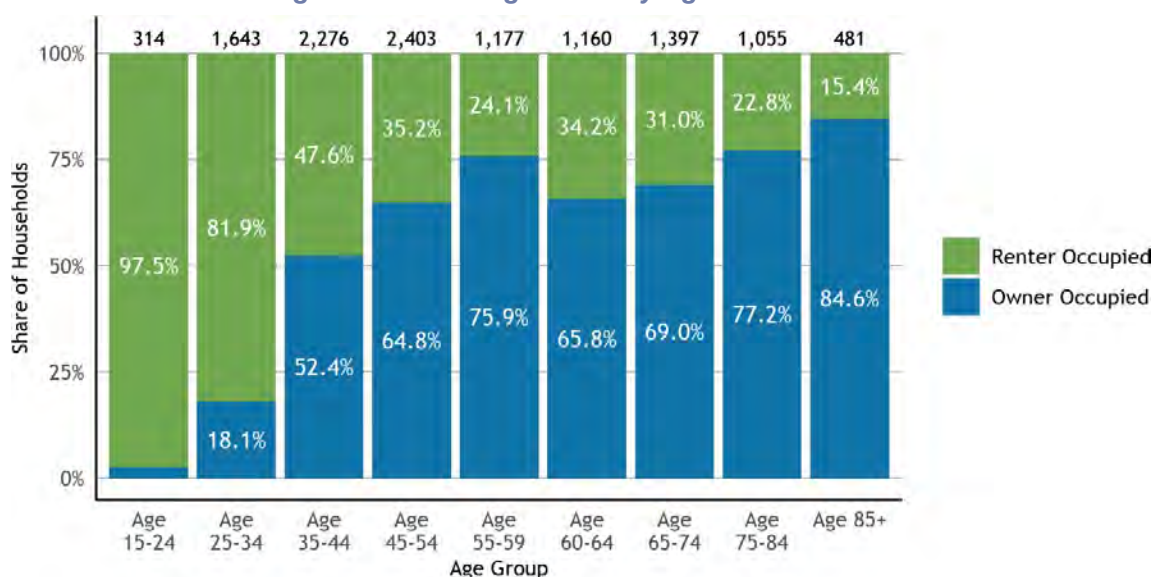


Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003

The age of residents who rent or own their home can also signal the housing challenges a community is experiencing. Due to high housing costs, younger households tend to rent and may struggle to buy a first home in the Bay Area. At the same time, senior homeowners seeking to downsize may have limited options in an expensive housing market.

In Menlo Park, 62 percent of householders between the ages of 25 and 44 are renters, compared to 25.5 percent of householders over 65 who are renters (Figure 3-9).

Figure 3-9: Housing Tenure by Age in Menlo Park



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25007

## Income

Despite the economic and job growth experienced throughout the region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation and the Bay Area has the highest household income inequality in the state.<sup>4</sup>

The median household income for Menlo Park residents in 2019 was \$160,784 (Table 3-4). In Menlo Park, 58.8 percent of households (6,959 households) make more than 100 percent of the Area Median Income (AMI)<sup>5</sup>, compared to 11.8 percent (1,400 households) earning less than 30 percent of AMI, which is considered extremely low-income (Figure 3-10). Of the 1,400 extremely-low-income households in Menlo Park (those making 0-30 percent of AMI, 565 households are owners and 835 are renters (40 percent and 60 percent, respectively).

<sup>4</sup> Bohn, S. et al. 2020. Income Inequality and Economic Opportunity in California. Public Policy Institute of California.

<sup>5</sup> Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Households making between 80 and 120 percent of the AMI are moderate-income, those making 50 to 80 percent are low-income, those making 30 to 50 percent are very low-income, and those making less than 30 percent are extremely low-income. This is then adjusted for household size.

Of the City’s extremely low-income households, 73 are spending more than half their income towards housing, and as stated, 60 percent of the City’s ELI households are renters, a group particularly vulnerable to rising rents. Household overcrowding is not a particular issue for the City’s ELI households, with just 4.9 percent identified as overcrowded.

The City continues to encourage eligible persons to participate in the Housing Choice Voucher Program administered through the San Mateo County Housing Authority, and Authority and will facilitate the provision of ELI units through the Affordable Housing Overlay. Supporting ELI homeowners in adding accessory dwelling units that can generate rental income, as well as promoting available housing rehabilitation programs can assist homeowners spending a large portion of their incomes on housing costs.

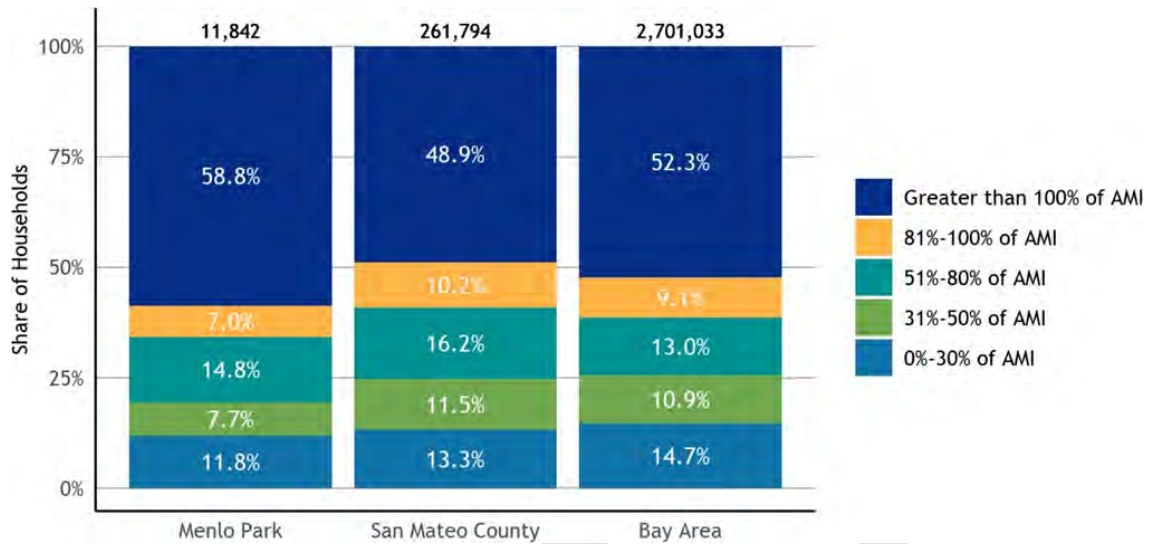
Regionally, more than half of all households make more than 100 percent AMI, while 15 percent earn less than 30 percent AMI. Per HCD data from 2021, 30 percent AMI is the equivalent to the annual income of \$54,800 for a family of four in San Mateo County. Many households with multiple wage earners – including food service workers, full-time students, teachers, farmworkers and healthcare professionals – can fall into lower AMI categories due to relatively stagnant wages in many industries. Most households receiving public assistance, such as social security or disability, are considered ~~extremely-low~~ extremely-low-income households.

*Table 3-4: Median Household Income, 2019*

Household Income	Menlo Park	San Mateo County	California
Less than \$25,000	10.7%	9.1%	16.4%
\$25,000 to \$34,999	3.6%	4.4%	7.5%
\$35,000 to \$49,999	4.6%	6.5%	10.5%
\$50,000 to \$74,999	10.5%	10.7%	15.5%
\$75,000 to \$99,999	7.0%	10.7%	12.4%
\$100,000 to \$149,000	11.3%	17.3%	16.6%
\$150,000 to \$199,999	11.9%	12.8%	8.9%
\$200,000 or more	40.4%	28.5%	12.2%
Median Household Income	\$160,784	\$122,641	\$75,235

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

Figure 3-10: Households by Income Level



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

## General Housing Characteristics

Over the past 30 years, new home construction has not kept up with job growth, leading to a job shortage in the region. According to the California Department of Finance, there were 14,124 homes in Menlo Park in 2021. This is approximately an eight percent increase from 2010. This rate is higher than the 4.2 percent growth rate for San Mateo County and the 5.6 percent growth rate for the state as a whole (Table 3-5).

Table 3-5: Housing Production

Jurisdiction	2010	2021	Percent Change
Menlo Park	13,085	14,124	7.9%
San Mateo County	271,031	282,299	4.2%
California	13,670,304	14,429,960	5.6%

Source: California Department of Finance, E-5 series (2010, 2021)

In recent years, most housing produced in the region and across the state consisted of single-family homes and larger multi-unit buildings. However, some households are increasingly interested in "missing middle housing" – including duplexes, triplexes, townhomes, cottage clusters, and accessory dwelling units (ADUs). These housing types can create more options across incomes and

tenure, from young households seeking homeownership options to seniors looking to downsize and age-in-place.

Between 2015 and 2019, 1,160 housing units were issued permits in Menlo Park, which included 81.6 percent for above moderate-income housing, 0.9 percent for moderate-income housing, and 17.4 percent for low- or very low-income housing (Table 3-6).

*Table 3-6: Housing Permitting*

Income Group	Units
Above <del>Moderate</del> <del>Income</del> <u>Moderate-Income</u> Permits	947
Very Low-Income Permits	148
Low-Income Permits	54
Moderate Income Permits	11
<b>Total</b>	<b>1,160</b>

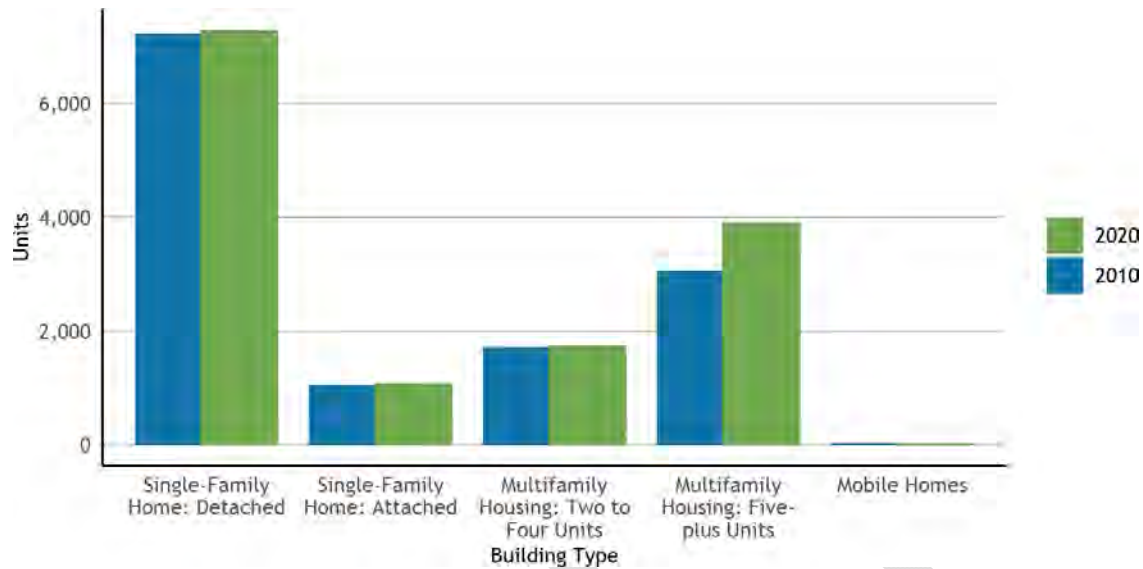
Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; California Department of Housing and Community Development (HCD), 5<sup>th</sup> Cycle Annual Progress Report Permit Summary (2020)

The housing stock of Menlo Park in 2020 was made up of 51.8 percent single-family detached homes, 7.8 percent single-family attached homes, 12.4 percent multifamily homes with 2 to 4 units, and 27.8 percent multifamily homes with 5 or more units (Figure 3-11). In Menlo Park, the housing type that experienced the most growth between 2010 and 2020 was multifamily housing with five or more units.

Menlo Park has no mobile home parks. However, the California Department of Finance estimated that there were 28 mobile homes in 2020, which is likely the result of recreational vehicles and trailers being counted.



Figure 3-11: Housing Types in Menlo Park

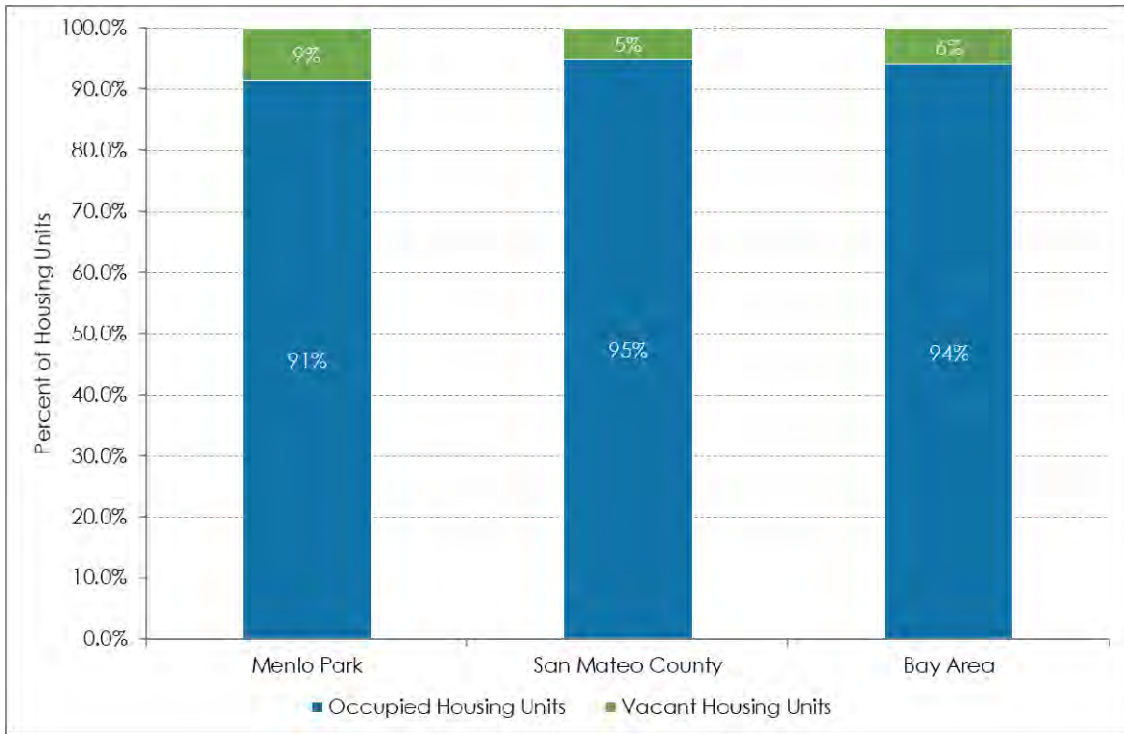


Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; California Department of Finance, E-5 series (2010, 2020)

The rental vacancy stands at 8.7 percent, while the ownership vacancy rate is 0.1 percent. Menlo Park has a higher vacancy rate than the rest of San Mateo County and the greater Bay Area. Approximately 9 percent of units were vacant in 2010 (Figure 3-12), with the most common type of vacancy being "For Rent" (Figure 3-13). Menlo Park's extremely low ownership vacancy rate is an indicator of the high demand for housing in the city, correlated with the high house sale prices seen in the city. By producing more housing units at all income levels, Menlo Park can ease the pressure on home sales. Meeting RHNA would increase the number of housing units by 21 percent over 2020 levels, which would help address this issue.

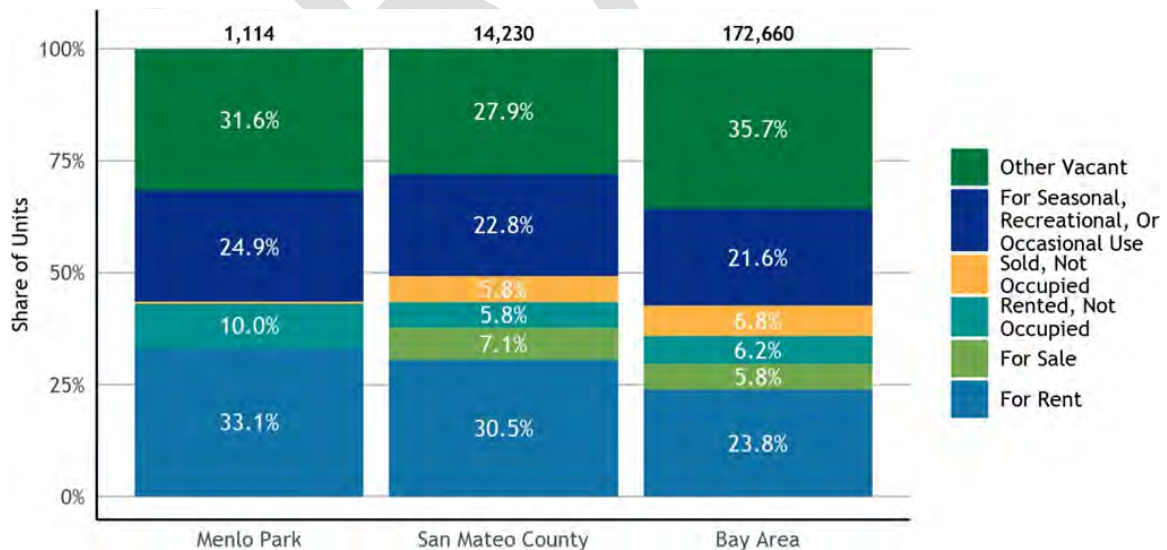
In a region with a thriving economy and housing market like the Bay Area, units being renovated or repaired and prepared for rental or sale are likely to represent a large portion of the "Other Vacant" category. Additionally, the need for seismic retrofitting in older housing stock could also influence the proportion of "Other Vacant" units in some jurisdictions.

Figure 3-12: Vacancy Rates



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25002

Figure 3-13: Vacant Units by Type



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25004

## Year Structures Built and Potential Housing Problems

Menlo Park has an older housing stock with the largest proportion of housing built between 1940 and 1959 (46 percent). Approximately 19 percent were built after 1980. According to the US Census' 2015-2019 American Community Survey data, 512 new units have been built, amounting to 3.9 percent of the current housing stock (Table 3-7). This data source is not updated as frequently as State Department of Finance data (seen in Table 3-5) or City data (seen in Table 3-6), so the number of units built in 2010 or later is smaller than in those two tables.

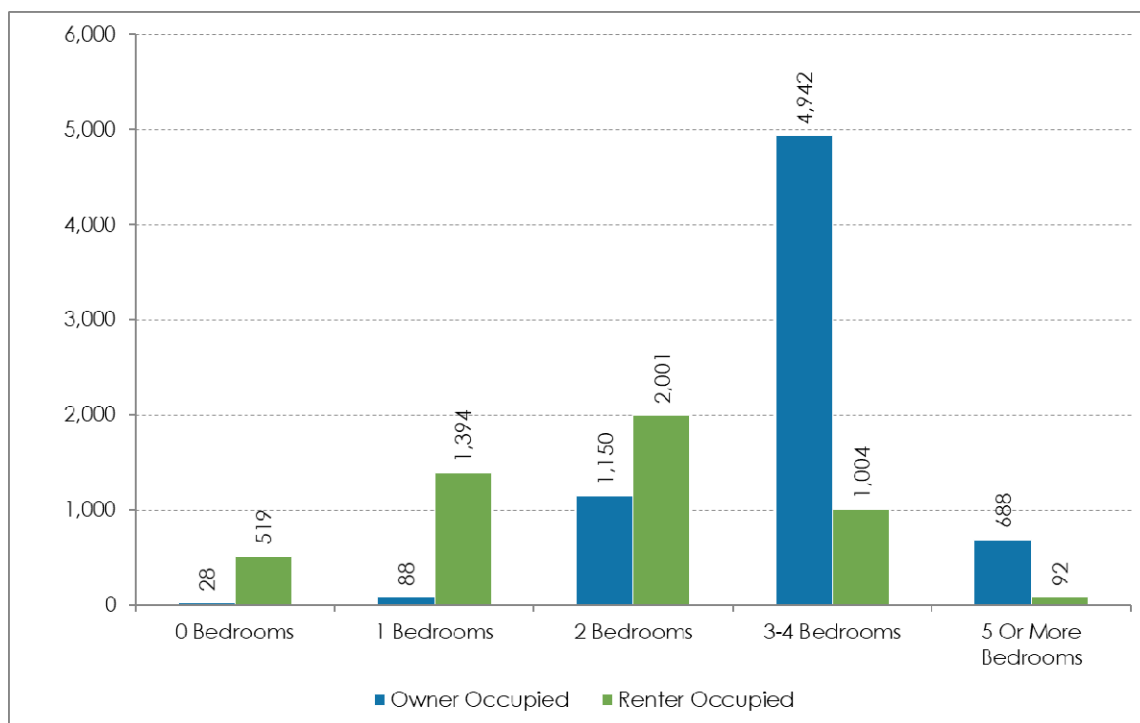
*Table 3-7: Housing Units by Year Built*

Year Built	Percent
Built 1939 Or Earlier	6.5%
Built 1940 To 1959	45.6%
Built 1960 To 1979	29.1%
Built 1980 To 1999	10.5%
Built 2000 To 2009	4.4%
Built 2010 Or Later	3.9%

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034

As can be seen in Figure 3-14, slightly over half of the housing units in Menlo Park are 3-bedroom units or larger. With an average household of 2.6 persons in 2020, there is somewhat of a mismatch between the size of the housing available and the housing need in the community.

Figure 3-14: Housing Units by Number of Bedrooms



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042

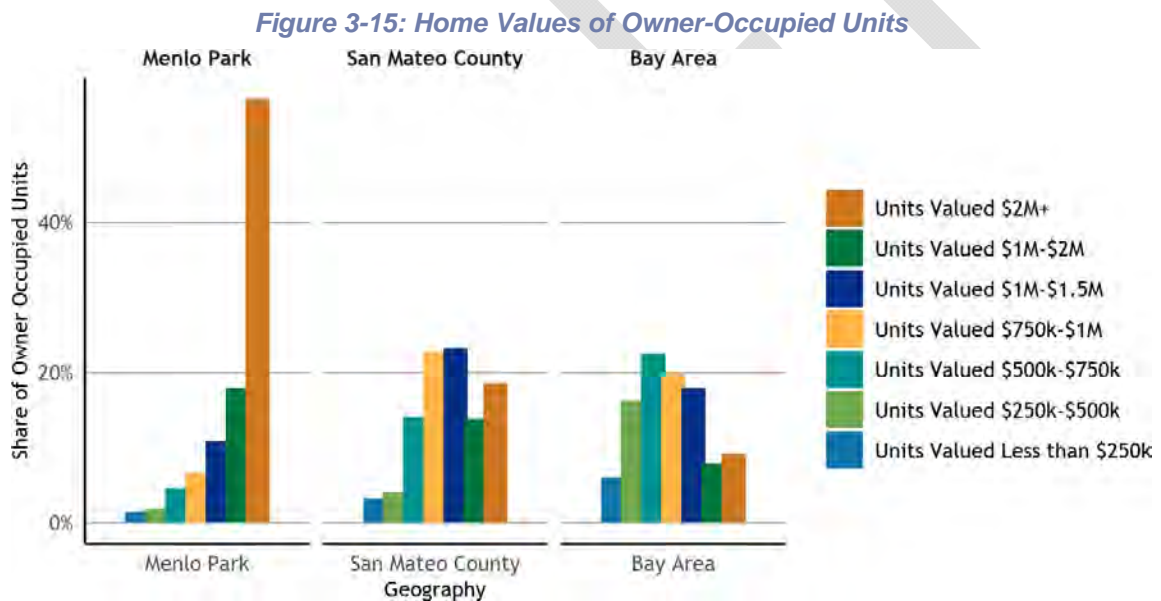
## Typical Home Values and Rents

The region's home values have increased steadily since 2000, besides a decrease during the Great Recession. The rise in home prices has been especially steep since 2012, with the median home value in the Bay Area nearly doubling during this time. In the last 10 years, the typical home value has increased much more steeply in Menlo Park than in San Mateo County and the greater Bay Area. The Bay Area is a great place to live, but throughout the region and county there just isn't enough housing for all income levels, which has caused costs to go up. Home prices and rents have been steadily increasing the past two decades, but in recent years the jump has been dramatic. Since 2009, median rent increased 41 percent to \$2,200, and median home values have more than doubled to \$1,445,000.<sup>6</sup>

<sup>6</sup> [San Mateo County Association of Realtors, Zillow](#)

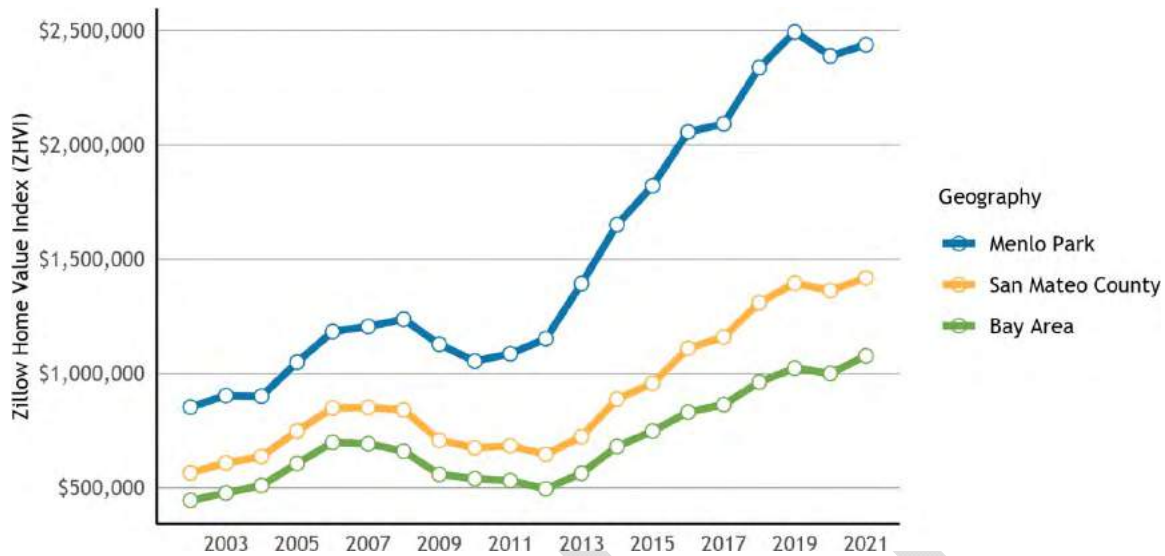
One method of determining local home values is by Zillow's home value index (ZHVI). The ZHVI is a seasonally adjusted measure of the typical home value and market changes in the region. The ZHVI includes all owner-occupied housing units, including single-family homes and condominiums, and reflects the typical value for homes in the 35<sup>th</sup> to 65<sup>th</sup> percentile range. According to Zillow, the typical home value in Menlo Park in December 2020 was \$2,438,631 with the largest proportion of homes valued above \$2,000,000. In comparison, the typical home value in 2010 was \$1,086,337 (Figures 3-15 and 3-16).

After adjusting for inflation, this is about an 89 percent increase from 2010. Home values in Menlo Park are approximately 72 percent higher than typical home values in San Mateo County and over double the cost of home values in the state.



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

Figure 3-16: Zillow Home Value Index



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; Zillow, Zillow Home Value Index (ZHVI)

Similar to home values, rents have also increased dramatically across the Bay Area in recent years. Many renters have been priced out, evicted or displaced, particularly communities of color. Residents finding themselves in one of these situations may have had to choose between commuting long distances to their jobs and schools or moving out of the region, and sometimes, out of the state.

In Menlo Park, the largest proportion of rental units are being rented for \$3,000 or more (24.8 percent), followed by 22.7 percent of units renting for \$2,000 to \$2,500 (Figure 3-17). The largest proportion of rental units are being rented at \$3,000 or more in San Mateo County. A nearly equal percentage are being rented for \$1,500 to \$2,000. Rents in Menlo Park and San Mateo County are on average being rented at higher prices than the Bay Area where the highest proportion of rental units are being rented for \$1,500 to \$2,000.

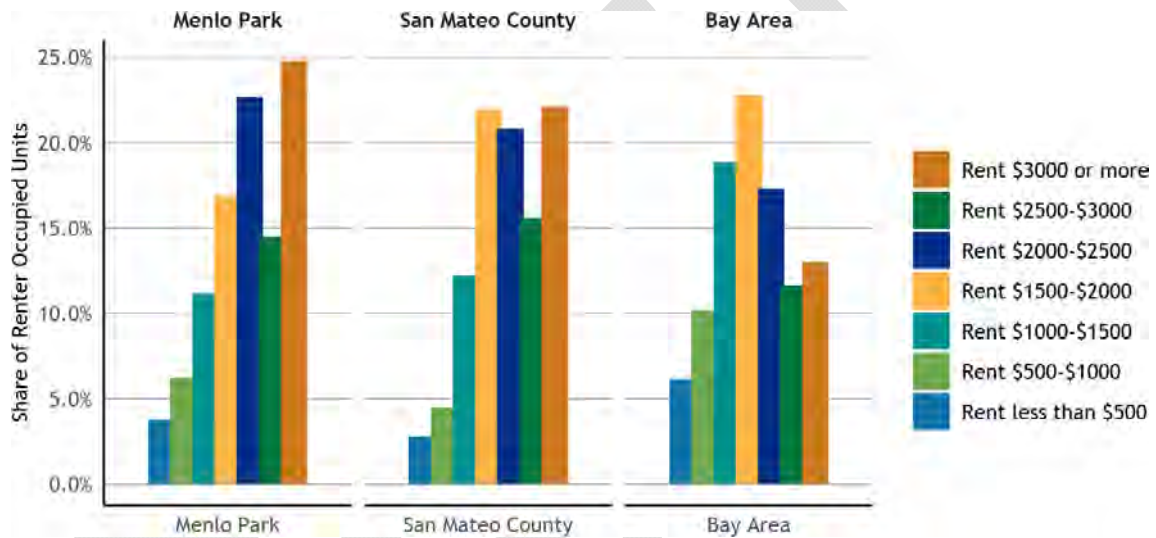
According to a review of rentals in Menlo Park using Zillow, Apartments.com, and Craigslist, rents range from \$1,825 for a studio to \$7,500 for a three-bedroom apartment. Houses can be rented for \$2,000 for a one-bedroom to \$9,000 for a four-bedroom house. There were also very few units available for rent: only 47 rental apartments and 48 rental homes (not including short-term rentals, which were not analyzed) were available.

Apartments available online tend to be older construction, and subsequently lower cost. Analysis of a single new apartment complex of approximately 400 units (ranging from studio to 4-bedroom units) demonstrated an average unit

rent of \$3,602 and a cost per square foot of \$4.10. This is an average of market-rate and below-market-rate units. This is markedly higher than median apartment rental rates in the region (\$3.76 in the San Francisco metropolitan area and \$3.32 in the San Jose metropolitan area).<sup>7</sup>

Since 2009, the median rent has increased by 43.7 percent in Menlo Park, from \$1,770 to \$2,260 per month (Figure 3-18). In San Mateo County, the median rent has increased 41.1 percent, from \$1,560 to \$2,200. The median rent in the region has increased significantly during this time from \$1,200 to \$1,850, a 54 percent increase.

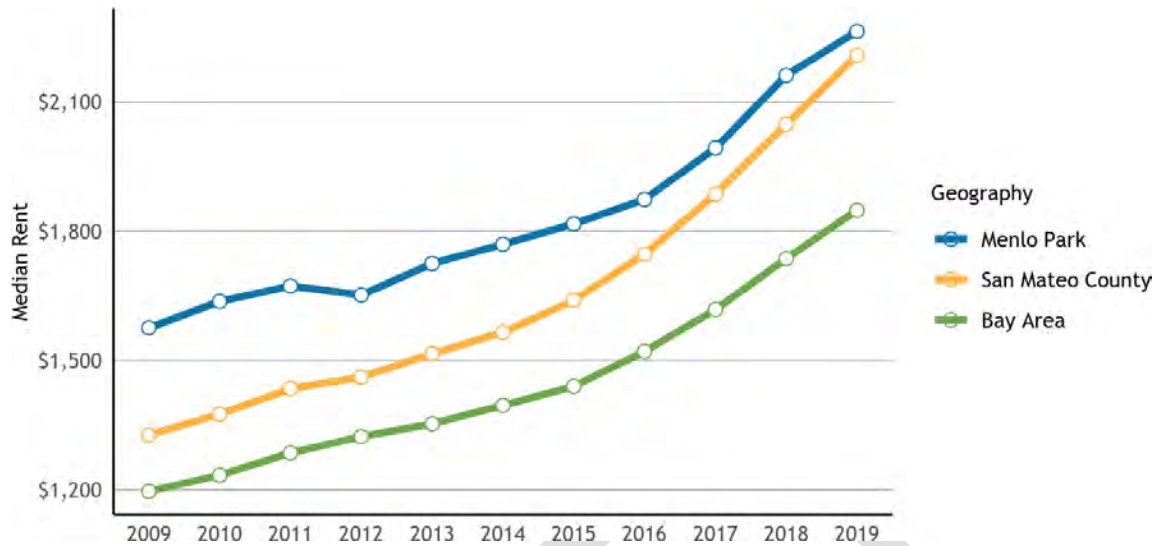
**Figure 3-17: Contract Rents for Renter-Occupied Units**



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

<sup>7</sup> Silicon Valley Indicators (Silicon Valley Institute for Regional Studies, from Zillow Real Estate Research data: 2019). Available at <https://siliconvalleyindicators.org/data/place/housing/housing-affordability/median-apartment-rental-rates-per-square-foot-table/>

Figure 3-18: Median Contract Rent



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

## Affordability

The cost of housing in Menlo Park is largely unaffordable for workers in Menlo Park and increasingly unaffordable for existing residents. As a result, people who work in the city must commute long distances resulting in increased traffic and carbon emissions. Additionally, young people who grew up in Menlo Park and older residents who seek to age in place may be unable to afford to continue living in the city.

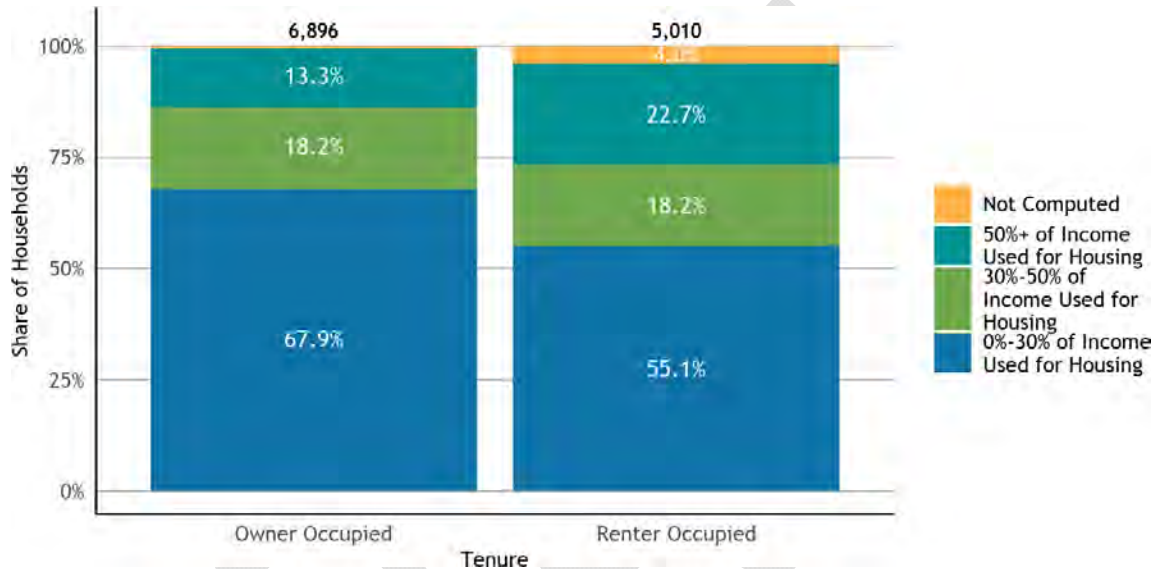
Households that spend more than 30 percent of their income on housing are considered "cost-burdened", while those who spend more than 50 percent of their income on housing costs are considered "severely cost-burdened." Low-income residents are the most impacted by high housing costs and experience the highest rates of cost burden. Spending such large portions of their income on housing puts low-income households at higher risk of displacement, eviction, or homelessness.

According to the US Census' 2015-2019 American Community Survey data, 62.5 percent of all households in Menlo Park (42 percent of which are renter-occupied and 58 percent of which are owner-occupied) spend 30 percent or less of their income on housing, 18.2 percent spend between 30 and 50 percent of their income on housing, and 17.2 percent spend more than 50 percent of their income on housing. The data is not available for 2.1 percent of all households.



Renters are often more cost-burdened than homeowners. While the housing market has caused drastic increases in home prices, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases. When looking at the cost burden across tenure in Menlo Park, 22.7 percent of renters spend 50 percent or more of their income on housing compared to 13.3 percent of homeowners (Figure 3-19).

**Figure 3-19: Cost Burden by Tenure in Menlo Park**



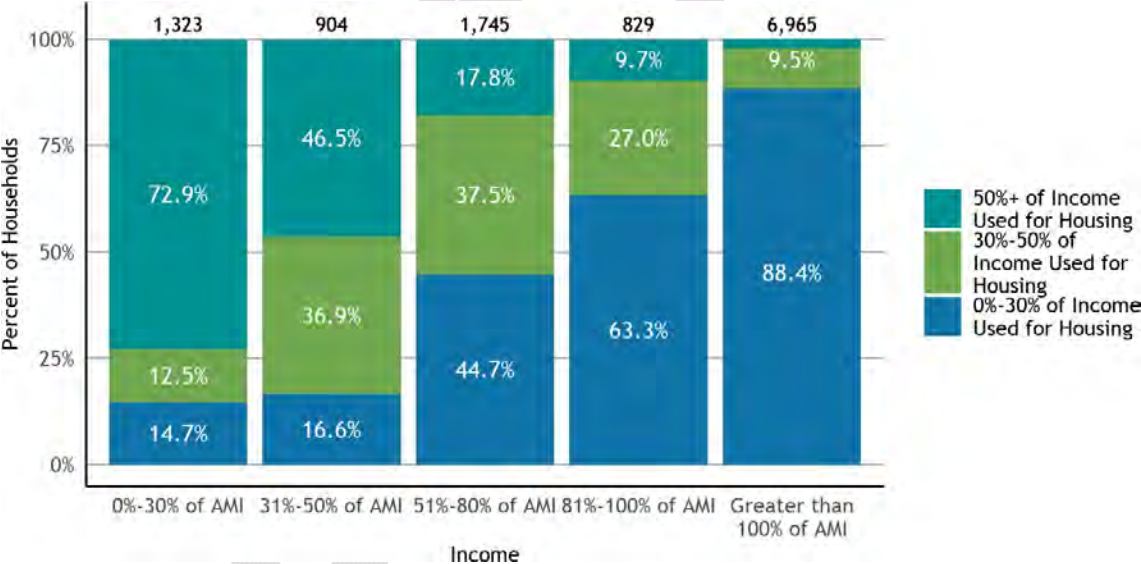
Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

Census data only tracks "Monthly Housing Costs as a Percentage of Household Income in the Past 12 months" for income segments up to "\$75,000 or more," which is still well below the lower income limit of approximately \$128,000 in Menlo Park. The numbers of total homeowner households spending more than 30 percent of income on shelter is 2,172 (43 percent of homeowner households). The number of home-renter households spending more than 30 percent of their income on shelter is 2,049 (69 percent of homeowner households).

According to the US Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy's American Community Survey tabulation of 2013-2017 data, in Menlo Park, 16.3 percent of households overall, across income levels, spend 50 percent or more of their income on housing. In addition, 17.3 percent spend 30 to 50 percent of their income on housing. Of all Menlo Park households, 66.4 percent spend less than 30 percent of their income on housing.

When looking across income categories, there is much more variation in housing cost burden (Figure 3-20). About 72.9 percent of Menlo Park households making less than 30 percent of AMI spend the majority of their income on housing. For Menlo Park residents making more than 100 percent of AMI, only 2.1 percent are severely cost-burdened, and 88.4 percent of those making more than 100 percent of AMI spend less than 30 percent of their income on housing.

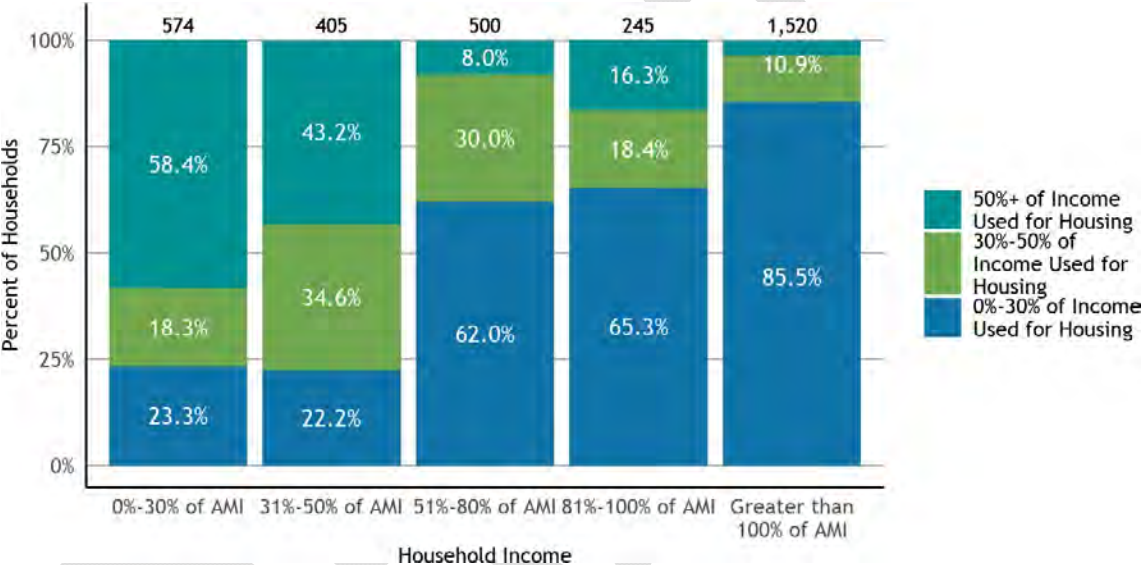
Figure 3-20: Cost Burden by Income Level in Menlo Park



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

When cost-burdened seniors (age 65 or greater as defined by ABAG/MTC) can no longer make house payments or pay rents, displacement from their homes can occur, putting further stress on the local rental market or forcing residents out of their community. Understanding how seniors might be cost-burdened is of particular importance due to their special housing needs, particularly for low-income seniors. Of seniors making less than 30 percent of AMI, 58.4 percent are spending the majority of their income on housing. For seniors making more than 100 percent of AMI, 85.5 percent are not cost-burdened and spend less than 30 percent of their income on housing (Figure 3-21).

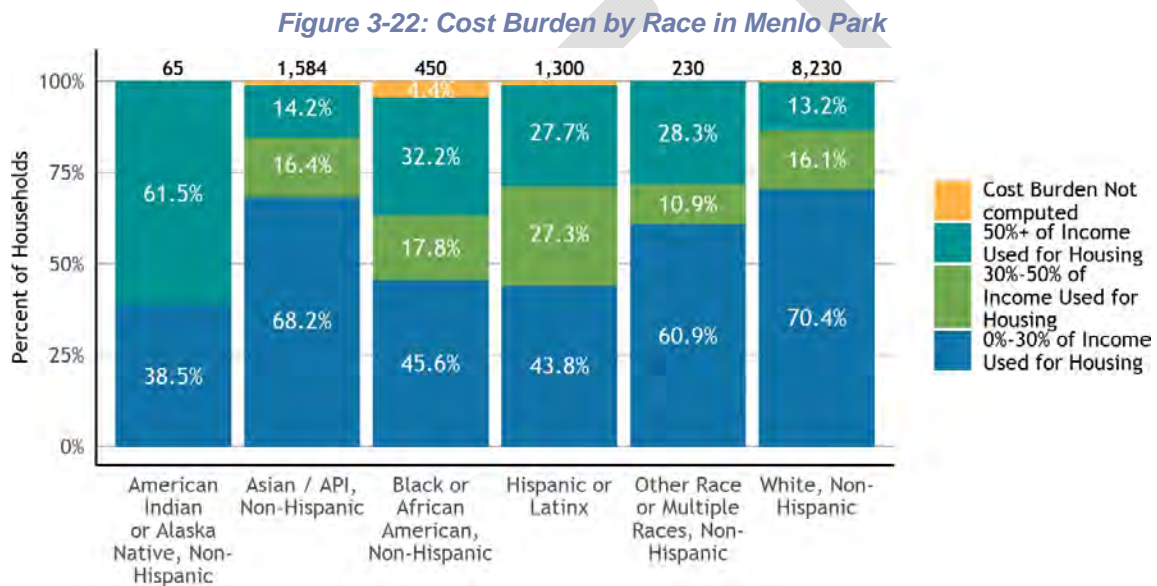
**Figure 3-21: Cost Burdened Senior Households by Income Level in Menlo Park**



Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Generally, people of color are more likely to experience poverty and financial instability due to federal and local housing policies that have historically excluded them from the same opportunities extended to White residents. As a result, they often pay a greater percentage of their income on housing and are at a greater risk of housing insecurity.

Hispanic or Latinx residents are the most cost-burdened with 27.3 percent spending 30 to 50 percent of their income on housing. Non-Hispanic American Indian or Alaska Native is the population that is most severely cost-burdened, with 61.5 percent spending more than 50 percent of their income on housing (Figure 3-22).

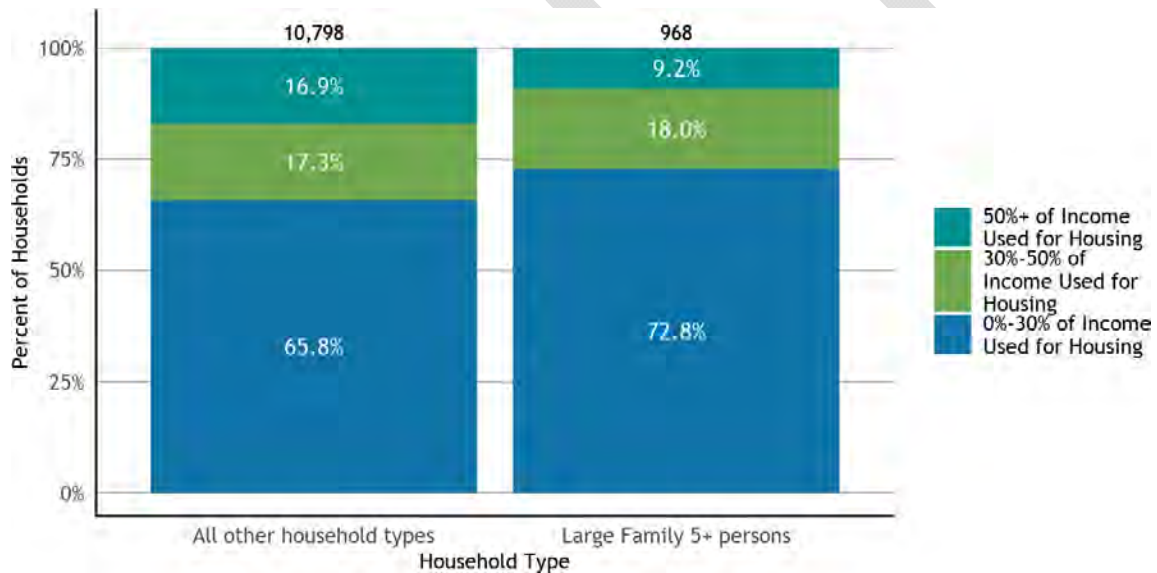


Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

Large family households, defined as five or more people in a household, often have special housing needs due to a lack of ~~adequately sized~~ adequately sized affordable housing available. The higher costs required for homes with multiple bedrooms can result in larger families experiencing a disproportionate cost burden than the rest of the population and can increase the risk of housing insecurity.

Although large families tend to be more cost-burdened than other households, the percentage of households in the city that are cost-burdened is greater among households that are not large households. Approximately 27 percent of large family households with five or more people are cost-burdened in Menlo Park, while 34 percent of all other households are cost-burdened (Figure 3-23).

**Figure 3-23: Cost Burden by Household Size in Menlo Park**



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

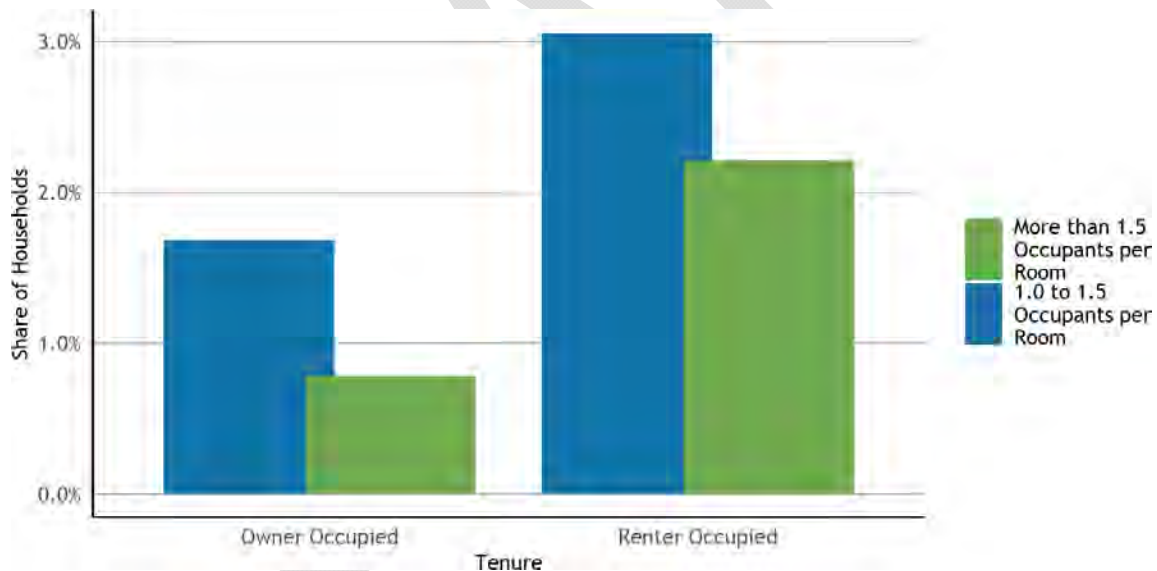
The San Mateo County Housing Authority (SMCHA) manages programs to provide housing assistance to low-income households. According to SMCHA, the Housing Authority provided rental assistance to 238 households in Menlo Park (422 individuals) as of November 2021.

## Overcrowding

One consequence of high housing prices is overcrowding. The U.S. Census defines overcrowding as more than one person per room (not including bathrooms or kitchens). Units with more than 1.5 occupants per room are considered severely overcrowded. Because this standard uses rooms<sup>8</sup> (not bedrooms), two people can share a one-bedroom apartment and not be overcrowded. Households experiencing overcrowding require larger units with more bedrooms to increase the health and safety of their household.

In many cities, overcrowding is more common amongst renters, with multiple households sharing a unit to make it possible to stay in their communities. In Menlo Park, 2.2 percent of households that rent are severely overcrowded, compared to 0.8 percent of households that own (Figure 3-24). About 3.1 percent of renters experience moderate overcrowding, compared to 1.7 percent for those that own.

Figure 3-24: Overcrowding by Tenure and Severity in Menlo Park



Source: ABAG/MTC Data Packet; U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

<sup>8</sup> Kitchens, bathrooms and hallways are excluded from the calculations.

Low-income households are more likely to experience overcrowding. About 4 percent of households making less than 50 percent of AMI are severely overcrowded, while 0.7 percent of households making more than 100 percent AMI experience the same level of severe overcrowding (Table 3-8).

**Table 3-8: Overcrowding by Income Level and Severity in Menlo Park**

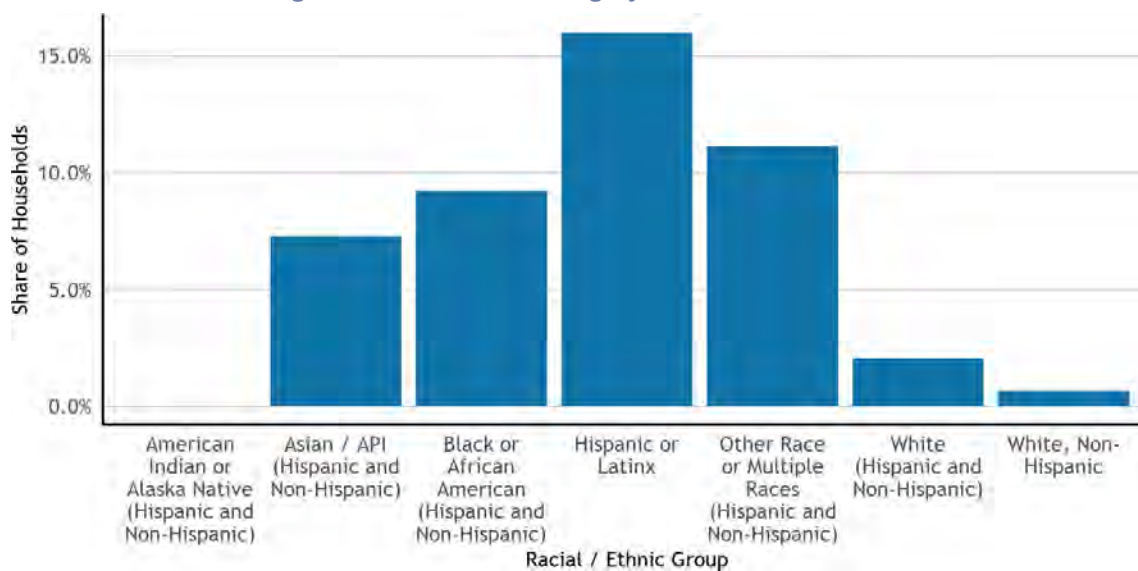
Income Group	1.0 to 1.5 Occupants per Room	More than 1.5 Occupants per Room
0%-30% of AMI	3.5%	1.4%
31%-50% of AMI	6.5%	2.7%
51%-80% of AMI	4.0%	0.0%
81%-100% of AMI	2.7%	0.5%
Greater than 100% of AMI	1.7%	0.7%

<u>Geography</u>	<u>1.00 occupants per room or less</u>	<u>% 1.00 or less</u>	<u>1.01 to 1.50 occupants per room</u>	<u>% 1.01 - 1.49</u>	<u>1.50 occupants per room or more</u>	<u>% 1.50 or more</u>
<u>Menlo Park</u>	<u>11,472</u>	<u>96%</u>	<u>269</u>	<u>2%</u>	<u>165</u>	<u>1.4%</u>
<u>San Mateo County</u>	<u>242,599</u>	<u>92%</u>	<u>12,333</u>	<u>5%</u>	<u>8,611</u>	<u>3.3%</u>
<u>Bay Area</u>	<u>2,543,056</u>	<u>93%</u>	<u>115,696</u>	<u>4%</u>	<u>72,682</u>	<u>2.7%</u>

Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Communities of color are also more likely to experience overcrowding similar to how they are more likely to experience poverty, financial instability, and housing insecurity. People of color tend to experience overcrowding at higher rates than White (Non-Hispanic) residents. In Menlo Park, the racial group with the greatest overcrowding rate is Hispanic or Latinx (Figure 3-25).

Figure 3-25: Overcrowding by Race in Menlo Park



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

## Housing Stock Condition

The housing stock in Menlo Park is generally in sound condition, except for individual units scattered throughout the city and a small concentration of units in poor condition within the Belle Haven neighborhood.

A housing conditions survey of the city was conducted in July 2021, as part of the Housing Element Update, which included 2,061 of the city's 13,020 housing units. This survey evaluated the conditions of residential buildings based on an evaluation of the building's exterior surface conditions. Based on this evaluation, buildings were classified as Sound, Minor, Moderate, Substantial, or Dilapidated.

Among the surveyed units, 96.8 percent were in Sound condition, 2.1 percent were in need of Minor repairs, 0.9 percent needed Moderate repairs, 0.2 needed Substantial repairs, and one house (0.05 percent) was found in Dilapidated condition. Of the 12 neighborhoods surveyed in Menlo Park, only Belle Haven had less than 95 percent of surveyed homes in Sound condition.

Of the surveyed homes in Belle Haven, 90 percent were in Sound condition. Housing in Belle Haven accounts for 61 percent of the total number of homes that need Minor repairs, 44 percent of the total homes in need of Moderate repairs, three of the four homes that need Substantial repairs, and includes the



one home in Dilapidated condition. Nearly all the homes in need of repairs are single-family houses.

Housing costs in the region are among the highest in the country, resulting in households, particularly renters, needing to live in substandard conditions to afford housing. The Census Bureau provides limited data on substandard housing issues to supplement the local housing conditions survey completed in Menlo Park. According to the Census Bureau, 1.7 percent of renters in Menlo Park reported lacking a kitchen and 0.5 percent of renters lack plumbing, compared to no homeowners who reported lacking a kitchen or plumbing.

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.

In 2021, the City of Menlo Park was awarded a \$1.2M grant for the preservation of existing homes from Habitat for Humanity. Through this grant, 20 home rehabilitation projects will be funded in the Belle Haven neighborhood.

## Housing Needs Programs

The primary housing issue facing the general community is the high cost of both rental and for-sale housing. As a result, the city is increasingly unaffordable with 35.4 percent of households paying more than 30 percent of their income on housing. The high cost of housing creates secondary impacts, such as overcrowding and risk of displacement. Additionally, 96 percent of the city's workforce are in-commuters from other cities due to the lack of available and affordable housing in Menlo Park.

The specific housing needs of special needs populations are discussed in Chapter 4: Affirmatively Furthering Fair Housing. Key programs that address housing affordability through the provision of financial assistance to residents, the incentivization of affordable housing, and the preservation of existing affordable housing are listed below:

- Program H1.C – Work with the San Mateo County Department of Housing

- Program H1.E – Work with Non-Profits on Housing
- Program H1.I – Utilize the City's Below Market Rate (BMR) Housing Fund
- Program H2.A – An Adopt Ordinance for "At-Risk" Units
- Program H2.C – Assist in Implementing Housing Rehabilitation Programs
- Program H2.E – Anti-Displacement Strategy
- Program H4.A – Amend the Below Market Rate Inclusionary Housing Regulations
- Program H4.B – Modify BMR Guidelines regarding allocations.
- Program H4.D – Modify the Affordable Housing Overlay (AHO)
- Program H4.E – Ministerial Review of 100 percent Affordable Housing
- Program H4.N – Achieve Long-Term Viability of Affordable Housing
- Program H5.F – First-Time Homebuyer Program

Additional programs for special needs populations are outlined in Chapter 4.

## Projected Housing Need

The 6<sup>th</sup> Cycle Regional Housing Need Allocation (RHNA) for the City projects a need to plan for 2,946 units for households of various income levels, of which approximately 56 percent would need to be planned for units affordable at the moderate-income level or below. Within the Housing Element, Menlo Park is required to plan for its fair share allocation of housing units by income group as follows:

- Very Low-Income – 740 units (25 percent of RHNA; 0-50 percent of AMI)
  - As approximately 11.8 percent of households have incomes in the Extremely Low-Income category (0-30 percent of AMI), the projected need is estimated to be 348 units of the 740 Very Low-Income units (47%).
- Low-Income – 426 units (14 percent of RHNA; 51-80 percent of AMI)
- Moderate-Income – 496 units (17 percent of RHNA; 81-120 percent of AMI)
- Above Moderate-Income – 1,284 units (44 percent of RHNA; greater than 120 percent of AMI)

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## ASSISTED RENTAL HOUSING "AT RISK" OF CONVERSION



Government Code § 65583 requires each city and county to analyze and identify programs for preserving assisted housing developments. The analysis is necessary to identify any low-income units at risk of losing subsidies over the next 10 years. 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.

Table 3-9 below lists assisted affordable housing developments in Menlo Park. Several non-profit organizations operating in Menlo Park have been acquiring and managing affordable housing developments, such as HIP Housing, Habitat for Humanity, MidPen Housing, and EAH Housing.

The various service providers identified in Table 3-9 all have the mission to provide affordable housing for very low- and low-income people. The waiting lists for these projects tend to be long and vary from one to several years, illustrating the demand and need for affordable units in Menlo Park. This is especially true since affordable units are rarely vacated once a unit is occupied by a very low- or low-income person or household.

As of November 2021, 789 applicants on the County's housing waiting lists reside in Menlo Park, and there are 670 applicants on the waiting list for subsidized housing properties in Menlo Park.

The California Housing Partnership Corporation categorizes units that are at risk of converting into market-rate homes into the following categories:

- Very-High Risk – Affordable homes that are at risk of converting to market rate within the next year. These homes do not have a known overlapping subsidy that would extend affordability and are not owned by a stable non-profit, mission-driven developer/owner.

- High Risk – Affordable homes that are at risk of converting to market rate in the next 1-5 years and do not have a known overlapping subsidy that would extend affordability. These homes are additionally not owned by a stable non-profit, mission-driven developer/owner.
- Moderate Risk – Affordable homes that are at risk of converting to market rate in the next 5-10 years and do not have a known overlapping subsidy that would extend affordability. These homes are additionally not owned by a stable non-profit, mission-driven developer/owner.
- Low Risk – Affordable homes that are at risk of converting to market rate in more than 10 years and are owned by a stable mission-driven non-profit developer/owner.

The expiration dates in Table 3-9 are based on discussions with the project sponsors and City staff review of information maintained by the California Housing Partnership Corporation. As of 2022, there are 404 units with low-to-moderate risk for conversion to market-rate prices over the next 15 years.

**Table 3-9: At-Risk Affordable Housing Developments In Menlo Park (2022)**

Name of Development	Address	Year Built/ Acquired	Tenure	Developer/ Owner	Funding Source	Number of Affordable Units	Expiration Year	Risk Level
Willow Court	1105 and 1141 Willow Road	1992	Rental	MidPen Housing	LIHTC; HCD	6	2076	Low
Willow Terrace	1115, 1121, 1123, 1125, 1139, 1143 Willow Road	1995	Rental	MidPen Housing	n/a	31	2051	Low
HIP Housing	1157 and 1161 Willow Road	2013	Rental	HIP Housing	n/a	12	2067	Low
1175 Duplex	1175 Willow Road		Rental	City of Menlo Park	n/a	2	City-owned	Low
1177 Duplex	1177 Willow Road		Rental	City of Menlo Park	n/a	2	City-owned	Low
Sequoia Belle Haven	1221 Willow Road		Rental	MidPen Housing	LIHTC	89	2069	Low
<del>Crane Place</del>	<del>1331 Crane Street</del>	<del>1979</del>	<del>Rental</del>	<del>Peninsula Volunteers</del>	<del>HUD</del>	<del>93</del>	<del>2028</del>	<del>Moderate</del>
Haven Family House	260 Van Buren Road	2000	Transitional Housing	Shelter Network of San Mateo County	n/a	23	Beyond 2025	Low
335 Pierce	335 Pierce Road		Rental	MidPen Housing	n/a	4	n/a	Moderate
Anton Menlo	3639 Haven Ave	2017	Rental	Anton Development Company	n/a	37	2072	Low
Willow Housing (V.A.)	605 Willow Road	2014	Rental	Palo Alto V.A Healthcare Sys.	LIHTC	59	2069	Low
650-660 Live Oak	650 Live Oak	2020	Rental	Live Oak Lytton, LLC	n/a	2	2075	
Partridge Kennedy Apartments	817 Partridge Avenue	1961	Rental	Peninsula Volunteers	n/a	30	Beyond 2025	Low
Coleman Place	6-8 Coleman Place	2021	Rental	HIP Housing	City of Menlo Park BMR	14	2076	Low
<b>Total</b>						<b>404</b>		

<u>Name of Development</u>	<u>Address</u>	<u>Year Built/ Acquired</u>	<u>Tenure</u>	<u>Developer/ Owner</u>	<u>Funding Source</u>	<u>Number of Affordable Units</u>	<u>Expiration Year<sup>9</sup></u>	<u>Risk Level</u>
<u>Willow Court</u>	<u>1105 and 1141 Willow Road</u>	<u>1992</u>	<u>Rental</u>	<u>MidPen Housing</u>	<u>LIHTC; HCD</u>	<u>6</u>	<u>2046</u>	<u>Low</u>
<u>Willow Terrace</u>	<u>1115, 1121, 1123, 1125, 1139, 1143 Willow Road</u>	<u>1995</u>	<u>Rental</u>	<u>MidPen Housing</u>	<u>n/a</u>	<u>31</u>	<u>2051</u>	<u>Low</u>
<u>HIP Housing</u>	<u>1157 and 1161 Willow Road</u>	<u>2013</u>	<u>Rental</u>	<u>HIP Housing</u>	<u>n/a</u>	<u>12</u>	<u>2067</u>	<u>Low</u>
<u>1175 Duplex</u>	<u>1175 Willow Road</u>		<u>Rental</u>	<u>City of Menlo Park</u>	<u>n/a</u>	<u>2</u>	<u>City-owned Perpetuity</u>	<u>Low</u>
<u>1177 Duplex</u>	<u>1177 Willow Road</u>		<u>Rental</u>	<u>City of Menlo Park</u>	<u>n/a</u>	<u>2</u>	<u>City-owned Perpetuity</u>	<u>Low</u>
<u>Sequoia Belle Haven</u>	<u>1221 Willow Road</u>		<u>Rental</u>	<u>MidPen Housing</u>	<u>LIHTC</u>	<u>89</u>	<u>2069</u>	<u>Low</u>
<u>Crane Place</u>	<u>1331 Crane Street</u>	<u>1979</u>	<u>Rental</u>	<u>Peninsula Volunteers</u>	<u>HUD</u>	<u>93</u>	<u>2028</u>	<u>Moderate</u>
<u>Haven Family House</u>	<u>260 Van Buren Road</u>	<u>2000</u>	<u>Transitional Housing</u>	<u>Shelter Network of San Mateo County LifeMoves</u>	<u>n/a</u>	<u>23</u>	<u>Perpetuity</u>	<u>Low</u>
<u>335 Pierce</u>	<u>335 Pierce Road</u>		<u>Rental</u>	<u>MidPen Housing</u>	<u>n/a</u>	<u>4 (market rate)</u>	<u>n/a</u>	<u>Moderate</u>

<sup>9</sup> The City-owned properties at 1175 and 1177 Willow Road do not have an expiration year as the units are foreseen to continue being rented as long as the City retains property control. Haven Family House (260 Van Buren Road) is managed by LifeMoves and Partridge Place (817 Partridge Avenue) is managed by Peninsula Volunteers, both mission-driven organizations with units foreseen to continue being rented as long as property control is retained. LifeMoves has relayed to the City that some government funding is dedicated to Haven Family House, however, much of their funding comes from philanthropy.

<u>Anton Menlo</u>	<u>3639 Haven Ave</u>	<u>2017</u>	<u>Rental</u>	<u>Anton Development Company</u>	<u>n/a</u>	<u>37</u>	<u>2072</u>	<u>Low</u>
<u>Willow Housing (V.A.)</u>	<u>605 Willow Road</u>	<u>2014</u>	<u>Rental</u>	<u>Palo Alto V.A Healthcare Sys.</u>	<u>LIHTC</u>	<u>59</u>	<u>2067</u>	<u>Low</u>
<u>650-660 Live Oak</u>	<u>650 Live Oak</u>	<u>2020</u>	<u>Rental</u>	<u>Live Oak Lytton, LLC</u>	<u>n/a</u>	<u>2</u>	<u>2075</u>	
<u>Partridge Kennedy ApartmentsPlace</u>	<u>817 Partridge Avenue</u>	<u>1961</u>	<u>Rental</u>	<u>Peninsula Volunteers</u>	<u>n/a</u>	<u>30</u>	<u>Perpetuity</u>	<u>Low</u>
<u>Coleman Place</u>	<u>6-8 Coleman Place</u>	<u>2021</u>	<u>Rental</u>	<u>HIP Housing</u>	<u>City of Menlo Park BMR Funds</u>	<u>14</u>	<u>2076</u>	<u>Low</u>
<u>Total</u>						<u>400</u>		

Source: California Housing Partnership Corporation, 2021; City of Menlo Park, 2022

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In 2022, BAE Urban Economics (BAE) conducted research in support of the Housing Element Update and found that there are 93 assisted senior units that are potentially at risk of conversion in 2028 due to an expiring Section 8 rental subsidy contract. All 93 units are located within the Crane Place development. The owner of that development is Peninsula Volunteers, a nonprofit entity dedicated to providing affordable housing to seniors and adults with disabilities. As such, the 93 assisted senior units are not at high risk of converting to market rate.<sup>10</sup>

In addition to the 93 assisted senior units at Crane Place, there are four lower-income units located within a fourplex at 335 Pierce Road that are potentially at risk of being lost from the City's low-income rental housing inventory due to redevelopment. The owner of the fourplex, MidPen Housing, is a nonprofit affordable housing developer that purchased the property as part of a larger effort to assemble land to support a new higher density affordable project on Pierce Road. Although the four units are not subject to any expiring local affordability requirements since they are not technically deed restricted, MidPen plans to preserve the four units as affordable rental units until the site is redeveloped sometime within the next few years. In November 2021, MidPen unveiled plans to redevelop the site with twelve affordable townhomes. The townhomes would be intended for first-time, low-income homebuyers earning between 51 and 80 percent of the area median income. According to MidPen, the current tenants at 335 Pierce Road will be offered a first right of refusal to purchase one of the townhomes.

## **Financial and Administrative Support**

In addition to the Housing Element's Program H2.A: Preservation of Assisted Housing, there are several resources available for supporting at-risk units, most notably:

- Golden State Acquisition Fund

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<sup>10</sup> BAE Urban Economics was unable to reach anyone at Peninsula Volunteers who had direct knowledge about whether Peninsula Volunteers would seek to extend the Section 8 contract for the Crane Place development in 2028. However, BAE did speak with the Director of Asset Management at the management company for the Crane Place development, Sean Barcelon, who noted that it was highly likely that the organization would seek to renew the contract.

- HCD's Affordable Housing and Sustainable Communities Program
- HCD's Portfolio Reinvestment Program
- Federal Low-Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA)

## Costs and Financing

Ensuring that existing affordable housing remains available and affordable is critical to minimizing displacement in neighborhoods. Additionally, it is typically less costly and faster to preserve existing housing than to build new affordable housing.

In 2019, the City provided MidPen Housing with \$635,502 to renovate six affordable units at 1105 and 1141 Willow Road, amounting to approximately \$105,917 per unit. In comparison, the construction cost for a new affordable multifamily development project was approximately \$850,000 per unit in Menlo Park.

According to research conducted by BAE, the average construction costs for the county are slightly lower. Information provided in low-income housing tax credit applications submitted to the California Tax Credit Allocation Committee (TCAC) suggests that the typical cost to construct a new affordable unit (i.e., total development costs) in San Mateo and Santa Clara Counties is approximately \$746,000 per unit (Table 3-10). This suggests a total cost of \$72,362,000 million to replace the 97 units (93 units at Crane Place and four units at 335 Pierce Road) that are potentially at risk.

The cost to rehabilitate and preserve an affordable housing project is often lower than the cost of new construction but can be as high as or higher than new construction, particularly if the project must be acquired as part of the preservation effort. Among TCAC applications submitted in 2021 for proposed projects in San Mateo and Santa Clara Counties, four were for acquisition and rehabilitation projects. These four projects had total development costs averaging approximately \$643,000 per unit, suggesting that the total cost to acquire and preserve at-risk units is similar to the cost of replacement. However, it is important to note that these preservation costs reflect costs associated with acquiring and rehabilitating a 100 percent affordable housing development,

which may differ from the costs associated with preserving units in an existing development through rental assistance.

**Table 3-10: Average Total Development Cost per Unit, San Mateo and Santa Clara Counties, 2021**

	<u>Replacement/ New Construction</u>	<u>Rehabilitation/ Preservation of Existing Unit</u>
Land/Acquisition Cost	\$81,000	\$273,000
Construction/Rehabilitation Costs	\$452,000	\$209,000
Financing/Other Project Costs	<u>\$213,000</u>	<u>\$161,000</u>
<b>Total Development Costs per Unit</b>	<b>\$746,000</b>	<b>\$643,000</b>

Sources: CTCAC Tax Credit Applications, 2021; BAE, 2022.

The cost to preserve a unit through rental assistance largely depends on the household's income and the rent for the unit. BAE reviewed TCAC applications for acquisition and rehabilitation projects in San Mateo and Santa Clara Counties in 2021 and identified one senior project with existing assisted units. The project, Lytton Gardens 1 Apartments, is located in Palo Alto and currently receives rental assistance for a total of 184 units through an existing Section 8 contract. Based on information obtained in the project's 2021 TCAC application, the annual rental subsidy equals \$13,805 per assisted unit. Assuming an affordability term of 20 years, the total cost of rental assistance would be approximately \$276,100 per assisted unit. This would suggest a total cost of \$26,781,700 to preserve the 97 units that are potentially at risk.

Affordable housing financing often requires multiple funding sources that may have varying requirements. The developments in Table 3-9 have been financed through various sources, including Low Income Housing Tax Credits (LIHTC), Project Based Section 8 (HUD), and City loans.

Additionally, the City manages a Below Market Rate (BMR) Housing Fund that is used to fund the development and preservation of affordable housing units. The City Council retains sole discretion to award available monies from the BMR Housing Fund collected in accordance with Menlo Park Municipal Code Chapter 16.96, Below Market Rate Housing Program.

As an impact fee, the City's use of the BMR housing in-lieu fee funds is subject to state laws governing impact fees, California Government Code § 66000-66025 (the "Mitigation Fee Act"), as amended by Assembly Bill (AB) 518 and Senate Bill (SB) 1693, which require that impact fees be expended or encumbered within five years of collection.

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# Affirmatively Furthering Fair Housing

## INTRODUCTION

Housing Elements adopted after January 1, 2021, are required to contain an Assessment of Fair Housing that is consistent with the core elements of the analysis required by the federal Affirmatively Furthering Fair Housing (AFFH) Final Rule of July 16, 2015. Under State law, affirmatively furthering fair housing means

*“...taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on projected characteristics<sup>1</sup>.”*

The Assessment of Fair Housing in the 2023-2031 Housing Element analyzes populations with special needs as required by State law and recommended by the California Department of Housing and Community Development (HCD). Resources in the City of Menlo Park and/or San Mateo County are identified to help address these needs. The highlighted special needs considered in the Assessment of Fair Housing include people living with disabilities, seniors (age 65 or greater), large families (five or more persons per household), female-headed households, farmworkers, and people experiencing homelessness.

AFFH was considered and applied at all stages of preparation for the 2023-2031 Housing Element, including, but not limited to, site analysis and screening (Chapter 7), community outreach (Chapter 4), and policy and program development (Chapter 8). The City has taken efforts to ensure that site selection and housing programs combat segregation and foster more equitable housing opportunities. It is acknowledged that affirmatively furthering fair housing is an action-oriented process that the City will continually work towards, with collective efforts and collaboration from housing developers and advocates, and the greater Menlo Park and San Mateo County communities.

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<sup>1</sup> California Department of Housing and Community Development (HCD).

Menlo Park's AFFH analysis is organized as follows:

- Community Outreach
- Assessment of Fair Housing
  - Background Information
  - Fair Housing Enforcement and Outreach Capacity
  - Disparities in Access to Opportunity
  - Integration and Segregation Patterns and Trends
  - Racially or Ethnically Concentrated Areas of Poverty
  - Disproportionate Housing Needs and Displacement Risk
  - Special Housing Needs
- Contributing Factors
- Goals, Policies, and Implementing Programs

The AFFH analysis begins with a summary of the community outreach undertaken throughout the preparation of the 2023-2031 Housing Element. Findings from the community outreach are tied into the Assessment of Fair Housing, which uses quantitative data from the Association of Bay Area Governments (ABAG), Metropolitan Transportation Commission (MTC), and other resources, as well as qualitative data from local outreach efforts to analyze special housing needs of people living with disabilities, seniors (age 65 or greater), large families (5 or more persons per household), female-headed households, farmworkers, and people experiencing homelessness.

The AFFH analysis continues with the Assessment of Fair Housing, which details analyses of fair housing enforcement and outreach capacity and four topic areas required by HCD: integration and segregation patterns and trends; racially or ethnically concentrated areas of poverty; disparities in access to opportunity; and disproportionate housing needs and displacement risk. The Assessment of Fair Housing also identifies and analyzes special housing needs.

The AFFH analysis concludes with the identification and analysis of contributing factors to fair housing issues and a table showing how Goals, Policies, and Implementing Programs within the Housing Element relate to affirmatively furthering fair housing.

## Importance of Affirmatively ~~Furthering~~Furthering Fair Housing

Affirmatively furthering fair housing is important to address the legacy of systematic discrimination from both public and private sectors. The City of Menlo Park values equity and has taken a comprehensive approach to further fair housing. The outreach conducted as part of the Housing Element is one of many steps to further equity. Policies and programs developed through this outreach are intended to reverse adverse effects of historical practices. Additional equity topics are addressed in the Environmental Justice Element.

### COMMUNITY OUTREACH

An integral part of the 2023-2031 Housing Element preparation was to create a community engagement and outreach process that was inclusive and intentional in order to adopt an overall Housing Element Update project<sup>2</sup> that reflects the community's input and values while meeting State requirements. The City Council expressed support and affirmed the importance of elevating the conversation about racial equity. While the Housing Element alone cannot resolve racial disparities, it can be used as a ~~stepping~~stepping stone for broader dialogue, understanding, and action.

A strong effort was made to identify underrepresented populations and areas based on socioeconomic data, local knowledge, and planning best practices (e.g., engaging the historically underrepresented Hispanic/Latinx community in City Council District 1). The intention was to have these populations and areas particularly highlighted for meaningful involvement in the Housing Element Update project. The multifaceted outreach plan engaged residents and stakeholders citywide and included intentional engagement of community service providers, housing developers, and housing advocates that work with populations and areas that have historically been underrepresented in planning processes.

At the beginning of the Housing Element Update process, a community outreach and engagement plan was developed with the goal of providing multiple entry points into the process for members of the community and other interested people. Strategies were identified to reach people in a variety of settings ranging from informal discussions at “pop-up” locations at community events, to large format virtual and in-person community meetings, and also a communitywide survey (hardcopy and digital). Further, open and authentic discussions were encouraged at stakeholder interviews, slightly larger focus

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<sup>2</sup> The Housing Element Update project encompasses updates to the City's General Plan Housing Element and Safety Element, and preparation of a new Environmental Justice Element.

group discussions, as well as in community meetings. Intentional efforts were made for the community outreach and engagement plan to be multifaceted and with a safety-first focus as the Housing Element Update project/process occurred during the Covid-19 pandemic.

Internet-based tools such as a comprehensive project website with an embedded project timeline and links to related resources and documents, social media, and e-news announcements were used. In-person/tangible outreach tools such as a project gallery with informational boards and draft Housing Element-related documents, as well as mailed letters and newsletters to targeted audiences (e.g., property owners of identified housing opportunity sites) and the general public (e.g., every postal address in Menlo Park), were also employed.

The below list provides a high-level overview of community engagement and outreach efforts completed as part of the 2023-2031 Housing Element. A comprehensive summary of the outreach is available in Appendix 4-1. This appendix includes a list of the organizations the City reached out to as part of the preparation of the 2023-2031 Housing Element.

- **Project Website (MenloPark.org/HousingElement)**
  - A dedicated website for the Housing Element Update project was utilized with the purpose of being a “one stop shop” for all project-related updates, information, and documentation. The project website included drop-down menus with information for the following topic areas: Environmental Review; How to Get Involved; Project Timeline; Related Documents; Frequently Asked Questions; and Contact Us.
- **Community Meetings**
  - The purpose of the community meetings was to share information regarding the Housing Element Update project at various stages of development and to provide a forum for the public to provide comments and feedback and to ask questions of the project team. To support equitable outreach to the Spanish-speaking community, professional interpreters were available at community meetings to provide live interpretation and presentation slides were translated into Spanish and made available to meeting attendees.
- **Community Engagement and Outreach Committee Meetings**
  - A Community Engagement and Outreach Committee (CEOC) was formed with representation from residents of all five City Council Districts. The CEOC assisted the City in ensuring a broad and inclusive community



outreach and engagement process, and helped guide and provided feedback on the types and frequency of activities, events, meetings, and the strategies and methods for communicating with the various stakeholders in the community. A total of five CEOC meetings were held in 2021.

- **Community Survey**

- The purpose of the community survey was to receive feedback from a wide cross section of the community on a variety of issues and concerns related to all three elements of the Housing Element Update project, with a focus on receiving feedback for the Housing Element. The survey was available in both physical/paper format as well as electronically/online. Both formats were available in English and Spanish, and a gift card raffle was included as an incentive for participation.

- **Housing Commission, Planning Commission, and City Council Meetings**

- The purpose of these meetings was to provide updates, draft documents for review, and receive feedback and recommendations from the Housing and Planning Commissions as well as the City Council. The public meetings also provided an opportunity for members of the public to share their feedback.

- **Project Gallery**

- The City hosted two project galleries, one at the Main Library and one at the Belle Haven Branch Library in District 1. The project galleries were intended to provide a low-tech, approachable forum for individuals to learn about the Housing Element Update project without the need to rely on the internet or other technology.

- **Pop-Up Events**

- The purpose of pop-up events was to “meet people where they are” in an informal, relaxed setting, and to share information and garner input. The pop-up events were focused in two primary areas of Menlo Park — Downtown and the Belle Haven neighborhood in District 1.

- **Social Media**

- Social media platforms were used as a tool to reach residents, organizations, and other interested parties to participate throughout the engagement process. Posts included updates on the project and invitations to attend community meetings and other outreach events.

- **Focus Groups and Interviews**

- These meetings were designed to garner comments and enable the project team to better understand local issues and concerns from those experiencing them firsthand. The purpose of the focus groups was to gain insight from a wide variety of perspectives. When focus groups weren't an option, smaller group or individual interviews were planned to actively include various groups and individuals in the engagement process.

Overall, community feedback has guided and influenced every project milestone of the 2023-2031 Housing Element. Public participation was essential in the formation of a land use strategy that identified where and how Menlo Park's housing goals were to be achieved. Community feedback also guided the development of policies and implementing programs for all three General Plan Elements included under the Housing Element Update project – an update to the Housing Element; an update to the Safety Element, and the preparation of a new Environmental Justice Element.

The initial outreach period in late 2021 guided the land use strategies presented to the City Council as well as the policy discussions held with the Housing Commission, Planning Commission, and City Council. In early 2022, a community meeting on housing goals and policies gave the community an opportunity to provide input on the draft goals and policies composed from the initial outreach. The feedback from this community meeting was developed into the public review draft that was reviewed at two public meetings.

In addition to overall input and feedback on the Site Inventory, specific policies surrounding specialized housing needs (particularly housing for people with disabilities, including developmental disabilities) and equity were developed from the public outreach process.

## **ASSESSMENT OF FAIR HOUSING**

The Assessment of Fair Housing provides an in-depth analysis of fair housing data and housing needs for special needs populations. The analysis was developed with data from ABAG/MTC; a fair housing assessment conducted by BAE Urban Economics (Appendix 4-2); and policy recommendations from Root Policy Research, 21 Elements, and service providers in Menlo Park (e.g., Housing Choices and Golden Gate Regional Center). Policy recommendations were refined based on community outreach findings. A summary and analysis of general housing needs in Menlo Park is available in Chapter 3, Housing Conditions and Trends.

## Background Information

~~An understanding of local history, economy, demographics, and housing tenure and type.~~ An understanding of local history, economy, demographics, and housing tenure and type is essential in the development of housing solutions for Menlo Park's current and future residents. The below sections provide a high-level overview of these topics.

### History

Menlo Park was established on Ohlone Native American land by two Irish settlers who purchased land from Rancho de las Pulgas in 1851 and shortened the name of their ancestral hometown of Menlough, County Galway, when transcribing it onto a wooden arch. In 1863, the railroad came to Menlo Park and turned it into an attractive suburban getaway for San Francisco business leaders. During World War I, much of the city was converted into a training camp for the war effort, and the still-extant Menlo Park Veterans Affairs Medical Center is located on the former site of Camp Fremont.

A multi-year collaborative effort among San Mateo County jurisdictions, known as 21 Elements, facilitated coordination across the county's jurisdictions in their respective 2023-2031 Housing Element preparations and shared information on housing goals, policies, and programs. According to Root Policy Research, prior to the Civil Rights Movement (1954-1968), San Mateo County faced resistance to racial integration, yet it was reportedly less direct than in some Northern California communities. In Menlo Park, this resistance took the form of "blockbusting"<sup>3</sup> and "steering"<sup>4</sup> or other intervention by public officials.

These local discriminatory practices were exacerbated by the actions of the Federal Housing Administration which excluded low-income neighborhoods, where the majority of people of color lived, from its mortgage loan program. Menlo Park was one of the cities in San Mateo County where Black/African American families were barred from buying homes. Asian Americans were also denied housing in some areas or harassed by neighbors after purchasing homes.

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<sup>3</sup> Private sector practices that convinced White homeowners to sell their homes at a discount for fear of integration and then resold those homes at a higher price to non-White buyers.

<sup>4</sup> Practice of influencing a buyer's choice of communities based upon one of the protected characteristics under the Fair Housing Act, which are race, color, religion, gender, disability, familial status, or national origin.

## **Economy**

In the second half of the 20<sup>th</sup> century, Menlo Park became one of the world's preeminent technological research and development centers – seen first from Stanford Research Institute and later, Facebook, now known as Meta.

The number of jobs in Menlo Park has boomed since the turn of the 21<sup>st</sup> century, from 26,965 in 2002 to 48,550 in 2018 (Table 4-1).

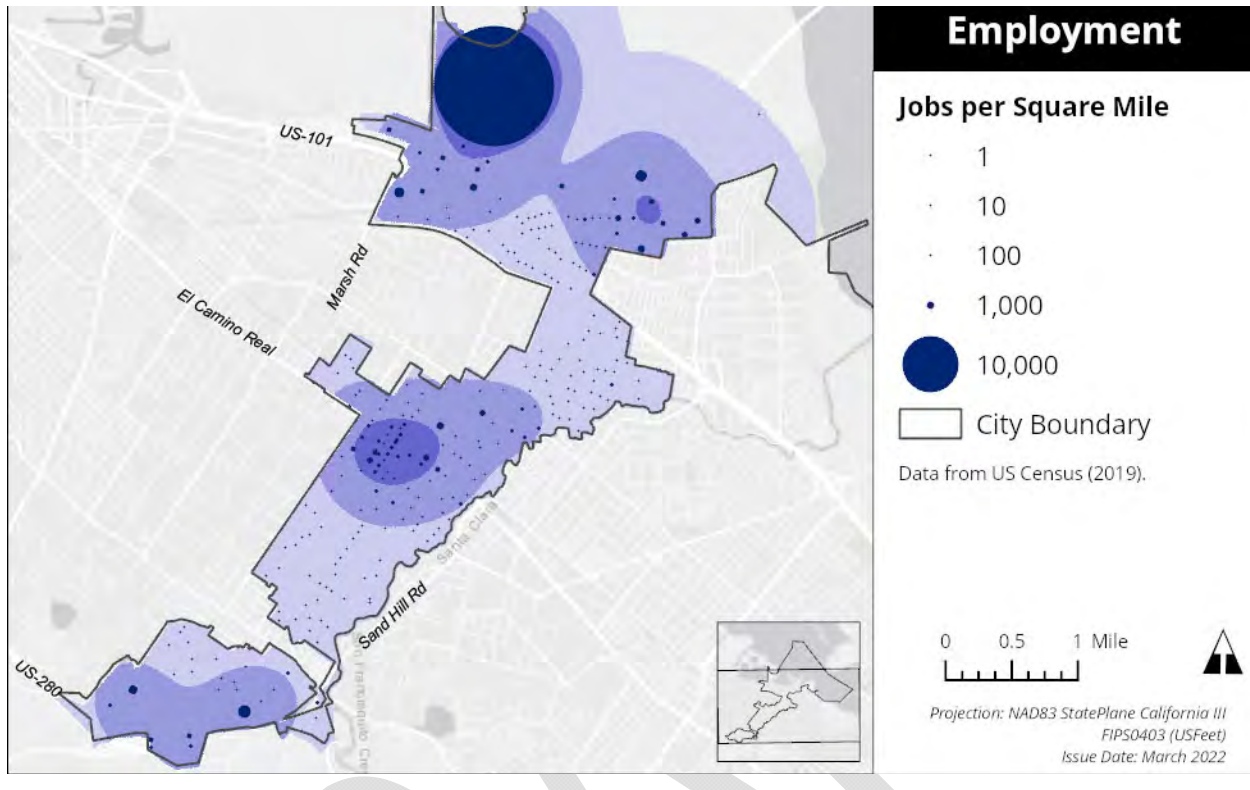
*Table 4-1: Menlo Park Job Trends, 2002-2018*

Sector	2002	2018	Change
Agriculture & Natural Resources	14	50	257%
Arts, Recreation & Other Services	2,500	3,322	33%
Construction	1,010	1,196	18%
Financial & Leasing	2,173	3,399	56%
Government	540	1,011	87%
Health & Educational Services	2,053	4,188	104%
Information	915	19,185	1997%
Manufacturing & Wholesale	6,569	4,237	-36%
Professional & Managerial Services	8,754	9,409	7%
Retail	1,966	1,564	-20%
Transportation & Utilities	471	989	110%
<b>Total</b>	<b>26,965</b>	<b>48,550</b>	<b>80%</b>

Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files, 2002-2018

There are three general employment nodes in Menlo Park: Bayfront (**NorthEast**), Downtown/Middlefield (Central), and Sand Hill (**SouthWest**). The largest is in the Bayfront (**north-east** of US-101), where many technology and light industrial firms are located (Figure 4-1).

Figure 4-1: Employment Density in Menlo Park



Source: U.S. Census (2019)<sup>5</sup>

## **Demographics**

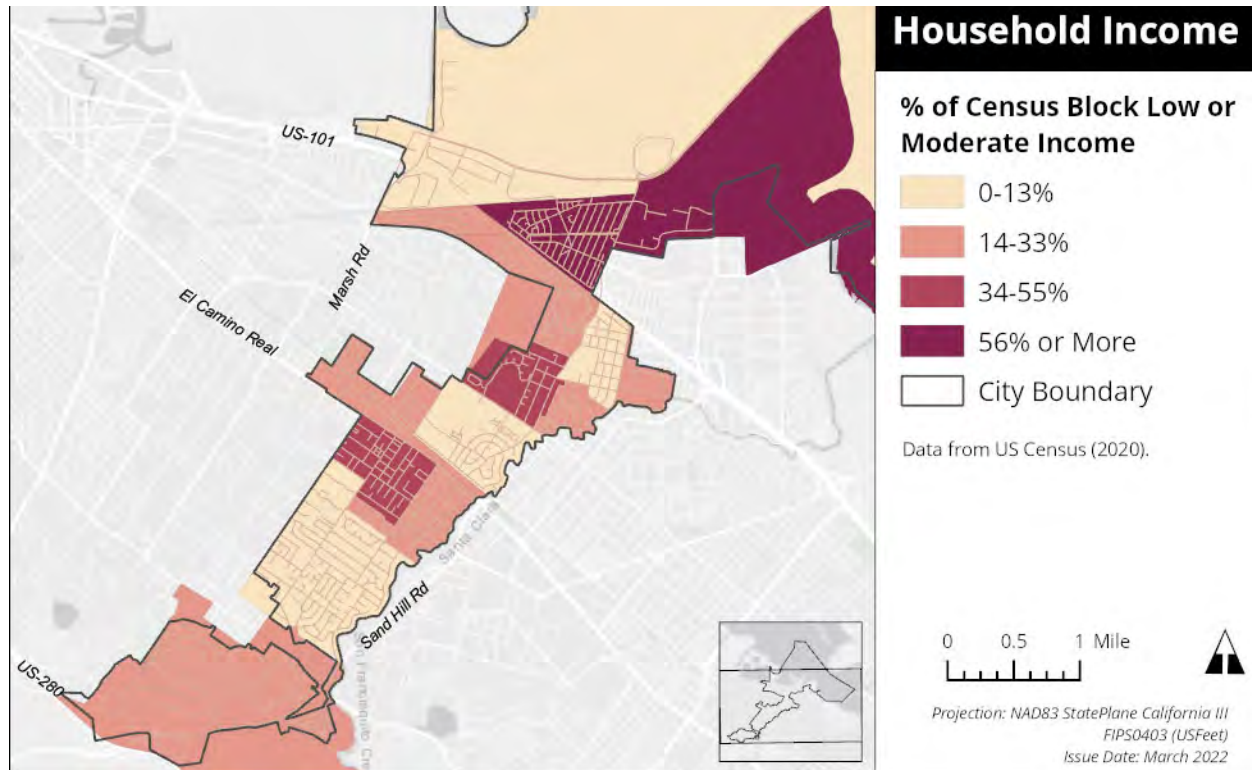
Menlo Park's population in 2020 was 35,254. This was a 10 percent increase from its population in 2010 (32,026). Menlo Park's population experienced a greater increase than both San Mateo County (7.6 percent) and the Bay Area as a whole (8.9 percent) during the same time period (2010 to 2020).

Compared to San Mateo County, 20 percent more households are above the area median income (AMI) in Menlo Park. In Menlo Park, 20 percent of households are below half the AMI – slightly lower than the County proportion of 24 percent. There is an acute housing need for lower-income households in Menlo Park. Overall, in 2017, 33 percent of Menlo Park households spent more than 30 percent of their income on housing. Of households making 80 percent or less than AMI, 72 percent spend more

<sup>5</sup> Employment location is generalized by the US Census Bureau at the census tract level. Exact locations may contain inaccuracies, as can be seen by the large employment mass at Bedwell Bayfront Park in the above map.

than 30 percent of their income on household.<sup>6</sup> Figure 4-2 shows a map of household incomes in the city.

*Figure 4-2: Map of Household Incomes in Menlo Park*



### Housing Tenure and Type

According to the California Department of Finance, there was an 8 percent increase in new housing units constructed in Menlo Park between 2010 and 2021. Of these, the majority have been multi-family housing consisting of five or more units. Refer to Table 3-5 and Figure 3-11 in Chapter 3, Housing Conditions and Trends, for additional details.

Since 2000, housing tenure has remained consistent in Menlo Park, with approximately 58 percent of housing units being owner-occupied. This is slightly different than, but generally on par with, the county figure of 60 percent and the Bay Area figure of 56 percent. However, homeownership rates for households in single-family homes are substantially higher than those for households in multi-family housing. In Menlo Park, 83

<sup>6</sup> Cost Burden, as defined by the U.S. Department of Housing and Urban Development, considers housing to be affordable for a household if the household spends less than 30 percent of its income on housing costs. A household is considered “cost-burdened” if it spends more than 30 percent of its monthly income on housing costs, while those who spend more than 50 percent of their income on housing costs are considered “severely cost-burdened.”

percent of households in detached single-family homes are homeowners, while only 14 percent of multi-family homes are homeowners.

Homeownership rates often vary considerably across race/ethnicity in the Bay Area and throughout the country. These disparities reflect differences in income and wealth and stem from federal, state, and local policies that limited access to homeownership for people of color while prioritizing and facilitating homeownership for White residents. While many of the discriminatory housing policies, such as redlining, have been formally disbanded, the impacts of race-based policy are still evident across Bay Area communities.

From 2015 to 2019, Menlo Park homeownership rates were 56 percent for Asian households, 53 percent for Black or African American households, 38 percent for Latinx households, and 63 percent for non-Hispanic White households. Refer to Figure 3-8 (in Chapter 3) for additional details.

### Fair Housing Enforcement and Capacity

As noted in the Assessment of Fair Housing report (Appendix 4-2), fair housing complaints can be used to indicate the overall magnitude of housing complaints and identify characteristics of households experiencing discrimination in housing. Pursuant to the California Fair Employment and Housing Act [Government Code § 12921 (a)], the opportunity to seek, obtain, and hold housing cannot be determined by an individual's "race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, veteran or military status, genetic information, or any other basis prohibited by Section 51 of the Civil Code." Federal law also prohibits many kinds of housing discrimination.

Housing discrimination complaints can be directed to either HUD's Office of Fair Housing and Equal Opportunity (FHEO) or the California Department of Fair Employment and Housing (DFEH). It is acknowledged that local fair housing issues may not always end up being referred to FHEO or DFEH; instead, service organizations such as Community Legal Services in East Palo Alto, the Legal Aid Society of San Mateo County, and Project Sentinel are referred to by the City for fair housing enforcement inquiries and the City will continue to partner with these organizations to be informed of demographic data regarding fair housing complaints in Menlo Park, with the intention of continually bolstering fair housing.

Fair housing issues that may arise in any jurisdiction include, but are not limited to:

- Housing design that makes a dwelling unit inaccessible to an individual with a disability;
- Discrimination against an individual based on race, national origin, familial status, disability, religion, sex, or other characteristics when renting or selling a housing unit; and
- Disproportionate housing needs, including cost burden, overcrowding, substandard housing, and risk of displacement.

A total of six complaints have been filed and resolved with FHEO in Menlo Park between 2013 and 2020. A no-cause determination was made for three complaints, one complaint was closed because the complainant failed to cooperate, and one complaint was closed because an election was made to go to court. Only one complaint was settled or conciliated, with compensation provided to the plaintiff on the basis of discriminatory refusal to rent and discriminatory advertising, statements, and notices based on familial status.

In San Mateo County, 130 complaints were filed and resolved between 2013 and 2020, including 48 complaints that were settled. The remaining complaints in the County included 61 complaints that were dismissed for no cause and 17 complaints that were withdrawn (BAE). Further details are provided in the Assessment of Fair Housing report (Appendix 4-2).

*Table 4-2: FHEO Fair Housing Complaints by Resolution Type*

<b>Resolution</b>	<b>City of Menlo Park</b>		<b>San Mateo County</b>	
	<b>Total, 2013-2020</b>	<b>Percent of Total</b>	<b>Total, 2013-2020</b>	<b>Percent of Total</b>
Complainant failed to cooperate	1	16.7%	2	1.5%
Conciliated/settled	1	16.7%	48	36.9%
Election made to go to court	1	16.7%	1	0.8%
No cause determination	3	50.0%	61	46.9%
Unable to locate complainant	0	0.0%	1	0.8%
Withdrawn after resolution	0	0.0%	12	9.2%
Withdrawn without resolution	0	0.0%	5	3.8%
<b>Subtotal, Closed Complaints</b>	<b>6</b>	<b>100.0%</b>	<b>130</b>	<b>100.0%</b>

Sources: HUD, Office of Fair Housing and Equal Opportunity, 2021; BAE, 2021.



## Disparities in Access to Opportunity

### Schools

As also discussed in the Environmental Justice Element, there are four primary school (elementary and middle) districts that serve Menlo Park:

- Las Lomas Elementary School District
- Menlo Park City School District
- Ravenswood City School District
- Redwood City School District

Ravenswood City School District serves Belle Haven, Bayfront, and the neighboring jurisdiction of East Palo Alto (a minority-majority city). Historically, there was also a Ravenswood High School that the National Association for the Advancement of Colored People (NAACP) argued – unsuccessfully – was illegally segregated at its 1958 opening.<sup>7</sup> This high school was subject to a 1970 desegregation order and was eventually shut down due to declining enrollment in 1975.<sup>8</sup> In the present day, Ravenswood City School District is the sole school district serving the city with student math and English test scores below state averages:

**Table 4-3: Test Scores in Menlo Park School Districts<sup>9</sup>**

<u>School District</u>	<u>% of Students White, Non-Hispanic</u>	<u>% Passing State Test</u>	
		<u>Math</u>	<u>English</u>
<u>State Average</u>	<u>21%</u>	<u>40%</u>	<u>51%</u>
<u>Las Lomas</u>	<u>55%</u>	<u>82%</u>	<u>86%</u>
<u>Menlo Park</u>	<u>57%</u>	<u>83%</u>	<u>84%</u>
<b><u>Ravenswood City</u></b>	<b><u>0%</u></b>	<b><u>12%</u></b>	<b><u>18%</u></b>
<u>Redwood City</u>	<u>20%</u>	<u>43%</u>	<u>54%</u>

There is a pattern where the school districts with more white students are also more proficient. The housing element seeks to balance this discrepancy through encouraging

<sup>7</sup> Tracy Jan "Ravenswood revisited, reunited" (Palo Alto Online: September 11, 1996, available at [https://www.paloaltoonline.com/weekly/morque/cover/1996\\_Sep\\_11.COVER11.html](https://www.paloaltoonline.com/weekly/morque/cover/1996_Sep_11.COVER11.html)).

<sup>8</sup> Kim-Mai Cutler "East of Palo Alto's Eden: Race and the Formation of Silicon Valley" (TechCrunch: January 10, 2015) available at <https://techcrunch.com/2015/01/10/east-of-palo-altos-eden/>. Cutler notes that two community "Nairobi Schools" in East Palo Alto were firebombed in 1975.

<sup>9</sup> Data via California Department of Education, 2019

more above moderate income units in the Ravenswood City School District and more affordable units in the other three primary school districts that serve Menlo Park.

### Jobs

In the second half of the 20<sup>th</sup> century, Menlo Park became one of the world's preeminent technological research and development centers – seen first from Stanford Research Institute and later, Facebook, now known as Meta.

The number of jobs in Menlo Park has boomed since the turn of the 21<sup>st</sup> century, from 26,965 in 2002 to 48,550 in 2018 (Table 4-1).

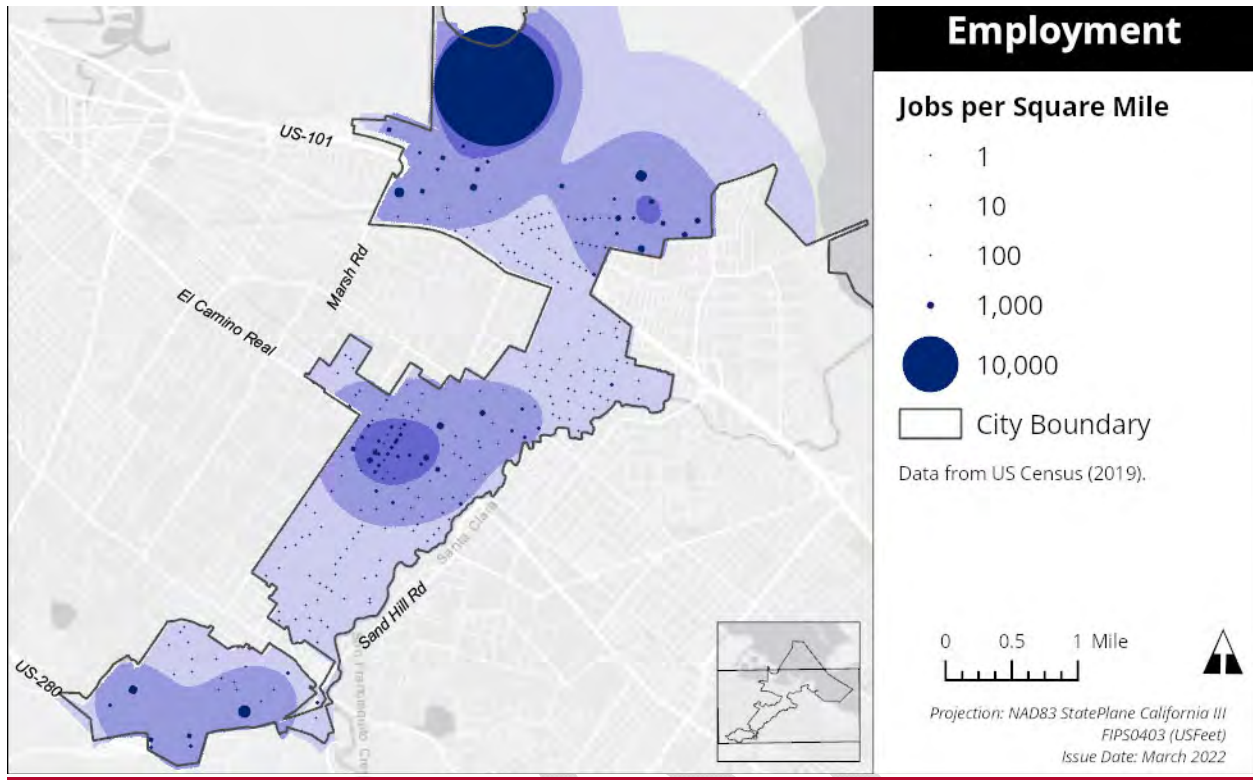
**Table 4-4: Menlo Park Job Trends, 2002-2018**

<u>Sector:</u>	<u>2002</u>	<u>2018</u>	<u>Change</u>
<u>Agriculture &amp; Natural Resources</u>	<u>14</u>	<u>50</u>	<u>257%</u>
<u>Arts, Recreation &amp; Other Services</u>	<u>2,500</u>	<u>3,322</u>	<u>33%</u>
<u>Construction</u>	<u>1,010</u>	<u>1,196</u>	<u>18%</u>
<u>Financial &amp; Leasing</u>	<u>2,173</u>	<u>3,399</u>	<u>56%</u>
<u>Government</u>	<u>540</u>	<u>1,011</u>	<u>87%</u>
<u>Health &amp; Educational Services</u>	<u>2,053</u>	<u>4,188</u>	<u>104%</u>
<u>Information</u>	<u>915</u>	<u>19,185</u>	<u>1997%</u>
<u>Manufacturing &amp; Wholesale</u>	<u>6,569</u>	<u>4,237</u>	<u>-36%</u>
<u>Professional &amp; Managerial Services</u>	<u>8,754</u>	<u>9,409</u>	<u>7%</u>
<u>Retail</u>	<u>1,966</u>	<u>1,564</u>	<u>-20%</u>
<u>Transportation &amp; Utilities</u>	<u>471</u>	<u>989</u>	<u>110%</u>
<u>Total</u>	<u>26,965</u>	<u>48,550</u>	<u>80%</u>

Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files, 2002-2018

There are three employment nodes in Menlo Park: Bayfront (NorthEast), Downtown/Middlefield (Central), and Sand Hill (SouthWest). The largest is in the Bayfront (eastnorth of US-101), where many technology and life science firms are located (Figure 4-1).

**Figure 4-3: Employment Density in Menlo Park**

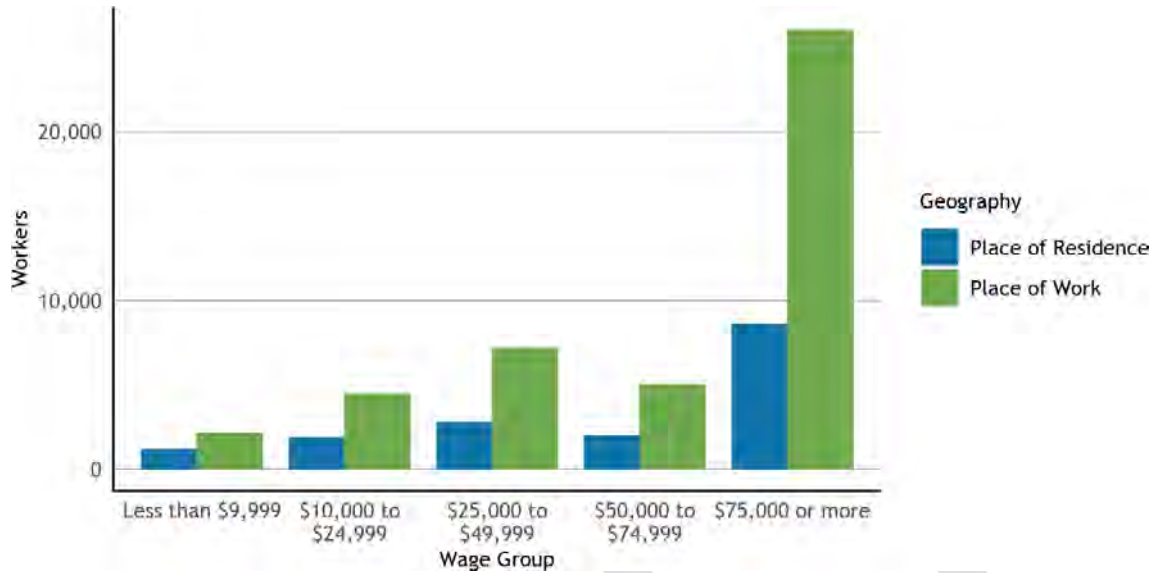


Source: U.S. Census (2019)<sup>10</sup>

A large portion (96 percent) of Menlo Park workers commute into the city from elsewhere in the region (see Table 3-3: Local Workers Community In Menlo Park in Chapter 3). In addition, there are more jobs than workers in each income category tracked by the US Census – but much more jobs than workers at the highest end of the spectrum.

<sup>10</sup> Employment location is generalized by the US Census Bureau at the census tract level. Exact locations may contain inaccuracies, as can be seen by the large employment mass at Bedwell Bayfront Park in the above map.

**Figure 3-44-4: Menlo Park Workers by Earnings**



Source: ABAG/MTC Housing Needs Data Report: Menlo Park

For Menlo Park residents of prime worker age (16-64 years), there are no substantial differences between the percentage of men and women employed, as a percentage of the labor force. There are also no substantial differences between Menlo Park and San Mateo County as a whole.

**Table XX4-35: Employment by Sex**

	Menlo Park		Total in Labor Force		San Mateo County		Total in Labor Force	
	Count	%	Count	%	Count	%	Count	%
Men	8,913	96%	9,238	96%	217,597	96%	227,511	96%
Women	7,711	96%	8,054	96%	192,314	96%	200,206	96%
Total	16,624	96%	17,292	96%	409,911	96%	427,717	96%

Source: ACS 5-Year Community Survey 2014-2018 Table DP03. "Labor Force" is defined as those who are employed or actively seeking work and does not count individuals not seeking work or unable to work.

Employment is higher for all races in Menlo Park compared to the County except for the employment rate for Black or African American workers.

**Table 4-46XX: Employment by Race**

	Menlo Park			San Mateo County		
	Count	%	Total	Count	%	Total
White	10,323	96%	10,739	130,491	94%	138,510
Black	816	88%	930	7,243	91%	7,952
American Indian	133	100%	133	1,655	84%	1,963
Asian	2,802	98%	2,852	121,091	94%	128,204

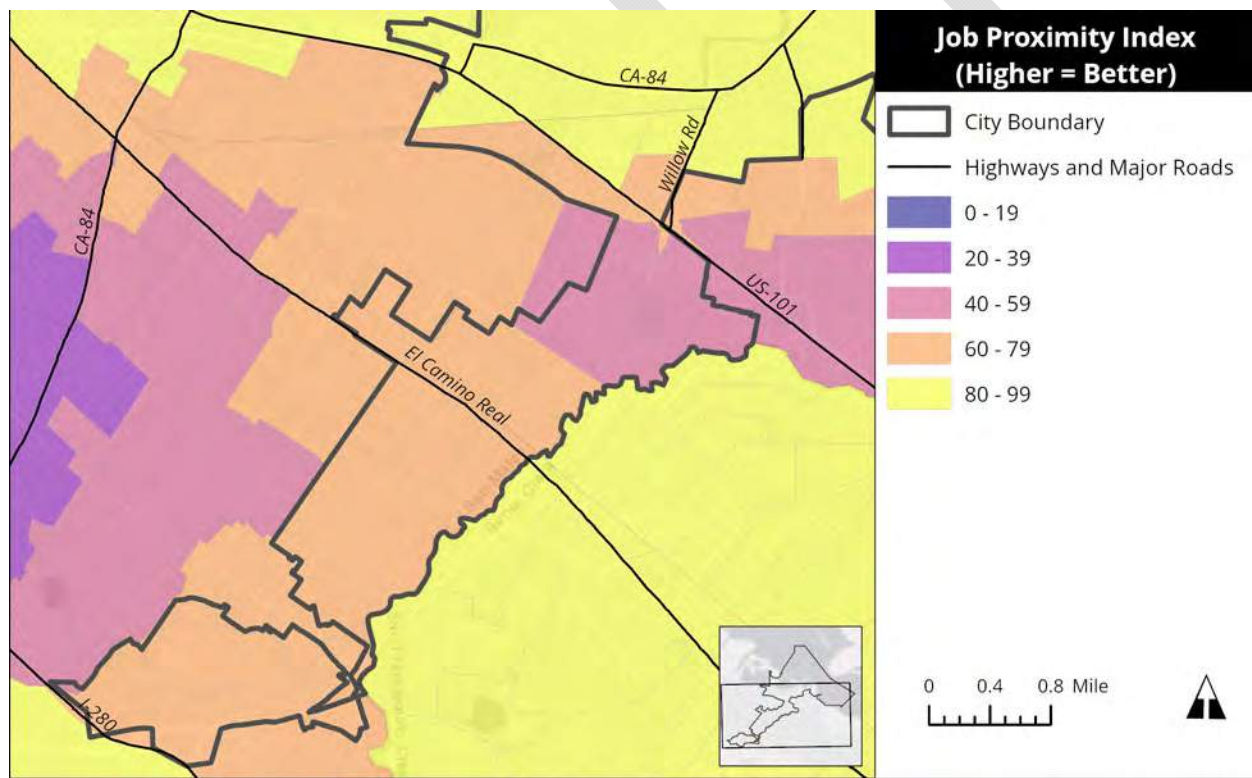
<u>Native Hawaiian/API</u>	<u>362</u>	<u>99%</u>	<u>364</u>	<u>3,422</u>	<u>80%</u>	<u>4,292</u>
<u>Other</u>	<u>944</u>	<u>96%</u>	<u>988</u>	<u>42,065</u>	<u>85%</u>	<u>49,640</u>
<u>Two or More Races</u>	<u>791</u>	<u>99%</u>	<u>800</u>	<u>43,866</u>	<u>94%</u>	<u>46,649</u>
<u>White Alone (not Hispanic)</u>	<u>9,078</u>	<u>96%</u>	<u>9,408</u>	<u>120,549</u>	<u>95%</u>	<u>127,508</u>
<u>Hispanic or Latino</u>	<u>2,565</u>	<u>94%</u>	<u>2,722</u>	<u>85,399</u>	<u>92%</u>	<u>92,916</u>

Source: ACS 5-Year Community Survey 2016-2020 Table C23002

## Transportation

Much of Menlo Park has convenient access to jobs due to the city's connectivity: I-280 to the southwest, El Camino Real and Caltrain in the center, and US-101 and CA-85 to the northeast. The one pocket of relatively low connectivity is predominantly high-income single family detached housing.

**Figure XX4-3: Jobs Proximity Index (2014-2017)**



The city's strong connectivity provides strong access to jobs. However, this also leads to high demand for housing in proximity to the jobs in Menlo Park, which is a factor leading to displacement. Strong anti-displacement policies are needed in order to support the local lower-income population as Menlo Park continues to be a job center for the region.

## Environment

As discussed in the Environmental Justice Element, the greatest environmental issues in Menlo Park are pollution from the major highways in the northeast and westsouth of the city, particularly US-101. The Environmental Justice Element, particularly Appendix EJ-A Neighborhood Profiles, goes into detail of the limited environmental hazards in the city. No census tract in Menlo Park has a CalEnviroScreen 4.0 Pollution Burden score over 75.

## Disability

In Menlo Park, a disproportionate number of Black/African American individuals are disabled, across age categories.

**Table XX4-57: Disability by Age and Race**

	<u>U18</u>			<u>18-64</u>			<u>65+</u>		
	<u>With a Disability</u>	<u>No Disability</u>	<u>%</u>	<u>With a Disability</u>	<u>No Disability</u>	<u>%</u>	<u>With a Disability</u>	<u>No Disability</u>	<u>%</u>
<u>White</u>	<u>127</u>	<u>5301</u>	<u>2%</u>	<u>570</u>	<u>13028</u>	<u>4%</u>	<u>1030</u>	<u>1030</u>	<u>1030</u>
<u>Black</u>	<u>60</u>	<u>109</u>	<u>36%</u>	<u>105</u>	<u>1017</u>	<u>9%</u>	<u>157</u>	<u>157</u>	<u>157</u>
<u>American Indian</u>	<u>0</u>	<u>23</u>	<u>0%</u>	<u>100</u>	<u>221</u>	<u>31%</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Asian</u>	<u>18</u>	<u>1206</u>	<u>1%</u>	<u>87</u>	<u>3433</u>	<u>2%</u>	<u>148</u>	<u>148</u>	<u>148</u>
<u>Native Hawaiian/API</u>	<u>13</u>	<u>223</u>	<u>6%</u>	<u>52</u>	<u>479</u>	<u>10%</u>	<u>8</u>	<u>8</u>	<u>8</u>
<u>Other Race</u>	<u>15</u>	<u>494</u>	<u>3%</u>	<u>20</u>	<u>1259</u>	<u>2%</u>	<u>18</u>	<u>18</u>	<u>18</u>
<u>Two or More Races</u>	<u>22</u>	<u>1061</u>	<u>2%</u>	<u>78</u>	<u>928</u>	<u>8%</u>	<u>42</u>	<u>42</u>	<u>42</u>
<u>Hispanic or Latino</u>	<u>69</u>	<u>1559</u>	<u>4%</u>	<u>202</u>	<u>3269</u>	<u>6%</u>	<u>58</u>	<u>58</u>	<u>58</u>

Source: ACS 5-Year Community Survey 2016-2020 Table B18101

This could be due to the higher health risks in Belle Haven, which is a disproportionately Black/African American community. For more details, see “People Living with Disabilities” under “Special Housing Needs,” beginning on page 4-5254.

## Opportunity Mapping

As noted in the Assessment of Fair Housing report (Appendix 4-2), Assembly Bill (AB) 686 requires the Housing Element needs assessment to include an analysis of access to opportunities. To facilitate this assessment, HCD and the State Tax Credit Allocation Committee (TCAC) convened an independent group of organizations and research institutions under the umbrella of the California Fair Housing Task Force, which produces an annual set of Opportunity Area Maps. The maps identify areas within every region of the state “whose characteristics have been shown by research to support

positive economic, educational, and health outcomes for low-income families – particularly long-term outcomes for children.”<sup>11</sup>

TCAC and HCD created these “Opportunity Maps” using reliable and publicly available data sources to derive 21 indicators to calculate Opportunity Index scores for Census tracts in each region of California. The Opportunity Maps categorize Census tracts into the following five groups based on the Opportunity Index scores:

- Highest Resource
- High Resource
- Moderate Resource/Moderate Resource (Rapidly Changing)
- Low Resource
- High Segregation & Poverty

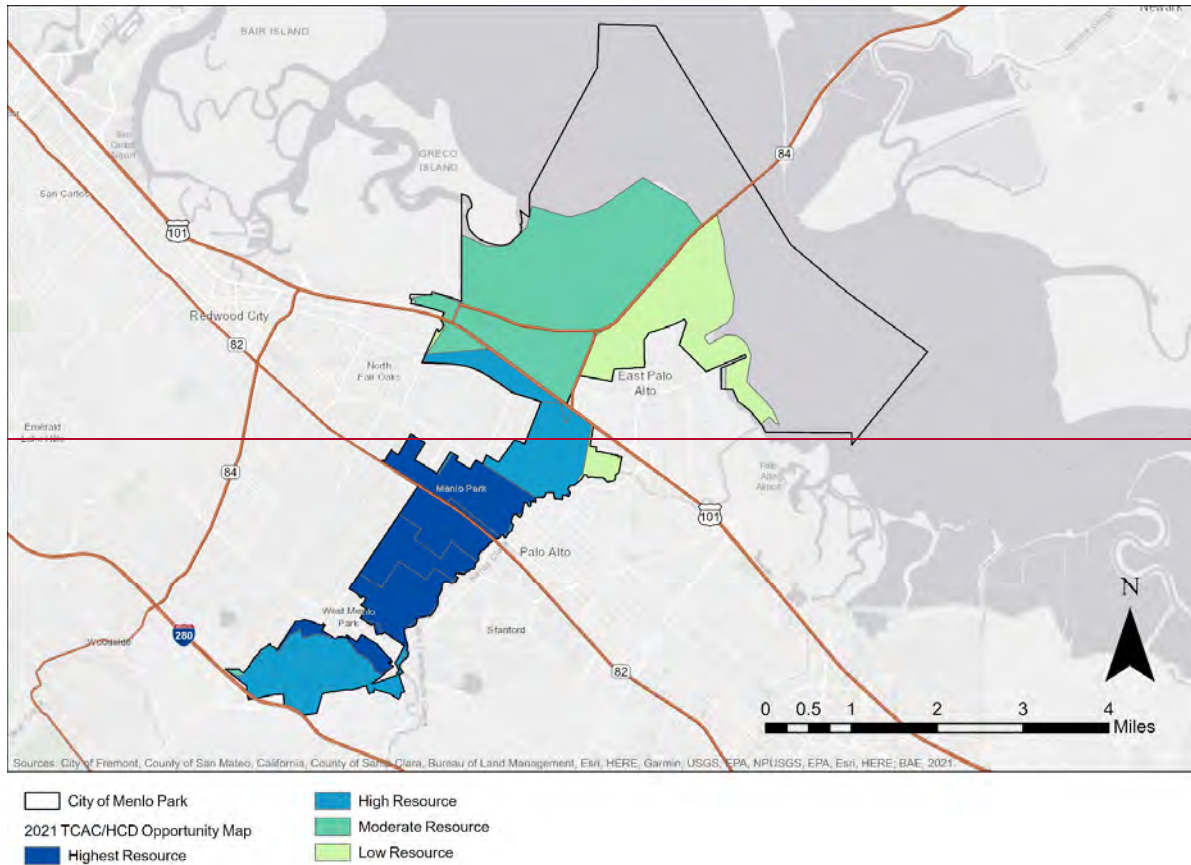
Before an area receives an Opportunity Index score, some Census tracts are filtered into the High Segregation & Poverty category. The filter identifies Census tracts where at least 30 percent of the population is below the federal poverty line and has a disproportionate share of households of color. After filtering out High Segregation and Poverty areas, the TCAC/HCD Opportunity Map allocates the 20 percent of tracts in each region with the highest relative Opportunity Index scores to the Highest Resource designation and the next 20 percent to the High Resource designation. The remaining non-filtered tracts are then evenly divided into Low Resource and Moderate Resource categories.

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<sup>11</sup> California Fair Housing Task Force. December 2020. *Methodology for the 2021 TCAC/HCD Opportunity Map*. Available at: <https://www.treasurer.ca.gov/ctcac/opportunity/2021-hcd-methodology.pdf>

As illustrated in Figure 4-3, Menlo Park has no tracts with High Segregation and Poverty, but otherwise has tracts ranging across the other four categories. The highest resource tracts are primarily concentrated in central neighborhoods. All the neighborhoods north east of Highway 101 (US-101) are considered low or moderate resource tracts.

**Figure 4-34: Resource and Opportunity in Menlo Park**

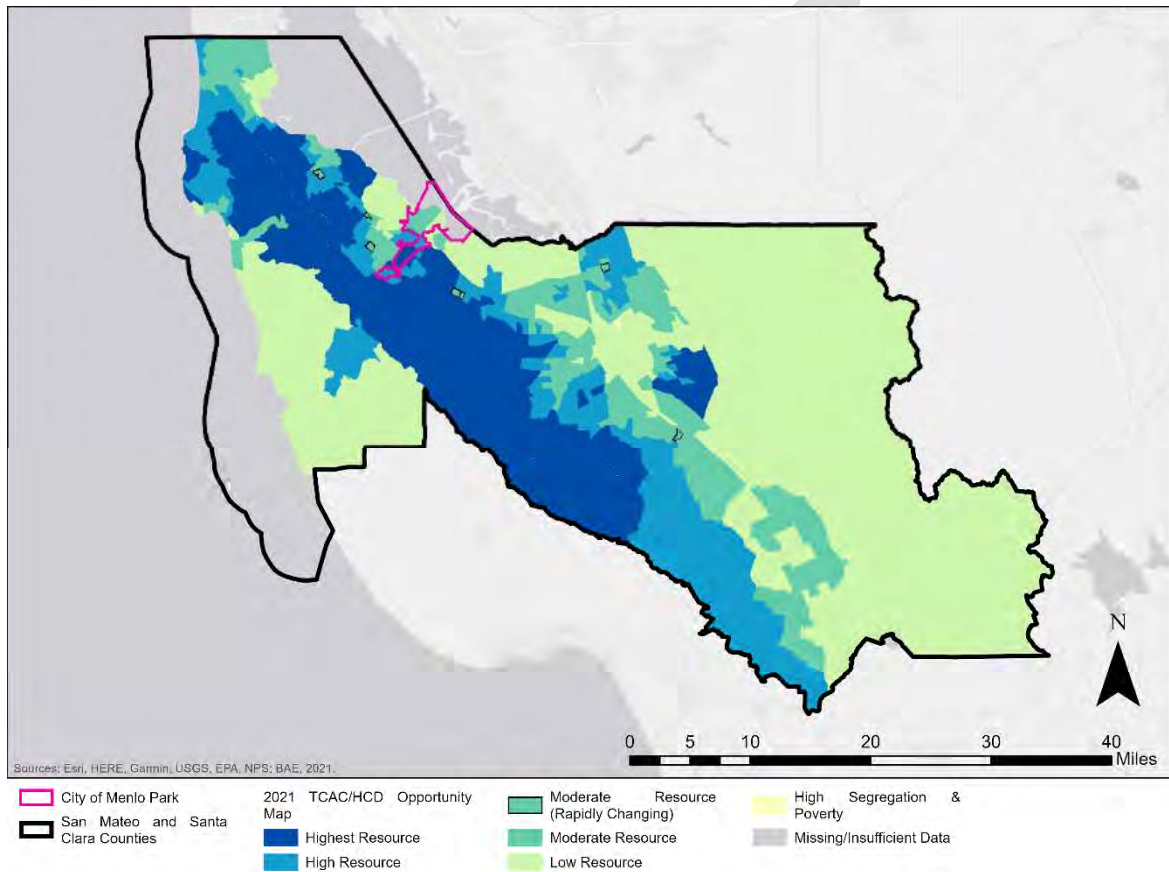


Sources: California Tax Credit Allocation Committee; HCD; U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data; BAE, 2021.



Tracts in San Mateo and Santa Clara County also cover a broad range of categories, although there is one tract with High Segregation and Poverty located in San Jose (see Figure 4-4). In Santa Clara County, the Highest Resource tracts are largely concentrated in western Santa Clara Valley cities such as Cupertino, Los Gatos, Saratoga, and Los Altos. In San Mateo County, there are high concentrations of the Highest Resource tracts in the areas west of Highway 280 on the peninsula.

**Figure 4-45: Resource and Opportunity in San Mateo and Santa Clara Counties**



Sources: California Tax Credit Allocation Committee; HCD; U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data; BAE, 2021.

A more detailed analysis of the individual TCAC factors is included in Appendix 4-2.

In 2021, a countywide housing survey was conducted by 21 Elements and Root Policy Research. The countywide housing survey found that several financial, infrastructural, and other place-based improvements could improve access to opportunity. A total of

2,382 county residents participated. A more extensive analysis of the survey is included in Appendix 4-5.

When asked what type of help they need to improve their housing security, the top answers were:

- Help me with the housing search (34%);
- Help me with a down payment/purchase (34%); and
- Prevent landlords from evicting me for no reason (17%), Help me get a loan to buy a house (17%), and Move to a different city (17%).

When asked what type of help they need to improve their neighborhood, the top answers were:

- Build more sidewalks (41%);
- Better lighting (34%); and
- Bike lanes and public transit (31%).

When asked what type of help they need to improve their health, the top answers were:

- Make it easier to get to health clinics (35%);
- Better/access to mental health care (32%); and
- More healthy food (32%).

When asked what type of help they need to improve their job situation, the top answers were:

- Find a job near my apartment/house (33%);
- Increase wages (33%); and
- Help paying for job training (11%) and access to consistent childcare (11%).

When asked what type of help they need to improve children's education, the top answers were:

- Have more activities after school (32%);
- Better transportation to school (29%); and
- Better school facilities (building quality, playgrounds, etc.) (29%).

The top needs overall expressed by residents were:

- 37% of residents said the bus/rail does not go where they need to go or does not operate during the times they need;
- 22% of residents said their house or apartment is too small for their family;

- 22% indicated they would like to move but can't afford anything else available; and
- 16% of respondents can't keep up with utility costs.

## Integration and Segregation Patterns and Trends

As noted in the Assessment of Fair Housing report (Appendix 4-2), hHousing policies and actions are developed effectively when a city's racial makeup is understood and drives equitable outreach and engagement discussion. The racial patterns in Menlo Park, like many other cities, are shaped by economic factors and government decisions, such as exclusionary zoning and discriminatory lending practices. Historical segregation and displacement have had one of the largest impacts on racial patterns and continue to impact communities of color today. A decrease in racial and ethnic housing representation can occur when residents can no longer find affordable housing that meets their needs.

Menlo Park is relatively less diverse when compared to San Mateo County overall. The population distribution by race and ethnicity shows the largest portion of the population being non-Hispanic White (58% v. 39% in the county), followed by Asian (17% in Menlo Park, 27% in the county), Hispanic (15% in Menlo Park, 24% in the county), and Black (4% in Menlo Park, 5% in the county). Older residents are less diverse with 80 percent of the population older than 65 years identifying as White compared to only 63 percent of the population for children less than 18 years old.

Racial and ethnic minority populations generally have higher poverty rates and lower household incomes than the non-Hispanic White population in Menlo Park. The exception to this is the Asian population, which has an income distribution similar to the non-Hispanic White population.

Geospatially, most of the census tracts west of US-101 are majority White, while Hispanic/Latinx majority tracts with large Black/African American populations are concentrated east of US-101. This demographic disparity, with US-101 serving as a dividing line between two distinct communities, is due to the restrictive covenants and federal discrimination that were in place when Menlo Park expanded after World War II. US-101 was expanded in the 1950s, which created what the NAACP referred to as a "Concrete Curtain" as Black residents moved in to Belle Haven during the same time frame. Generations later, in the 2008 financial crisis, homes in Belle Haven were

disproportionately foreclosed upon and purchased by outside investors, which has led to displacement in the years since the crisis.<sup>12</sup>

### **Race and Ethnicity**

As noted in the Assessment of Fair Housing report (Appendix 4-2), Menlo Park shows a race and ethnic mix somewhat different from the two-county region. As shown in Table 4-3, while their numbers and proportion have declined since 2000, White Non-Hispanic persons still make up a majority of the local population, while the region shows a generally stronger declining trend for this group, making up less than one-third of the total population in 2020.

In both Menlo Park and the region, the small Black Non-Hispanic population has been declining, and the Asian Non-Hispanic population has increased substantially. The number of persons identifying as Some Other Race or Two or More Races has also increased both in absolute numbers and as a proportion of the overall population. The Hispanic population has increased absolutely, but its proportion of the total has risen only slightly. As illustrated in the Table 4-3 below, some groups have very limited populations in the city.

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<sup>12</sup> This overview is a summation of a February 2021 presentation by Menlo Together, available at: <https://www.menlotogether.org/wp-content/uploads/2021/02/MPCSD-Slides-Color-of-Law.pdf>

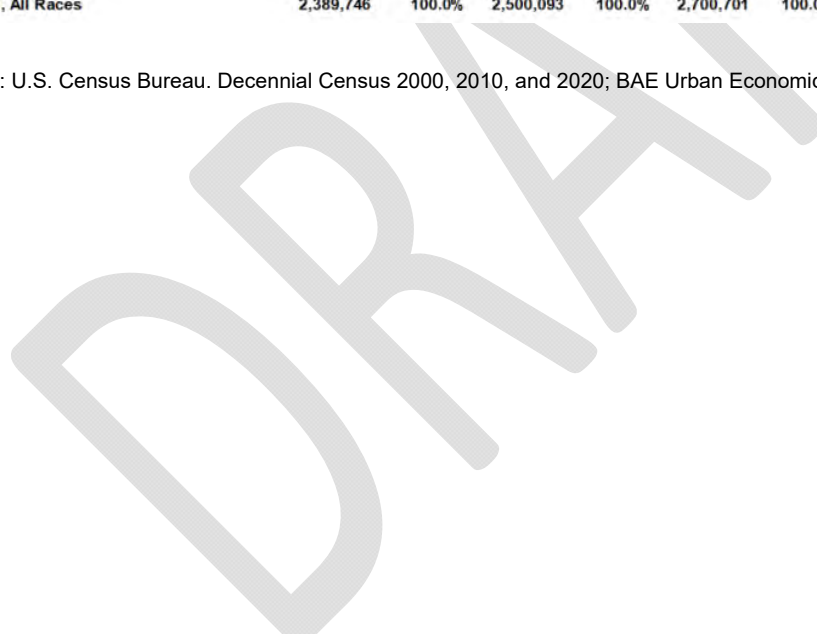
**Table 4-36: Menlo Park, San Mateo County and Santa Clara County by Race and Ethnicity 2000-2020**

	City of Menlo Park									
	2000		2010		2020		Change, 2000-2020		Change, 2010-2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Not Hispanic nor Latino by Race</b>										
White	20,417	66.3%	19,841	62.0%	18,575	55.0%	(1,842)	-9.0%	(1,266)	-6.4%
Black or African American	2,081	6.8%	1,482	4.6%	1,001	3.0%	(1,080)	-51.9%	(481)	-32.5%
Native American Indian and Alaska Native	66	0.2%	43	0.1%	26	0.1%	(40)	-60.6%	(17)	-39.5%
Asian	2,131	6.9%	3,132	9.8%	5,764	17.1%	3,633	170.5%	2,632	84.0%
Native Hawaiian and Other Pacific Islander	337	1.1%	446	1.4%	364	1.1%	27	8.0%	(82)	-18.4%
Some other race alone	115	0.4%	73	0.2%	156	0.5%	41	35.7%	83	113.7%
Two or more races	684	2.2%	1,107	3.5%	1,905	5.6%	1,221	178.5%	798	72.1%
<b>Subtotal, Not Hispanic nor Latino</b>	<b>25,831</b>	<b>83.9%</b>	<b>26,124</b>	<b>81.6%</b>	<b>27,791</b>	<b>82.3%</b>	<b>1,960</b>	<b>7.6%</b>	<b>1,667</b>	<b>6.4%</b>
<b>Hispanic or Latino</b>	<b>4,955</b>	<b>16.1%</b>	<b>5,902</b>	<b>18.4%</b>	<b>5,989</b>	<b>17.7%</b>	<b>1,034</b>	<b>20.9%</b>	<b>87</b>	<b>1.5%</b>
<b>Total, All Races</b>	<b>30,786</b>	<b>100.0%</b>	<b>32,026</b>	<b>100.0%</b>	<b>33,780</b>	<b>100.0%</b>	<b>2,994</b>	<b>9.7%</b>	<b>1,754</b>	<b>5.5%</b>

	San Mateo and Santa Clara Counties									
	2000		2010		2020		Change, 2010-2020		Change, 2010-2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Not Hispanic nor Latino by Race</b>										
White	1,092,542	45.7%	930,518	37.2%	831,610	30.8%	(260,932)	-23.9%	(98,908)	-10.6%
Black or African American	65,766	2.8%	61,094	2.4%	56,849	2.1%	(8,917)	-13.6%	(4,245)	-6.9%
American Indian and Alaska Native	6,776	0.3%	5,167	0.2%	4,261	0.2%	(2,515)	-37.1%	(906)	-17.5%
Asian	567,980	23.8%	741,400	29.7%	981,182	36.3%	413,202	72.7%	239,782	32.3%
Native Hawaiian and Other Pacific Islander	13,462	0.6%	16,136	0.6%	14,785	0.5%	1,323	9.8%	(1,351)	-8.4%
Some other race alone	5,174	0.2%	6,586	0.3%	16,035	0.6%	10,861	209.9%	9,449	143.5%
Two or more races	79,642	3.3%	77,480	3.1%	117,236	4.3%	37,594	47.2%	39,756	51.3%
<b>Subtotal, Not Hispanic nor Latino</b>	<b>1,831,342</b>	<b>76.6%</b>	<b>1,838,381</b>	<b>73.5%</b>	<b>2,021,958</b>	<b>74.9%</b>	<b>190,616</b>	<b>10.4%</b>	<b>183,577</b>	<b>10.0%</b>
<b>Hispanic or Latino</b>	<b>558,404</b>	<b>23.4%</b>	<b>661,712</b>	<b>26.5%</b>	<b>678,743</b>	<b>25.1%</b>	<b>120,339</b>	<b>21.6%</b>	<b>17,031</b>	<b>2.6%</b>
<b>Total, All Races</b>	<b>2,389,746</b>	<b>100.0%</b>	<b>2,500,093</b>	<b>100.0%</b>	<b>2,700,701</b>	<b>100.0%</b>	<b>310,955</b>	<b>13.0%</b>	<b>200,608</b>	<b>8.0%</b>

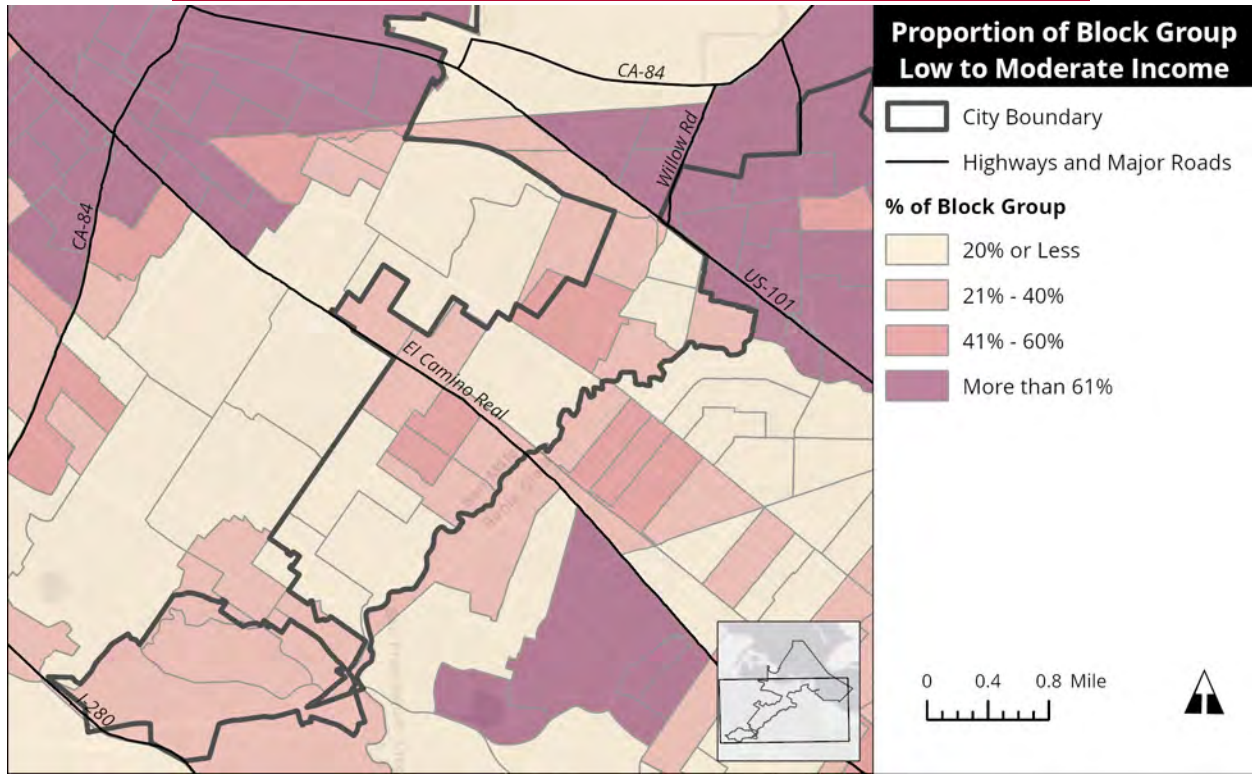
Source: U.S. Census Bureau. Decennial Census 2000, 2010, and 2020; BAE Urban Economics, 2021



## Income

Areas of the city north-east of US-101, notably Belle Haven, are disproportionately more composed of low to moderate income households than the areas of Menlo Park southwest of US-101.

**Figure XX4-6: Low to Moderate Income Households in Menlo Park (2019)**



## Comparison to the Region

Menlo Park has a higher median income than some of its neighboring jurisdictions.

**Table XX4-7: Median Income in Menlo Park and Nearby Cities (2020)**

<u>Jurisdiction</u>	<u># of Households</u>	<u>Median Household Income</u>
<u>Atherton</u>	<u>2,192</u>	<u>\$250,000+</u>
<u>East Palo Alto</u>	<u>7,900</u>	<u>\$83,511</u>
<b><u>Menlo Park</u></b>	<b><u>12,174</u></b>	<b><u>\$167,567</u></b>
<u>Palo Alto</u>	<u>26,150</u>	<u>\$174,003</u>
<u>Redwood City</u>	<u>30,175</u>	<u>\$123,294</u>
<u>Woodside</u>	<u>1,761</u>	<u>\$250,000+</u>

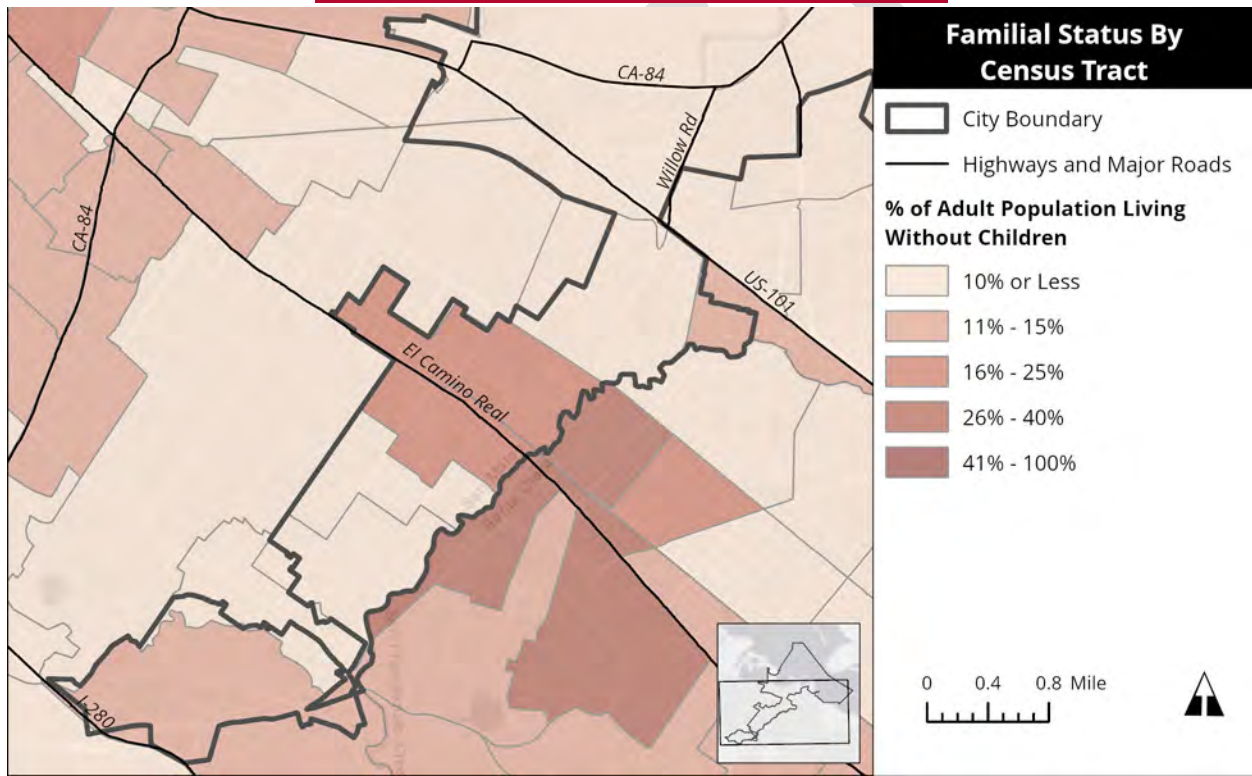
This is likely due to Menlo Park's history as a racially-exclusive suburb, albeit one that was more exclusive than some and less exclusive than others. As with most regions in

the United States, a jurisdiction's proportion of single-family zoned land roughly corresponds with that jurisdiction's exclusivity and segregation.<sup>13</sup>

### **Familial Status**

Much of Menlo Park consists of households that include children. There are larger proportions of households without children in Sharon Heights (the southwesternmost portion of the city) and near downtown. Notably, there are many large multifamily developments proposed in the northeast of the city that will consist of studio and one-bedroom units (see Pipeline Projects in Chapter 5), which will likely increase the proportion of households without families northeast of US-101.

**Figure XX4-7: Familial Status in Menlo Park (2019)**

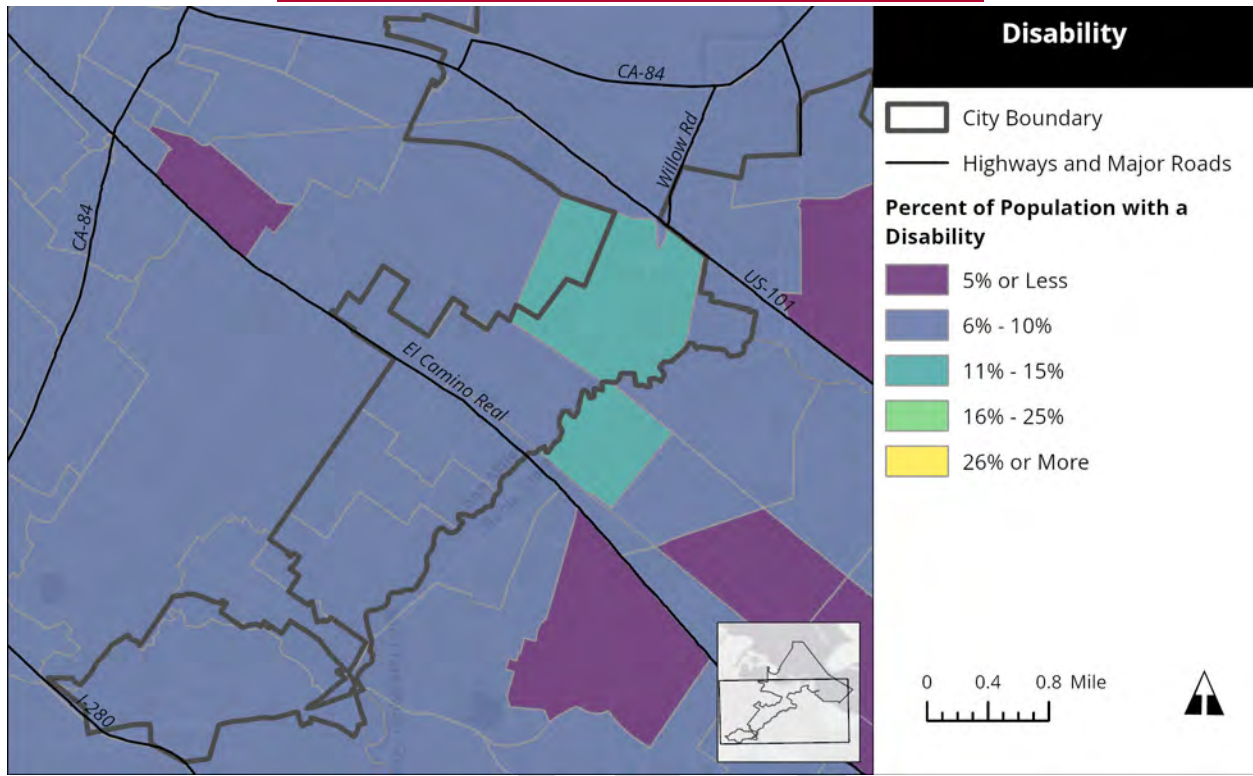


### **Disabilities**

The proportion of population with a disability is markedly consistent throughout Menlo Park. There are slightly more individuals with disabilities, proportionate to the census tract population, near the VA Hospital.

<sup>13</sup> See Michael Manville, Paavo Monkkonen and Michael Lens, "It's Time to End Single-Family Zoning" (Journal of the American Planning Association: December 6, 2019). Available at <https://www.tandfonline.com/doi/full/10.1080/01944363.2019.1651216>

**Figure XX4-8: Disability Proportion in Menlo Park (2019)**



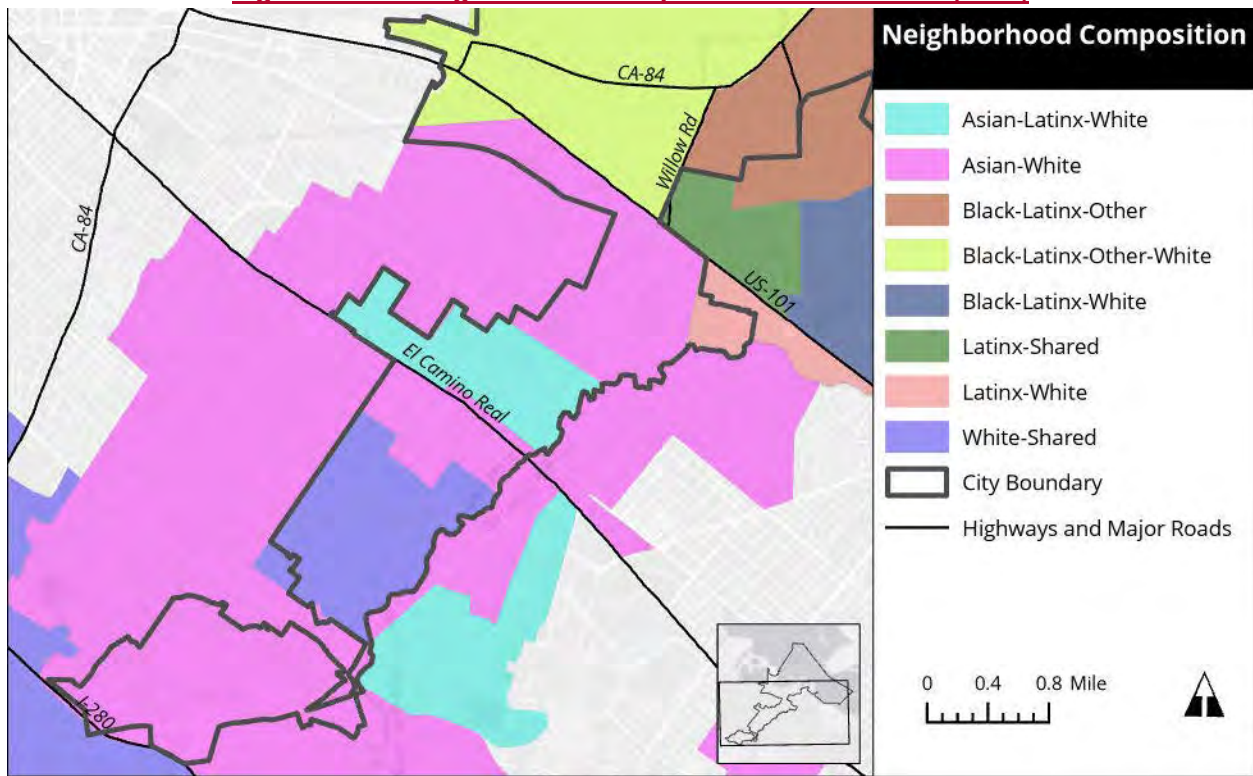
### Groups with Highest Levels of Segregation

HCD has collected data on racial composition at a census tract level, identifying which groups have more than 10 percent representation in each census tract.<sup>14</sup>

<sup>14</sup> See “Neighborhood Segregation”, available at [https://affh-data-resources-cahcd.hub.arcgis.com/datasets/132ee252757e4610adc0da257fe49641\\_33/about](https://affh-data-resources-cahcd.hub.arcgis.com/datasets/132ee252757e4610adc0da257fe49641_33/about).



**Figure XX4-9: Neighborhood Composition in Menlo Park (2019)**



In Menlo Park, the vast majority of census tracts southwest of US 101 are mixed of Asian and white, with some predominantly white (“White-Shared”) and some near downtown also composed of some Latinx households. NorthEast of US-101, there are disproportionately more Black households, with some Black-Latinx-Other-White in or near Belle Haven, and other areas with fewer white households.

**Dissimilarity Index**

As noted in the Assessment of Fair Housing report (Appendix 4-2), the dissimilarity index is one of two key metrics recommended for fair housing analysis as part of the federal AFFH rule. The dissimilarity index measures the evenness with which two groups are distributed across the geographic units that make up a larger area, such as Census block groups within a city. The index can range from zero to 100, with zero meaning no segregation, or spatial disparity, and 100 indicating complete segregation between the two groups. The index score can be interpreted as the percentage of one of the two groups that would have to move elsewhere in the community to produce an even distribution. An index score above 60 is considered high, while 30 to 60 is

considered moderate, and below 30 is considered low.<sup>15</sup> The sub-city analysis, including the calculation of both the dissimilarity index and isolation index (described in the next section below), relies on block group level data from the U.S. Census Bureau. The index used here compares the distribution of other groups relative to the White non-Hispanic population.

Menlo Park shows high variability between dissimilarity index scores by race/ethnicity (see Table 4-84). From 2015 through 2019, the scores range from 26.8 for non-Hispanic persons of two or more races to 90.1 for non-Hispanic Native Hawaiian and Pacific Islanders. It should be noted that, as discussed above, some minority groups make up a very small proportion of the City’s population; their higher dissimilarity index scores and large changes in the index over time may in part reflect segregation fluctuations resulting from their limited numbers. For instance, the index for the Native American population has nearly doubled over the period while the population declined by almost 40 percent to only 26 individuals in 2020. The other race-alone index more than doubled, even as this population increased to 156 in 2020, as movement between neighborhoods of small numbers of persons may lead to greater segregation. Most groups show an increase in the dissimilarity index between 2010 and the 2015 through 2019 period. While this is partially due to a decline in the non-Hispanic White population, the index is also susceptible to changes for the minorities with very small populations in the City.

**Table 4-48: Menlo Park Dissimilarity Index, 2010 and 2015-2019**

Racial and/or Ethnic Group	Dissimilarity Index	
	2010	2015-2019
Black or African American alone	79.2	77.2
American Indian and Alaska Native alone	48.0	87.0
Asian alone	19.0	34.2
Native Hawaiian and Other Pacific Islander alone	80.7	90.1
Some other race alone	36.3	81.0
Two or more races	15.9	26.8
Hispanic or Latino	72.6	65.0

Source: U.S. Census Bureau, 2010 Decennial Census, Table P9, ACS 2014-2018 five-year sample data, Table B03002; BAE Urban Economics, 2021

### **Isolation Index**

As noted in the Assessment of Fair Housing report (Appendix 4-2), the other key metric recommended under the federal AFFH rule is the Isolation Index, which compares a

<sup>15</sup> Cloud Nine Technologies and Brent Mast, (2017). *Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T) Data Documentation*. HUD Office of Policy Development and Research, and Massey, D.S. and N.A. Denton. (1993). *American Apartheid: Segregation and the Making of the Underclass*. Cambridge, MA: Harvard University Press.

group's share of the overall population to the average share within a given block group. Ranging from 0 to 100, the isolation index represents the percentage of residents of a given race or ethnicity in a block group where the average resident of that group lives, correcting for the fact that this number increases automatically with that group's share of the overall study area's population. Using Hispanic or Latino residents as an example, the isolation index of 29.7 indicates that the average Hispanic or Latino resident lives in a block group where the Hispanic or Latino share of the population exceeds the overall citywide average by 29.7 percent. An Isolation index of zero indicates no segregation. Values between zero and 30 indicate members of that minority group live in relatively integrated neighborhoods, 31 to 60 indicate moderate segregation, and values above 60 indicate high segregation. A score of 100 would indicate complete segregation.<sup>16 17</sup>

Table 4-5 summarizes isolation index scores by racial and ethnic affiliation. The data indicate that most racial and ethnic subpopulations live in areas with relatively high racial and ethnic integration degrees. The isolation indexes showed limited changes over the 2010 to 2015-2019 period, but none of the scores indicate a high degree of isolation for any group.

**Table 4-59: Menlo Park Isolation Index, 2010 and 2015-2019**

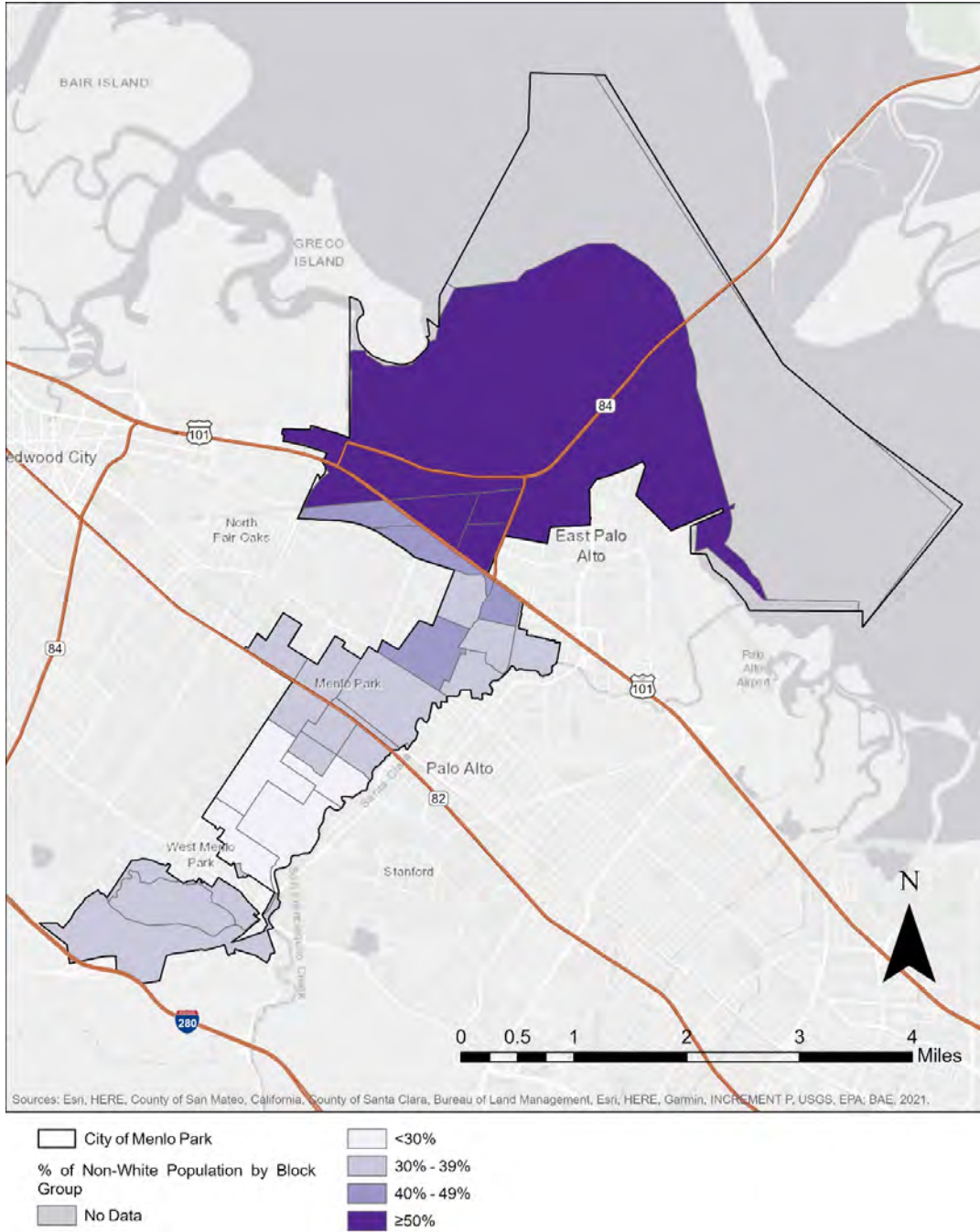
<b>Racial and/or Ethnic Group</b>	<b>Isolation Index</b>	
	<b>2010</b>	<b>2015-2019</b>
Non-Hispanic White	38.9	29.5
Black or African American alone	10.4	11.8
American Indian and Alaska Native alone	0.2	5.2
Asian alone	3.1	11.2
Native Hawaiian and Other Pacific Islander alone	5.0	11.1
Some other race alone	0.2	2.7
Two or more races	0.5	1.6
Hispanic or Latino	39.8	29.7

Source: U.S. Census Bureau, 2010 Decennial Census, Table P9; American Community Survey, 2015-2019 five-year sample data, B03002, BAE Urban Economics, 2021

<sup>16</sup> HUD. (2013). *AFFH Data Documentation*. Available at: [http://www.huduser.org/portal/publications/pdf/FR-5173-P-01\\_AFFH\\_data\\_documentation.pdf](http://www.huduser.org/portal/publications/pdf/FR-5173-P-01_AFFH_data_documentation.pdf)

<sup>17</sup> Glaeser, E. and Vigdor, J. (2001). *Racial Segregation in the 2000 Census: Promising News*. Washington, DC: The Brookings Institution, Center on Urban and Metropolitan Policy. Available at: <http://www.brookings.edu/es/urban/census/glaeser.pdf>

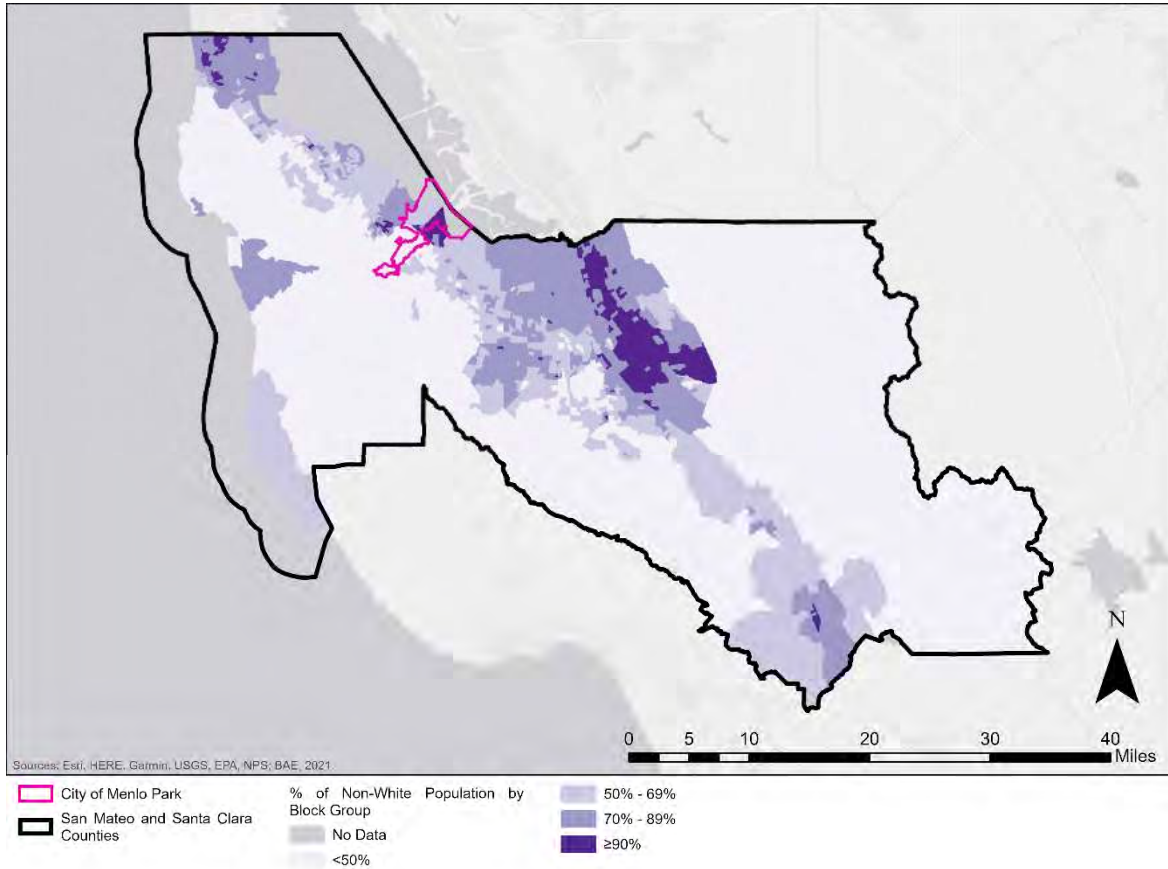
**Figure 4-510: Census Block Groups by Percent Non-White, Menlo Park**



Note: Includes all categories except White non-Hispanic persons.

Source: U.S. Census Bureau, 2020 Decennial Census; BAE Urban Economics, 2021

**Figure 4-611: Census Block Groups by Percent Non-White, San Mateo and Santa Clara Counties**



Note: Includes all categories except White non-Hispanic persons.

Source: U.S. Census Bureau, 2020 Decennial Census; BAE Urban Economics, 2021

### **Historic Patterns of Racial Discrimination**

As stated in a Housing Element Update project staff report to the Planning Commission and Housing Commission from October 4, 2021:

To achieve compliance with the Housing Element's requirement for AFFH, the City must acknowledge the existing level of segregation that has been created from past practices and patterns of segregation. This history includes racial covenants in neighborhoods as early as the 1920s, the expansion of Highway 101 in the 1950s, and the subsequent disenfranchisement of northern-eastern neighborhoods (particularly Belle Haven) through predatory real estate practices like blockbusting. These past practices have resulted in segregation based on

race, income level, property value, access to high-performing schools, and proximity to services.<sup>18</sup>

As noted in the Assessment of Fair Housing report (Appendix 4-2), two recent reports provide documentation of historical patterns of discrimination in Menlo Park and nearby communities. “Uneven Ground,” by Kate Bradshaw, published in 2019 by Palo Alto Online Media,<sup>19</sup> documents the discrimination faced by minority homebuyers in Menlo Park and nearby cities in the late 1950s and early 1960s. Two women, one white and one Black, sought out real estate brokers in the area and were “steered” to different neighborhoods based on their race.<sup>20</sup> Brokers explicitly refused to sell homes in Menlo Park’s Belle Haven neighborhood or East Palo Alto to the White woman, calling the areas “undesirable” due to the presence of African American residents. Most brokers simply avoided providing much information to the Black woman, in some cases suggesting she talk to other brokers specializing in the communities already having a substantial Black population.

“The Color of Law: Menlo Park Edition,”<sup>21</sup> presented at a series of workshops facilitated by Menlo Together, a citizen’s group promoting the city as a diverse, equitable, and sustainable community, provides a longer-term view of the national, regional, and local practices that have contributed to housing segregation in Menlo Park. For instance, neighborhood covenants restricted minorities from purchasing in certain neighborhoods, and zoning laws kept lower-income housing types out of single-family communities. Redlining made it impossible for minorities to obtain loans for single-family homes; blockbusting generated White flight and steered minorities toward Belle Haven and East Palo Alto, and subprime lenders preyed on minority households. More recently, gentrification linked in part to the growth of jobs in the area has led to the replacement of lower-income renters with higher-income owners. These historical laws, rules, practices, and trends have resulted in continuing disparities in Menlo Park, the region, and the nation.

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<sup>18</sup> Staff Report, Menlo Park Planning Commission and Housing Commission, Meeting Date 10/4/2021, Staff Report Number: 21-048-PC

<sup>19</sup> “Uneven Ground,” Kate Bradshaw, Palo Alto Online Media, August 27, 2019, <https://multimedia.paloaltoonline.com/2019/08/27/uneven-ground/>, accessed January 5, 2022.

<sup>20</sup> Hearings before the United States Commission on Civil Rights. Hearings held in Los Angeles, California, January 25, 1960, January 26, 1960; San Francisco, California, January 27, 1960, January 28, 1960. Hathi Trust Digital Library, <https://catalog.hathitrust.org/Record/102835885>

<sup>21</sup> “The Color of Law: Menlo Park Edition,” February 13, 2021, <https://www.menlotgether.org/wp-content/uploads/2021/02/MPCSD-Slides-Color-of-Law.pdf>, accessed January 5, 2021.

## Dissimilarity Index

As noted in the Assessment of Fair Housing report (Appendix 4-2), the dissimilarity index is one of two key metrics recommended for fair housing analysis as part of the federal AFFH rule. The dissimilarity index measures the evenness with which two groups are distributed across the geographic units that make up a larger area, such as Census block groups within a city. The index can range from zero to 100, with zero meaning no segregation, or spatial disparity, and 100 indicating complete segregation between the two groups. The index score can be interpreted as the percentage of one of the two groups that would have to move elsewhere in the community to produce an even distribution. An index score above 60 is considered high, while 30 to 60 is considered moderate, and below 30 is considered low.<sup>22</sup> The sub-city analysis, including the calculation of both the dissimilarity index and isolation index (described in the next section below), relies on block group level data from the U.S. Census Bureau. The index used here compares the distribution of other groups relative to the White non-Hispanic population.

Menlo Park shows high variability between dissimilarity index scores by race/ethnicity (see Table 4-4). From 2015 through 2019, the scores range from 26.8 for non-Hispanic persons of two or more races to 90.1 for non-Hispanic Native Hawaiian and Pacific Islanders. It should be noted that, as discussed above, some minority groups make up a very small proportion of the city's population; their higher dissimilarity index scores and large changes in the index over time may in part reflect segregation fluctuations resulting from their limited numbers. For instance, the index for the Native American population has nearly doubled over the period while the population declined by almost 40 percent to only 26 individuals in 2020. The other race-alone index more than doubled, even as this population increased to 156 in 2020, as movement between neighborhoods of small numbers of persons may lead to greater segregation. Most groups show an increase in the dissimilarity index between 2010 and the 2015 through 2019 period. While this is partially due to a decline in the non-Hispanic White population, the index is also susceptible to changes for the minorities with very small populations in the city.

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<sup>22</sup> Cloud Nine Technologies and Brent Mast, (2017). *Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T) Data Documentation*. HUD Office of Policy Development and Research, and Massey, D.S. and N.A. Denton. (1993). *American Apartheid: Segregation and the Making of the Underclass*. Cambridge, MA: Harvard University Press.

**Table 4-4: Menlo Park Dissimilarity Index, 2010 and 2015-2019**

<u>Racial and/or Ethnic Group</u>	<u>Dissimilarity Index</u>	
	<u>2010</u>	<u>2015-2019</u>
Black or African American alone	79.2	77.2
American Indian and Alaska Native alone	48.0	87.0
<del>Asian alone</del>	<del>19.0</del>	<del>34.2</del>
Native Hawaiian and Other Pacific Islander alone	80.7	90.1
Some other race alone	36.3	81.0
Two or more races	15.9	26.8
Hispanic or Latino	72.6	65.0

Source: U.S. Census Bureau, 2010 Decennial Census, Table P0, ACS 2014-2018 five-year sample data, Table B03002; BAE Urban Economics, 2024

### **Isolation Index**

As noted in the Assessment of Fair Housing report (Appendix 4-2), the other key metric recommended under the federal AFFH rule is the isolation index, which compares a group's share of the overall population to the average share within a given block group. Ranging from 0 to 100, the isolation index represents the percentage of residents of a given race or ethnicity in a block group where the average resident of that group lives, correcting for the fact that this number increases automatically with that group's share of the overall study area's population. Using Hispanic or Latino residents as an example, the isolation index of 29.7 indicates that the average Hispanic or Latino resident lives in a block group where the Hispanic or Latino share of the population exceeds the overall citywide average by 29.7 percent. An isolation index of zero indicates no segregation. Values between zero and 30 indicate members of that minority group live in relatively integrated neighborhoods, 31 to 60 indicate moderate segregation, and values above 60 indicate high segregation. A score of 100 would indicate complete segregation.<sup>23, 24</sup>

Table 4-5 summarizes isolation index scores by racial and ethnic affiliation. The data indicates that most racial and ethnic subpopulations live in areas with relatively high racial and ethnic integration degrees. The isolation indexes showed limited changes over the 2010 to 2015-2019 period, but none of the scores indicate a high degree of isolation for any group. For a broader perspective, Figure 4-5 and Figure 4-6 are provided to show Census block groups by percent of Non-White population in Menlo Park and the greater San Mateo and Santa Clara Counties. In Menlo Park, more than 50 percent of the population north of US-101 (District 1) is Non-White.

<sup>23</sup> HUD. (2013). *AFFH Data Documentation*. Available at: <http://www.huduser.org/portal/publications/pdf/FR-5173-P-01-AFFH-data-documentation.pdf>

<sup>24</sup> Glaeser, E. and Vigdor, J. (2001). *Racial Segregation in the 2000 Census: Promising News*. Washington, DC: The Brookings Institution, Center on Urban and Metropolitan Policy. Available at: <http://www.brookings.edu/es/urban/census/glaeser.pdf>



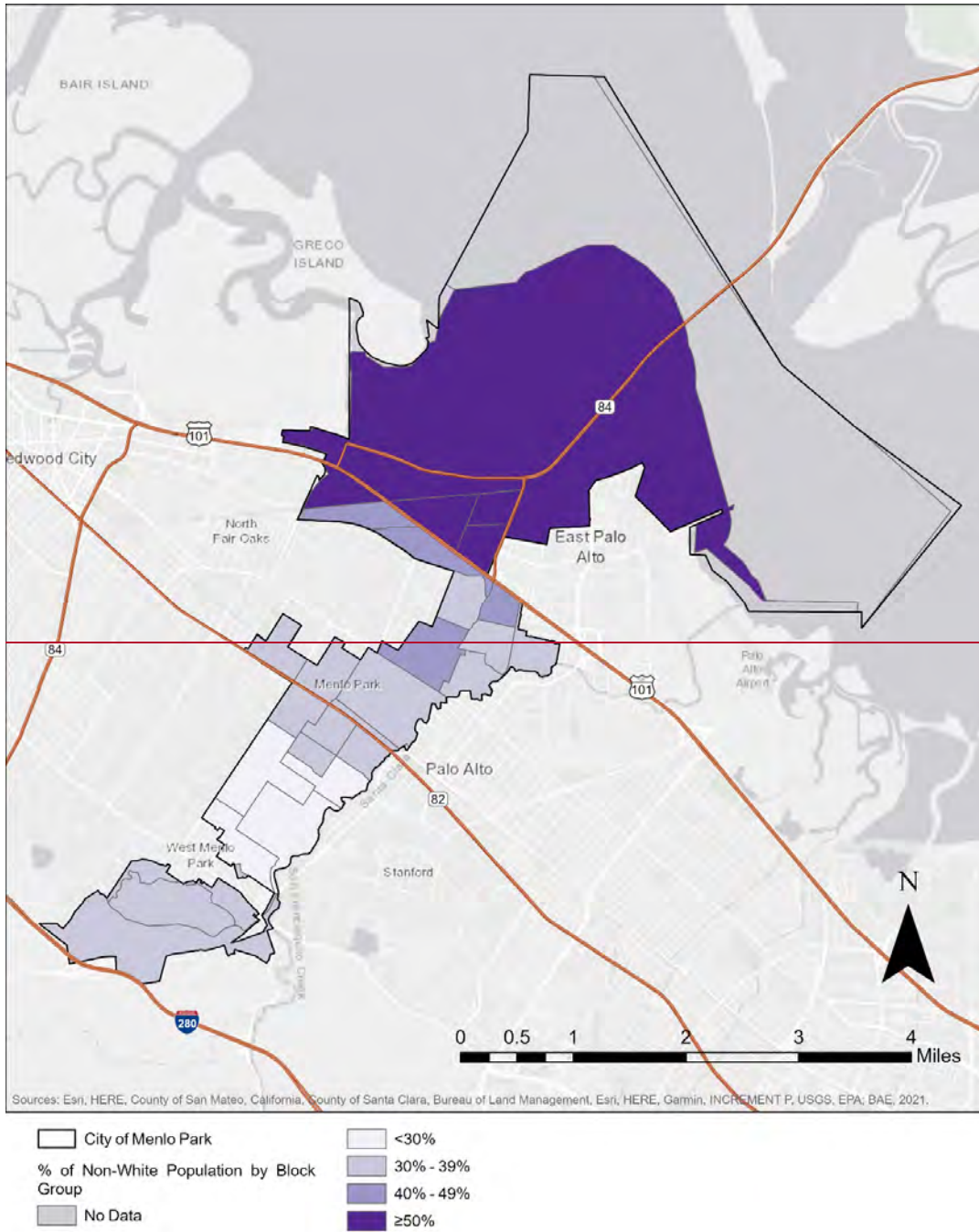
**Table 4-5: Menlo Park Isolation Index, 2010 and 2015-2019**

<b>Racial and/or Ethnic Group</b>	<b>Isolation Index</b>	
	<b>2010</b>	<b>2015-2019</b>
Non-Hispanic White	38.9	29.5
Black or African American alone	10.4	11.8
American Indian and Alaska Native alone	0.2	5.2
Asian alone	3.1	11.2
Native Hawaiian and Other Pacific Islander alone	5.0	11.1
Some other race alone	0.2	2.7
Two or more races	0.5	1.6
Hispanic or Latino	39.8	29.7

Source: U.S. Census Bureau, 2010 Decennial Census, Table P9; American Community Survey, 2015-2019 five-year sample data, B03002, BAE Urban Economics, 2024

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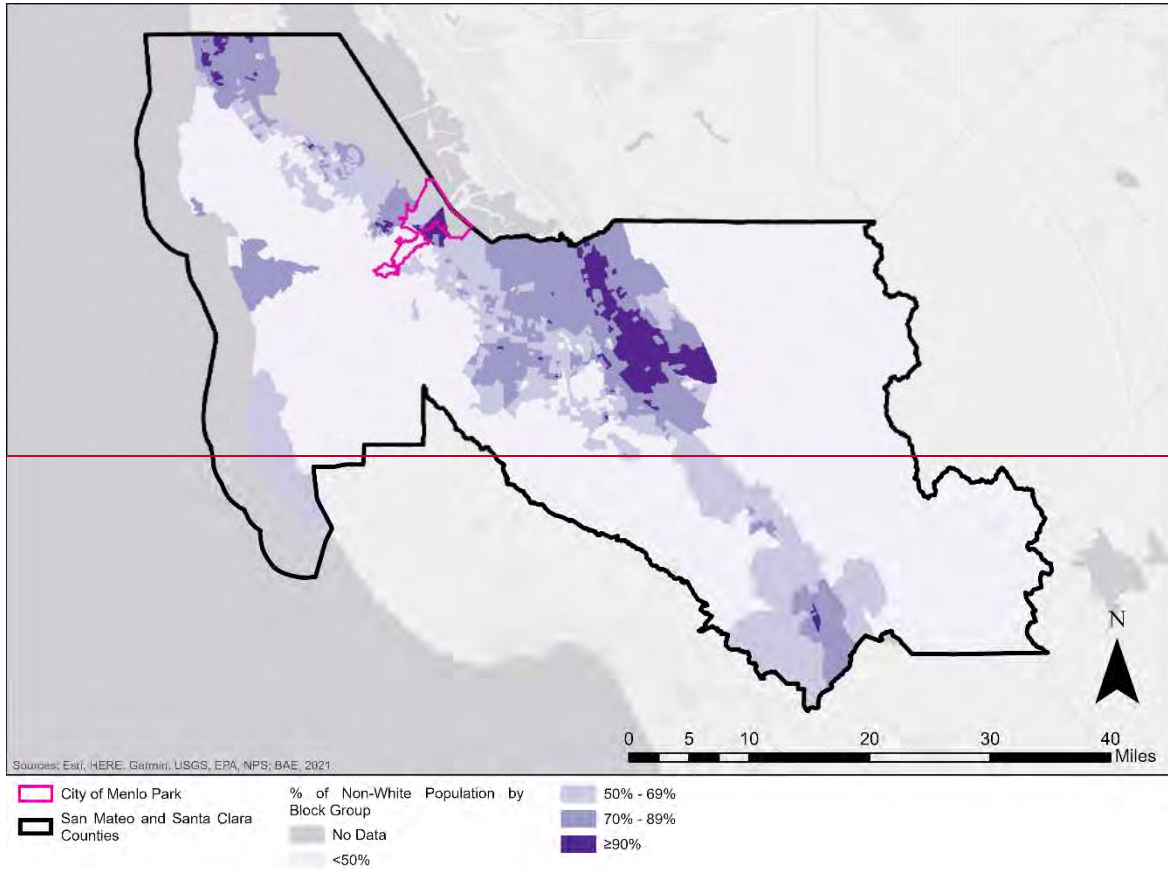
**Figure 4-5: Census Block Groups by Percent Non-White, Menlo Park**



Note: Includes all categories except White non-Hispanic persons.

Source: U.S. Census Bureau, 2020 Decennial Census; BAE Urban Economics, 2021

**Figure 4-6: Census Block Groups by Percent Non-White, San Mateo and Santa Clara Counties**



Note: Includes all categories except White non-Hispanic persons.

Source: U.S. Census Bureau, 2020 Decennial Census; BAE Urban Economics, 2021.

## Racially or Ethnically Concentrated Areas

### Local and Regional R/ECAP and RCAA

As noted in the Assessment of Fair Housing report (Appendix 4-2), Menlo Park is within San Mateo County, no part of which is defined as an area with Racially/Ethnically Concentrated Areas of Poverty (R/ECAP). However, much of San Mateo County – including Menlo Park – is classified as a Racially Concentrated Area of Affluence (RCAA).

**Figure XX4-12: RCAA/RECAP (2020)**



As noted in the Assessment of Fair Housing report (Appendix 4-2), Menlo Park is within San Mateo County, which is not defined as an area with Racially/Ethnically Concentrated Areas of Poverty (R/ECAP). The census tracts south of US-101 that are high or highest resource according to TCAC (see Figure 4-4) are also designated as Racially Concentrated Areas of Affluence (RCAA). To be an RCAA, a census tract had to have a non-Hispanic white population of more than 1.25 that of the ABAG region.<sup>25</sup>

<sup>25</sup> California Department of Housing and Community Development. "Racially Concentrated Areas of Affluence" (July 8, 2022). Available at <https://cahcd.maps.arcgis.com/home/itcm.html?id=4100330678564ad699d139b1c193ef14>



The areas of Menlo Park southwest of US-101 are designated as Racially Concentrated Areas of Affluence, but the areas northeast of US-101 are not.

~~While none of the tracts in Menlo Park or nearby meet the criteria for a R/ECAP, it should be noted that Menlo Park is adjacent to East Palo Alto, historically one of the more segregated and lower income areas of San Mateo County. The nearby Belle Haven neighborhood in Menlo Park is physically separated from other neighborhoods in Menlo Park by Highway 101 and has historically been both racially segregated and lower income.~~

Table 4-106 reports the prevalence of poverty by race and ethnicity in the City between 2015 and 2019. The data show that many communities of color, namely Hispanics and Latinos, American Indians and Alaskan Natives, Other Pacific Islanders, and residents of two or more races, have poverty rates above the citywide average of 7.6 percent.

**Table 4-610: Menlo Park Poverty by Race And Ethnicity, 2015-2019**

<b>Racial/Ethnic Group</b>	<b>Total Population</b>	<b>Total Below Poverty</b>	<b>Poverty Rate</b>
White alone	22,776	1,340	5.9%
Black or African American alone	1,520	77	5.1%
American Indian and Alaska Native	243	176	72.4%
Asian alone	5,030	332	6.6%
Native Hawaiian/Other Pacific Islander	699	107	15.3%
Some other race alone	1,844	369	20.0%
Two or more races	1,664	165	9.9%
<b>Total, All Races</b>	<b>33,776</b>	<b>2,566</b>	<b>7.6%</b>
Hispanic or Latino	5,165	768	14.9%
Not Hispanic or Latino	28,611	1,798	6.3%
<b>Total, All Ethnicities</b>	<b>33,776</b>	<b>2,566</b>	<b>7.6%</b>

Note: Includes only those for whom poverty status was determined.

Source: U.S. Census Bureau, ACS 2019 five-year sample period, S1701; BAE Urban Economics, 2021

## Disproportionate Housing Needs and Displacement Risk

Community outreach highlighted resident concerns about inequity in Council District 1, east of US-101. District 1 is disproportionately impacted by equity issues, including being comparatively lower resourced and having a higher risk for displacement than the rest of the city (Districts 2 through 5).

As a result, site selection, particularly for lower-income housing, was focused on other areas of the city to provide equitable distribution of housing across the entire city. Please see Chapter 7, Site Inventory and Analysis, for how fair housing was integrated into site selection. Housing production that can decrease displacement risk and provide greater numbers of affordable units is crucial. The City will continually work towards affirmatively furthering fair housing with collective efforts and collaboration from housing developers, housing advocates, and the greater Menlo Park and San Mateo County communities.

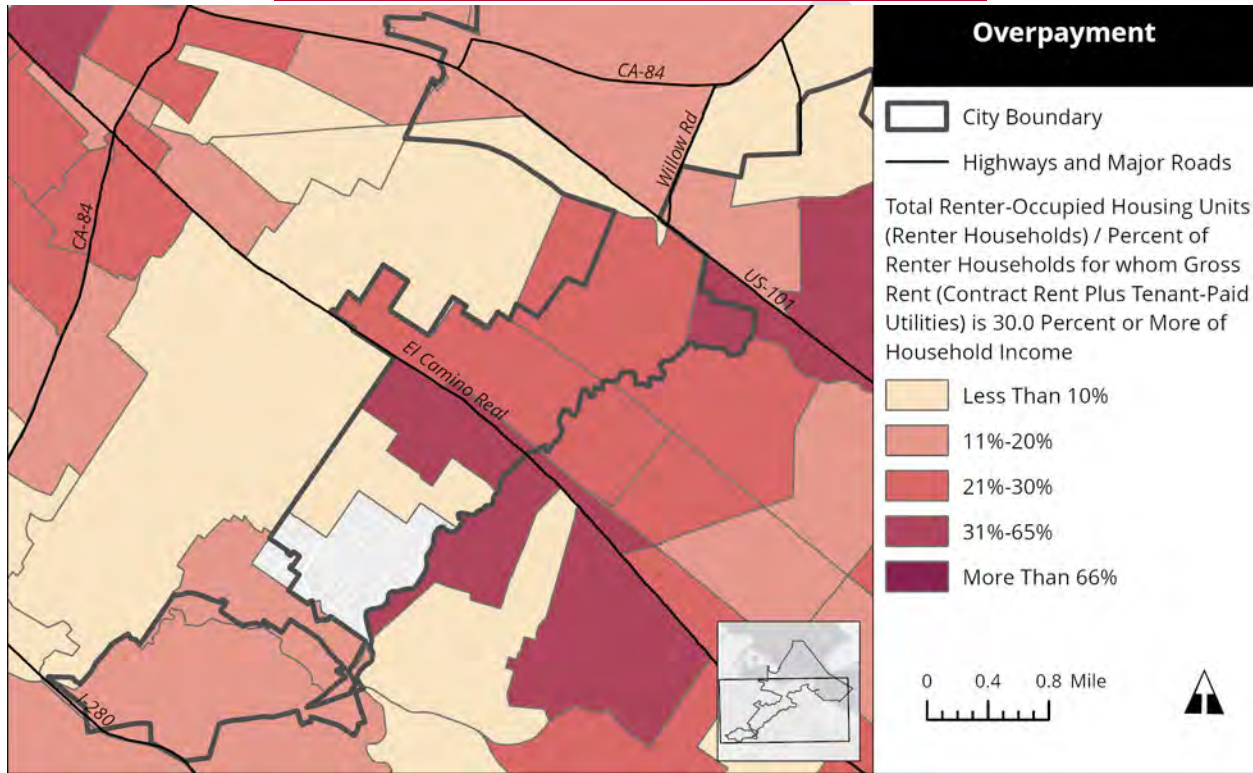
### **Cost Burden**

A household that spends more than 30 percent of its income on home payment is considered cost burdened. In Menlo Park, 16.3 percent of households are severely cost burdened and spend more than 50 percent of their income on housing, while 17.3

percent of households spend 30 to 50 percent of their income on housing.<sup>26</sup> Low-income residents are the most impacted by high housing costs and experience the highest cost burden rates. Spending such large portions of their income on housing puts low-income households at higher risk of displacement, eviction, or homelessness.

In Menlo Park, renter households northeast of US-101 are disproportionately more likely to be cost-burdened.

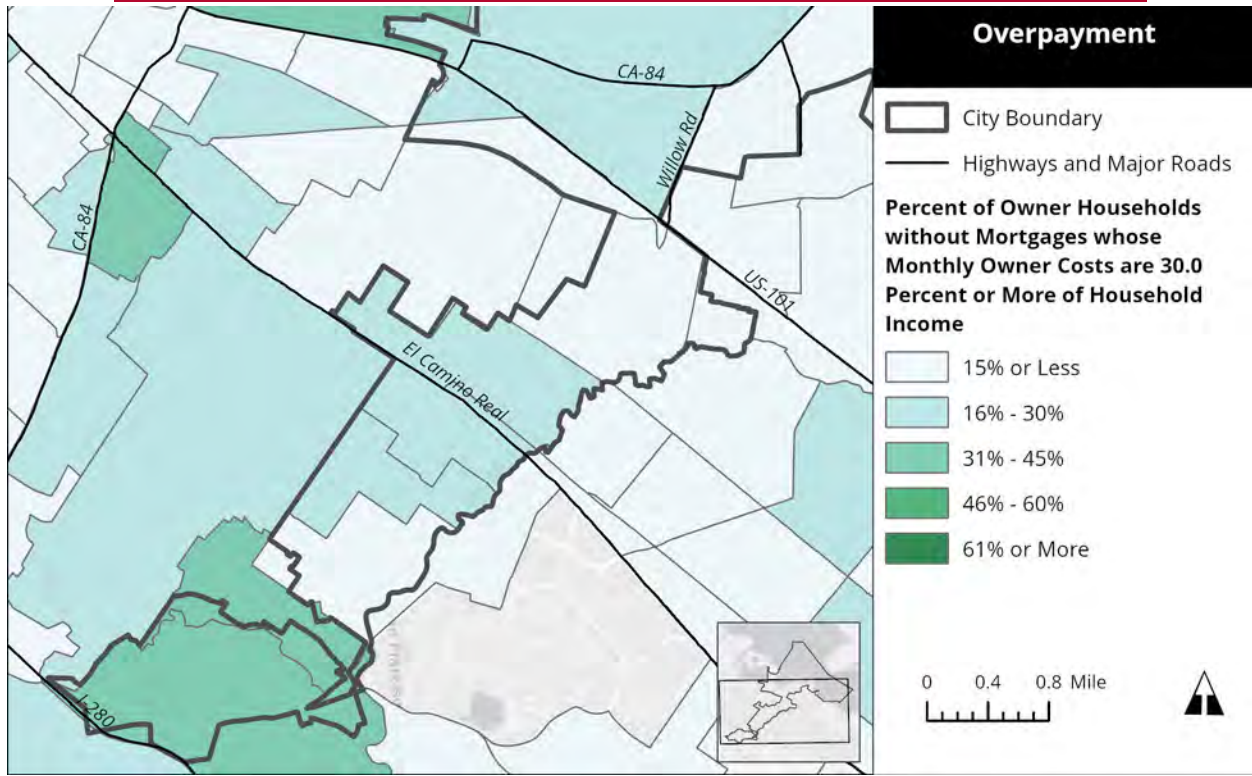
**Figure XX4-13: Overpaying Renters in Menlo Park (2019)**



The pattern does not hold for homeowner households, however. Homeowners in Sharon Heights, the southwesternmost portion of the city, are most likely to be cost burdened. Sharon Heights has many market-rate condominium units that may be resided in by households on fixed incomes or incomes relatively low compared to house cost. Note that this calculation does not include homes with mortgages.

<sup>26</sup> ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

**Figure XX4-14: Overpaying Homeowners (Without Mortgage) in Menlo Park (2019)**



There is a distinct racial disparity of cost-burdened households, as 50 percent of Black or African American households and 55 percent of Hispanic or Latinx households are cost burdened, while 31 percent of Asian/API households and 29 percent of white households are cost burdened (refer to Figure 3-22 in Chapter 3).

This disparity and displacement risk was cited overwhelmingly as a concern during the outreach process for the Housing Element Update. The 2023-2031 Housing Element acknowledges the historical and present-day patterns of segregation that have led to disproportionate housing needs for communities in lower access-to-opportunity areas and the displacement risk felt by the communities in these areas, which are predominantly located northeast of US-101 (District 1).

### **Overcrowding**

Households are considered overcrowded if there is more than one resident per room. They are considered severely overcrowded if there are more than 1.5 occupants per room. Of renter-occupied households, 3.1 percent are overcrowded while only 1.7 percent of owner-occupied households are overcrowded.



**Table XX4-11: Overcrowding by Tenure in Menlo Park (2017)**

<u>Tenure</u>	<u>1.0 to 1.5 Occupants per Room</u>	<u>More than 1.5 Occupants per Room</u>
<u>Owner Occupied</u>	<u>1.7%</u>	<u>0.8%</u>
<u>Renter Occupied</u>	<u>3.1%</u>	<u>2.2%</u>

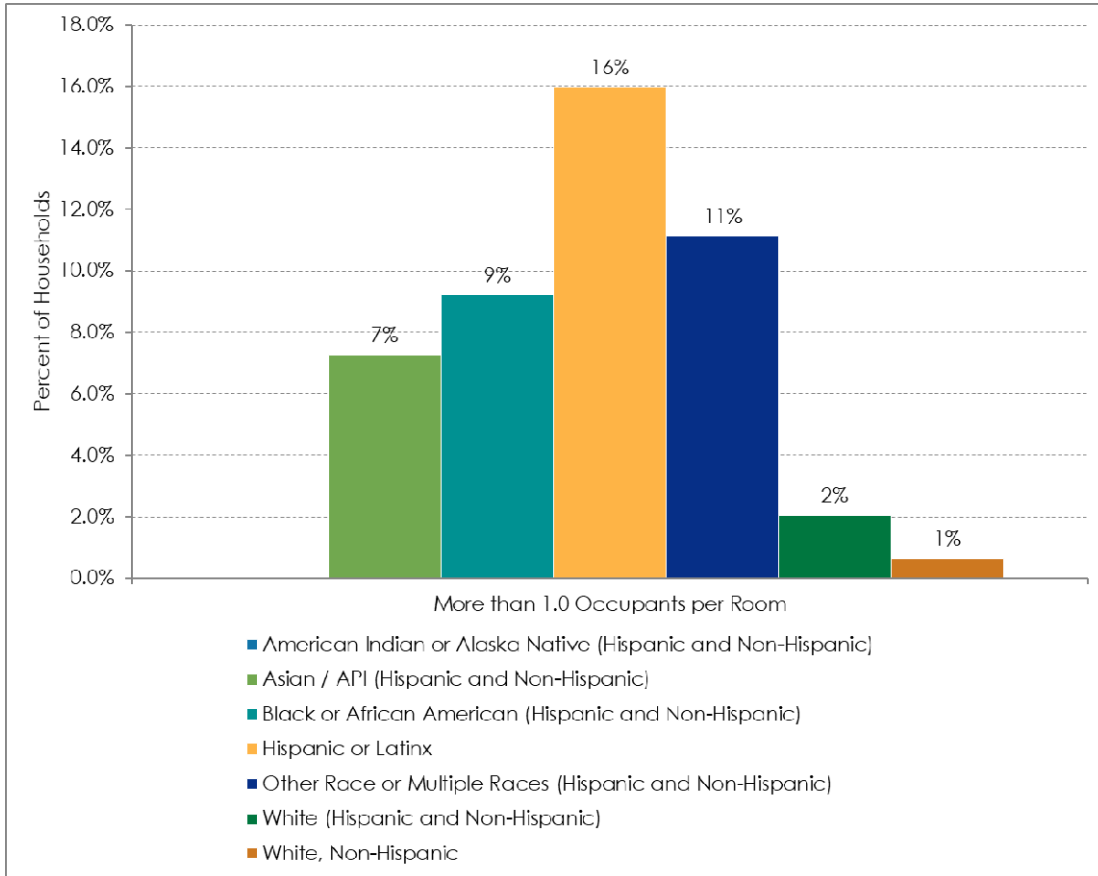
Overcrowding affects fewer households in Menlo Park than in the county or region as a whole, with only approximately 4 percent of households experiencing overcrowdedness.

**Table XX4-12: Overcrowding in Menlo Park Compared to the Region (2017)**

<u>Geography</u>	<u>1.00 occupants per room or less</u>	<u>1.01 to 1.50 occupants per room</u>	<u>1.50 occupants per room or more</u>
<u>Menlo Park</u>	<u>11,472</u>	<u>269</u>	<u>165</u>
<u>San Mateo County</u>	<u>242,599</u>	<u>12,333</u>	<u>8,611</u>
<u>Bay Area</u>	<u>2,543,056</u>	<u>115,696</u>	<u>72,682</u>

In terms of race and income level, Hispanic or Latinx populations and lower-income populations are disproportionately affected by overcrowding.

**Figure XX4-15: Overcrowding in Menlo Park by Race (2017)**

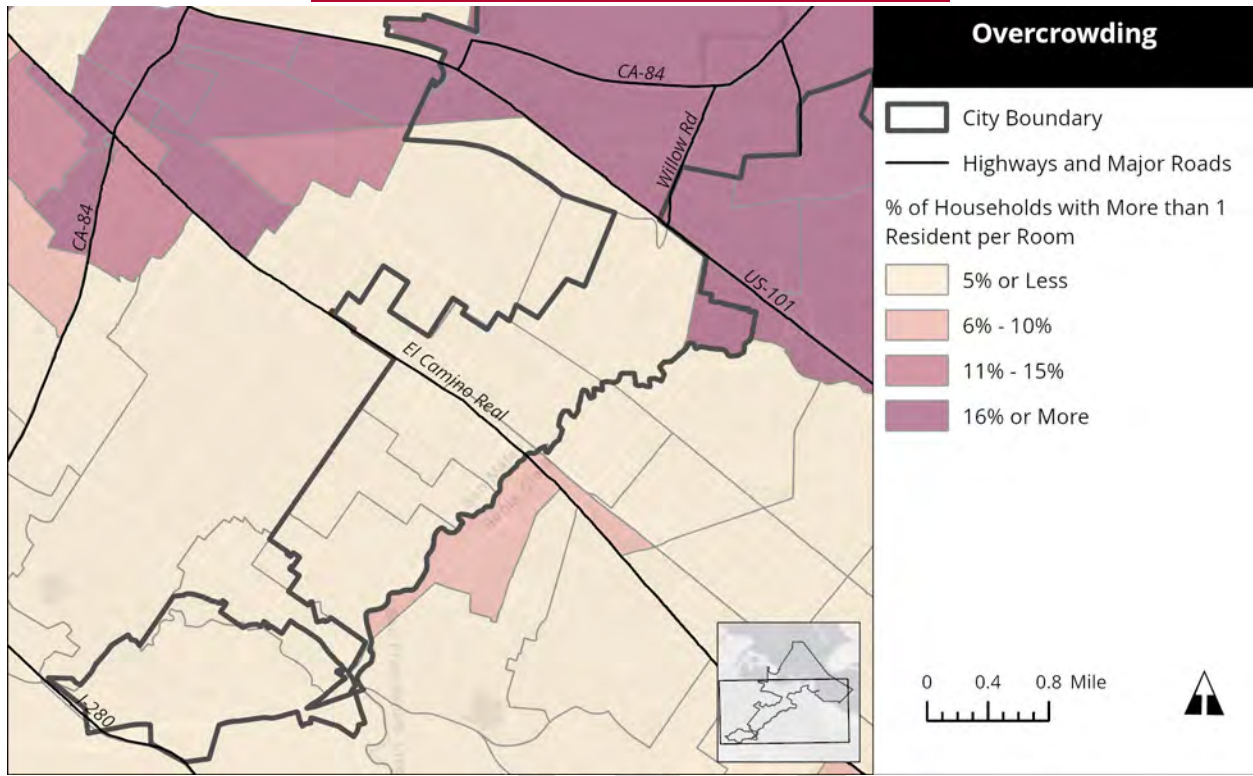


**Table XX4-13: Overcrowding in Menlo Park Compared by Income Level (2017)**

<u>Income Group</u>	<u>1.0 to 1.5 Occupants per Room</u>	<u>More than 1.5 Occupants per Room</u>
<u>0%-30% of AMI</u>	<u>3.5%</u>	<u>1.4%</u>
<u>31%-50% of AMI</u>	<u>6.5%</u>	<u>2.7%</u>
<u>51%-80% of AMI</u>	<u>4.0%</u>	<u>0.0%</u>
<u>81%-100% of AMI</u>	<u>2.7%</u>	<u>0.5%</u>
<u>Greater than 100% of AMI</u>	<u>1.7%</u>	<u>0.7%</u>

Households northeast of US-101 are disproportionately more likely to be overcrowded in Menlo Park.

**Figure XX4-16: Overcrowding in Menlo Park (2019)**

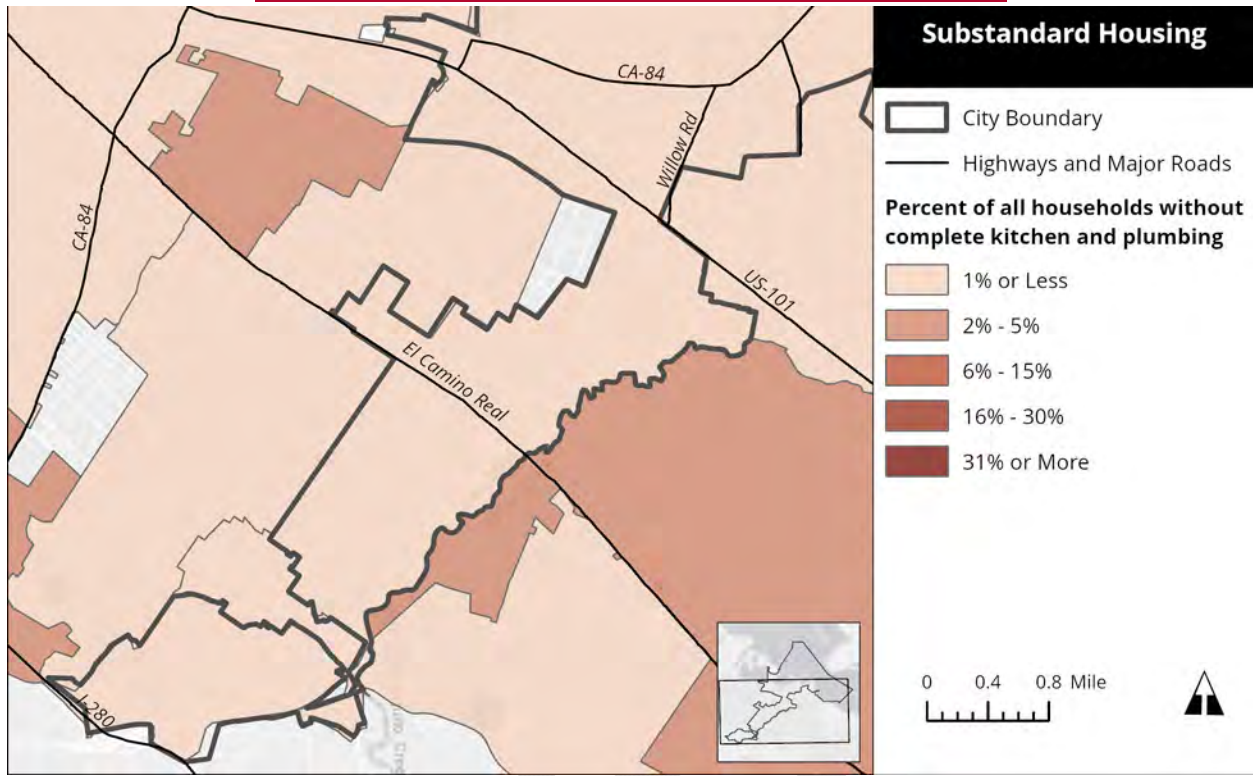


There are only 165 severely overcrowded households (with more than 1.50 occupants per room) in Menlo Park. These households are not possible to map because they fall within the tract-level margins of error for the city.

### **Substandard Housing**

Households are considered substandard if they do not have complete kitchen or plumbing facilities. There are very few such households in Menlo Park.

**Figure XX4-187: Substandard Housing in Menlo Park (2017)**



Due to the low number of households with substandard housing, it is difficult to identify special needs populations disproportionately affected by substandard housing.

### **Homelessness**

Rates and demographics of Menlo Park's unhoused population is discussed further in this chapter under "Special Housing Needs."

### **Large Families**

The needs of large families is discussed further in this chapter under "Special Housing Needs."

### **Displacement**

Home prices and rental costs have skyrocketed in Menlo Park over the past 10 years. Although housing costs have been more expensive than in San Mateo County and the Bay Area generally since the turn of the 21<sup>st</sup> century, the trend has increased more recently. As measured using the Zillow Home Value Index, Menlo Park housing costs have grown from 51 percent greater than the Bay Area in 2001 to 72 percent greater in 2020 (refer to Figure 3-15 in Chapter 3). In 2019, about 56 percent of owner-occupied

units were valued at more than \$2 million, and 25 percent of renter-occupied units rented for \$3,000 per month or more.

These cost increases are complementary to an increase in high-wage jobs in Menlo Park. In 2010, there were 1.91 jobs per Menlo Park worker with wages of more than \$3,330 per month; in 2018, there were 3.59 such jobs. In 2010, there were about 535 jobs in the information industry in Menlo Park, compared to 19,185 such jobs in 2018. Menlo Park's significant increases in high-wage jobs have not kept pace with increases in housing units, with only 1,026 new units built between 2010 and 2021.<sup>27</sup> In addition, there are approximately 3,644 housing units in the pipeline which includes 584 below market rate (BMR) units. See Table 7-4.

The dramatic imbalance between housing built and jobs created has led to disproportionate housing needs in Menlo Park's neighborhoods with lower incomes and lower access to opportunities. As Menlo Park has transformed into a job center for the region, residents north-east of US-101 (City Council District 1), namely the Belle Haven neighborhood, have felt a housing squeeze. The new construction of over 3,000 market-rate units (most of which are being constructed north-east of US-101 in the Belle Haven and Bayfront neighborhoods) contributes to housing insecurity.

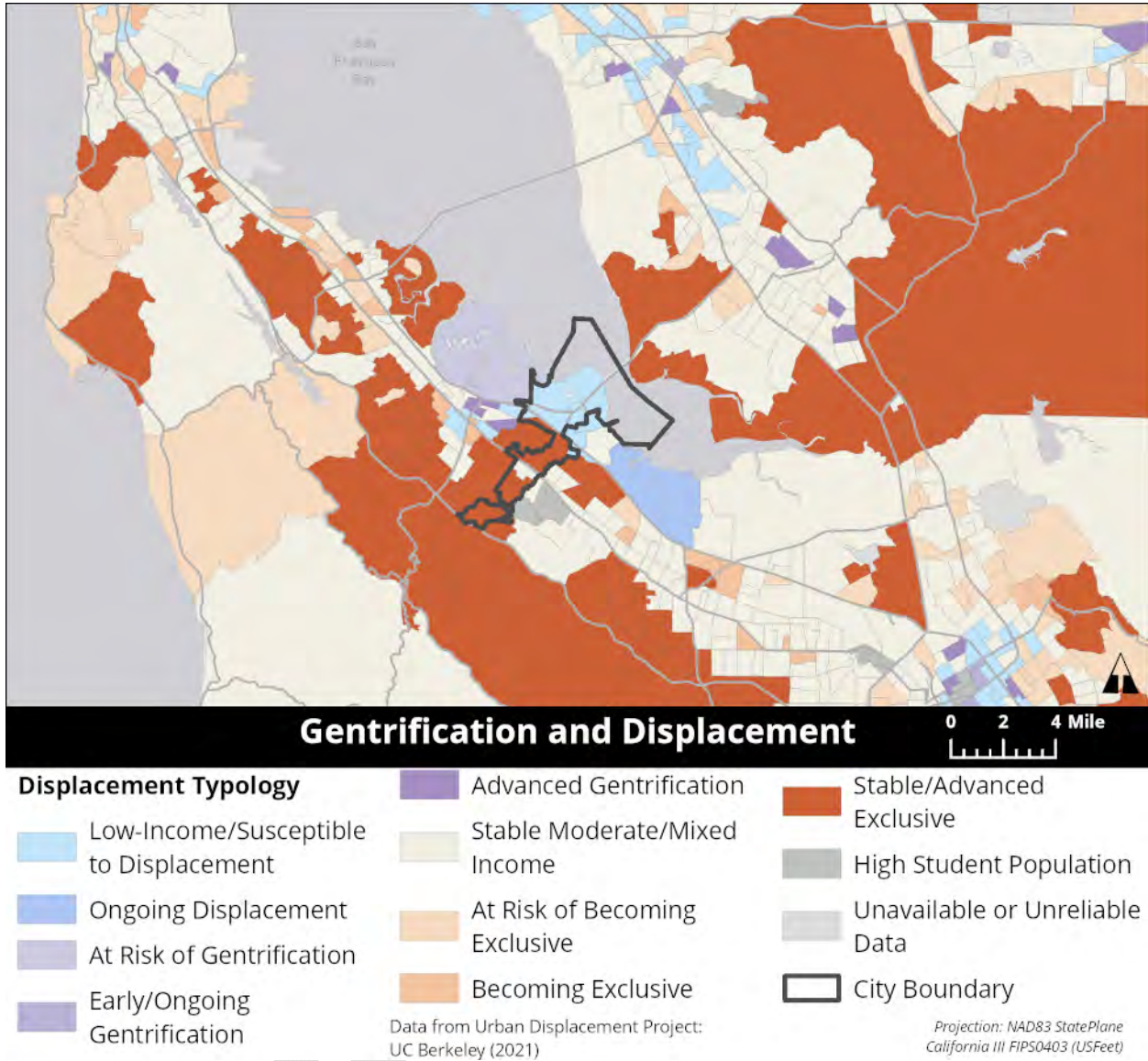
Areas in Menlo Park north-east of US-101 are Moderate Resource or Low Resource, compared to areas south-west of the highway, which are all High Resource or Highest Resource Areas. And while no areas of the city are technically defined as Racially/Ethnically Concentrated Areas of Poverty (R/ECAP) or Racially Concentrated Areas of Affluence (RCAA), the neighborhoods north-east of US-101 are predominately Hispanic or Latinx and have a significant Black or African American community, unlike the neighborhoods south-west of US-101.

Displacement has the most severe impact on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they also lose their support network. According to the Urban Displacement Project developed at the University of California, Berkeley, census tracts, including the areas north-east of US-101 (District 1), are susceptible to displacement unlike the areas south-west of the highway (Districts 2 through 5) which are considered "stable/advanced exclusive" (Figure 4-7 and Figure 4-8).

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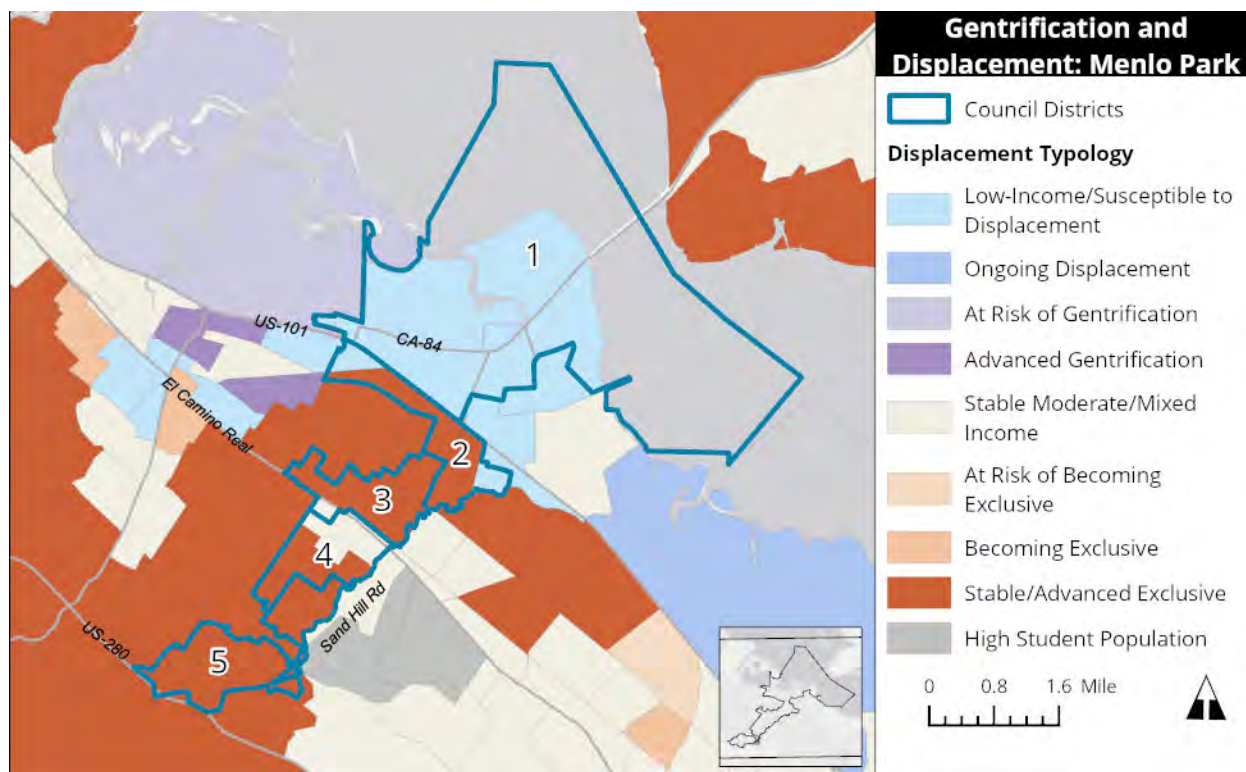
<sup>27</sup> California Department of Finance.

Figure 4-1987: Gentrification and Displacement



Source: Urban Displacement Project: UC Berkeley (2021)

Figure 4-82019: Gentrification and Displacement



Source: Urban Displacement Project: UC Berkeley (2021)

### Displacement and Movement of People

The many large employers in Menlo Park serve as magnets for high-income workers and their households to move to Menlo Park. This pressure of high-income households moving to Menlo Park can lead to displacement of currently-present lower-income households who cannot keep up with increased rents or other displacement pressures.

### Displacement and Public Policies and Investments

Although Menlo Park has a history (like many of its neighbors) of discriminatory policies that promote displacement and segregation, the City is adopting an Environmental Justice Element concurrently with the 6<sup>th</sup> Cycle Housing Element that will serve in part to remedy these historical discriminatory measures and promote equitable investments in Menlo Park’s underserved communities.

### Displacement and Flows of Private Capital

There has been substantial private investment in new development throughout Menlo Park, as seen in the Pipeline Projects listed in Chapter 7: Site Inventory and Analysis. This includes new development in and near Menlo Park’s downtown, and more

emphatically in the Bayfront area – particularly after the 2015 adoption of ConnectMenlo that allows residential, hotel, and professional uses in the Bayfront area.

Menlo Park is seeking to balance these flows of private capital with public benefits as part of the ConnectMenlo plan, this 6<sup>th</sup> Cycle Housing Element, and the Environmental Justice Element

### **Displacement and Safety**

As described in the Safety Element, updated concurrently with the 6<sup>th</sup> Cycle Housing Element, there are low safety and hazard risks in Menlo Park relative to San Mateo County, the Bay Area region, and the state of California. However, the areas of Menlo Park most at risk of displacement due to social and economic factors are also the areas at the greatest risk due to sea level rise in San Francisco Bay. Other potential hazards, such as earthquakes and wildfires, disproportionately risk other areas of Menlo Park.

As defined by the U.S. Department of Housing and Urban Development, Cost Burden considers housing to be affordable for a household if the household spends less than 30 percent of its income on housing costs. A household is considered “cost-burdened” if it spends more than 30 percent of its monthly income on housing costs, while those who spend more than 50 percent of their income on housing costs are considered “severely cost-burdened.”

In Menlo Park, 16.3 percent of households are severely cost-burdened and spend more than 50 percent of their income on housing, while 17.3 percent of households spend 30 to 50 percent of their income on housing.<sup>28</sup> Low-income residents are the most impacted by high housing costs and experience the highest cost-burden rates. Spending such large portions of their income on housing puts low-income households at higher risk of displacement, eviction, or homelessness.

There is a distinct racial disparity of cost-burdened households, as 50 percent of Black or African American households and 55 percent of Hispanic or Latinx households are cost-burdened, while 31 percent of Asian/API households and 29 percent of white households are cost-burdened (refer to Figure 3-22 in Chapter 3).

This disparity and displacement risk was cited overwhelmingly as a concern during the outreach process for the Housing Element Update. The 2023-2031 Housing Element acknowledges the historic and present-day patterns of segregation that have led to

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<sup>28</sup>-ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release



disproportionate housing needs for communities in lower access-to-opportunity areas and the displacement risk felt by the communities in these areas, which are predominantly located north of US 101 (District 1).

The community outreach that was conducted generally confirms resident concerns about inequity in District 1. In addition to Menlo Park specific resource access maps, many of these factors were utilized in the site selection process to meet the City's fair share of the Regional Housing Needs Allocation (RHNA). District 1 is disproportionately impacted by equity issues, including being comparatively lower resourced and having a higher risk for displacement than the rest of the city (Districts 2 through 5). As a result, site selection, particularly for lower income housing, was focused on other areas of the city to provide equitable distribution of housing across the entire city. Please see Chapter 7, Site Inventory and Analysis, for how fair housing was integrated into site selection. Housing production that can decrease displacement risk and provide greater numbers of affordable units is crucial. The City will continually work towards affirmatively furthering fair housing with collective efforts and collaboration from housing developers, housing advocates, and the greater Menlo Park and San Mateo County communities.

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## **Assisted Rental Housing at Risk of Conversion**

A discussion and analysis of subsidized affordable units at risk of conversion is in Chapter 3: Housing Conditions and Trends, on page 3-32.

## **SPECIAL HOUSING NEEDS**

In addition to overall housing needs, cities and counties must plan for the special housing needs of certain groups identified by State law:<sup>29</sup>

- Seniors
- People Living with Disabilities
- Large Families
- Female-Headed Households
- Farmworkers
- Unhoused Individuals

Each of these groups with special housing needs is discussed in this section. An overview of each group is provided, followed by quantitative data from ABAG/MTC; lessons learned through community outreach concerning the special needs group; key housing issues determined through the data analysis; and a policy approach to the identified housing issues.

### **Seniors**

Like much of the Bay Area, Menlo Park has a growing aging population. In 2019, 14 percent of the population was 65 years old or older. Senior households often experience a combination of factors that can make accessing or keeping affordable housing challenging. Seniors who live on their own often have fixed incomes and are more likely to have disabilities, chronic health conditions, and/or reduced mobility.

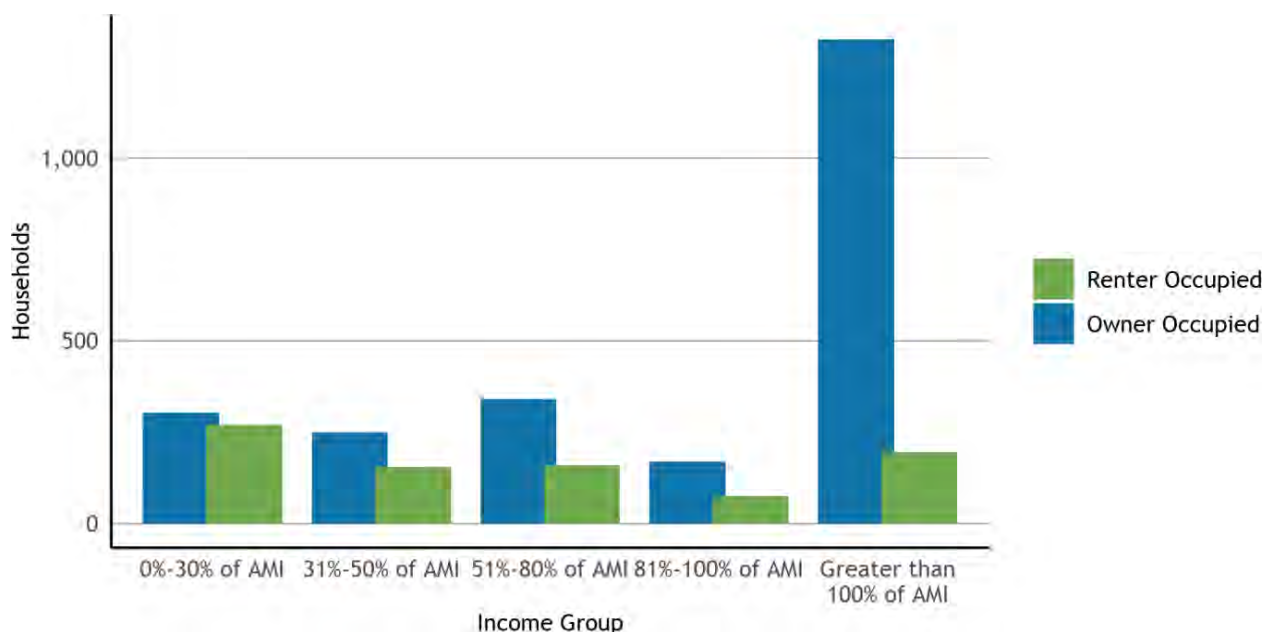
### **Data**

Seniors who are renters are more likely to experience housing challenges than seniors who are homeowners due to income differences between these groups. The largest proportion of senior household renters make 0 to 30 percent of AMI. Conversely, the largest proportion of senior households who are homeowners make more than 100 percent of AMI (Figure 4-8).

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<sup>29</sup> California Government Code 65583(a)(7)

**Figure 4-9210: Menlo Park Senior Households by Income and Tenure**



Sources: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

### **Outreach**

The community has identified the need for senior housing and housing that supports aging in place. Seniors in Menlo Park identified that their housing priorities included increasing opportunities for affordable housing and planning for people who have fixed incomes. Many seniors are living on fixed incomes, and the high costs of housing in the city make it increasingly difficult for seniors to remain in their homes and communities. A suggestion posed by a focus group of seniors was to consider rent caps or freezes to address housing affordability. Service providers who work with seniors have also identified the lack of available and affordable senior housing as a growing challenge – limited supply, high demand, and supply that does not match the ability to pay for most seniors.

### **Issues**

The incomes of seniors tend to decline as they age. Lower-aged seniors often have some retirement savings or employment income that can supplement social security; these seniors also tend to need less support from others, and most prefer to reside in their homes for as long as they can. They may benefit from programs to help them

rehabilitate their homes, which would allow them to more comfortably, safely, and healthily age-in-place. Conversely, higher-aged seniors often are unable to maintain a single-family home and desire to move to a smaller home or some type of senior living development. Encouraging the development of senior housing, smaller accessible units, and accessory dwelling units (ADUs) that are generally more affordable by design due to their smaller size and placement with an existing primary residence, can be potential strategies to increase affordable housing opportunities for seniors.

**Policy Approach**

Regarding rent caps or freezes, Assembly Bill 1482 addresses the community’s concerns by capping yearly rent increases to 5% + Consumer Price Index (CPI), or 10%. Therefore, the need is being addressed on a statewide level. Housing vouchers were also encouraged and are currently being addressed through existing rental assistance services (i.e. Section 8).

To address these priorities and the aging population in Menlo Park, Table 4-7 includes the policies and programs that will support the needs of older residents.

*Table 4-714: Policies and Programs for Seniors*

Policies/Programs Carried Over or Minor Modifications from the 2015-2023 Housing Element	New Policies/Programs
<ul style="list-style-type: none"> <li>• Policy H3.1 Special Needs Groups</li> <li>• Policy H3.2 Health and Human Services Programs Linkages</li> <li>• Policy H3.3 Incentives for Special Needs Housing</li> <li>• Policy H3.7 Adaptable/Accessible Units for People Living with Disabilities</li> <li>• Program H3.C Assist in Providing Housing for Persons Living with Disabilities</li> </ul>	<ul style="list-style-type: none"> <li>• Program H3.D Develop Incentives for Special Needs Housing</li> </ul>

## People Living with Disabilities

The U.S. 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.”

People living with disabilities, including developmental disabilities<sup>30</sup>, face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive, and sensory impairments, many people with disabilities live on fixed incomes and require specialized care, yet often must rely on friends and/or family members for assistance due to the high cost of care. When it comes to housing, people living with disabilities are not only in need of affordable housing but also accessible-designed housing, which offers greater mobility and opportunity for independence.

### **Data**

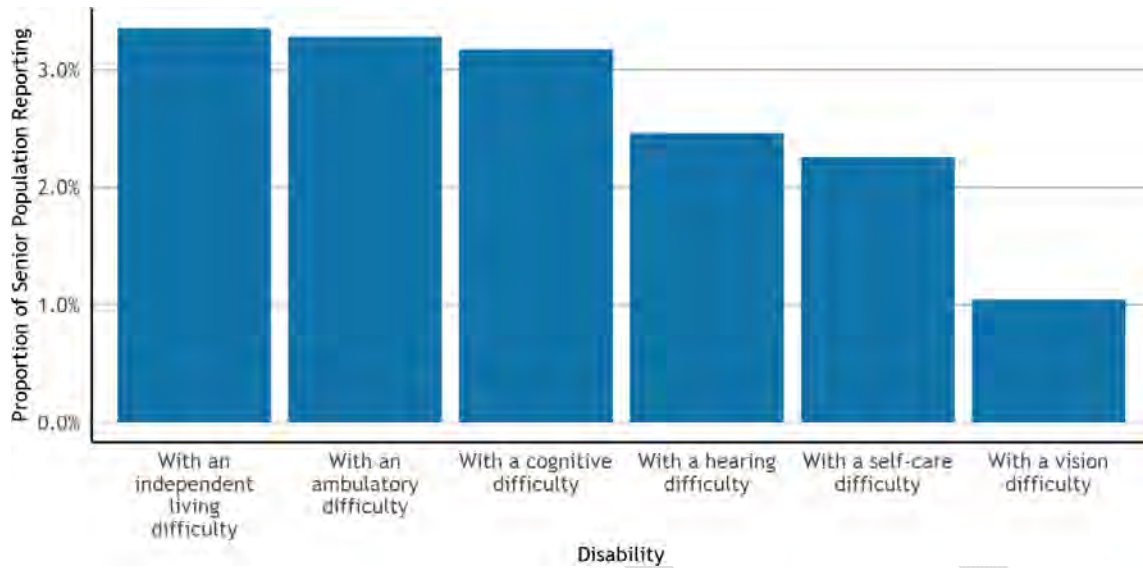
The need for affordable accessible housing typically exceeds what is available, particularly in a housing market with such high demand. People living with disabilities are at high risk for housing insecurity, homelessness, and institutionalization, particularly when they lose aging caregivers. Figure 4-9 shows the rates at which different disabilities are present among residents of Menlo Park. Overall, 8.1 percent of people in Menlo Park have a disability.<sup>31</sup> This is comparable to the percentage of people living with a disability in San Mateo County (8 percent) (Figure 4-10).

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<sup>30</sup> “Developmental disability” means a disability that originates before an individual attains 18 years of age, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual. Developmental disabilities are defined in Section 4512 of the Welfare and Institutions Code.

<sup>31</sup> These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed.

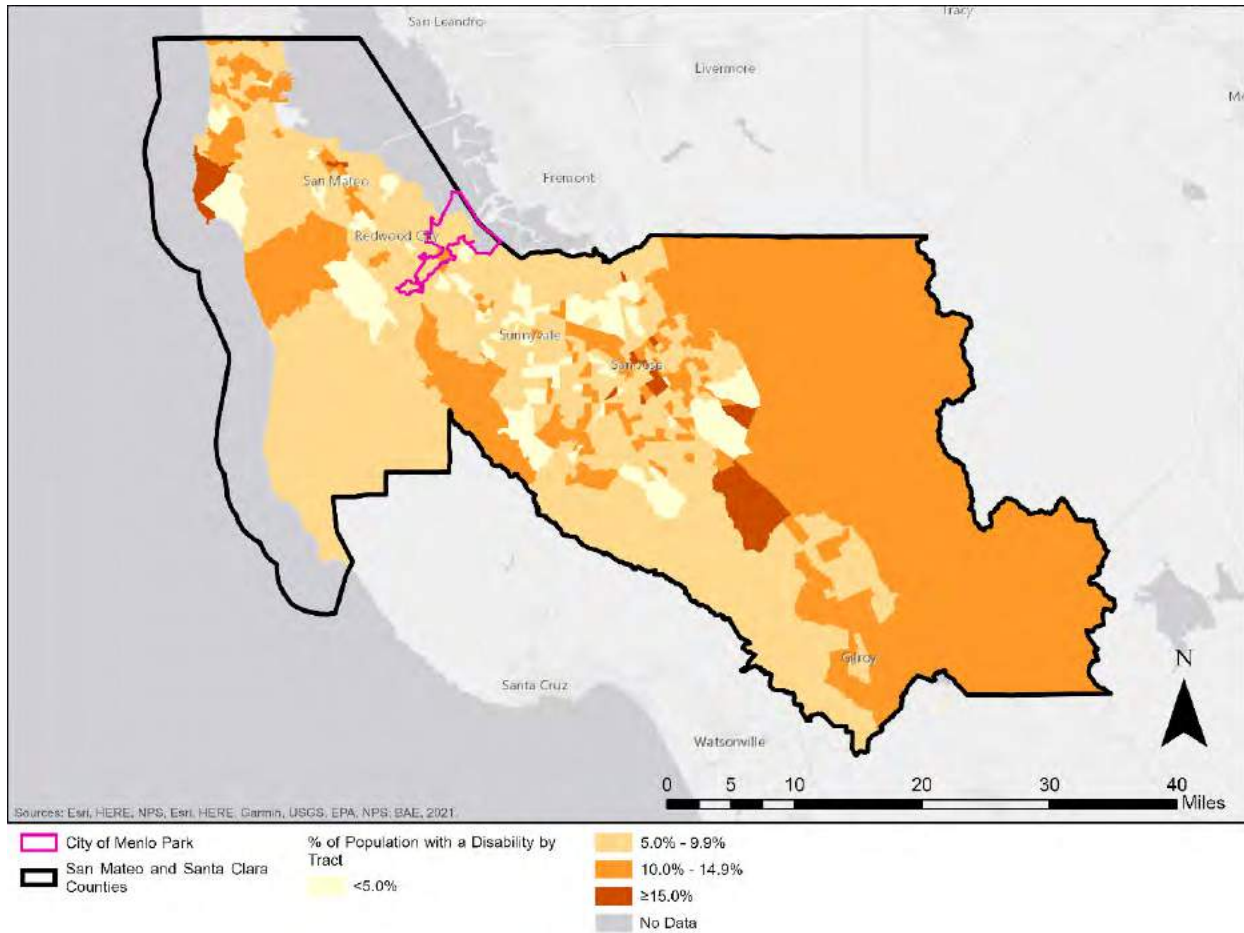
Figure 4-221-10: Disability by Type in Menlo Park



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

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**Figure 4-232-11: Percentage of Persons Living with a Disability, San Mateo and Santa Clara Counties**



Sources: U.S. Census American Community Survey, 2015-2019 data; BAE, 2021.

A subset of people living with disabilities includes people with developmental disabilities. Developmental disabilities are severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. “This term shall also include disabling conditions found to be closely related to intellectual disability or to require treatment similar to that required for individuals with an intellectual disability, but shall not include other handicapping conditions that are solely physical in nature.”<sup>32</sup> This can include Down’s Syndrome, autism, epilepsy, cerebral palsy, and mild to severe forms of intellectual disabilities. Persons with developmental disabilities may benefit from a suite of coordinated support services. Some people with developmental disabilities are unable to work, rely on Supplemental Security Income, and live with

<sup>32</sup> CA Welfare and Institutions Code 4512 (a)(1)

family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member can no longer care for them.

In Menlo Park, children under the age of 18 make up 50.4 percent of the population with a developmental disability, while adults account for 49.6 percent. Individuals with disabilities in Menlo Park most commonly live in the home of a parent, family member, or guardian (Table 4-8). According to the California Department of Developmental Services, 86 percent of the population living with either a physical or developmental disability live in the home of a family member or guardian.

**Table 4-158: Population with Developmental Disabilities by Residence in Menlo Park**

Residence Type	Number
Home of Parent /Family /Guardian	107
Independent /Supported Living	13
Other	4
Foster /Family Home	0
Intermediate Care Facility	0
Community Care Facility	0
<b>Totals</b>	<b>124</b>

Sources: California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2020)

People with physical and/or developmental disabilities face additional housing challenges due to physical, cognitive, and sensory impairments. 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.

Housing plays a key role in the life of a person with a physical or developmental disability. Affordable and accessible-designed housing allows people with a disability to have greater mobility and the opportunity for independence. Due to the high demand for housing, it has become extremely difficult for people with disabilities to secure affordable housing that will meet their needs. People with disabilities are at a high risk of experiencing housing insecurity, homelessness, and institutionalization. The risk significantly increases when they lose aging caregivers.



Furthermore, people with disabilities tend to have fixed incomes, and not all job opportunities are feasible for someone with a physical or developmental disability. 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 only 10 to 20 percent of the AMI. Among residents living with a disability, unemployment is disproportionately high at 18 percent, compared to 3 percent for residents without a disability in Menlo Park, particularly when compared to San Mateo County where the disparity is not as high. Countywide, the unemployment rate for residents with a disability is 4 percent, compared to 3 percent for residents without a disability. High unemployment rates among this population point to a need for increased services and resources to connect this population with employment opportunities.

In addition to Table 4.8, Housing Choices provided their data on people with developmental disabilities categorized by the age (under 18 and 18 and above) and living arrangement. Further, Housing Choices provides information for the following issues:

- Increase of Autism Diagnosis in adults (20s and 30s)
- Longer life spans of people with developmental disabilities
- Decline in Licensed Care Facilities
- Displacement
- Higher rates of physical disabilities
- Ineligibility for many affordable units
- Transit dependence

Each of these issues point to a growing challenge for people living with disabilities, including developmental disabilities. Please see Appendix 4-4.

Housing Choices also provided bar charts on the intersection of ethnicity/race and disabilities. This information is provided as Appendix 4-6.

### **Outreach**

Non-profits that serve and work with people with disabilities, including Golden Gate Regional Center and Housing Choices, reported that most people with disabilities live on fixed or low incomes, which are often inadequate to cover housing and living expenses. Some adults with developmental disabilities have a monthly income of under \$1,000 from the SSI program, which prices them out of the limited number of extremely low-income housing options in Menlo Park.

There has also been a growth in the number of adults with developmental disabilities living in family homes. The California Department of Developmental Services reported a longer life span for San Mateo County residents with developmental disabilities, but licensed care facilities are on the decline and there are limited housing options suitable for the needs of this population. Service providers report that best practices for addressing the needs of people with disabilities include coordinating housing with on-site supportive services, providing disability-accessible units that include a mix of unit sizes, targeting the development of more affordable housing, integrating accessible housing into typical affordable housing developments, and concentrating accessible housing near public transit.

### **Issues**

People with disabilities face many challenges when looking for housing:

- a. **Limited supply** – There is a limited supply of accessible, affordable housing generally, and the supply is especially limited near transit. Being near transit is critical because many people with disabilities cannot drive.
- b. **Lack of rental history** – Many people with developmental disabilities have lived with their parents or guardians, so they often do not have rental or credit history. This makes it harder for them to compete for the limited available housing.
- 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 live.

### **Policy Approach**

The City can meet the needs of people living with disabilities by encouraging the development of affordable accessible units, incentivizing housing with on-site supportive services, and encouraging the construction of units for people with disabilities near transit. Visitability, or building design focused on the ability of people who have trouble with steps and/or use wheelchairs or walkers, is another key concept in the City's policy approach. In addition to easing home life for people with disabilities, visitability-focused building design removes barriers for people with disabilities to visit friends, family, or otherwise live as members of the community.

Housing policies and programs that support the needs of people with disabilities were developed in collaboration with Golden Gate Regional Center and Housing Choices,

and are listed below in Table 4-9. A full list of recommendations provided by the Golden Gate Regional Center and Housing Choices is included in Appendix 4-4.

*Table 4-169: Policies and Programs for People with Disabilities*

Policies/Programs Carried Over or Minor Modifications from the 2015-2023 Housing Element	New or Modified Policies/Programs
<ul style="list-style-type: none"> <li>• Policy H3.1 Special Needs Groups</li> <li>• Program H3.C Assist in Providing Housing for Persons Living with Disabilities</li> <li>• Policy H4.3 Variety of Housing Choices</li> <li>• Program H5.B Undertake Community Outreach When Implementing Housing Element Programs</li> </ul>	<ul style="list-style-type: none"> <li>• Program H3.D Develop Incentives for Special Needs Housing</li> <li>• Program H3.H Inclusionary Accessible Units</li> <li>• Program H3.I Accessible ADUs</li> <li>• Program H3.J Marketing for Accessible Units</li> <li>• Program H3.K Employment Services</li> <li>• Program H3.M Wheelchair Visitability</li> <li>• Program H4.A Amend the Below Market Rate Inclusionary Housing Regulations</li> <li>• Program H4.B Modify BMR Guidelines regarding allocations</li> <li>• Program H4.D Modify the Affordable Housing Overlay (AHO)</li> <li>• Program H4.F Modify Accessory Dwelling Unit (ADU) Development Standards and Permit Process</li> <li>• Program H4.G Consider City-Owned Land for Housing (Downtown Parking Lots)</li> <li>• Program H5.C Provide Multilingual Information on Housing Programs</li> </ul>

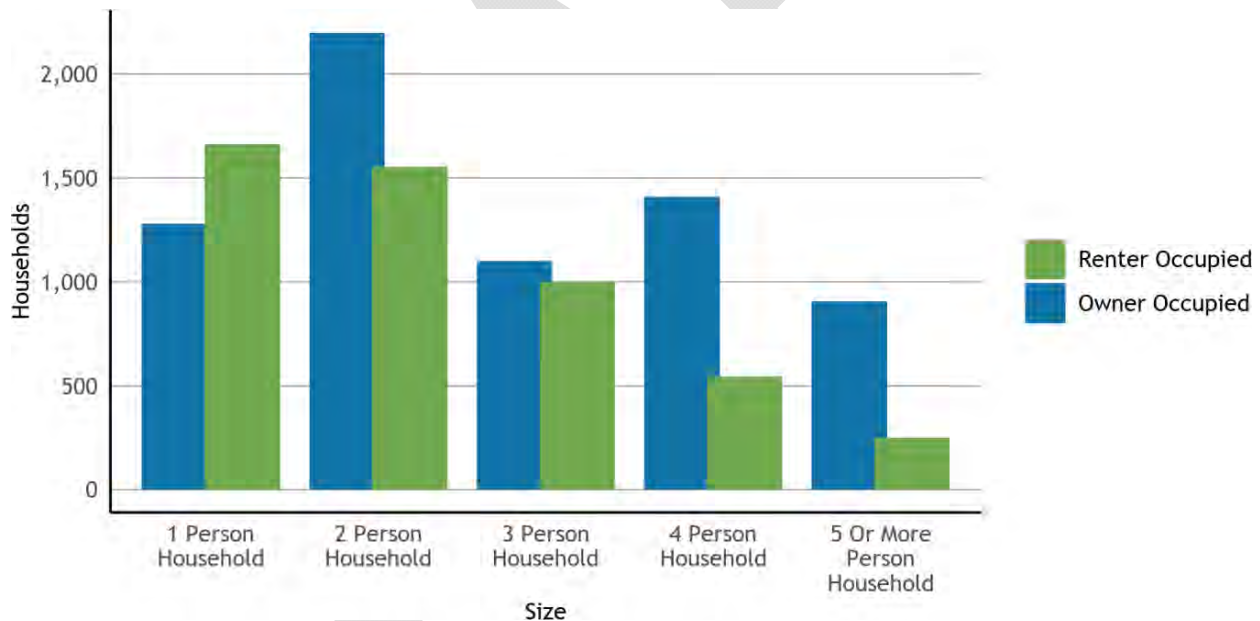
## Large Families

The U.S. Census Bureau defines large family households as households comprised of five or more people. Large households often have different housing needs than smaller households and typically require housing with three or more bedrooms. There is often a limited supply of housing options, particularly rental housing options, that can accommodate the needs of large families. If a city's rental housing stock does not include larger apartments, large households who rent could end up living in overcrowded conditions.

### Data

In Menlo Park, for large households with five or more persons, most units (78.4 percent) are owner-occupied versus renter-occupied (21.6 percent) (Figure 4-11). In 2017, 10.7 percent of large households were very low-income, earning less than 50 percent of AML.

Figure 4-242311: Menlo Park Household Size by Tenure

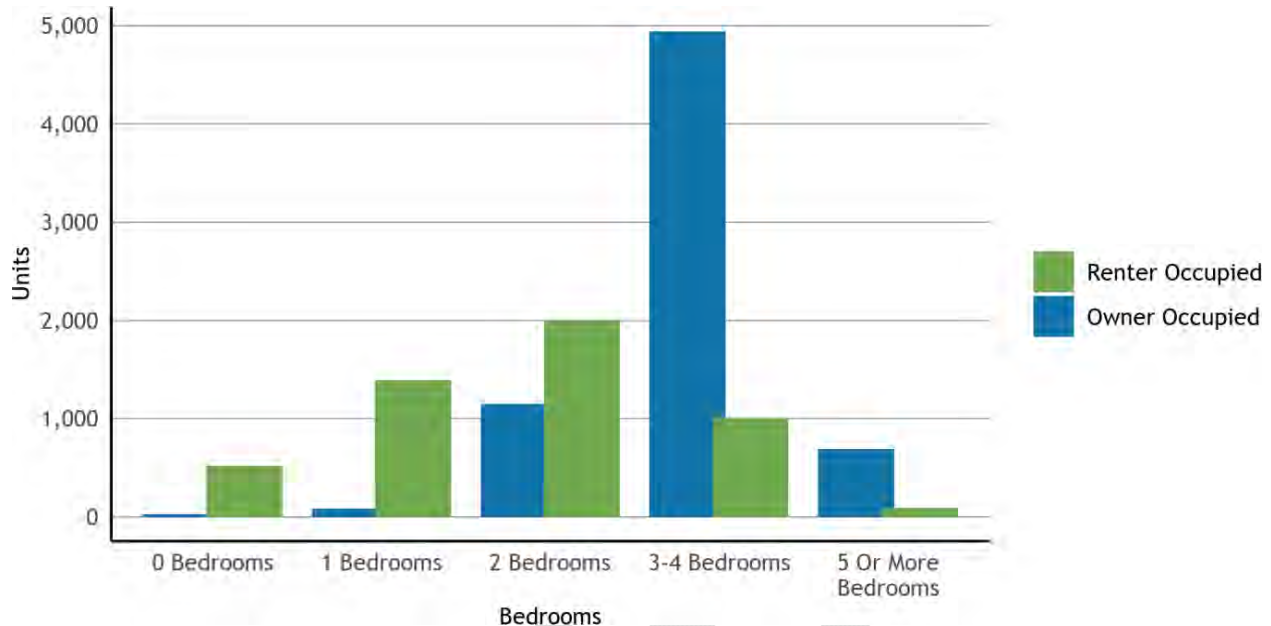


Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

The range of housing unit sizes available in a community affect the household sizes that can live in that community. Large families are generally served by housing units with three or more bedrooms, of which there are about 6,726 units (approximately 56 percent of all housing units) in Menlo Park. Among these larger units with three or more

bedrooms, 16.3 percent are renter occupied and 83.7 percent are owner occupied (Figure 4-12).

**Figure 4-25142: Menlo Park Housing Units by Number of Bedrooms**



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

## **Outreach**

After multiple attempts to contact service providers for interviews, the City was ultimately unable to connect with non-profits that work specifically with large families. However, outreach was conducted with service providers who work generally with families with children. These service providers include:

- El Concilio of San Mateo County
- Garfield Community School
- GeoKids
- Little Ages (in-home childcare)
- Mariposa Day Care
- McNeil Boys and Girls Clubs of the Peninsula (BGCP)

- Youth United for Community Action (YUCA)

Large families will benefit from many of the same programs as families with children, such as affordable housing and housing types suitable for their household size.

**Issues**

The primary challenge facing large families is the lack of available and affordable larger housing types that can accommodate their household size. The supply of rental housing available to meet their needs is limited and is often cost-prohibitive, particularly for larger families with lower incomes. Opportunities to meet the needs of this population include the provision of rental assistance and incentivizing the development of larger affordable housing units.

**Policy Approach**

The Menlo Park Housing Element includes policies and programs that provide rental assistance that benefit larger families. Additional programs that specifically address larger household sizes are noted in Table 4-10.

*Table 4-1017: Policies and Programs for Large Families*

<b>Policies/Programs Carried Over or Minor Modifications from the 2015-2023 Housing Element</b>	<b>New or Modified Policies/Programs</b>
<ul style="list-style-type: none"> <li>• Policy H3.1 Special Needs Groups</li> </ul>	<ul style="list-style-type: none"> <li>• Program H3.L Large Units</li> <li>• Program H4.A Amend the Below Market Rate Inclusionary Housing Regulations</li> </ul>

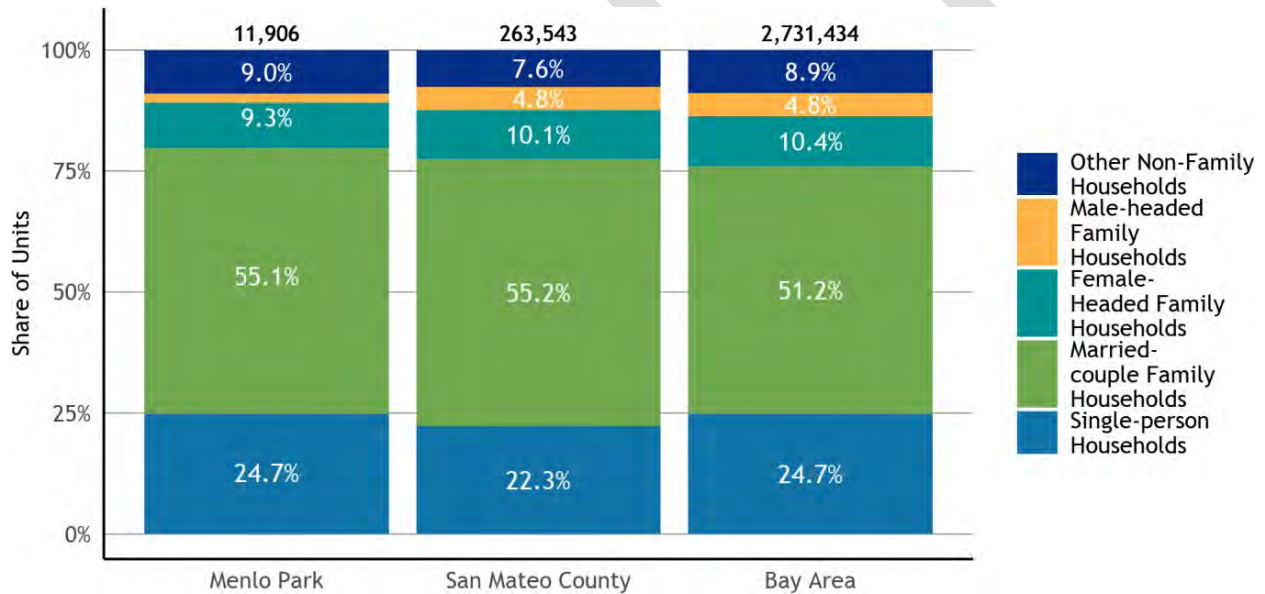
## Female-Headed Households

Households headed by one person are often at greater risk of housing insecurity because these types of households often support children or a family with only one income. Single-parent-headed households need affordable housing options and can benefit from on-site child care services.

### Data

In Menlo Park, the largest proportion of households is Married-couple Family Households at 55.1 percent of the total, while Female-headed Households make up 9.3 percent of all households (Figure 4-13).

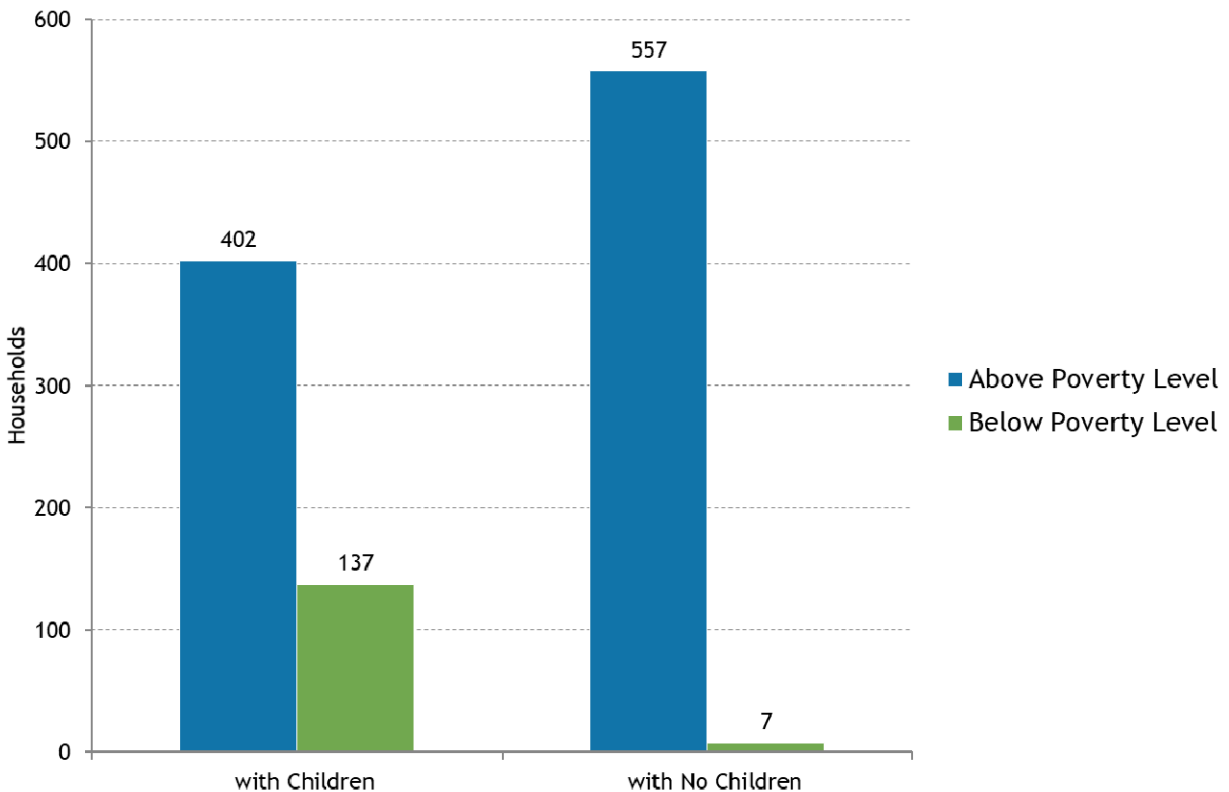
Figure 4-13: Household Type



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

Female-headed households with children may face additional housing challenges, with pervasive gender inequality resulting in lower wages for women. Moreover, the added need for childcare can make finding an affordable home more challenging. In Menlo Park, 25.4 percent of female-headed households with children fall below the Federal Poverty Line, while 1.2 percent of female-headed households without children live in poverty (Figure 4-14).

Figure 4-14276: Menlo Park Female-Headed Households by Poverty Status



Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

## **Outreach**

Interviews with service providers that work with families with children were conducted to understand the challenges facing families with children and female-headed households. Service providers reported a high demand for childcare in Menlo Park that has not been met. Furthermore, many families require financial assistance for childcare. There is a general shortage of childcare providers, and often childcare is financially straining, resulting in tradeoffs for other life necessities.

There is inadequate affordable housing that can meet the needs of families with children and housing resources are often not inclusive because they are only offered in English. Service providers are additionally burdened by the lack of housing affordable to staff, which further reduces their capacity to serve clients.



## **Issues**

Strategies to address the needs of female-headed households include providing multi-family housing that includes childcare facilities that can allow single parents to secure gainful employment outside of the home. In addition, community engagement efforts identified locating affordable housing in high-resource areas connected to transit as an important quality of life improvement for families.

The creation of innovative housing types for female heads of households 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 housing cooperatives allow residential developments to be managed, owned and sponsored by non-profit housing developers. This could be another financing structure to be considered for the benefit of all special needs groups.

## **Policy Approach**

Female-headed households will benefit from broad housing programs that encourage affordable housing development and provide financial assistance, as identified in Chapter 3: Housing Needs Assessment. Additional policies that are intended to provide support for single person-headed households with children are noted in Table 4-11.

*Table 4-11: Policies and Programs for Female-Headed Households*

<b>Policies/Programs Carried Over or Minor Modifications from the 2015-2023 Housing Element</b>	<b>New or Modified Policies/Programs</b>
<ul style="list-style-type: none"><li>• Policy H4.3 Variety of Housing Choices</li><li>• Policy H5.1 Equal Housing Opportunity</li></ul>	<ul style="list-style-type: none"><li>• Program H2.F Childcare Allowances</li><li>• Program H3.B Encourage Rental Housing Assistance Programs</li><li>• Program H3.L Large Units</li><li>• Program H5.C Provide Multilingual Information on Housing Programs</li></ul>

## Farmworkers

Across the state, housing for farmworkers has been recognized as an important and unique concern. Farmworkers generally receive wages that are considerably lower than other jobs and may have temporary housing needs. Finding decent and affordable housing can be challenging, particularly in the current housing market.

### Data

Regionally, the farmworker population has been declining in the last 20 years. According to the U.S. Department of Agriculture Census of Farmworkers, the number of permanent farmworkers in San Mateo County has decreased since 2002, totaling 978 in 2017; the number of seasonal farmworkers has also decreased, totaling 343 in 2017. While there is a need for farmworker housing in San Mateo County (primarily in western San Mateo County areas), there is no demand for farmworker housing in Menlo Park.

In Menlo Park, there were no reported student children of migrant workers in the 2019-2020 school year. For the past few years, the trend for the region has been a decline of 2.4 percent in the number of migrant worker students since the 2016-2017 school year. The change at the county level is a 57.1 percent decrease in the number of migrant worker students since the 2016-2017 school year (Table 4-12).

**Table 4-1219: Student Children of Migrant Worker Population**

Academic Year	Menlo Park	San Mateo County	Bay Area
2016-17	85	657	4630
2017-18	28	418	4607
2018-19	0	307	4075
2019-20	0	282	3976

Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020)

### Outreach

Outreach to farmworkers was not conducted due to the absence of this population in Menlo Park. In addition, service providers that were contacted did not identify farmworker housing needs for Menlo Park.

## **Issues**

There are no farms in Menlo Park. Due to the absence of farmworkers in Menlo Park, there are no farmworker-specific issues that the City must address. However, the City will continue to work with the County to address regional housing shortages and affordability challenges facing farmworkers throughout the county and greater Bay Area.

Farmworkers are more similar to very low- or extremely low-income households than traditional migrant workers. Today's farmworkers are more settled and typically live in one location, rather than following the crops. Per the USDA, today's farmworkers can commute up to 75 miles to the workplace. They are also more likely to have families and are looking for schools, employment for a spouse/partner and a location to live in that provides a community.<sup>33</sup> Because of this, they will benefit from the existing affordable housing programs in Menlo Park.

## **Policy Approach**

Although there are no farmworkers in Menlo Park, the City will coordinate with regional partners to address regional housing issues to meet the needs of farmworkers. Additionally, the needs of farmworkers will largely be addressed through policies and programs that broadly address affordability (Table 4-13).

*Table 4-1320: Policies and Programs for Farmworkers*

<b>Policies/Programs Carried Over or Minor Modifications from the 2015-2023 Housing Element</b>	<b>New or Modified Policies/Programs</b>
<ul style="list-style-type: none"><li>• Program H1.C Work with the San Mateo County Department of Housing</li></ul>	<ul style="list-style-type: none"><li>• Program H1.D Regional Coordination</li></ul>

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<sup>33</sup> 21 Elements (2022). Approach for Farmworker Housing.

## Unhoused Individuals

Homelessness remains an urgent challenge in many communities across the state, reflecting a range of social, economic, and psychological factors. Rising housing costs result in increased risks of community members experiencing homelessness. Far too many residents who have found themselves housing insecure have ended up unhoused or homeless in recent years, either temporarily or long term. Addressing the specific housing needs for the unhoused population remains a priority throughout the region, particularly since homelessness is disproportionately experienced by people of color, people living with disabilities, those struggling with addiction, and those dealing with traumatic life circumstances.

### Data

The San Mateo County Human Services Agency (HSA) coordinates a biannual, one-day, point-in-time count of the county's unhoused population. No count was conducted in 2021 due to the Covid-19 pandemic. Based on the 2019 count conducted on January 31, 2019, there were 27 unsheltered individuals living in Menlo Park. Unsheltered persons include people sleeping on the street, in cars, in RVs, or in tents and encampments. In 2019, there were 1,512 unhoused individuals in San Mateo County, including 901 unsheltered individuals and an additional 611 individuals living in emergency shelters or transitional housing (Table 4-14).

**Table 4-1421: Unsheltered Population Count**

Year	Menlo Park	County
2019	27	901
2017	47	637
2015	27	775
2013	16	1,299
2011	72	1,162

Source: 2019 San Mateo County One Day Homeless County and Survey.

The number of unhoused people in Menlo Park decreased from 47 people in 2017 to 27 people in 2019. This is not indicative of a general reduction in the homeless population as the number of unhoused people in San Mateo County increased. The increase in homelessness between 2017 and 2019 in San Mateo County is attributed to an increase in people living in recreational vehicles (RVs). HSA has been working with community partners to connect unhoused individuals with services that specifically

serve the unhoused. While overall homelessness increased between 2017 and 2019, the number of unhoused families with children and people sleeping in tents and encampments decreased. Below are the countywide demographics of unhoused persons from the 2019 count (Table 4-15).

**Table 4-1522: Demographics of People Experiencing Homelessness, San Mateo County**

		% of Sheltered	% of Unsheltered	% of Total Unhoused
<b>Gender</b>	Female	32.7%	21.2%	24.1%
	Male	66.2%	79.0%	75.6%
	Transgender	1.1%	0.1%	0.3%
<b>Ethnicity</b>	Non-Hispanic	77.6%	60.7%	64.9%
	Hispanic	22.4%	39.3%	35.1%
<b>Race</b>	White	58.1%	74.5%	70.5%
	Black/African American	22.4%	8.9%	12.3%
	Asian	5.2%	0.0%	1.3%
	American Indian/Alaskan Native	3.6%	8.2%	7.1%
	Native Hawaiian/Other Pacific Islander	7.0%	0.1%	1.8%
	Multiple Races	3.7%	8.2%	7.1%
	<b>Chronicity</b>	Chronic Homelessness	24.2%	30.0%

Source: 2019 San Mateo County One Day Homeless Count and Survey

### **Outreach**

In preparation for the 2023-2031 Housing Element, the project team met with representatives from the County of San Mateo Department of Housing, the U.S. Department of Veterans Affairs, and affordable housing developers and advocates.

San Mateo County selected Samaritan House to administer the Coordinated Entry System program (CES), which is a countywide program designed to streamline and prioritize access for the most vulnerable San Mateo County residents seeking homelessness services. CES diverts clients from shelters when possible to effectively utilize the County’s limited shelter spaces. For additional information on County services for the unhoused, refer to the San Mateo County Center on Homelessness.<sup>34</sup>

<sup>34</sup> San Mateo County Center on Homelessness: <https://www.smcgov.org/hsa/center-homelessness>

Menlo Park is unique in having a facility operated by the U.S. Department of Veterans Affairs (VA) that already provides for the needs of unhoused veterans through the Veterans Affairs Domiciliary Program and the Veterans Affairs Compensated Work Therapy Program. The Veterans Affairs campus in Menlo Park administers the U.S. Department of Housing and Urban Development-VA Supportive Housing Program (HUD-VASH) and provides coordinated mental health and substance use assistance. The HUD-VASH is a collaboration between the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Veterans Affairs. This program helps veterans who are homeless find permanent housing through housing vouchers and supportive services. In 2021, the HUD-VASH served 56 veterans living in Menlo Park. The Menlo Park VA campus is also the site of Willow Housing, an affordable housing development in partnership with EAH Housing, serving formerly unhoused veterans and veterans at risk of imminent homelessness. Additionally, the VA is working with MidPen Housing, a local non-profit developer, to develop a new veterans-focused affordable housing project at the Menlo Park VA campus.

The Menlo Park Homeless Outreach Team, which includes staff from the Housing Division, Police Department, and community-based organizations, provides homeless outreach services to unhoused individuals living in Menlo Park. The Outreach Team provides case management, coordinates outreach and intervention, and prepares action plans for unhoused individuals, with the ultimate goal of transitioning individuals from being unhoused to being permanently housed.

## **Issues**

A priority for meeting the needs of people experiencing homelessness is providing pathways to permanent housing solutions. The National Alliance to End Homelessness has developed a five-point plan to address homelessness.

- Assistance for the most vulnerable
- Increasing employment and income
- Community-wide coordinated approach
- Crisis response system
- Rapid re-housing

Many of these strategies have been incorporated into the City's policy approach.

## **Policy Approach**

Policies and programs to meet the needs of people who are experiencing homelessness prioritize the dignity of people and provide housing and services to this population (Table 4-16).

*Table 4-1623: Policies and Programs for Unhoused People*

<b>Policies/Programs Carried Over or Minor Modifications from the 2015-2023 Housing Element</b>	<b>New or Modified Policies/Programs</b>
<ul style="list-style-type: none"> <li>• Policy H3.4 Transitional and Supportive Housing</li> <li>• Policy H3.5 Coordination with Other Agencies in Housing People Experiencing Homelessness</li> <li>• Policy H3.6 Local Approach to Housing for the Homeless</li> <li>• Program H3.E Continue Support for Countywide Homeless Programs</li> <li>• Program H3.F Work with the Department of Veterans Affairs on Homeless Issues</li> </ul>	<ul style="list-style-type: none"> <li>• Program H3.G Low Barrier Navigation Centers</li> <li>• Program H5.C Provide Multilingual Information on Housing Programs</li> </ul>

## **~~CONTRIBUTING FACTORS~~**

~~Contributing factors to fair housing issues include segregation, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, disproportionate housing needs, and discrimination or violations of civil rights laws or regulations related to housing. Identifying contributing factors shapes how the City of Menlo Park will address fair housing issues.~~

~~The following sections summarize known fair housing issues and their contributing factors, as identified through the Assessment of Fair Housing above and within Appendix 4-2. Where applicable, instances where protected classes are disproportionately impacted are identified.~~

The Housing Element has identified four key issues that can be addressed to affirmatively further fair housing in Menlo Park. These four key issues are described below along with their contributing factors. Together, the key issues and contributing factors help inform the City's continued actions to affirmatively further fair housing in Menlo Park.

### **Key Issue 1: Disproportionate Housing Needs**

The harm caused by segregation manifests in disproportionate housing needs and disparities in access to opportunities.

#### **Contributing Factors:**

Menlo Park is a high opportunity environment that provides access to high-quality resident services, job opportunities, and good quality schools. However, there are significant geographical and racial disparities in access to opportunities due to segregated housing conditions. These disparities are evident through differences in poverty rates, homeownership rates, and housing conditions.

### **Key Issue 2: Displacement**

High housing costs in Menlo Park have created a high housing cost burden for many residents, particularly low-income renters, which makes these households particularly vulnerable to displacement.

#### **Contributing Factors:**

High housing cost burden and the associated displacement risk disproportionately impact non-White residents, residents with disabilities, and other residents with special needs that tend to have lower incomes. Households are also vulnerable to displacement to the extent that high housing costs and a strong real estate market create an incentive for property owners to convert deed-restricted affordable units to market rate, increase rents on market-rate rental properties, or convert existing affordable units to other uses. Displacement due to these changes has a disparate impact on communities of color, seniors, people with disabilities, and other households that disproportionately rely on affordable units.



### **Key Issue 3: Housing Costs**

The high cost of housing in Menlo Park disproportionately impacts special needs populations and non-White residents, who tend to have lower incomes and therefore have a disproportionate need for affordable housing.

#### **Contributing Factors:**

Many special needs populations and households that tend to have low incomes, such as persons with disabilities, seniors on fixed incomes, and single parent households, are disproportionately impacted by the high housing costs in Menlo Park. Due to the high cost of housing, there are limited opportunities for lower income households to find housing units they can afford. There is also a significant shortage of accessible and affordable housing for residents with disabilities or other special housing needs, which further exacerbates housing problems for these groups. As a result, special needs populations and non-White residents tend to experience housing problems at higher rates, with high housing cost burden being perhaps the most common housing problem.

### **Key Issue 4: Disproportionate Transportation Issues**

Transportation problems and challenges create barriers to accessing opportunities, especially for residents with disabilities.

#### **Contributing Factors:**

The Regional Assessment of Fair Housing<sup>35</sup> identified several transportation-related issues potentially limiting access to opportunities such as employment, education, health care services, community amenities, and other public services. Transportation barriers disproportionately impact persons with disabilities. At least in some cases, lack of access to public transportation and/or alternative transportation infrastructure may present an impediment to fair housing choice for those who rely on such services/facilities to access employment, resident services, and educational opportunities. Development of affordable housing near transit is essential to addressing this contributing factor. In addition, the lower a person's income, the higher the percentage of the person's income is spent on transportation which also limits transportation choices.

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<sup>35</sup> Root Policy Research (2022)

## ~~Prioritization of Contributing Factors~~

~~Housing Element law requires identifying and prioritizing contributing factors to fair housing issues based on the Assessment of Fair Housing above and within Appendix 4-2. This identification and prioritization must give the highest priority to factors that limit or deny fair housing choice or access to opportunity or that negatively impact fair housing or civil rights.~~

~~Geographic analysis, community outreach, and discussions with service and housing providers in the City and County revealed that the two major factors that impact fair housing in Menlo Park include:~~

- ~~• Displacement risks in communities prioritized under Environmental Justice analysis~~
- ~~• Affordable housing near amenities in the city~~

~~The highest priority contributing factors that the City can take meaningful action on through the implementation of the Housing Element are ranked below, listed in the summarized form of Key Issues 1 through 4:~~

- ~~1. Disproportionate Housing Needs~~
- ~~2. Displacement~~
- ~~3. Housing Costs~~
- ~~4. Disproportionate Transportation Issues~~

~~Although disproportionate transportation issues were ranked in fourth place, the community has expressed strong concern about transportation issues as part of environmental justice-focused outreach.~~

~~While addressing all four contributing factors (key issues) is critical to meeting the housing needs in the city, disproportionate housing needs and displacement are issues that the City has the greatest capacity to address. Through housing programs and zoning changes, the City can strategically direct new affordable housing development in high opportunity areas close to services. Additionally, the City can adopt renter protections and other programs to protect existing residents from being displaced.~~

~~The City has limited capacity for providing financial assistance to renters and homeowners. The market also drives housing costs, and the City is constrained in its~~

~~ability to reduce housing costs citywide. The primary strategy for addressing housing costs is through zoning tools and incentives to encourage affordable housing production. The 2023-2031 Housing Element includes programs that will amend the inclusionary housing requirement and provide density bonuses to encourage the development of affordable housing and housing that can accommodate special needs populations.~~

~~The suburban street pattern and density of much of the city can create transportation barriers for residents who do not have access to personal automobiles. While the Circulation Element of the Menlo Park General Plan largely addresses transportation infrastructure improvements, the Housing Element includes programs to focus new housing in the Downtown where residents will have the greatest access to public transit. Additionally, the Environmental Justice Element includes a discussion of transportation funding efforts in District 1, which has historically seen underinvestment.~~

~~In Menlo Park, segregation and disproportionate impacts occurring in Belle Haven and northern neighborhoods in District 1 are the major contributing factors impeding fair housing choice and access to opportunity in the city. To address these fair housing issues, appropriate “place-based” strategies should be prioritized to direct resources into improving conditions for those in affected neighborhoods, while also protecting existing residents from displacement. Community members expressed the need for protection from evictions, especially unjust evictions. This concern was not explicitly addressed in this Housing Element because the City already has just cause eviction regulations that is compliant with state law. Strategies to address these issues include:~~

- ~~• Tenant protections and anti-displacement policies (H2.7, H2.E, H5.4, H5.D, H5.E)~~
- ~~• Programs to preserve existing affordable housing (H2.4, H2.A, H2.B, H2.C, H4.9)~~
- ~~• Targeted transportation improvements to help residents access opportunity (e.g., jobs, schools, other services) in other nearby areas (H6.E, H6.F, H6.G)~~
- ~~• "Mobility" strategies to ensure that existing residents in northern neighborhoods can have housing choices in other more balanced neighborhoods within the city (H3.D, H3.H, H3.L, H4.1, H4.2, H4.3, H4.8, H4.14, H4.A, H4.B, H4.E, H4.G, H4.I, H4.J, H4.L, H4.O)~~

## HOUSING GOALS, POLICIES, AND PROGRAMS FAIR HOUSING ISSUES, CONTRIBUTING FACTORS, AND CITY ACTIONS

The 2023-2031 Housing Element goals, policies, and programs were developed and refined based on community priorities and concerns. Based on community input and an analysis of City capacity, the project team developed ~~policy themes that would be addressed in the Housing Element and presented these themes and potential programs in a community workshop and other outreach forums. Feedback and suggestions from the Menlo Park community and stakeholders were used to further refine policies and programs. Table 4-17 identifies fair housing issues and associated implementing programs that will address these issues.~~ a table of fair housing issues, their contributing factors, a priority level for the fair housing issues, and City actions to remediate the issue.

The fair housing issues identified are:

- A. Fair Housing outreach (Medium Priority)
- B. Need for affordable housing options throughout Menlo Park to promote mobility (High Priority)
- C. Need for community conservation and revitalization in low and moderate resource neighborhoods located northeast of Highway 101 (Council District 1) (High Priority)

**Table 4-24: Fair Housing Issue, Contributing Factors, and City Actions**

<b><u>Fair Housing Issue</u></b>	<b><u>Contributing Factors</u></b>	<b><u>Priority Level</u></b>	<b><u>City Action</u></b>
<p>A. <u>Fair Housing Outreach</u></p> <p><i>(Housing Mobility)</i></p>	<ol style="list-style-type: none"> <li>1. <u>Lack of outreach to seniors due to digital divide/unaware of available resources</u></li> <li>2. <u>-Section will be further updated with tenant/landlord complaints data.</u></li> <li>3. <u>More education needed by the public sector for residents to become familiar with available resources</u></li> </ol>	<p><u>Medium</u></p>	<p><b><u>City Action:</u></b> <u>By the end of 2023, have additional multilingual fair housing information posted at the Family Recreation Center on their digital platforms. Starting in 2024, hold an informational workshop at the Center once every two years.</u></p> <p><u>Community Development Dept</u></p> <p><b><u>City Action:</u></b> <u>In 2024, with the support of Project Sentinel, conduct a fair housing information session for the City Council. Invite local nonprofits (including Community Legal Services of East Palo Alto, and Legal Aid Society of San Mateo County) to attend.</u></p> <p><u>Community Development Dept</u></p> <p><b><u>City Action:</u></b> <u>At least twice during this Housing Element Cycle (2025 and 2028) work with Project Sentinel to contact rental property owners and managers of multifamily complexes to provide fair housing information and assistance. This outreach will include promoting the Section 8 voucher program to landlords that have not previously participated in the program and should include multi-lingual materials.</u></p> <p><u>Community Development Dept</u></p>

<u>Fair Housing Issue</u>	<u>Contributing Factors</u>	<u>Priority Level</u>	<u>City Action</u>
			<p><b>City Action:</b> <u>Publish Fair Housing information, including any community meetings, on non-traditional media such as Facebook or Instagram, and conduct targeted outreach to tenants and other lower income populations.</u></p> <p><u>Community Development Dept</u></p> <p><b>Action Outcomes:</b> <u>Through the above steps, the City’s goal will be to increase the distribution of fair housing materials by at least 10 percent and to increase awareness of fair housing options among residents, including special needs groups and low income residents. Throughout the informational workshops and Council workshops, develop a comprehensive list of interested nonprofits, property owners and community members that can be utilized for future outreach.</u></p>
<p><u>B. Need for Affordable Housing Options Throughout Menlo Park to Promote Mobility</u></p> <p><u>(Housing Mobility/ New Opportunities)</u></p>	<p><u>1. High Levels of Overpayment</u></p> <p><u>2. Availability of affordable housing options throughout the City, including those where rents and sales prices have become exclusive</u></p> <p><u>3. Community concern about housing densities and equitable distribution of</u></p>	<p><u>High</u></p>	<p><b>City Action:</b> <u>In 2023, adopt the Housing Element, El Camino Real/Downtown Specific Plan, and updated mixed use and commercial zoning standards to provide geographically dispersed sites for over 1,500 lower income units, fostering a more diverse community. Create objective design and development standards (2025) to help streamline the development review process.</u></p> <p><u>Community Development Dept</u></p>

<u>Fair Housing Issue</u>	<u>Contributing Factors</u>	<u>Priority Level</u>	<u>City Action</u>
	<u>higher density development</u>		<p><u>City Action: Support the dispersion of affordable housing throughout High Resource areas in Menlo Park through the City's BMR Inclusionary Housing Regulations (HE Program H4.A), Affordable Housing Overlay (HE Program H4.D), and housing on City-owned parking lots (HE Program H4.G), providing sites for 1,953 lower and 952 moderate income units.</u></p> <p><u>Community Development Dept</u></p> <p><u>City Action: Initiate a marketing program for homeowners on the benefits of ADUs and the availability of funds to support development (2024) through the City's Newsletter and posting of the ADU application checklist on the City website, thereby expanding housing opportunities in areas that have traditionally only had single-family ownership housing. Work with a design professional to develop a tool with ADU designs (2024).</u></p> <p><u>Seek to produce at least 85 ADUs between 2023-2031, including 51 affordable to lower income households (HE Program H4.F)</u></p> <p><u>Community Development Dept</u></p> <p><u>City Action: Implement the City's SB 9 Ordinance to expand</u></p>

<u>Fair Housing Issue</u>	<u>Contributing Factors</u>	<u>Priority Level</u>	<u>City Action</u>
			<p><u>the housing supply in High Resource single-family zones by allowing for lot splits and duplexes. In coordination with research being conducted at the State level, evaluate opportunities to incentivize and provide funding assistance for homeowners to provide affordable units under SB 9 (2024). Seek to</u></p> <p><u>integrate at least five units annually in high resource single-family districts.</u></p> <p><u>Community Development Dept</u></p> <p><b>City Action:</b> <u>In conjunction with the Community Outreach and Development Strategy to be completed in 2025, conduct outreach to property owners about opportunities for development under an SB 10 overlay. Adopt an SB 10 Ordinance and Overlay (2026) to allow up to 10 units to be developed on smaller residential parcels throughout the City, particularly in transit-rich areas.</u></p> <p><u>Community Development Dept</u></p> <p><b>City Action:</b> <u>Proactively market first-time homebuyer assistance available through the HEART program as a means of expanding homeownership opportunities among modest income residents. Add information on the HEART homeownership program to the City's website, and coordinate with HEART on additional opportunities to promote the program (Program H5.F) Add</u></p>



<u>Fair Housing Issue</u>	<u>Contributing Factors</u>	<u>Priority Level</u>	<u>City Action</u>
			<p><u>quantified objective on # households to be assisted based on past levels upon receipt of information.</u></p> <p><u>Community Development</u></p> <p><b>City Action:</b> <u>Work with the San Mateo County Department of Housing to implement the Section 8 Rental Assistance Program and, utilizing the best available City data for multi-family property owners, conduct outreach to property owners in high resource neighborhoods to encourage their participation in the rental assistance program (2024 and 2027).</u></p> <p><u>Community Development</u></p> <p><b>City Action:</b> <u>Require affordable developers receiving public funds to prepare an affirmative marketing plan, and encourage private developers with affordable units in their projects to prepare an affirmative marketing plan. The affirmative marketing plan shall ensure marketing materials for new developments are designed to attract renters and buyers of diverse demographics, including persons of any race,</u></p> <p><u>ethnicity, sex, handicap, and familial status.</u></p> <p><u>Community Development Dept</u></p>

<u>Fair Housing Issue</u>	<u>Contributing Factors</u>	<u>Priority Level</u>	<u>City Action</u>
			<p><b>Action Outcomes:</b> Through implementation of the BMR Inclusionary Housing Ordinance, Affordable Housing Overlay, development on City-owned parcels, promotion of ADUs, allowance for lots splits and duplexes in single-family zones, and adoption of an ordinance to allow development up to 10 units on small lots, provide increased housing options throughout Menlo Park’s high resource neighborhoods to foster a more inclusive community. Provide adequate sites for over 1,500 lower income households, over 640 moderate income households, and over 1,650 above moderate income households, exceeding the City’s RHNA requirements.</p> <p><i>Community Development Dept</i></p>
<p><u>C. Need for community conservation and revitalization in low and moderate resource neighborhoods located east of Hwy 101 (Council District 1)</u></p> <p><i>(Place based Strategies,</i></p>	<ol style="list-style-type: none"> <li><u>1. Need for community revitalization strategies in targeted neighborhoods</u></li> <li><u>2. Need for public investment in specific neighborhoods, including services and amenities</u></li> <li><u>3. Challenges for housing/property upkeep due to financial/physical constraints.</u></li> <li><u>4. High levels of overpayment create</u></li> </ol>	<p><u>High</u></p>	<p><b>City Actions:</b> Undertake public/private partnerships in support community investments in Council District 1, including the new Menlo Park Community Campus Project in Belle Haven being built by Meta to incorporate the former community center, senior programs, youth center (child care), pool and branch library. Complete project in 2023.</p> <p><b>City Action:</b> Leverage private investment in District 1 to expand community amenities in the area through the use of community amenity funds from bonus level development in the Bayfront Area.</p>

<u>Fair Housing Issue</u>	<u>Contributing Factors</u>	<u>Priority Level</u>	<u>City Action</u>
<u>Displacement)</u>	<u>displacement risk</u>		<p><b><u>City Action:</u></b> <u>Fund Habitat for Humanity’s Homeownership Preservation Program in the Belle Haven neighborhood, with a goal of assisting 20 very low-income homeowners to complete major rehabilitation improvements to their homes. To identify and engage homeowners in Belle Haven at greatest risk of displacement or harm due to the conditions of their homes, Habitat will employ an outreach specialist and work closely with public and private agencies and organizations that serve the neighborhood and its residents. Initiate Homeownership Preservation Program in 2023 and complete within three years.</u></p> <p><u>Community Development Dept</u></p> <p><b><u>City Action:</u></b> <u>Implement programs to protect tenants from displacement including: the Rental Increase Dispute Resolution Ordinance and Rent Mediation Program; limits on rent increases and prohibiting evictions without just cause for tenants that have resided in their units for more than 12 months; offering tenant/landlord conflict resolution through Project Sentinel; providing relocation assistance where public funds are utilized; offering existing displaced households an opportunity to return to the new development; and enforcing replacement requirements when affordable units are removed on Housing Element sites (Government Code Sec. 65583.2(g)(3)). Develop</u></p>

<u>Fair Housing Issue</u>	<u>Contributing Factors</u>	<u>Priority Level</u>	<u>City Action</u>
			<p><u>an information sheet on tenant protections and post on the City's website and in the City newsletter (2024).</u></p> <p><u>Community Development Dept</u></p> <p><b>Action Outcomes:</b> <u>Increased public and private investment in areas of Menlo Park that have been identified as low and moderate resource.</u></p>

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**Table 4-1725: Identified Fair Housing Issues and Potential Strategies**

Identified Fair Housing Issue	Contributing Factor	Priority (high, medium, low)	Policies and Implementing Programs
Housing that supports aging in place	Disproportionate housing needs	High	<ul style="list-style-type: none"> <li>• H2.C Assist in Implementing Housing Rehabilitation Programs</li> <li>• H2.E Anti-Displacement Strategy</li> <li>• H3.D Develop Incentives for Special Needs Housing</li> <li>• H3.I Accessible ADUs</li> </ul>
The need for increased services/resources to connect people with disabilities with employment opportunities	Disproportionate housing needs	High	<ul style="list-style-type: none"> <li>• H3.2 Health and Human Services Programs Linkages</li> <li>• H3.K Employment Services</li> </ul>
The need for a citywide housing availability inventory	Disproportionate housing needs	Low <sup>36</sup>	<ul style="list-style-type: none"> <li>• H1.H Transparency on Progress towards RHNA</li> </ul>
Financial assistance for renters	Housing costs	Medium	<ul style="list-style-type: none"> <li>• H1.3 Local Funding for Affordable Housing</li> </ul>

<sup>36</sup> Housing availability is heavily dependent on market conditions. The level of staff time required to create and maintain an up-to-date housing inventory is not proportional to the value of this resource. Additionally third-party housing aggregators, such as Craigslist, Zillow, and Apartments.com, serve a similar function. The City will increase transparency on new affordable housing being built to supplement online information on housing availability.

			<ul style="list-style-type: none"> <li>• H2.E Anti-Displacement Strategy</li> </ul>
Financial assistance for first-time homebuyers	Housing costs	Medium	<ul style="list-style-type: none"> <li>• H5.7 Opportunities for Homeownership</li> <li>• H5.F First-Time Homebuyer Program</li> </ul>
Renters' rights education and protection services	Displacement	High	<ul style="list-style-type: none"> <li>• H5.4 Renter Protections</li> <li>• H5.C Provide Multilingual Information on Housing Programs</li> <li>• H5.D Address Rent Conflicts</li> <li>• H5.E Publicize Fair Housing Laws and Respond to Discrimination Complaints</li> </ul>
Housing near High Resource areas	Disproportionate housing needs	High	<ul style="list-style-type: none"> <li>• H4.1 Housing Opportunity Sites</li> <li>• H4.J Increase Residential Density</li> <li>• H4.L Modify El Camino Real/Downtown Specific Plan</li> </ul>
Overcrowding	Housing costs	High	<ul style="list-style-type: none"> <li>• H4.3 Variety of Housing Choices</li> <li>• H4.A Amend the Below Market Rate Inclusionary Housing Regulations</li> </ul>

			<ul style="list-style-type: none"> <li>• Program H3.L Large Units</li> </ul>
Housing Affordability (people of color experience the most cost burden)	Housing costs	High	<ul style="list-style-type: none"> <li>• H4.9 Long-Term Housing Affordability Controls</li> <li>• H4.B Modify BMR Guidelines Regarding Allocations</li> <li>• H4.D Modify the Affordable Housing Overlay (AHO)</li> </ul>
The imbalance between housing built and jobs created (disproportionate housing needs in lower-income and lower-access to opportunity neighborhoods)	Disproportionate housing needs	High	<ul style="list-style-type: none"> <li>• H4.7 Infill Housing Adjacent to Downtown</li> <li>• H4.16 Neighborhood Responsibilities within Menlo Park</li> <li>• H4.G Consider City-Owned Land for Housing (Downtown Parking Lots)</li> <li>• H4.I Create New Opportunities for Mixed Use Development</li> <li>• H4.L Modify El Camino Real/Downtown Specific Plan</li> </ul>
Shortage of accessible and affordable housing for residents with disabilities or	Housing costs	High	<ul style="list-style-type: none"> <li>• H3.A Continue to Implement Procedures for Reasonable Accommodation</li> </ul>

<p>other special housing needs</p>			<ul style="list-style-type: none"> <li>• H3.B Encourage Rental Housing Assistance Programs</li> <li>• H3.C Assist in Providing Housing for Persons Living with Disabilities</li> <li>• H3.D Develop Incentives for Special Needs Housing</li> <li>• H3.H Inclusionary Accessible Units</li> <li>• H3.I Accessible ADUs</li> <li>• H3.J Marketing for Accessible Units</li> </ul>
<p>Transportation-related issues potentially limit access to opportunities such as employment, resident services and educational opportunities</p>	<p>Disproportionate transportation issues</p>	<p>Medium</p>	<ul style="list-style-type: none"> <li>• H6.E Explore Multi-Modal Improvements</li> <li>• H6.F Transit Incentives</li> <li>• H6.G Neighborhood Connectivity</li> </ul>



# Actual and Potential Constraints to Housing

This section of the Housing Element evaluates actual and potential constraints to new housing development in the city. Constraints that can pose a barrier to the construction of new housing can be grouped into two categories. Governmental constraints are barriers imposed through government policies and procedures, such as development standards, application processing times, and development fees (Government Code § 65583, subdivisions (a)(5), (a)(4), (c)(1), and § 65583.2, subdivision (c)). Non-governmental constraints are development barriers that are outside of the control of local jurisdictions; for example, construction costs, land costs, and financing costs (Government Code § 65583, subdivision (a)(6)). Local governments can adopt policies and procedures to address these constraints and increase the ease of developing new housing.

There is an important connection in the Housing Element between the available land inventory and the analysis of actual and potential governmental constraints so the City can most effectively meet its housing goals. The connection recognizes that there are limitations to the amount of available land resources in Menlo Park and that the intent of the Housing Element is to use the remaining available land resources as efficiently as possible in addressing local housing needs and meeting the City's share of its Regional Housing Needs Allocation (RHNA).

Governmental constraints are constraints that are under the control of the City of Menlo Park. Governmental constraints can include the topics listed below and are discussed in this chapter, followed by a discussion of non-governmental constraints at the end of the chapter:

- General Plan Policies
- Land Use Controls
- Zoning Standards
- Fees and/or Exactions
- Development Processing Time
- Codes and Enforcement, On and Off Site Improvement Standards

- Constraints for People with Disabilities
- Inclusionary Zoning

## REVIEW OF CHANGES OF GOVERNMENTAL CONSTRAINTS IN THE 5<sup>TH</sup> CYCLE

During the 2015-2023 housing cycle, the City undertook a number of actions to remove actual and 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 combining the discussion of housing and land use, the City has also been able to develop a multi-pronged approach to provide a variety of housing types, choices, and affordability levels. Specific strategies include:

- Accessory dwelling units;
- Infill housing around the Downtown;
- Implementation of the El Camino Real/Downtown Specific Plan;
- Inclusionary housing requirements for market-rate developments;
- Assistance and incentives for affordable housing development; and
- 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 2015-2023 Housing Element.

In addition to modifications to development standards and processes, the City prepared an Environmental Assessment (EA) after the draft Environmental Impact Report (EIR) to address the overall impacts of the 2015-2023 Housing Element and to establish a Mitigation Monitoring and Reporting Program (MMRP) for future development. In addition, the ~~affordable-Affordable housing-Housing overlay-Overlay~~ studied in the EA (which includes SP-ECR-D and R-4-S zoned areas) reduced potential barriers to development. The discussion below describes in more detail the actions the City has undertaken to remove actual

and potential governmental constraints within the context of its comprehensive housing strategies.

## **ACTIONS TAKEN BY THE CITY IN THE 2015-2023 HOUSING ELEMENT TO REMOVE ACTUAL AND POTENTIAL GOVERNMENTAL CONSTRAINTS**

- 1) **Amendments to C-2-B (Neighborhood Mixed Use District, Restrictive) zoning district.** Consistent with Housing Element Program H4.N, the City adopted zoning amendments to the C-2-B zoning district to expand housing in commercial zones. The amendments allow residential mixed-use opportunities in key areas along the Willow Road corridor. A number of properties that were previously zoned for commercial and industrial uses were rezoned with the new C-2-B regulations and can support higher density housing and mixed-use developments.
- 2) **Accessory Dwelling Units.** Consistent with Housing Element Program H4.E, the City modified the Accessory Dwelling Unit (formerly known as secondary dwelling unit) requirements pertaining to single-family and multifamily residential lots 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 accessory units, which are ancillary to the main dwelling. Consistent with Program H4.F, the City also adopted an ordinance in 2020 to provide a pathway for converting existing accessory buildings into accessory dwelling units, consistent with State law.
- 3) **Implementation of Special Needs Housing Changes.** Consistent with 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 in the 2015-2023 Housing Element, the City has amended the Zoning Ordinance (Ordinance 1002) to remove governmental constraints for special needs housing on April 29, 2014. This Ordinance included the following:
  - Identified the location of the overlay to allow an emergency shelter for the homeless for up to 16 beds as a use by right and includes standards consistent with State law as established in SB2.
  - Updated the definitions of transitional and supportive housing to be consistent with State law and adds transitional, supportive housing and small (six or fewer persons) residential care facilities as part of the definition of a “dwelling” in the Zoning Ordinance, so these uses

are treated the same way as other residential uses as required by State law under SB 2.

- Established procedures, criteria, and findings for enabling individuals with disabilities to make improvements and overcome barriers to their housing.

The City also completed Program H1.L, which is to Adopt Priority Procedures for Providing Water and Sewer Service to Affordable Housing Developments in 2014.

- 4) **Modifications to BMR Guidelines.** Consistent with Housing Element Program H4.C, the City revised the Below Market Rate (BMR) Housing Program guidelines in 2018. The City also adopted a resolution to establish a process for determining the in-lieu fee for rental housing on a case-by-case basis to be consistent with the BMR fee nexus study. In 2022, the City adopted revisions to the BMR Guidelines that outlined 1) purchase and rental interest list eligibility criteria, and 2) general programming-related descriptions.
- 5) **R-MU (Residential Mixed Use) Zoning District.** The new R-MU zoning district was adopted as part of the General Plan and M-2 Area Zoning Update. This new zoning district implements Housing Element Program H4.I, which directed the City to create multifamily and residential mixed use design guidelines, and is intended to provide high-density housing and mixed-uses near employment opportunities. Design standards that apply to the R-MU zoning district include a number of provisions addressing building modulation, height variation, site design, and open space requirements.

## SUMMARY OF THE ASSESSMENT OF ACTUAL AND POTENTIAL GOVERNMENTAL CONSTRAINTS AND RECOMMENDED PROGRAM ACTIONS

The Housing Element provides an opportunity to comprehensively assess actual and potential governmental constraints to housing and to identify implementing programs to address those constraints. Following an assessment of the 2015-2023 Housing Element, the following programs have been carried over into the 2023-2031 Housing Element to address actual and potential governmental constraints, with appropriate amendments to reflect current housing needs and maintain consistency with State law. Program numbering reflects the 2015-2023 Housing Element.

- H1.A Establish City Staff Work Priorities for Implementing Housing Element Programs.
- H1.B Review the Housing Element Annually.
- H3.C Investigate Possible Multi-Jurisdictional Emergency Shelter.
- H3.G Develop Incentives for Special Needs Housing.
- H4.C Modify BMR Guidelines.
- H4.E Modify Second Dwelling Unit Standards and Permit Process.
- 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 New Opportunities for Mixed Use Development.
- H4.P Update Parking Stall and Driveway Design Guidelines.

## EXISTING GOVERNMENTAL CONSTRAINTS – GENERAL PLAN POLICIES

The following General Plan policies and programs pose actual and potential constraints to the development of new housing. Responses to these potential constraints are provided for each program.

**Program LU-1.F** Assessment Districts and Impact Fees. Pursue the creation of assessment districts and/or the adoption of development impact fees to address infrastructure and service needs in the community.

Development impact fees may be a barrier to the construction of affordable housing units.

Response to Constraints: These fees are also vital to fund housing programs in Menlo Park. Program H3.I includes waiving fees for providing deed-restricted ADUs affordable to low-income households.

**Policy LU-2.1** Neighborhood Compatibility. Ensure that new residential development possesses high-quality design that is compatible with the scale, look, and feel of the surrounding neighborhood and that respects the city's residential character.

Neighborhood compatibility requirements may discourage the development of higher-density residential development in traditionally single-family neighborhoods.

Response to Constraints: Updated and new objective design standards can serve to allow higher-density residential development that is still compatible with surrounding neighborhoods, and could also allow for ministerial review in many situations. Programs to remove this constraint include:

- H4.M: Update Parking Requirements and Design Standards
- H7.A: Create Residential Design Standards
- H7.B: Develop and Adopt Standards for SB 9 Projects

**Policy LU-6.11** Baylands Preservation. Allow development near the Bay only in already developed areas.

Requiring new development near the Bay to be infill development will limit possible housing sites, but is a necessary protection to ensure the preservation of natural resources and reduce flooding risk to new housing.

Response to Constraint: None required. Additionally, the area near the Bay is in Council District 1, and the Housing Element has an overall goal of dispersing housing development away from Council District 1.

**Policy CIRC-7.1** Parking and New Development. Ensure new development provides appropriate parking ratios, including application of appropriate minimum and/or maximum ratios, unbundling, shared parking, electric car charging, car sharing, and Green Trip Certified strategies to accommodate residents, employees, customers and visitors.

Minimum parking ratios could decrease the feasibility of affordable housing.

Response to Constraint: New state law, AB 2097, removes parking minimums in parcels a half-mile from major transit stops. In addition, updated parking standards and parking demand management are included in the following programs:

- H3.D: Develop Incentives for Special Needs Housing

- H4.F: Modify Accessory Dwelling Unit (ADU) Development Standards and Permit Process
- H4.K: Modify El Camino Real/Downtown Specific Plan
- H4.M: Update Parking Requirements and Design Standards
- H6.F: Transit Incentives

**Policy S1.1** Location of Future Development. Permit development only in those areas where potential danger to the health, safety and welfare of the residents of the community can be adequately mitigated.

Potential sites near the Bay might not be suitable for housing due to increased risk of flooding and sea level rise as the impacts of climate change become more apparent.

Response to Constraint: None required. Additionally, the area near the Bay is in Council District 1, and the Housing Element has an overall goal of dispersing housing development away from Council District 1.

**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.

There are several hazardous material sites in Menlo Park that are at varying stages of remediation cleanup. Exposure to these hazardous materials will need to be minimized and could constrain new housing.

Response to Constraint: None required.

**Policy LU-7.9** Support sustainability and green building best practices through the orientation, design, and placement of buildings and facilities to optimize their energy efficiency in preparation of State zero-net energy requirements for residential construction in 2020 and commercial construction in 2030.

Green building design may add to the cost of development. Many agencies; however, have similar policies.

Response to Constraint: Green building is consistent with many policies in the Housing Element, particularly Policy H2.5: Maintenance and Management of Quality Housing and Neighborhoods.

## EXISTING GOVERNMENTAL CONSTRAINTS – LAND USE CONTROLS

Menlo Park uses development controls that are typical for other cities in the county and the region. The City has various land use controls that pose constraints on the development of affordable housing. The 2023-2031 Housing Element contains programs that direct Zoning Ordinance amendments to reduce land use and zoning constraints on the development of housing. This includes the following housing programs:

- Program H3.D Develop Incentives for Special Needs Housing
- Program H3.G Low Barrier Navigation Centers
- Program H4.I Create New Opportunities for Mixed-Use Development
- Program H4.J Increase Residential Density
- Program H4.K Maximize Development Proposals
- Program H4.L Modify El Camino Real/Downtown Specific Plan
- Program H4.M Update Parking Requirements and Design Standards
- Program H4.O Identifying SB 10 Sites
- Program H7.B Develop and Adopt Standards for SB 9 Projects

The following table summarizes what land use approvals are currently needed for different housing types in the residential and mixed-use zoning districts.



Table 5-1: Land Use Controls Table

Housing Type	Zoning Designation													
	R-E	R-E-S	R-1-S	R-1-S (FG)	R-1-U	R-1-U-LM	R-2	R-3	R-3-A	R-4	R-4-S	R-L-U	C-2-B	R-MU
Single-family dwelling	P	P	P	P	P	P	P	P	P	P	NP	NP	NP	NP
Duplexes	NP**	NP**	NP**	NP**	NP**	NP**	P	P	P	P	NP	NP	NP	NP
Triplexes	NP	NP	NP	NP	NP	NP	P	P/C*	C	C	P	NP	P	P
Multifamily rental housing	NP	NP	NP	NP	NP	NP	P	P/C*	C	C	P	NP	P	P
Emergency shelters	NP	NP	NP	NP	NP	NP	NP	NP	NP	NP	NP	NP	NP	NP
Manufactured homes	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Residential care facilities***	P	P	P	P	P	P	P	P	P	P	P	P	P	P
ADUs	P	P	P	P	P	P	P	P	P	P	P	P	P	P
<u>Transitional and Supportive Housing</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>
<u>Small Employee Housing</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>

**P** is a Permitted Use

**C** is a Conditional Use

**NP** is Not a Permitted Use

\*In the R-3 zoning district, three or more units on lots that are 10,000 square feet or more are a Permitted Use.

\*\* SB 9 allows duplexes under certain circumstances in single family zones.

\*\*\* Individual zoning district chapters do not mention large or small residential care facilities as permitted or conditionally permitted uses.

State law requires jurisdictions to analyze the zoning and availability for a variety of housing types.

## Multifamily Rental Housing

Multifamily rental housing refers to a building or portion of a building that is used as a residence for more than one household living independently of each other. Multifamily rental housing includes duplexes, triplexes, and apartments/condominiums. The Housing Element includes several programs designed to expand the opportunities for multifamily housing, which are described below.

Multifamily rental housing is permitted in the higher-density residential and mixed-use zoning districts. However, a conditional use permit is required for developments with three or more housing units in the R-4 zoning district and the R-3 zoning district for lots smaller than 10,000 square feet, which may pose a barrier to future housing construction.

In response, implementation of Housing Element Program H4.J will remove this constraint by allowing a base density of 30 units per acre on R-3 zoned lots that are 10,000 square feet or smaller around the El Camino Real/Downtown Specific Plan Area (“around the Specific Plan Area” is defined in the Zoning Ordinance under § 16.20.030). Program H4.I also directs a zoning ordinance amendment to allow residential development of up to 30 units per acre in certain non-residential zoning districts, including in areas near the Willows neighborhood.

SB 10 was signed into law in 2021. This state law enables jurisdictions to adopt zoning ordinances to permit greater development of single-family zoned properties in transit-rich areas or urban infill sites. In response to state law, Program H4.O directs the development of an overlay zone that would be applied to areas of the city where SB 10 projects could be implemented. Parcels within this overlay will be permitted to develop up to 10 housing units.

Implementation of Program H4.M updates parking requirements and design standards to provide greater flexibility in site planning for multifamily residential housing, including establishing a parking or alternative transportation in-lieu fee. Parking amendments could involve reducing parking minimums, expanding parking maximums, eliminating parking requirements for affordable housing projects, expanding shared parking, exploring district parking, and exploring other parking recommendations provided by ABAG-MTC.

Lastly, Program H4.L will consider amendments to the El Camino Real/Downtown Specific Plan to include, but are not limited to, eliminating housing caps and increasing the residential base density to a minimum of 30 dwelling units per acre in all subareas under the specific plan. This will facilitate increased densities in areas close to transit and create more opportunities for multifamily developments.

## **Housing for Agricultural Employees Small Employee Housing**

California Health and Safety Code Section 17021.5 (Employee Housing Act) requires jurisdictions to permit employee housing for six or fewer employees as a single-family use. Employee housing shall not be included within the zoning definition of a boarding house, rooming house, hotel, dormitory, or other similar term that implies that the employee housing is a business run for-profit or differs in any other way from a family dwelling. Jurisdictions cannot impose a conditional use permit, zoning variance, or other zoning clearance of employee housing that serves six or fewer employees that is not required of a family dwelling of the same type in the same zone. Menlo Park's Zoning Code does not currently address small employee housing. As such, a program has been included in the Element add a definition and make provisions for small employee housing as a permitted use in all zone districts where single-family is permitted (HR, R-1, R-2, R-3 and MU zones). Agricultural employees are people whose primary incomes are earned through agricultural labor. This population tends to have high rates of poverty, have unstable incomes, live in housing with high rates of overcrowding, and have low rates of homeownership. Strategies to meet their housing needs include the provision of single-room occupancy units or the development of units with larger bedroom counts.

Menlo Park does not have an agricultural zoning designation. Additionally, the city does not have a significant number of agricultural workers or demand for housing specifically intended to accommodate agricultural workers. Consequently, the zoning code does not include specific housing provisions for this population.

## **Emergency Shelters**

Emergency shelters are defined as “housing with minimal supportive services for homeless persons that are 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” (Government Code § 65582).

Menlo Park's zoning code includes an Emergency Shelter for the Homeless Overlay. This overlay can only be applied to specific parcels identified in Municipal Code § 16.99.020 and ensures that the development of emergency shelters do not adversely impact adjacent parcels or the surrounding neighborhood. ~~The only permitted use under this overlay is a housing facility for the unhoused with a maximum of 16 beds. Facilities with more than 16 beds may be permitted through a conditional use permit. All other uses are regulated by the underlying zoning district.~~

~~The Emergency Shelter for the Homeless Overlay (Municipal Code 16.99) consists of 26 parcels zoned R-3 that are near the Menlo Park VA Medical Center. Emergency Shelter for the Homeless Overlay (Municipal Code 16.99) meets AB 139 (2020), as section 16.99.050(1) describes objective off-street parking regulations that provide sufficient parking to accommodate the staff working in the emergency shelter.~~

~~Many individuals experiencing homelessness are veterans, and the colocation with the VA Medical Center can support access to the services provided for individuals or families using an emergency shelter. In addition to the allowed uses in the underlying R-3 district, the only permitted use in the overlay is a facility housing the homeless with sixteen (16) or fewer beds, which shall serve no more than sixteen (16) homeless persons at one (1) time.~~

~~The latest Point-in-Time count, in 2022, identified 56 individuals experiencing homelessness.<sup>1</sup>~~

~~In their review of Menlo Park's Housing Element, the State Department of Housing and Community Development (HCD) has identified the City's standard establishing a maximum 16-bed capacity for shelters as a potential constraint. While SB 2 allows jurisdictions to apply objective development standards to regulate emergency shelters, these standards must be designed to encourage and facilitate the development of, or conversion to, an emergency shelter. Limitation of a shelter to such a small size may limit service providers' access to funding and render the shelter economically infeasible to develop. In order to address assess what might be a more reasonable size limitation that doesn't impact development feasibility, the City reviewed an inventory of existing shelters in San Mateo County. The inventory included numerous shelters that are 30 beds or smaller, including, but not limited to, shelters operated by the following organizations:~~

- LIFEMOVES
  - 110 Locust Street, Redwood City – 9 beds

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<sup>1</sup> <https://www.smcgov.org/media/133851, PDF page 6>

- 50 Hillcrest Drive, Daly City – 12 units
- 260 Van Buren Road, Menlo Park – 15 units
- San Bruno Hospitality House – 9 beds

Given that the inventory shows that shelters with up to 30 beds are feasible in San Mateo County, the City will amend its emergency shelter regulations to increase the size limit from 16 to 30 beds.

## Low Barrier Navigation Centers

Low Barrier Navigation Centers are a housing-first solution to assist people who are experiencing homelessness. These temporary shelters provide services and are focused on transitioning individuals experiencing homelessness into permanent housing. Under AB 101, State law requires that jurisdictions permit low barrier navigation centers by-right in mixed-use zoning districts and non-residential zones that permit multifamily uses.

Menlo Park's zoning code does not currently permit low barrier navigation centers. Through the implementation of Program H3.G, the City will adopt a zoning ordinance to permit low barrier navigation centers as a by-right use in mixed-use and non-residential zoning districts that allow multifamily housing, consistent with state law.

## Transitional Housing

Transitional housing refers to rental housing developments that are operated under program requirements that require the termination of assistance and recirculation 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 (Ord. 1004 § 7, 2014).

Transitional housing is considered a residential use and is allowed in residential areas.

## Supportive Housing

Supportive housing is housing that has no limit on the length of stay and is occupied by the target population. This type of housing has onsite and offsite services that assist residents in retaining the housing, improving their health

status, and maximizing their ability to live and, when possible, work in the community (Ord. 1004 § 6, 2014).

Supportive housing is considered a residential use and is allowed in residential areas.

## Single-Room Occupancy Units (SROs)

Single-room occupancy units (SROs) are small units that are typically between 200 to 350 square feet. They are located in multi-unit buildings and typically include a shared bathroom and kitchen facilities.

SROs are not explicitly allowed in Menlo Park's zoning code. However, boardinghouses are permitted as a conditional use in the R-2, R-3, R-3-A, R-4, and R-4-S zoning districts. Boardinghouses serve a similar function as SROs and are defined in the City's zoning code as "a dwelling other than a hotel, where lodging or meals for three or more persons is provided for compensation" (Municipal Code § 16.04.090). SROs typically have shared kitchens and meals are not provided.

## Manufactured Homes

Manufactured homes are houses that are factory-built and transported to the housing site. Due to the much lower cost of construction and labor costs needed to build a manufactured home, this housing type can provide an affordable housing solution.

Consistent with state law, the City allows the siting and processing of mobile homes/manufactured homes in the same manner as conventional or stick-built homes. Accessory dwelling units are also permitted to be manufactured homes.

Manufactured homes must comply with the setback, height, and design requirements of the regulating zoning district. New or substantially improved manufactured homes located within zones A1-30, AH, AE, V1-30, V, and VE of the community's flood insurance rate map are required to be elevated or be securely fastened to an anchored foundation system to resist flotation, collapse, and lateral movement.

## Mobile Home Parks

Mobile home parks include any property that has a minimum of two mobile homes, manufactured homes, recreational vehicles, and/or lots that are held for rent or lease.

There are no mobile home parks in Menlo Park. Mobile homes are not explicitly addressed as a permitted use in Menlo Park's zoning code. As the city is mostly built out, there is limited opportunity for the development of mobile home parks.

## Accessory Dwelling Units

Accessory dwelling units (ADUs) are attached or detached residential dwelling units that provide complete independent living facilities and are located on lots with proposed or existing primary residences. ADUs are a cost-effective housing type because they do not require new land or major infrastructure improvements. ADUs tend to be smaller and are thereby more inherently affordable by design.

However, because many ADUs are rented to family and friends of the homeowner, if homeowners are primarily White, then the families and potential friends of the homeowners could be predominantly White. Relying too heavily on ADUs for affordable housing could inadvertently exacerbate patterns of segregation. Additionally, ADUs and other smaller units are generally not compatible for families or households with more than one to two people, but they can still be an effective strategy for increasing the supply of smaller rental housing units in traditionally single-family home neighborhoods.

The City's zoning code allows ADUs in all residential and residential mixed-use zoning districts. The City has reduced barriers to building ADUs through less restrictive development standards and expediting the application review and approval process. ADUs that comply with the development regulations in the City's zoning code shall be approved without discretionary review within 60 days of receipt of the completed development application. More information about ADUs is available in the Fees section of this chapter.

The Housing Element contains programs to reduce actual and potential constraints to the development of ADUs. Program H4.F will modify the development standards for ADUs to allow greater flexibility in the parking design. The City will partner with a third party to develop a series of pre-designed ADU options for consideration by homeowners interested in developing ADUs on their property.

Program H3.I directs the City to adopt incentives to encourage accessible ADUs and rent restricted units. Lastly, Program H2.D will amend the ADU Ordinance to include an amnesty program for unpermitted ADUs. These efforts will encourage the production of ADUs, which by design are more affordable than multifamily units, and preserve existing ADUs created without building permits by providing a non-punitive pathway to legalization.

The State Department of Housing and Community Development (HCD) has reviewed the City's ADU ordinance and has identified several areas which do not comply with State ADU law. HCD will be providing the City with a letter outlining non-compliance issues in the ordinance. The City has included a program in the Housing Element to update its ADU ordinance to bring it into full compliance with current State requirements.

## **EXISTING GOVERNMENTAL CONSTRAINTS – ZONING STANDARDS**

Zoning standards, including building site requirements (e.g., lot area, coverage, floor area limit (FAL), floor area ratio (FAR), and landscaping), setbacks, and height limits under Menlo Park zoning are summarized on the next page.

### **Zoning Fees and Transparency**

As a means of providing information and transparency to the public, all zoning and development standards and development fees are posted on the City's website. Program H5.G directs the City to improve ease of access for the public to find fees, zoning, and development standards.

### **Conditional Development District**

In addition to the zoning districts in Table 5-2, Menlo Park has an X Conditional Development District, which was established for the purpose of combining special regulations with the base zoning district. Under the X Conditional Development District, all uses allowed in the zoning district with which the X district is combined are conditionally allowed; there are no permitted uses in the X district. Development regulations in the X district are as specified in a conditional development permit and densities shall not exceed the regulations set forth in the zoning district with which the X district is combined.

The Conditional Development District (X), also referred to as combining district, is a zoning district specifically established for the purpose of combining special



regulations or conditions with one of the zoning districts as set forth in Municipal Code Section 16.08.010. The X district is not delineated by any particular area of the city and can be generally described as a mechanism by which to regulate and plan development through approval of a Conditional Development Permit. A Conditional Development Permit may be issued to allow adjustment of the requirements of the district in order to secure special benefits possible through comprehensive planning of such large development. Further, such adjustment is intended to obtain public benefits; control the commercial component of projects in mixed-use areas; and to encourage more usable open space than would otherwise be provided with standard development. Conditional Development Permits are subject to review and recommendation by the Planning Commission and ultimate action by the City Council. There have been ## approved developments on X district properties in the previous 8 years and ## rejected developments in the X district during that time frame.

The Housing Element Sites Inventory includes 3 sites (Sites #21, #28, #50) which have been previously developed with a Conditional Development Permit. Development regulations in the X district are as specified in the Conditional Development Permit and in no event does the number of dwelling units, floor area ratio, or floor area limit, exceed the development regulations as set forth in base zoning district with which the X district is combined.

Table 5-2: Summary of City of Menlo Park Zoning Requirements (2021)

ZONING		DEVELOPMENT REGULATIONS												
Zoning District	Zoning Abbreviation	Minimum Lot Area	Minimum Lot Width	Minimum Lot Depth	Maximum Building Coverage	Floor Area Limit (FAL) or Floor Area Ratio (FAR)	Density	Height	Minimum Landscaping	Required Setbacks				Parking
										Front	Rear	Side – Interior	Side – Corner	
Residential Estate District	R-E	20,000 sf	110 ft	130 ft	varies depending on lot size and number of stories	varies depending on lot size	1 unit/ 20,000 sf	<20,000 sf lot size: 28 ft ≥20,000 sf lot size: 30 ft	n/a	20 ft min	20 ft min	10 ft min on one side; 30 ft total	15 ft min	2 spaces/ unit
Residential Estate Suburban District	R-E-S	15,000 sf	100 ft	100 ft	varies depending on lot size and number of stories	varies depending on lot size	1 unit/ 15,000 sf	<20,000 sf lot size: 28 ft ≥20,000 sf lot size: 30 ft	n/a	20 ft min	20 ft min	10 ft min on one side; 25 ft total	15 ft min	2 spaces/ unit
Single Family Suburban Residential District	R-1-S	10,000 sf	80 ft	100 ft	varies depending on lot size and number of stories	varies depending on lot size	1 unit/ 10,000 sf	<20,000 sf lot size: 28 ft ≥20,000 sf lot size: 30 ft	n/a	20 ft min	20 ft min	10 ft min	12 ft min	2 spaces/ unit
Single Family Suburban Residential District (Felton Gables)	R-1-S (FG)	10,000 sf	80 ft	100 ft	35%	2,800 sf + 20% *(lot area – 7,000 sf)	1 unit/ 10,000 sf	<20,000 sf lot size: 28 ft ≥20,000 sf lot size: 30 ft	n/a	20 ft min	20 ft min	10 ft min	12 ft min	2 spaces/ unit
Single Family Urban Residential District	R-1-U	7,000 sf	65 ft	100 ft	varies depending on lot size and number of stories	varies depending on lot size	1 unit/ 7,000 sf	<20,000 sf lot size: 28 ft ≥20,000 sf lot size: 30 ft	n/a	20 ft min	20 ft min	10% of min lot width but not less than 5 ft and no more than 10 ft	12 ft min	2 spaces/ unit
Single Family Urban Residential District (Lorelei Manor)	R-1-U (LM)	Prior to June 1, 2006: 4,900 sf After June 1, 2006: 7,000 sf	40 ft	75 ft	varies depending on lot size and number of stories	varies depending on lot size	1 unit/ 4,900 sf	20 ft max for one-story; 28 ft max for two-story	25% pervious surfaces	20 ft min above ground; 15 ft min below	20 ft min above ground; 15 ft min below	5 ft min	12 ft min	2 spaces/ single-family dwelling

										ground	ground			
Low Density Apartment District	R-2	7,000 sf	65 ft	100 ft	35%	40%; FAR of second story ≤15%	1 unit/3,500 sf	28 ft	40%	20 ft min	20 ft min	10% of min lot width but not less than 5 ft and no more than 10 ft	12 ft min	2 spaces/unit
Apartment District (general)	R-3 (general)	7,000 sf	<10,000 sf: 70 ft ≥10,000 sf: 80 ft	100 ft	30%	45%	13.1 units/ac	35 ft	50%	15% of lot width; 20 ft min	15% of lot width; 15 ft min	10 ft min for interior side	15 ft min	2 spaces/unit; 1 space must be covered and not located in a front or side yard
Apartment District (around El Camino Real/Downtown Specific Plan Area)	R-3 (around El Camino Real/Downtown Specific Plan Area)	10,000 sf	80 ft	100 ft	40%	Floor area ratio shall decrease on an even gradient from 75% for 30 du/ac to 35% for 13.1 du/ac	13.1-30 units/ac	13.1 du/ac: 35 ft ≥20 du/ac: 40 ft	25%	20 ft min	15 ft min	10 ft min for interior side	15 ft min	≥2 bedrooms: 2 spaces; <2 bedrooms: 1.5 spaces; each unit must have at least 1 space
Garden Apartment Residential District	R-3-A	10,000 sf	80 ft	100 ft	30%	45% max	13.1-30 units/ac	no max; all setbacks shall increase by 1 ft for every ft over 35 ft	n/a	15 ft min	10 ft min	25% of the height of the main building but not less than 5 ft	10 ft min	2 spaces/unit
Apartment—Office District	R-3-C	Same as R-3, provided that offices may be permitted												
High Density Residential District	R-4	20,000 sf - 1 ac	100 ft	100 ft	40%	100% max	40 units/net ac	40 ft max	30%	20 ft	15 ft	10 ft	15 ft min	≥2 bedrooms: 2 spaces; 1

							max							bedroom: 1.5 spaces; studio: 1 space
High Density Residential District, Special	R-4-S	20,000 sf	100 ft	100 ft	40%	Increase on an even gradient from 60% for 20 du/ac to 90% for 30 du/ac	20-30 units/ ac	40 ft max	25%	10 ft	10 ft min	10 ft; 5 ft min when abutting a private access easement	10 ft	≥2 bedrooms: 2 spaces; 1 bedroom: 1.5 spaces; studio: 1 space
Retirement Living Units District	R-L-U	20,000 sf min	100 ft	100 ft	35%	150% max	1 unit/ 800 sf	35 ft max	n/a	25 ft min	20 ft min	10 ft min each side; 30 ft total	n/a	1 space/ unit
Neighborhood Mixed Use District, Restrictive	C-2-B	none	none	none	60%	increase on an even gradient up to 90% for 30 du/ac	30 units/ac	30 ft max; 40 ft max for mixed-use	10%	10 ft min	none	none	10 ft min	<del>1-1.5 spaces/ unit</del> <del>space/unit</del> <del>or 1 space/1,000 square feet</del>
Residential Mixed Use District	R-MU	20,000 sf	100 ft	100 ft	n/a	60-90%	20-30 units/ ac	35-40 ft	25%	25 ft max from street; 10 ft min from interior property lines	10 ft min	10 ft min	25 ft max	<del>1 space/unit</del> <del>or 1 space/1,000 square feet</del> <del>1-1.5 spaces/ unit</del>

Menlo Park’s multifamily zoning standards in the R-3 and R-4 zoning districts were compared to the nearby and/or neighboring cities of Palo Alto, Mountain View, Sunnyvale, and the City of San Mateo. Comparative standards for multifamily zoning allowing roughly 18 to 45 units per acre are shown below (Table 5-3).

**Table 5-3: Comparison of Menlo Park Multi-Family Zoning Standards with Nearby Cities**

City	Zone	Units/Acre	FAR	Lot Coverage	Minimum Open Space (% of lot)	Lots Size	Building Height
Menlo Park	R-3	16	0.45	30%	50%	7,000 sf	35 ft
	R-4	40	1.0	40%	30%	20,000 sf	40 ft
Palo Alto	RM-20	20	0.5	35%	35%	8,500 sf	30 ft
	RM-30	30	0.6	40%	30%	8,500 sf	35 ft
	RM-40	40	1.0	45%	20%	8,500 sf	40 ft
Mountain View	R3-2	18	1.05	35%	55%	12,000 sf	45 ft
	R3-1	33	1.05	35%	55%	12,000 sf	45 ft
	R3-D	46	1.05	40%	35%	12,000 sf	45 ft
Sunnyvale	R-3	24	None	40%	20%	8,000 sf	35 ft
	R-4	36	None	40%	20%	8,000 sf	55 ft
	R-5	45	None	40%	20%	8,000 sf	55 ft
San Mateo	R3	20-35	0.85 by right; 1.0 with Use Permit	--	200 sf/ first bedroom in each unit; 100 sf/ remaining bedrooms	4,000 sf	--

As shown in Table 5-3, Menlo Park's FAR for multifamily development is lower than neighboring cities in the R-3 zone (which is more suitable 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 will adopt more flexible standards that will reduce the minimum lot size for multifamily development on R-3 zoned parcels from 10,000 sq. ft. to 7,000 sq. ft. in the area around the Downtown/EI Camino Real Specific Plan Area (Program H4.K) and amend the Affordable Housing Overlay (AHO) 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 one acre in size. In addition, most comparable cities do not require conditional use permits for multifamily housing in a multifamily zone.

Higher density residential zoning districts, including R-3 (around El Camino Real/Downtown Specific Plan), R-3-C, R-4, and R-4-S, provide parking requirements based on bedroom count per unit rather than a standard two spaces per unit, which is the typical residential parking ratio in other residential zoning districts. The Retirement Living Units (R-L-U); Neighborhood Mixed Use District, Restrictive (C-2-B); and Residential Mixed Use (R-MU) zoning districts require less parking, ranging from 1 to 1.5 spaces per unit.

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 that will amend the Zoning Ordinance to reduce barriers to the development of affordable housing by increasing allowed residential densities (Program H4.D, Program H4.J, Program H4.L), providing greater flexibility around parking requirements for developments intended for people with special needs (Program H3.D), and allowing residential uses in commercial-only areas (Program H4.I).

City staff report that particularly on smaller parcels, current development standards may preclude the achievement of maximum zoned densities. The Housing Element includes a program (Program H4.M) to review and update the City's multi-family development standards, including re-evaluation of parking, setbacks, height and other standards to enable compact, well-designed multi-family product types.

On January 1, 2020, Senate Bill 330 (SB 330) went into effect. The bill is intended to streamline housing projects that are subject to discretionary review under local zoning laws. The bill establishes a two-step process by which an applicant can "lock in" applicable fees and development regulations by submitting a Preliminary Application, then submit a complete development application within 180 days of the submittal of the

complete Preliminary Application. The City of Menlo Park complies with SB 330. Resources such as application checklists and process guidance handouts are available on the City's webpage. As of October 2022, the City has received and processed eight development applications under SB 330.

## EXISTING GOVERNMENTAL CONSTRAINTS – FEES AND/OR 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, but cities typically look to recover processing costs to reduce budgetary impacts. 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. 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 actual and potential constraints that fees and exactions may pose.

The fees for Menlo Park are summarized below in Table 5-4 for three developments: (1) a 2,000-square foot single-family unit valued at \$900,000 or greater; (2) a 16,000-square foot, 10-unit for-rent multifamily project valued at \$5,000,000 (\$500,000 for each unit); and (3) a 750 square foot detached accessory dwelling unit valued at \$195,000. The fees below are shown for the entire 10-unit multifamily project, not on a per-unit basis, except within the fees summary in Table 5-5.

**Table 5-4: City of Menlo Park Fees (2019)**

Fee	Single-Family	Multi-Family	Accessory Dwelling Unit	Agency Fees Paid To	Comments
<b>PLANNING</b>					
Use Permit	\$1,500 (deposit)	\$1,500 (deposit)	Not typical	Community Development Department	
Architectural Control	n/a	\$2,000 (deposit)	n/a	Community Development Department	
Environmental Review	n/a	\$5,000 (deposit) + consultant costs	n/a	Community Development Department	Additional \$4000 for Circulation System Assessment
<b>BUILDING</b>					
Building Permit	\$3,019	\$13,950	\$2,619	Community Development Department	
Plan Check	\$3,836	\$27,295	\$2,590	Community Development Department	
Geology Review	\$25 (admin)	\$25 (admin)	\$25 (admin)	Community Development	Not charged for attached ADUs outside of Sharon



	\$1,200 (review)	\$1,750 (review)	\$1,200 (review)	Department	Heights
State Strong Motion Fee	\$117	\$650	\$25	California Department of Conservation	Valuation amount x 0.00013 = fee amount; minimum fee of \$0.50 for any valuation up to \$3,850
State CA Green Building Fee	\$36	\$200	\$8	California Building Standards Commission	\$1 for permits with valuations up to \$25,000. Additional \$1 for each additional \$25,000
Construction Debris Recycling Administrative Fee	\$200	\$200	\$200	Community Development Department	
Fire <sup>2</sup>	\$427	\$427	\$427	Menlo Park Fire Protection District	Includes site review and assumes one resubmittal
<b>PUBLIC WORKS/ENGINEERING</b>					
Public Works Improvement	\$2,000	\$10,000	\$1,000	Public Works Department	Single family homes and ADUs: \$810 (Base) + 5.35% of

<sup>2</sup> <https://www.menlofire.org/plan-submittal>

					onsite and offsite civil improvements  Multifamily: \$4,820 (Base) + 5.35% of onsite and offsite civil improvements
Engineering Site Inspection	\$2,000	\$10,000	\$1,000	Public Works Department	5.35% of the cost of onsite and offsite civil improvements
Water Efficient Landscape Ordinance	\$410 + 125% of the cost of external review if required	\$1,050 + 125% of cost of external review if required	n/a	Public Works Department	
<b>UTILITIES</b>					
Storm drainage connection fees	\$810 + \$450 = \$1,260	\$810 + \$150/ unit = \$2,310	n/a	Public Works Department	Includes Storm Water Operations and Maintenance Agreements and storm drainage connection fees
Water Service Connection Charge	Municipal Water: \$12,789 O'Connor: \$1,000 Palo Alto Mutual	Municipal Water: \$39,645 O'Connor: \$1,000 Palo Alto Park Mutual	Connection fees are charged proportionate to the burden of the ADU compared to the primary	Menlo Park Municipal Water, California Water Service, O'Connor Tract	Connection fee is paid to the property's water provider

	Water Company: \$2,500 (deposit)	Water Company: \$2,500 (deposit)	dwelling. A conservative estimate for a dedicated water meter is provided below.  Municipal Water: \$12,789	Cooperative Water District, or Palo Alto Mutual Water Company	
Sewer <sup>3</sup>	West Bay Sanitary District: \$8,501 (connection fee)  East Palo Alto: \$6,060 (connection fee) + \$1,400 (plan check fee, sewer service charge, permit application fee)  Fair Oaks: \$6,153 (connection fee) + \$380 (development)	West Bay Sanitary District: \$8,501 (connection fee)  East Palo Alto: \$6,060 (connection fee) + \$1,400 (plan check fee, sewer service charge, permit application fee)  Fair Oaks: \$24,612 (connection fee) + \$380 (development)	Connection fees are charged proportionate to the burden of the ADU compared to the primary dwelling.  West Bay Sanitary District: \$6,376	West Bay Sanitary District, East Palo Alto Sanitary District, or Fair Oaks Sewer Maintenance District	Cost varies depending on Sanitary District. Charges for Fair Oaks assumes 1" for single family and 2" for multifamily.

<sup>3</sup> <https://westbaysanitary.org/wp-content/uploads/2021/07/CODE-OF-GENERAL-REGULATIONS-revised-07-01-2021.pdf#page=49>  
<https://www.epasd.com/home/showpublisheddocument/3232/636930162743300000>  
<https://www.fowd.com/rates-fees>

	fee)	fee)			
<b>GENERAL</b>					
Tech Surcharge	\$91	\$419	\$79	Community Development Department	3% of building permit value
General Surcharge	\$91	\$419	\$79	Community Development Department	3% of building permit value
<b>IMPACT FEES</b>					
Affordable Housing In-Lieu Fee	n/a	n/a	n/a	Community Development Department	Developments with fewer than four units are exempt. At least 10% of the units shall be affordable in developments that have 5-19 units.
Roads (Building Impact, Public Works)	\$5,220	\$29,000	\$240	Public Works Department	0.58% of building valuation.
Traffic	\$16,517	\$55,669	n/a	Public Works Department	
Recreation Fees (Parks)	n/a	n/a	n/a	Public Works Department	Recreation in-lieu fee only applies to

					subdivisions and are an estimated \$127,400 for single family homes and \$78,400 per unit for for-sale multifamily developments.
School <sup>4</sup>	\$8,160	\$65,280	\$3,060	Sequoia Union High School District	ADUs 500 square feet or smaller are exempt from school impact fees.

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<sup>4</sup> <https://www.seq.org/Departments/Administrative-Services/Maintenance--Operations/School-Impact--Developer-Fees/index.html>

**Table 5-5: Summary of Fees**

<b>Fee Category</b>	<b>Single Family</b>	<b>Multifamily</b>	<b>ADU</b>	<b>Notes</b>
Planning	\$1,500	\$8,500	--	
Building/Fire	\$8,055	\$43,622	\$7,069	
Public Works/Engineering	\$4,410	\$21,050	\$2,000	
Utilities	\$22,977	\$50,883	\$19,592	Assumes that new connections are required and development is serviced by Menlo Park Municipal Water and West Bay Sanitary Sewer.
General	\$182	\$838	\$158	
Impact Fees	\$29,897	\$149,949	\$3,300	
<b>Total</b>	<b>\$70,874</b>	<b>\$272,024</b>	<b>\$12,552</b>	
<i>Per Unit Fees</i>	<i>\$70,874</i>	<i>\$27,202</i>	<i>\$12,552</i>	
<b><u>Project Valuation (Estimate)</u></b>	<b><u>\$900,000</u></b>	<b><u>\$5,000,000</u></b>	<b><u>\$195,000</u></b>	
<b><u>Development Fee as % of Project Valuation</u></b>	<b><u>7.9%</u></b>	<b><u>5.4%</u></b>	<b><u>6.4%</u></b>	

Development fees for multifamily and ADU projects are much lower, as a proportion of the project value, than development fees for single-family developments.

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.

Compared to other communities in San Mateo County, Menlo Park’s fees for single family homes are on the higher end while the City’s fees for small multi-family developments are on the lower end (Table 5-6). There is a limit to how much development fees can be reduced. Impact fees and fees paid to service providers, such as water, sewage, and school fees, are necessary to ensure that new developments have utility services and that the long-term health and safety of the community are maintained. Fees that are collected by the City will be re-evaluated when the Master Fee Schedule is updated to identify any fees that could be reduced without compromising the overall health and safety of the community.

**Table 5-6: Total Fees (includes entitlement, building permits, and impact fees) per Unit**

	Single Family	Small Multi-Unit	Large Multi-Unit
<b>Atherton</b>	\$15,941	No Data	No Data
<b>Brisbane</b>	\$24,940	\$11,678	No Data
<b>Burlingame</b>	\$69,425	\$30,345	\$23,229
<b>Colma</b>	\$6,760	\$167,210	\$16,795
<b>Daly City</b>	\$24,202	\$32,558	\$12,271
<b>East Palo Alto</b>	\$104,241	No Data	\$28,699
<b>Foster City</b>	\$67,886	\$47,179	\$11,288
<b>Half Moon Bay</b>	\$52,569	\$16,974	No Data
<b>Hillsborough</b>	\$71,092	No Data	No Data
<b>Millbrae</b>	\$97,756	\$6,824	\$55,186
<b>Pacifica</b>	\$33,725	\$40,151	No Data
<b>Portola Valley</b>	\$52,923	No Data	No Data
<b>Redwood City</b>	\$20,795	\$18,537	\$62,696
<b>San Bruno</b>	\$58,209	\$72,148	\$39,412
<b>San Mateo</b>	\$99,003	\$133,658	\$44,907
<b>South San Francisco</b>	\$81,366	\$76,156	\$32,471
<b>Unincorporated San Mateo</b>	\$36,429	\$27,978	\$10,012
<b>Woodside</b>	\$70,957	\$82,764	No Data

Source: 21 Elements Survey, 2022

## EXISTING GOVERNMENTAL CONSTRAINTS – 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. Over the years, the City has streamlined its development review process to make it more efficient, while still providing adequate opportunities for public review and input. Typical development application review procedures are summarized in Table 5-7.

**Table 5-7: Single Family and Multifamily Use Permit and Architectural Control Review by Planning Commission Typical Development Application Review Process**

### 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, arborist report and FEMA elevation certification if required.

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2. **Step Two:** Pay building plan review fees, geologist review fees, and improvement plan check fees (Engineering Division fee)

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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.

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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 the civil engineer of record who prepared plans independent of the Building and Planning Division's comments. Determine if project requires environmental review under CEQA

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5. **Step Five:** Upon re-submittal of revised plans and supporting calculations based on plan check comments, plans and calculations are routed to planner, plan checker, and Engineering Division engineer for review and approval or comment. Continue CEQA process (if necessary).

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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.

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7. **Step Seven:** Issuance of permit after verification of completion of step 6.

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8. **Step Eight:** Certify EIR and public hearing on entitlements.



### 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).

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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.

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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.

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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 City website.

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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 review by the Planning Commission at the next available meeting, typically within 30 days.

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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 website, and mailed to all residents and property owners within 300 feet of the project site.

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7. **Step Seven:** Project planner coordinates with other internal and external divisions and agencies to prepare staff report; staff report is provided to Planning Commissioners and project sponsors and placed on the City website a minimum of four (4) days prior to the hearing date.

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8. **Step Eight:** Public hearing is held and decision rendered.

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9. **Step Nine:** Letter of action is prepared and sent to applicant within 5 (five) days.

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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 regard 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.

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### Additional Notes on Use Permit Project Review by Planning Commission:

- Development for a single-family dwelling (e.g., building a new house or addition to an existing house) may require a Use Permit depending on the lot characteristics (e.g., standard or substandard lot) and the scope of work (e.g., new house or remodel). The applicability of Use Permit review for development on single-family lots is explained on the City's website.<sup>5</sup> Multifamily development may also require a Use Permit depending on the lot characteristics (e.g., lot size) or specific zoning district (e.g., R-3 versus R-4). The purpose of the Use Permit is to allow the proper integration into the community of uses which may be suitable only in specific locations in a zoning district, or if such uses are designed or laid out on the site in a particular manner. The Planning Commission may approve, deny, or conditionally approve an application for a Use Permit.
- The required findings for granting a Use Permit are established by Municipal Code Section 16.82.030. The Planning Commission determines whether or not the establishment, maintenance, or operation of the use applied for will, under the circumstances of the particular case, be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, or whether it will be injurious or detrimental to property and improvements in the neighborhood or the general welfare of the city. If the Planning Commission finds that the aforementioned conditions will not result from the particular use applied for, it may grant the use permit.

#### **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

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<sup>5</sup> "When is a Use Permit Needed to Build on a Single-Family Lot?" Available at [https://beta.menlopark.org/files/sharedassets/public/community-development/documents/building/when-is-a-use-permit-needed-to-build-on-a-single-family-lot\\_201402101531556162.pdf](https://beta.menlopark.org/files/sharedassets/public/community-development/documents/building/when-is-a-use-permit-needed-to-build-on-a-single-family-lot_201402101531556162.pdf)

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required, determine and implement the appropriate type of review.

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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.

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6. **Step Six:** Planning Commission action, subject to appeal to the City Council.

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The processing times for the El Camino Real/Downtown Specific Plan and Bayfront area zoning districts are the same as for other multifamily developments. The typical multifamily process includes meeting with staff, project submittal, preliminary project review, preliminary environmental review under CEQA, project/application completeness determination, and then action before the Planning Commission.

Typical planning review times for residential-only developments are summarized in Table 5-8 for various types of approvals. Projects with non-residential components would require additional review time. These time estimates are not inclusive of building review times nor time spent by the project sponsors to respond to comments. Timeframes may also vary depending on the completeness of the initial submittal, the applicant's responsiveness to comments, neighborhood outreach and feedback, and level of CEQA analysis required. All timeframes assume a Negative Declaration under CEQA. If an EIR is required, which is typical for General Plan Amendments, at least one year would be added to the approval process.

**Table 5-8: Typical Application Processing Times (Menlo Park)**

**Typical Processing Times**

Permit/Procedure	Typical Processing Time
Ministerial Review	8 to 12 weeks
Ministerial Review (for ADUs)	6 to 9 weeks
Conditional Use Permit	12 to 16 weeks
Rezone	16 to 24 weeks
General Plan/Zoning Ordinance Amendment	20 to 32 weeks
Architectural Control review and El Camino Real/Downtown Specific Plan	16 to 32 weeks
Tract maps	12 to 16 weeks
Parcel maps	12 to 16 weeks
Initial Study	16 to 24 weeks
EIRs	52 weeks minimum

Source: City of Menlo Park (2022)

Generally, as shown in Table 5-9, typical application processing time in Menlo Park is comparable to other San Mateo County cities.

**Table 5-9: Permit Processing Times (other agencies)**

	ADU Process (months)	Ministerial By-Right (months)	Discretionary By-Right (months)	Discretionary (Hearing Officer if Applicable) (months)	Discretionary (Planning Commission) (months)	Discretionary (City Council) (months)
<b>Atherton</b>	1 to 2	1 to 3	2 to 4	N/A	2 to 4	2 to 6
<b>Brisbane</b>	1 to 2	2 to 6	N/A	N/A	4 to 12	6 to 14
<b>Burlingame</b>	1 to 2	2 to 3	2 to 3	N/A	3-4 standard project; 12 major project	13
<b>Colma</b>	1 to 2	1 to 2	1 to 3	2 to 4	N/A	4 to 8
<b>Daly City</b>	1 to 2	2 to 4	N/A	N/A	4 to 8	8 to 12

East Palo Alto	1 to 3	8 to 12	6 to 14	20 to 40	20 to 40	20 to 40
Foster City	1 to 2	1 to 2	1 to 2		3 to 6	6 to 12
Half Moon Bay		1 to 2	2 to 4	3 to 6	4 to 12	6 to 15
Hillsborough	-	-	-	-	-	-
Millbrae	0 to 2	3 to 6	1 to 3	3 to 8	3 to 8	4 to 9
Pacifica	1 to 2	2 to 3	4 to 5	5 to 6	5 to 6	7 to 8
Redwood City	2 to 3	3 to 4	N/A	8 to 10	12 to 18	18 to 24
San Bruno	2	3 to 6	N/A	3 to 6	9 to 24	9 to 24
San Mateo	4 to 8	1 to 2	4 to 7	N/A	9 to 12	9 to 13
South San Francisco	1	1	2 to 3	2 to 3	3 to 6	6 to 9
Unincorporated San Mateo	1 to 3	3 to 6	4 to 9	6 to 12	6 to 18	9 to 24
Woodside	1 to 2	1 to 2	N/A	N/A	2 to 6	3 to 8

Source: 21 Elements Survey, 2022

Aside from the El Camino Real/Downtown Specific Plan and the design standards and guidelines contained in the R-4-S and R-MU zoning districts, the City has no formal design guidelines to assist in project review. The City plans to adopt objective design standards for each residential zoning district concurrent or subsequent to the adoption of the 2023-2031 Housing Element, which would apply to all ministerially reviewed projects (Program H7.A). Under State law, certain development projects that meet affordability targets are eligible for streamlined ministerial review.

### **Architectural Control**

Projects that are not eligible for ministerial review and require review by the Planning Commission are subject to project compatibility requirements under § 16.68.020, Architectural Control, in the City's zoning code. Architectural Control review by the

Planning Commission<sup>6</sup> 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 the 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. ~~The decisions by the Planning Commission or Community Development Director should be focused on design of the structure. These findings should allow for inclusion rather than exclusion. See Policy H5.8.~~

Subjective design guidelines cannot be used as a means of approving or rejecting a development project that is ministerially reviewed. Applications that are reviewed solely by City staff can only be reviewed for their compliance with the City's General Plan, any relevant Specific Plan, the Zoning Code, and other objective development standards.

The City's processing times are not considered a constraint. The City's ministerial review time for accessory dwelling units is within the timeframe required by State law. The City is also adopting objective design standards to streamline the review process for eligible projects. All other review times are necessary to ensure that new development is well-designed and will not create negative impacts. Additionally, design review requirements generally provide an opportunity for design issues to be raised early in the review process, thus helping to encourage community acceptance of a project proposal, which can reduce delay due to project appeals and other forms of community objection. The design review process is concurrent with the use permit process. Because it is not a separate process, it is not necessarily a constraint

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<sup>6</sup> In the M-2 zoning district, the Community Development Director can approve modifications to the buildings that do not increase gross floor area.

## Streamlining Provisions

Menlo Park is not currently subject to SB 35.<sup>7</sup> Program H4.M requires the development of SB 35 streamlining processes.

## EXISTING GOVERNMENTAL CONSTRAINTS – CODES AND ENFORCEMENT, ON AND OFF SITE IMPROVEMENT STANDARDS

In the City's General Plan Land Use and Circulation Element (adopted November 29, 2016), one of the guiding principles notes that *"Menlo Park is a leader in efforts to address climate change, adapt to sea-level rise, protect natural and built resources, conserve energy, manage water, utilize renewable energy, and promote green building."* 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 California Building Standards Code should be carefully analyzed. The City Council adopted the 2019 California Building Standards Code and the California Code of Regulation with an effective date of January 1, 2020. Most notably, the City's Building Code included extensive amendments to the Energy and Green Building Standards Codes to go beyond the State's minimum requirements for energy use in building design and construction, requiring electricity as the only fuel source for newly constructed buildings (Municipal Code Chapter 12.16).

## Code Enforcement

The Menlo Park Police Department has primary responsibility for enforcing the City's codes and ordinances. Any police officer can take a complaint of unsafe conditions or issue citations for violations. Most complaints are referred to the City's Code Enforcement Unit for follow-up; this is the primary method by which Code Enforcement is conducted. Code Enforcement officers also look for violations, coordinate clean-up or repair; and issue notices, warnings and citations.

Program H2.C directs for the connecting of individuals to housing rehabilitation programs, including Habitat for Humanity's Homeowner Preservation Program.

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<sup>7</sup> SB 35 Statewide Determination Summary (HCD: 2022). Available at [https://www.hcd.ca.gov/sites/default/files/2022-06/sb35\\_statewidedeterminationsummary.pdf](https://www.hcd.ca.gov/sites/default/files/2022-06/sb35_statewidedeterminationsummary.pdf)

## On and Off Site Improvements

As part of any development project, the City will evaluate and determine the appropriate on and off-site improvements. The type and extent of the improvements often relate to the type, size, complexity, and location of the project. Although each project is reviewed on a case-by-case basis, the City has procedures for determining when frontage improvements are required, which can help make the process more predictable.

Whenever a discretionary approval is required for a project, the City can require frontage improvements where none already exist. For new residential projects, if no frontage improvements exist, then new frontage improvements are required and they must meet City standards. The frontage improvements should generally match those of adjoining or nearby properties for aesthetic consistency and ease of use and shall include a curb, gutter, sidewalk, street trees, and street lights. A typical vertical curb, gutter and sidewalk would consist of an 18-inch gutter, 6-inch curb, and a minimum 5-foot sidewalk. In some instances, a planter strip or wider sidewalk may be required, depending on the location. The Public Works Director may allow a deferred frontage improvement agreement, including a bond to cover the full cost of the improvements, in order to coordinate with other street improvements at a later date.

In cases where there are already existing frontage improvements, the owner is typically responsible to remove and replace damaged frontage improvements. Generally, off-site improvements occur within existing right-of-way and no additional land dedication or public easements are needed. Therefore, there should be no impacts to development setbacks, density or floor area ratio, which are important factors for making a development work.

On-site improvements consist of internal circulation and landscaping. The City's Parking and Driveway Design Guidelines provide direction on street width and parking dimensions and the City's Transportation Manager has the authority to modify the requirements. The City believes there are opportunities to revisit and update the parking requirements for multifamily residential development (Program H4.M) to account for the changing trends in development and more efficient use of land while still achieving health and safety for the site and surrounding area.

New residential developments must also comply with the City's Water Efficient Landscape Ordinance, which provides standards and guidelines for ensuring landscape designs are water efficient and prioritize water conservation. The ordinance applies to all new landscaping that is equal to or greater than 500 square feet, rehabilitated landscaping exceeding 1,000 square feet, and any aggregate landscape area of less





need for affordable housing is evident, but housing designed for accessibility and that encourages mobility and opportunity for independence can be challenging to secure.

## Reasonable Accommodation Procedures

Menlo Park adopted a reasonable accommodation procedure in 2014 (Municipal Code Chapter 16.83). To make housing available to individuals with a disability, a person may request modifications or exceptions to rules or standards regarding siting, development, and use of a housing development. This procedure is intended to ensure that individuals with disabilities have equal opportunities to housing. Through the implementation of Program H3.H (Inclusionary Accessible Units), Program H3.I (Accessible ADUs), Program H3.J (Marketing for Accessible Units), and Program H3.M (Wheelchair Visitability), the City seeks to continually improve housing options available to individuals living with a disability.

## Group Homes

The City's zoning code addresses foster homes, convalescent homes and residential care facilities, which serve similar functions to group homes. Foster homes and convalescent homes are permitted as a conditional use in the R-2, R-3, R-3-A, R-4, and R-4-S zoning districts.

-Consistent with state law, small residential care facilities that serve six or fewer persons are permitted by-right in all residential areas.<sup>8</sup> Pursuant to State law, there is no distance separation requirement for community care facilities. Zoning Ordinance Chapter 16.04 (Definitions) differentiates between large and small residential care facilities. Program H3.G amends the zoning ordinance to ensure requirements for group homes of more than six persons are consistent with state law and fair housing requirements.

In addition, HCD's review of Menlo Park's initial draft has identified the need for the city's definition of a family to be revised. Program H3.G amends the definition of family in the Code to eliminate the requirement of a common housekeeping management plan based on an internally structured relationship providing organization and stability.

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<sup>8</sup>[https://leginfo.legislature.ca.gov/faces/codes\\_displaySection.xhtml?lawCode=HSC&sectionNum=1568.0831](https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=HSC&sectionNum=1568.0831)

## Parking

The City's zoning code does not have separate parking standards for people with disabilities. A person living with a disability would be able to apply for an exception to parking standards under reasonable accommodation procedures. Through the implementation of Program H4.M, the City will review and modify the parking requirements for multifamily residential housing, particularly for affordable housing developments.

## EXISTING GOVERNMENTAL CONSTRAINTS – INCLUSIONARY ZONING

The City's Below Market Rate (BMR) Housing Program (Municipal Code Chapter 16.96) applies to residential for-sale and rental projects, and commercial projects. All residential for-sale projects of five (5) or more units are subject to the City's inclusionary requirements. Residential projects that include 5 to 19 units must provide a minimum of 10 percent of the units at below-market rates to very low-, low-, and moderate-income households. For projects with 20 or more units, a minimum of 15 percent of the units must be affordable to low-income households. A whole unit or an in-lieu fee is required for development projects that include a fraction of a unit. The monthly rent of BMR units is prohibited from exceeding 75 percent of comparable market-rate units. Additionally, all BMR units are subject to a minimum deed restriction of 55 years. Commercial developments are required to pay an in-lieu fee to the below-market-rate housing fund.

The City offers one additional market-rate unit for each BMR unit up to a maximum of a 15 percent bonus above the allowable density. The City also offers increased FAR, increased maximum heights, and reduced parking requirements. 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 may contain standard, rather than luxury, appliances. If lower-income units are proposed, they may be a smaller size, duet-style, and/or attached but with an 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, at the City's discretion.

The City's BMR requirements have not been a constraint to housing development as many projects have been proposed and built under these requirements. 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). Through the

implementation of Program H4.A and Program H4.B, the City will continue to improve the inclusionary zoning requirements and the BMR Housing Program. [Chapter 16.97 of Menlo Park's Municipal Code lays out local compliance with State Density Bonus Law \(California Government Code Sections 659115-95918\).](#)

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## 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. The following sections discuss

actual and potential non-governmental constraints to housing.

### Availability and Cost of Financing

Home mortgage financing rates were at historic lows with rates ranging from 2 to 5 percent from 2018-2021 for a 30-year fixed rate loan (Freddie Mac). Low-interest rates dramatically affect housing affordability by decreasing monthly housing costs. For example, a 30-year home loan for \$400,000 at five percent interest has monthly payments of \$2,147. A similar home loan at seven percent interest has payments of nearly 24 percent more, or \$2,661. However, first-time buyers, people with limited credit history, lower incomes or self-employment incomes, or those with unusual circumstances have experienced challenges in qualifying for a loan or were charged higher rates.

San Mateo County qualifies as a high-cost area and has a higher loan limit through the Federal Housing Administration (FHA) loan program. In 2021, prospective home buyers could receive a loan of up to \$822,000 for a single-family home and approximately \$1,582,000 for a four-plex through an FHA loan.

Affordable housing developments face additional constraints for 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 contributes 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.



Menlo Park has few vacant lots, which makes estimating land costs difficult. However, a close approximation is the cost of property acquisitions. In 2021, the City provided \$5 million of the \$7.45 million sales price to acquire 6-8 Coleman Place, a multifamily development that is now managed by HouseKeys. In 2019, the land for 1345 Willow Road was acquired for \$12.7 million, which was 9 percent of

the total development cost.

Construction costs include both hard costs, such as labor and materials, and soft costs, such as architectural and engineering services, development fees and insurance. City staff reported that construction costs for single-family homes were typically \$550 per square foot in 2021. The construction cost for a 140-unit multifamily affordable housing development on 1345 Willow Road was approximately \$850,000 per unit or \$119.9 million in total.

An analysis of development costs in San Mateo County conducted by Century Urban in 2022 found that total costs, including land and construction costs, were approximately \$2,487,000 for a 2,600-square foot single family home and \$7,949,000 for a 10-unit multifamily development. Construction costs, including hard and soft costs, for single-family homes, ranged from \$553 to \$672 per square foot depending on the size of the house. A 10-unit multifamily development had an estimated construction cost of \$687 per square foot. Average land costs for single-family homes in San Mateo County was \$1,030,000 but could range from \$210,000 to \$2,510,000, while land costs for multifamily developments was an average of \$1,000,000 but could range from \$400,000 to \$1,600,000.<sup>9</sup> Complete findings on development costs conducted by Century Urban are contained in Appendix 5-1.

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<sup>9</sup> Century Urban. "San Mateo and Santa Clara Counties Development Cost & San Mateo County Unit Mix Research." 2022.

## Requests to Develop at Densities Below Those Permitted

New State Housing Element law now requires the non-governmental constraints analysis to evaluate developer requests to build at densities below the density identified in the Housing Element sites inventory. As illustrated in Table 5-10, below, the City has approved and the market supports projects at the upper end of the density range, with many recent projects taking advantage of density bonus incentives.

*Table 5-10: Comparison of Zoned and Built Densities*

<u>Project</u>	<u>Zoning</u>	<u># of Units</u>	<u>Acreage</u>	<u>Permitted Density (du/ac)</u>	<u>Built Density (du/ac)</u>	<u>Density Bonus</u>

## 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 typically used for an affordable project, there are additional burdens placed on non-profit developers to track the information required and report on a timely basis.

The City issued three Notices of Funding Availability (NOFA) during the 5<sup>th</sup> RHNA cycle for BMR 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.

Several BMR housing projects were awarded housing funds through the NOFA process since 2018.

- The MidPen Gateway Apartments development was awarded \$12.7 million for the demolition of an existing affordable multifamily residential building with 82 units and the construction of 140 new rental units affordable to households making 60 percent AMI or lower.
- MidPen's development at Willow Court was awarded approximately \$635,000 for the preservation of existing affordable units through the rehabilitation of six units affordable to low-income households.
- HIP Housing was awarded \$5.5 million for 6-8 Coleman Place. This funded the acquisition and conversion of an existing 14-unit apartment building to affordable rental units for very low- and low-income households. This project was completed in April 2021.
- Habitat for Humanity Greater Bay Area was awarded \$1.2 million for the rehabilitation of existing housing owned and occupied by very low-income households in the Belle Haven neighborhood. Habitat for Humanity will complete 20 rehab projects over the next three years with funding approved by the City Council in 2021.

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 positioned to leverage funding from other outside sources.



# Energy

## ENERGY CONSERVATION



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. In

California, approximately 25 percent of all greenhouse gas emissions are attributed to buildings and account for the second largest source of greenhouse gas emissions.<sup>1</sup>

The use of green building techniques and materials can reduce the resources that go into new construction and can make buildings operate with much greater efficiency. One common definition of green building is:<sup>2</sup>

*“Green building is the practice of creating structures and using processes that are environmentally responsible and resource-efficient throughout a building’s life-cycle from siting to design, construction, operation, maintenance, renovation and deconstruction. This practice expands and complements the classical building design concerns of economy, utility, durability, and comfort. Green building is also known as a sustainable or high performance building.”*

Menlo Park has taken ambitious steps to simultaneously advance sustainability and housing goals, which will ensure that new housing reduces associated climate change impacts, minimizes energy costs, and creates healthy indoor living environments.

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<sup>1</sup> California Air Resources Board. (2021). California Greenhouse Gas Emission Inventory: 2000-2019.

<sup>2</sup> US Environmental Protection Agency. “Green Building”

Part 6 of Title 24 of the California Code of Regulations sets forth mandatory energy standards for new development and requires the 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. In addition to State energy codes, the City adopted Reach Codes (Menlo Park Municipal Code Chapter 12.16) in 2019, which requires new development to use electricity as their only fuel source (not natural gas). The Reach Codes also include solar requirements for new nonresidential and high-rise residential buildings. As of 2022, the City is in the process of exploring updates to the building code to require solar for a wider range of new construction projects, including single family residences.

Pacific Gas and Electric (PG&E) provides a variety of energy conservation services for residents. PG&E also participates in several other energy assistance programs for lower-income households, helping qualified homeowners and renters conserve energy and manage electricity costs. These energy assistance programs include, but are not limited to, the California Alternate Rates for Energy (CARE) Program and the Relief for Energy Assistance through Community Help (REACH) Program.

The CARE Program 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 financial 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, those living with disabilities and/or compromised health conditions, and the unemployed. These are groups that typically experience financial hardships in paying for required energy needs.



Menlo Park has been successful in implementing Energy Upgrade California, which provides rebates and incentives for improvements to items such as insulation, air ducts, windows, and furnace and air-conditioning. The City has a robust outreach and marketing approach for the program. The City’s website also provides resources for transitioning to “all-electric” for new and existing buildings, including rebates for purchasing energy efficient products and

incentives through the Bay Area Regional Energy Network (BayREN). Examples of incentives/rebates include programs for multifamily property owners to replace gas appliances and heating systems with electric and energy efficient alternatives.

The City has also joined Peninsula Clean Energy, which is a regional program that delivers greenhouse gas-free and renewable energy at comparable or lower costs than prices offered by PG&E. Peninsula Clean Energy generates electricity for customers in Menlo Park while PG&E is responsible for delivering the electricity and maintaining the energy grid. Existing PG&E residential and business customers in the city have been automatically enrolled in ECOplus, which provides customers with electricity that is 50 percent renewable energy and 100 percent sourced from carbon-free sources. Customers also have the option to upgrade to ECO100, which provides 100 percent renewable energy at a higher rate.

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# Site Inventory and Analysis

## INTRODUCTION

The City is meeting its Regional Housing Needs Allocation (RHNA) requirements for the 2023-2031 planning period through the identification of 69 housing opportunity sites made up of 83 parcels. These sites are focused in Districts 2 through 5 to disperse affordable housing and housing development in general throughout the City of Menlo Park.

The housing opportunity sites, along with the “pipeline projects” identified in the "RHNA Progress" section of this chapter, provide sufficient site capacity to meet Menlo Park’s RHNA with an additional 30 percent buffer, as recommended by the California Department of Housing and Community Development (HCD).<sup>1</sup> Table 7-1 provides an overview of the City of Menlo Park’s RHNA with an additional 30 percent buffer; the total units needed are 3,830 units, with 2,161 affordable units from the very low, low, and moderate income categories.

Table 7-1: RHNA Allocation<sup>2</sup>

	Very Low Income Category	Low Income Category	Moderate Income Category	Above Moderate Income Category	Total Units (All Income Categories)	Total Affordable Units (Very Low, Low, and Moderate Income Categories)
	0-50% AMI <sup>3</sup>	51-80% AMI	81-120% AMI	>120% AMI		
<b>6<sup>th</sup> Cycle</b>	740	426	496	1,284	2,946	1,662

<sup>1</sup> HCD recommends a buffer of at least 15 to 30 percent in order to ensure that sufficient capacity exists in the housing element to accommodate the RHNA throughout the planning period. This buffer is an important component of housing planning in that it allows for case-by-case decision-making on individual projects in certain circumstances and ensures that an adequate supply of sites is provided throughout the entire planning period (2023-2031), especially for lower-income RHNA. The buffer is essential to ensure compliance with the “No Net Loss Law,” which requires that jurisdictions maintain an inventory of sites to accommodate any unmet portion of the RHNA throughout the planning period (Government Code 65863).

<sup>2</sup> The Association of Bay Area Governments (ABAG) approved the final RHNA methodology and draft allocations for jurisdictions within the nine-county Bay Area, which includes Menlo Park, on May 20, 2021.

<sup>3</sup> AMI = "Area Median Income", or the median household income for San Mateo County, as determined by the US Department of Housing and Urban Development (HUD), HCD, and the County of San Mateo. AMI for the county is \$149,600 in 2021.

<b>RHNA</b>						
<b>30% Buffer</b>	222	128	149	385	884	499
<b>Total Units Needed</b>	<b>962</b>	<b>554</b>	<b>645</b>	<b>1,669</b>	<b>3,830</b>	<b>2,161</b>

The RHNA requirements will be met with 3,~~644~~645 units in pipeline projects, 85 units in projected Accessory Dwelling Units (ADUs), and 2,~~153~~906 units in potential housing opportunity sites. Refer to Table 7-11 for a detailed breakdown of projected housing units by affordability level. Table 7-2 provides an overview of the total number of units and the number of affordable units, which are enough to meet RHNA.

*Table 7-2: Projected Housing Units*

	<b>Total Units</b>	<b>Affordable Units</b>
Pipeline Units	3,64 <del>5</del> <u>4</u>	<del>599</del> <u>598</u> <u>4</u>
Accessory Dwelling Units	85	77
Opportunity Sites	<del>2,153</del> <u>2,905</u>	<del>2,905</del> <u>2,108</u>
Other Land Use Strategies	621	0
<b>Total</b>	<b><del>6,503</del><u>7,256</u></b>	<b><del>3,581</del><u>2,689</u><u>3,581</u></b>

### Site Inventory Form Listing

In accordance with State law, the Housing Element must include an inventory of land suitable and available for residential development to meet the locality's regional housing need allocation (RHNA) by income level. The City's Site Inventory is provided in Appendix 7-1. A map of these sites is shown in Figure 7-1.

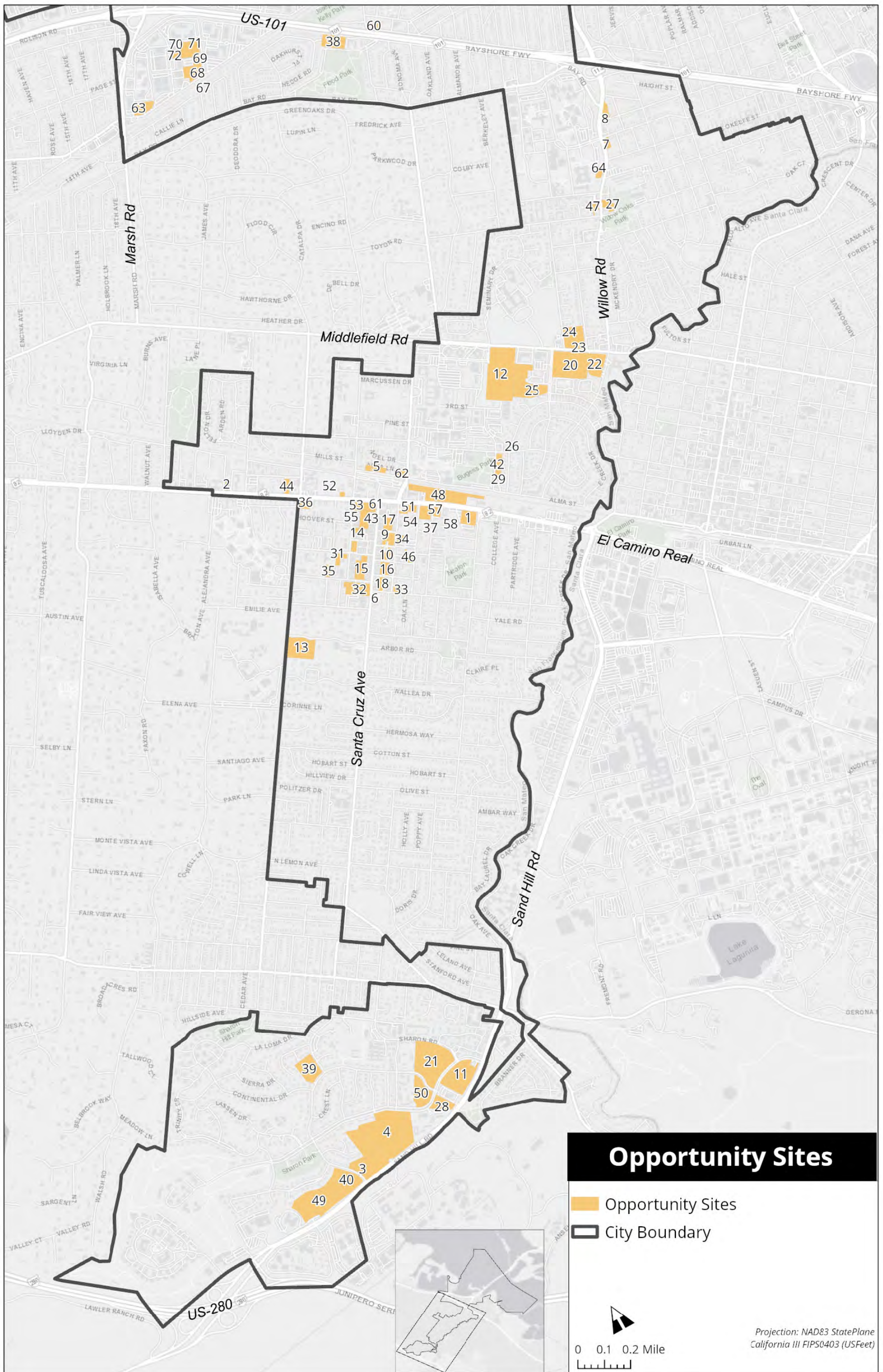
The Site Inventory identifies and analyzes sites that are available and suitable for residential development, and determines Menlo Park's capacity to accommodate residential development that meets the city's RHNA. These sites are considered suitable for residential development if they have appropriate zoning and are available for residential use during the planning period.

Each site is described with a Site Sheet available in Appendix 7-5. The Site Sheets provide general planning information, site-specific HCD Housing Opportunity Site Criteria, and Key Findings for what development is likely to occur on the site. **Realistic Site** Capacity calculations that determine the number of units allocated for HCD credit at

each site, and at what affordability level, are described in the Cover Sheet of the Site Sheets appendix.

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Figure 7-1: Map of Sites



## SITE INVENTORY ANALYSIS AND METHODOLOGY

The Site Inventory was analyzed at a parcel-by-parcel level to determine if each opportunity site affirmatively furthered fair housing and whether it was suitable for lower-income housing.

In considering and defining housing affordability by income, there are four income categories: Very Low-Income, Low-Income, Moderate-Income, and Above Moderate-Income. "Affordable Units" include Very Low-, Low-, and Moderate-Income categories. "Lower-Income Units" includes both Very Low- and Low-Income Units. Table 7-3 illustrates these designations.

*Table 7-3: Income Definitions*

	Lower Income Units	Affordable Units	Total Units
<b>Very Low-Income (0-50% AMI)</b>			
<b>Low-Income (51-80% AMI)</b>			
<b>Moderate-Income (81-120% AMI)</b>			
<b>Above Moderate-Income (&gt;120% AMI)</b>			

This section begins with an overview of Pipeline Projects: the housing development that is currently under development and counts towards the 6<sup>th</sup> Cycle Planning Period. Next, the Site Inventory Analysis examines site capacity: first describing a "Default Density" approach to meet HCD's baseline of 30 dwelling units per acre (du/ac), and then turning to a "Realistic Site Capacity" approach that will examine how sites from the previous 5<sup>th</sup> Cycle Planning Period ("Reuse Sites"), religious facilities, and other sites with or without capacity for low-income units will all contribute towards the units produced to meet the city's RHNA for the 6<sup>th</sup> Cycle Planning Period covered by this Housing Element.

The Site Inventory Analysis concludes by analyzing how the Site Inventory serves to affirmatively further fair housing.

### Pipeline Projects

HCD allows housing developments that have already been proposed or received entitlement before the completion of the 5<sup>th</sup> Cycle (2015-2023), but are not expected to



be completed until the beginning of the 6<sup>th</sup> Cycle (2023-2031), to count as "Pipeline" projects towards the 6<sup>th</sup> Cycle RHNA. These pipeline projects did not receive credit in the 5<sup>th</sup> Cycle.

The pipeline of developments underway consists of eight residential projects that make up 3,644 units, of which 594 units are below market rate (BMR). The Pipeline Projects are listed in Table 7-4 and shown in Figure 7-2:

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Table 7-4: Pipeline Projects

Label	Address (Name)	Units						Status (as of November 2022)
		Total Net New	Total Market-Rate	Total BMR <sup>1</sup>	Very Low Income BMR	Low Income BMR	Moderate Income BMR	
A	661-687 Partridge Avenue	2	1	1	0	0	1	Approved, Under Construction
B	111 Independence Drive	105	87	18	4	9	5	Approved, Under Construction
C	141 Jefferson Drive (Menlo Uptown)	483	410	73	7	23	43	Approved, Under Construction
D	115 Independence Drive (Menlo Portal)	335	287	48	3	14	31	Approved, Under Construction
E	Willow Village (Meta)	<del>1,729</del> <u>1,730</u>	<del>1,421</del> <u>1,418</u>	<del>312</del> <u>208</u>	<del>120</del> <u>119</u>	<del>387</del> <u>6</u>	<del>150</del> <u>119</u>	Proposed <sup>2</sup>
F	123 Independence Drive (Sobrato)	432	<del>366</del> <u>7</u>	<del>666</del> <u>5</u>	0	<del>656</del> <u>6</u>	0	Proposed <sup>3</sup>
G	165 Jefferson Drive (Menlo Flats)	158	137	21	0	21	0	Approved <sup>4</sup>
H	333	400	340	60	0	60	0	Proposed <sup>5</sup>

<sup>1</sup> The below market rate units are determined through approved or proposed Below Market Rate Housing Agreements between the City and applicant.

<sup>2</sup> As of November 2022, the project is undergoing the entitlement review process. The City Council will conduct their review of the project in November/December, 2022.

<sup>3</sup> As of November 2022, the project is undergoing required environmental review pursuant to the California Environmental Quality Act (CEQA). The Environmental Impact Report (EIR) is anticipated for release in winter 2022/2023. Other projects that have completed environmental review in the vicinity have typically begun construction within less than one year from approval of entitlements and environmental review certification.

<sup>4</sup> The property owner/developer has two other similar projects in the vicinity (Menlo Uptown and Menlo Portal) and those projects began construction within one-year of approval of entitlements and environmental review certification. It is anticipated that the Menlo Flats project will similarly begin construction during the planning period.

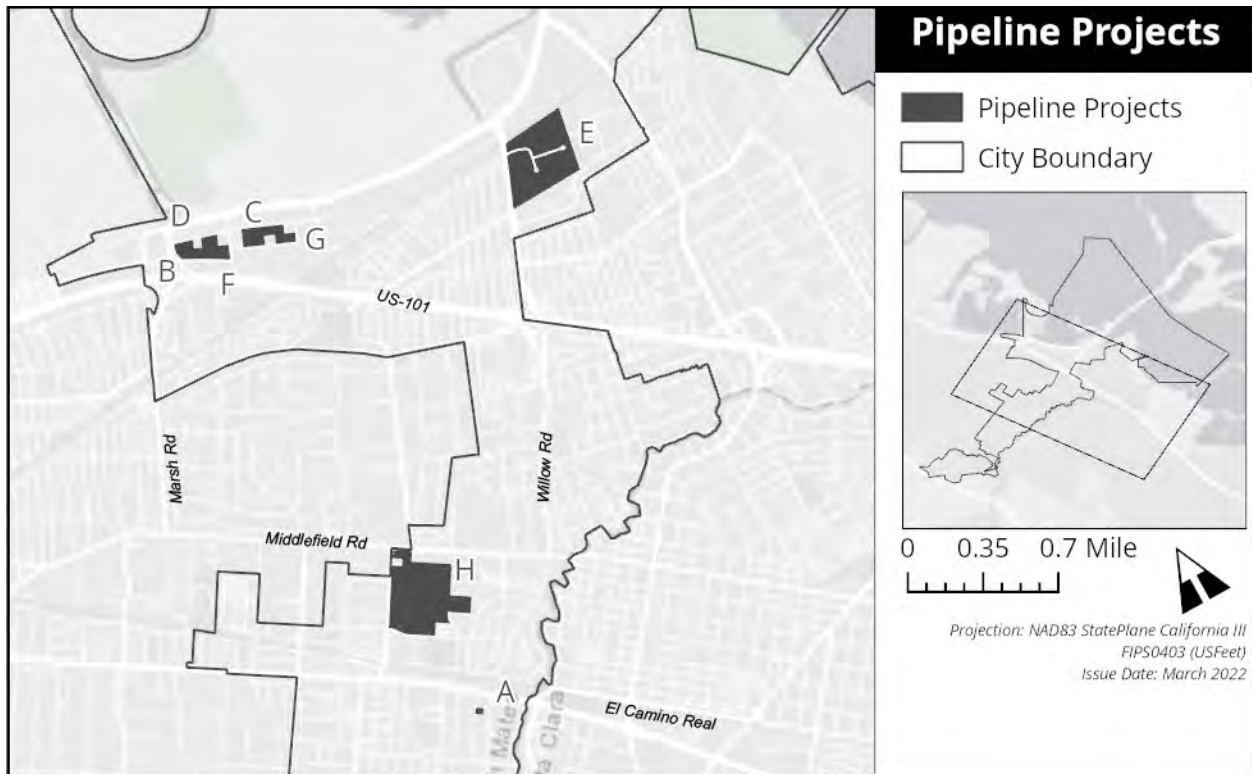
	Ravenswood Avenue (SRI Master Plan)							
	Total	3,6454	<u>3,0463,047</u> 50	<u>5994</u>	1334	<u>269268</u> 30	<u>23019919</u> 7	

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<sup>5</sup> As of November 2022, the project is beginning environmental review pursuant to the California Environmental Quality Act (CEQA) and it is anticipated that the City's consideration of requested entitlements and environmental review will be completed within one year. Other projects that have completed environmental review in the vicinity have typically begun construction within less than one year from approval of entitlements and environmental review certification.

Figure 7-2: Pipeline Projects



## Default Density

As a metropolitan jurisdiction, Menlo Park's "default density" that can be assumed to accommodate lower-income households is at least 30 dwelling units per acre (du/ac).<sup>9</sup>

The following land use designations currently allow at least 30 du/ac within Menlo Park:

- Medium Density Residential
- High Density Residential
- Retail/Commercial
- Mixed Use Residential

<sup>9</sup> [https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/default\\_2010census\\_update.pdf](https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/default_2010census_update.pdf)

- El Camino Real/Downtown Specific Plan<sup>10</sup>

Although not every site in the Site Inventory currently falls under one of the above land use designations, every site in the Site Inventory that is covered by the Affordable Housing Overlay, which allows for a minimum of 30 du/ac. ~~Because the Affordable Housing Overlay~~ meets the jurisdiction's "default density," Therefore, no additional rezoning is required.

The Site Inventory includes 83 parcels (69 sites) totaling 72.6 acres of developable land in the city. Most of these parcels are zoned at or greater than the default minimum density of 30 du/ac for metropolitan jurisdictions. This ~~default density~~ approach, unlike the ~~Realistic site c~~Capacity approach used for the Housing Element, allows for ~~2,178,441~~ affordable units, which would be more than sufficient, in conjunction with projected ADUs (85 units) and pipeline projects (3,644 units), to meet Menlo Park's RHNA with a 30 percent buffer (3,830 units) when considered in totality.

### ~~Realistic Site~~ Capacity

Early in the outreach process for the 2023-2031 Housing Element, the City Council expressed interest in going beyond the theoretical approach provided by the HCD-permitted ~~default density calculations~~approach using the default density as a baseline for unit capacity, and instead identified an approach to meeting the RHNA that ~~would be closer to "realistic capacity" for Housing Element implementation that~~ incentivized the production of affordable housing (i.e., units suitable to households at the extremely low-, very low-, low-, and moderate-income categories).

Under ~~the realistic capacity~~this approach, the Site Inventory has an increased capacity for ~~2,153,906~~ units, ~~including 2,018 affordable units and 135 market-rate units (i.e., units suitable to households in the above moderate income category), all of which are~~ affordable.

The City undertook a parcel-by-parcel capacity analysis that determined the likely potential capacity of each site. This parcel-by-parcel analysis was developed according to methodology laid out by HCD, where the maximum unit capacity (developable acreage X maximum density) is modified by several adjustment factors (zoning, affordability level, infrastructure, environment, and nonvacant/nonresidential

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<sup>10</sup> Concurrent with Housing Element Adoption, the areas of the El Camino Real/Downtown Specific Plan that currently do not have 30 du/ac allowances will be upzoned to meet the "default" density. See program H4.L: Modify El Camino Real/Downtown Specific Plan.

adjustments). A full description of this methodology is available in Appendix 7-5, along with individual site sheets describing how unit capacity and affordability allocation was determined, as well as key findings for the sites.

Parcels were analyzed for their capacity for lower-income units. Parcels that could hold a higher number of lower-income units tended to be located in central Menlo Park, a transit-rich area containing many amenities such as grocery stores and parks that would support fair housing goals for lower-income populations. Moderate and above-moderate housing tended to be located in other areas of the city.

Additional site capacity analysis is provided for the following types of sites:

- Reuse Sites (identified in previous Housing Elements)
- Religious Facilities
- City-Owned Properties
- Sites with Non-Residential Uses
- Small and Large Sites

Note that there is overlap between some of these typologies, as there are small sites that are religious facilities, for example, and reuse sites with non-residential uses. In addition, some of the sites consist of contiguous parcels under common ownership. The total capacity of the Site Inventory is determined by organizing all sites into three categories:

### **Adjustment Factors for Site Capacity**Religious Facilities

As part of its site capacity approach to the 6<sup>th</sup> Cycle Housing Element, Menlo Park uses the HCD recommendation of five adjustment factors to calculate the projected residential development capacity of the sites in the Site Inventory that can realistically be achieved.Sites with Capacity for Lower Income Housing

The five adjustment factors used are:Sites without Capacity for Lower Income Housing

- **Land Use Controls**

Based on an analysis of the current zoning code and anticipated development standards in the specific plans, there is no cumulative impact on the maximum development potential of the opportunity sites. However, the capacity factor was adjusted to 95 percent to account for sidewalks and easements.

- **Realistic Capacity**

Of the 51 recent developments in Menlo Park (Appendix 7-3), 30 have a residential component and 21 do not. The developments outside of the ECR/Downtown Specific Plan Area have much higher proportions of residential to mixed use than those in the ECR/Downtown Specific Plan Area. Therefore, the Realistic Capacity factor for areas outside the ECR/Downtown Specific Plan Area are set at 90 percent, but areas inside the specific plan area are set at 80 percent.

- **Typical Densities**

Densities are typically built above allowed densities at the Lower and Moderate income levels in San Mateo County. According to data collected by ABAG/MTC on San Mateo County, 14 lower-income projects were built on average at 107% of maximum allowable density. 19 moderate-income projects were built at an average of 125% of maximum allowable density. A "Typical Densities" factor of 95 percent can be considered conservative. For areas within the El Camino Real/Downtown Specific Plan, which tend to be smaller parcels that have historically had difficulty developing at maximum density, a factor of 90 percent is provided.

- **Infrastructure Availability**

There were no identified constraints on infrastructure availability.

- **Environmental Constraints**

There were no identified constraints based on environmental factors.

Sites are therefore given a total adjustment based on whether or not they fall within the El Camino Real/Downtown Specific Plan Area.

***Table 7-5: Adjustment Factors***

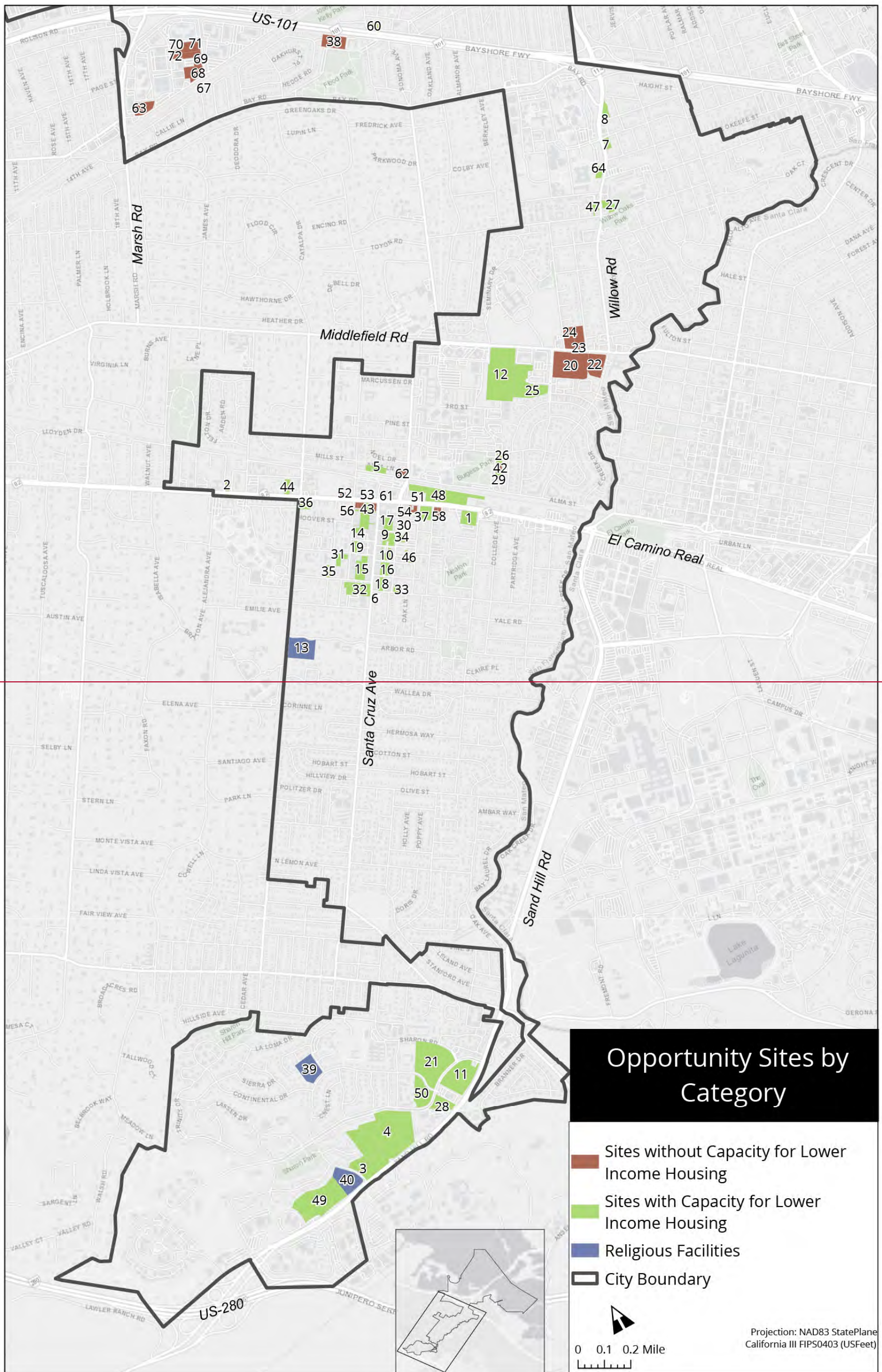
<b><u>Geography</u></b>	<b><u>Land Use</u></b>	<b><u>Realistic</u></b>	<b><u>Typical</u></b>	<b><u>Infra.</u></b>	<b><u>Enviro.</u></b>	<b><u>Total</u></b>

	<u>Controls</u>	<u>Capacity</u>	<u>Densities</u>	<u>Availability</u>	<u>Constraints</u>	
<u>Specific Plan Area</u>	<u>0.95</u>	<u>0.8</u>	<u>0.9</u>	<u>1</u>	<u>1</u>	<u>0.684</u>
<u>Elsewhere in City</u>	<u>0.95</u>	<u>0.9</u>	<u>0.95</u>	<u>1</u>	<u>1</u>	<u>0.812</u>

DRAFT



Figure 7-3: Sites by Category



~~Reasonable development assumptions and constraints are analyzed for each of the four categories, where the sites are listed and potential findings for City Council consideration described.~~

~~After site selection, discussed in the following sections, the City undertook a parcel-by-parcel capacity analysis that determined the likely potential capacity of each site. This parcel-by-parcel analysis was developed according to the Realistic Capacity methodology laid out by HCD, where the maximum unit capacity (developable acreage X maximum density) is modified by several adjustment factors (zoning, affordability level, infrastructure, environment, and nonvacant/nonresidential adjustments). A full description of this methodology is available in Appendix 7-5, along with individual site sheets describing how realistic unit capacity and affordability allocation was determined, as well as key findings for the sites.~~

~~Parcels were analyzed for their capacity for lower income units. Parcels that could hold a higher number of lower income units tended to be located in central Menlo Park, a transit-rich area containing many amenities such as grocery stores and parks that would support fair housing goals for lower income populations. Moderate and above-moderate housing tended to be located in other areas of the city.~~

~~These site-by-site calculations were then summarized by category. The inclusion of reuse sites is also explained in detail. However, reuse sites are distributed into Sites with Capacity for Lower Income Housing and Sites without Capacity for Lower Income Housing.~~

### ~~Reuse Sites~~

- ~~● Overview: The Site Inventory includes 13 reuse sites. Reuse sites are sites that were previously included within the Site Inventory of a prior Housing Element planning period but have not yet been developed with housing.~~
- ~~● Description: HCD permits jurisdictions to reuse sites from prior planning periods only if the Housing Element includes a program requiring rezoning within three years of the beginning of the planning period to allow residential use by right at a minimum of 30 du/ac for housing developments and in which at least 20 percent of the units are affordable to lower income households. These sites would be reused if 1) nonvacant sites were only included in only the 5<sup>th</sup> Cycle, or 2) vacant sites were included in both the 4<sup>th</sup> Cycle and 5<sup>th</sup> Cycles.~~

The 13 reuse sites in the Site Inventory have different affordability capacities. Of the sites, seven meet HCD requirements for lower income units and have their units allocated towards very low income RHNA due to their high AFFH scores (see Appendix 7-5 for more information on how Lower Income distribution into Very Low and Low Income categories). The other six sites are too small to meet HCD requirements and have their unit allocations distributed into the Moderate Income category.

**Table 7-5: RHNA Allocation and Reuse Sites**

Site Number	Developable Area (Acres)	Existing Density (du/ac)	Proposed Density (du/ac)	Zoning District	Unit Allocation	Allocation Category
2(R)	0.57	20	30	SP-ECR-D	13	Very Low
5(R)	1.06	50	60	SP-ECR-D	51	Very Low
43(R)	0.54	50	60	SP-ECR-D	26	Very Low
44(R)	0.69	25	40	SP-ECR-D	228	Very Low
46(R)	0.63	30	30	R3	6	Very Low
48(R)	1.00	40	60	SP-ECR-D	32	Very Low
53(R)	0.12	50	60	SP-ECR-D	6	Moderate
54(R)	0.22	25	40	SP-ECR-D	8	Moderate
55(R)	0.13	50	60	SP-ECR-D	7	Moderate
56(R)	0.17	50	60	SP-ECR-D	9	Moderate
59(R)	0.33	25	40	SP-ECR-D	12	Moderate
61(R)	0.32	50	60	SP-ECR-D	12	Moderate
62(R)	0.42	50	60	SP-ECR-D	20	Very Low
<b>Total</b>	<b>7.21</b>				<b>224</b>	

### Religious Facilities

Overview: The Site Inventory includes three religious facilities sites. In September 2020, Assembly Bill 1851 (Wicks) provided faith organizations an opportunity to develop housing on existing parking spaces on their property. This bill allows housing development to utilize up to fifty percent of religious-use parking spaces, without a requirement to replace the parking spaces. AB 1851 has no restrictions on the type of housing that could be developed and the City of Menlo Park does not propose any restrictions that would hinder this allowance.

- ~~Description: While AB 1851 applies to all religious facilities in Menlo Park, the analysis undertaken for the Site Inventory identified three churches with particularly large and underutilized parking lots that would be ideally suited to the provisions of this state law. These three sites had their allocations distributed to extremely low income units based on the likelihood that religious facilities would work with a mission-driven housing developer focused on supportive/affordable housing.~~

The three sites are:

- ~~Site #13(C) – The Church of Jesus Christ of Latter-day Saints Menlo Park: 1105 Valparaiso Avenue~~
- ~~Site #39(C) – St. Denis Catholic Church: 2250 Avy Avenue~~
- ~~Site #40(C) – St. Bede's Episcopal Church: 2650 Sand Hill Road~~

The low land costs involved in building on land already owned by a non-profit such as a religious facility would make affordable housing development more financially feasible.

### Sites with Capacity for Lower Income Units

- ~~Overview: The Site Inventory includes 43 sites that are considered to have the capacity for low income units.~~
- ~~Description: These 43 sites are considered to have low-income capacity as they meet HCD's density and parcel size guidance for affordable units.<sup>14</sup> These sites include Site #12, the USGS site. Based on conversations between City staff and prospective buyers of the USGS site, the purchaser will partner with an affordable housing developer on the housing portion of the site. Of these five acres, there will be a split between a two-acre affordable housing development that will implement the "Lower Income" adjustment factor, and a three-acre market-rate housing development that will implement the "Above Moderate Income" adjustment factor. The market-rate portion will include 15-percent inclusionary lower income units.~~

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<sup>14</sup> For more information, see HCD's June 10, 2020 memo "Housing Element Site Inventory Guidebook Government Code Section 65583.2", available at: [https://www.hcd.ca.gov/community-development/housing-element/docs/sites\\_inventory\\_memo\\_final06102020.pdf](https://www.hcd.ca.gov/community-development/housing-element/docs/sites_inventory_memo_final06102020.pdf)

### Sites without Capacity for Lower Income Units

- Overview: The Site Inventory includes 23 sites that are considered to not have the capacity for low-income units.
- Description: The 23 sites that do not meet the low-income capacity determinations have their units counted towards the city's moderate-income RHNA. Menlo Park's above moderate-income RHNA can be met solely with pipeline units.

The public outreach also indicated a strong interest in creating additional housing for moderate-income households which include people who work in Menlo Park, particularly essential workers. With a Site Inventory that goes above RHNA requirements, the Housing Element can more effectively serve the community's housing needs and be more responsive to public comment received during the project development. Table 7-6 provides a summary of units by category in the Site Inventory.

*Table 7-6: Units by Category*

Category	Sites	Total Units	Market-Rate Units	Affordable Units
Religious Facilities	3	9	0	9
Sites with Capacity for Lower Income Housing	43	1,496	135	1,361
Sites without Capacity for Lower Income Housing	23	648	0	648
<b>Total</b>	<b>69</b>	<b>2,153</b>	<b>135</b>	<b>2,018</b>

### Additional Realistic Capacity Analysis

For sites that will be used for lower income housing, HCD requires additional analysis of sites that allow non-residential uses, and small and large sites that are outside the band of 0.5 to 10 acres in size. This section describes the sites that require additional analysis and how these sites can accommodate lower-income housing according to the Realistic-Site Capacity Analysis.

## Reuse Sites

- Overview: The Site Inventory includes 16 parcels that were previously included within the Site Inventory of a prior Housing Element planning period but have not yet been developed with housing.
- Description: HCD permits jurisdictions to reuse sites from prior planning periods only if the Housing Element includes a program requiring rezoning within three years of the beginning of the planning period to allow residential use by-right at a minimum of 30 du/ac for housing developments and in which at least 20 percent of the units are affordable to lower income households. These sites would be reused if 1) nonvacant sites were only included in only the 5<sup>th</sup> Cycle, or 2) vacant sites were included in both the 4<sup>th</sup> Cycle and 5<sup>th</sup> Cycles.

The 16 parcels reuse sites in the Site Inventory have different affordability capacities. Of the sites, five meet HCD requirements for lower-income units and have their units allocated towards very low income RHNA due to their high AFFH scores (see Appendix 7-5 for more information on how Lower Income distribution into Very Low and Low Income categories). The other nine sites are too small to meet HCD requirements and have their unit allocations distributed into the Moderate Income category.

***Table 7-6: RHNA Allocation and Reuse Sites***

<u>Site Number</u>	<u>Developable Area (Acres)</u>	<u>Existing Density (du/ac)</u>	<u>Proposed Density (du/ac)</u>	<u>AHO Density</u>	<u>Zoning District</u>	<u>Unit Allocation</u>	<u>Allocation Category</u>
<u>2(R)a*</u>	<u>0.15</u>	<u>20</u>	<u>30</u>	<u>55</u>	<u>SP-ECR-D</u>	<u>6</u>	<u>Moderate</u>
<u>2(R)b*</u>	<u>0.42</u>	<u>20</u>	<u>30</u>	<u>55</u>	<u>SP-ECR-D</u>	<u>16</u>	<u>Moderate</u>
<u>5(R)a*</u>	<u>0.75</u>	<u>50</u>	<u>60</u>	<u>60</u>	<u>SP-ECR-D</u>	<u>31</u>	<u>Very Low</u>
<u>5(R)b*</u>	<u>0.31</u>	<u>50</u>	<u>60</u>	<u>60</u>	<u>SP-ECR-D</u>	<u>13</u>	<u>Moderate</u>
<u>43(R)</u>	<u>0.54</u>	<u>50</u>	<u>60</u>	<u>60</u>	<u>SP-ECR-D</u>	<u>22</u>	<u>Very Low</u>
<u>44(R)</u>	<u>0.69</u>	<u>25</u>	<u>40</u>	<u>55</u>	<u>SP-ECR-D</u>	<u>26</u>	<u>Very Low</u>
<u>46(R)</u>	<u>0.63</u>	<u>30</u>	<u>30</u>	<u>55</u>	<u>R3</u>	<u>28</u>	<u>Very Low</u>
<u>48(R)</u>	<u>2.00</u>	<u>40</u>	<u>60</u>	<u>60</u>	<u>SP-ECR-D</u>	<u>82</u>	<u>Very Low</u>
<u>53(R)</u>	<u>0.12</u>	<u>50</u>	<u>60</u>	<u>60</u>	<u>SP-ECR-D</u>	<u>5</u>	<u>Moderate</u>
<u>54(R)</u>	<u>0.22</u>	<u>25</u>	<u>40</u>	<u>55</u>	<u>SP-ECR-D</u>	<u>8</u>	<u>Moderate</u>
<u>55(R)</u>	<u>0.13</u>	<u>50</u>	<u>60</u>	<u>60</u>	<u>SP-ECR-D</u>	<u>5</u>	<u>Moderate</u>
<u>56(R)</u>	<u>0.17</u>	<u>50</u>	<u>60</u>	<u>60</u>	<u>SP-ECR-D</u>	<u>7</u>	<u>Moderate</u>

<b>59(R)</b>	<u>0.33</u>	<u>25</u>	<u>40</u>	<u>55</u>	<u>SP-ECR-D</u>	<u>12</u>	<u>Moderate</u>
<b>61(R)</b>	<u>0.32</u>	<u>50</u>	<u>60</u>	<u>60</u>	<u>SP-ECR-D</u>	<u>13</u>	<u>Moderate</u>
<b>62(R)</b>	<u>0.42</u>	<u>50</u>	<u>60</u>	<u>60</u>	<u>SP-ECR-D</u>	<u>17</u>	<u>Very Low</u>
<b>Total</b>	<b><u>7.21</u></b>					<b><u>291</u></b>	

*\*=Parcel that was identified in previous element that is part of a larger site.*

### **Religious Facilities**

- Overview: The Site Inventory includes three religious facilities sites. In September 2020, Assembly Bill 1851 (Wicks) provided faith organizations an opportunity to develop housing on existing parking spaces on their property. This bill allows housing development to utilize up to fifty percent of religious-use parking spaces, without a requirement to replace the parking spaces. AB 1851 has no restrictions on the type of housing that could be developed and the City of Menlo Park does not propose any restrictions that would hinder this allowance.

These congregations typically have large parking lots which are sized for full occupancy of sanctuaries. Congregations which are not at full capacity likely have unused parking areas. Some also have buildings which are nearing the end of their functional life and are candidates for turnover to other uses. The COVID-19 pandemic has also affected these congregations in manners which are not entirely clear at this point, though attendance has generally declined. It is possible that the pandemic will permanently decrease regular attendance at services, as sometimes-tenuous connections with other church members have faded and people make greater use of online services. Within this context, affordable housing development can be an attractive option for congregations to off-load excess land, use proceeds to support existing ministries, and live out their mission to love thy neighbor. Many local and state governments, including California's, are seeking to promote this type of development, not only for the reasons mentioned above, but because religious-use parking spaces are among the least utilized spaces in urbanized areas being typically used to their maximum capacity only once a week.

- Description: While AB 1851 applies to all religious facilities in Menlo Park, the analysis undertaken for the Site Inventory identified three churches with particularly large and underutilized parking lots that would be ideally suited to the provisions of this state law. These three sites had their allocations distributed to extremely low income units based on the likelihood that religious facilities would work with a mission-driven housing developer focused on supportive/affordable housing.

The three sites are:

- Site #13(C) - The Church of Jesus Christ of Latter-day Saints Menlo Park: 1105 Valparaiso Avenue
- Site #39(C) - St. Denis Catholic Church: 2250 Avy Avenue
- Site #40(C) - St. Bede's Episcopal Church: 2650 Sand Hill Road

The low land costs involved in building on land already owned by a non-profit such as a religious facility would make affordable housing development more financially feasible.

Although relatively few units are claimed for Site Inventory credit on the three church sites, this is because of the conservative estimates required. It is likely that interested religious facilities would take advantage of State density bonus as well as other opportunities befitting a motivated and mission-driven property owner.

### **City Owned Properties**

The City of Menlo Park owns a variety of properties. The range of property types include:

- Downtown Parking Lots
- Office Building at 1000 El Camino Real
- Civic Center
- Parks
- Pump Stations
- Public Works Corporation Yard
- Community Centers

A list of City-owned properties are provided in Appendix 7-6. The Downtown parking lots have the highest development potential due to the location and because there are no buildings on the parking lots. The City Council decided not to pursue housing development in the parks or the Civic Center site. There are 9 parcels owned by the City and used for parking purposes in the downtown area.

The City will abide by the Surplus Land Act (SLA) (Government Code sections 54220-54234) through any applicable redevelopment process of City-owned property. The SLA is a "right of first refusal" law that requires all local agencies to offer surplus land for sale



or lease to affordable home developers and certain other entities before selling or leasing the land to any other individual or entity. Any time a local agency disposes of land, it must follow the SLA unless the land qualifies as exempt surplus land. Dispositions include both sales and leases (unless the lease is less than five years or where no demolition or development will occur during the term of the lease). If and when there is City-owned property that is no longer needed for City use, the declaration of surplus land (unless deemed exempt surplus land) and the appropriate noticing and disposition process required by the SLA will be followed.

Throughout the Housing Element Update process, redevelopment of parking lots for affordable housing was generally met with positive feedback and support. Per the SLA, if a proposed development on surplus land includes a certain percentage of affordable units, the City-owned property could be declared as exempt surplus land, streamlining the process for disposing of City-owned property for affordable housing development.

### **Non-Residential Uses**

Of the 69 sites, 64 sites allow non-residential uses (inclusive of three religious facility sites). The five sites that do not allow non-residential uses (i.e., only residential uses allowed) are:

- **Site #21:** 350 Sharon Park Drive
- **Site #46(R):** 796 Live Oak Avenue
- **Site #47:** 555 Willow Road
- **Site #50:** 600 Sharon Park Drive
- **Site #60:** 335 Pierce Road

For the 64 sites that allow non-residential uses, there is a strong likelihood of residential development as demonstrated by the residential projects in the Bayfront Area and in the El Camino Real/Downtown Specific Plan Area. See Appendix 7-3 for a list of recent or planned projects in Menlo Park. In addition, there are several residential projects in adjoining jurisdictions that are developed in mixed-use areas (areas that allow a combination of residential and non-residential uses), fitting a similar profile to the projected developments in Menlo Park's Site Inventory.

### **Small and Large Sites**

In order to achieve financial feasibility, HCD recommends sites between 0.5 acres and 10 acres in size as suitable for developing lower-income housing. Of the 83 parcels in

the Site Inventory, 32 are less than 0.5 acres in size and 4 are larger than 10 acres. A “carveout” strategy is used for several sites in the Site Inventory, including the 4 sites larger than 10 acres, as described in the “Carveouts and Large Sites” subsection.

### **Small Sites**

The 32 parcels less than 0.5 acres include several that can be consolidated into larger sites made up of contiguous parcels with common ownership. Chapter 15.30 of Menlo Park’s municipal code describes lot mergers. An application requires a fee and ministerial review from the city engineer. Appeals may be filed to the Planning Commission.

Parcel consolidation has not been a demonstrated constraint in Menlo Park’s recent residential development history. Of the 8 pipeline projects that are part of the Housing Element update, 6 include consolidated parcels. In a conservative measure, none of the parcels that are less than a half-acre in size are credited for lower-income housing in the 6th Cycle Housing Element.

### **Carveouts and Large Sites**

To support the development of lower income housing on some of the larger sites in Menlo Park, the Housing Element recommends a strategy of using “carveouts” of one or two acres that would allow residential development in mixed-use areas. These carveouts are intended to make land costs more manageable for residential developers, particularly lower income housing developers, and to complement the existing uses that may likely remain intact with new development. There are 10 carveout sites in the Site Inventory, four of which are on sites larger than 10 acres in size:

- Site #12 – 345 Middlefield Road (USGS Site)
- Site #21 – 350 Sharon Park Drive (Sharon Green Apartments)
- Site #49 – 2722 Sand Hill Road
- Site #64 – 795 Willow Road (Menlo Park VA Hospital)

Sites #12 and #64 are being used for lower-income housing:

- Site #12, 345 Middlefield Road, is the United States Geological Survey (USGS) campus owned by the General Services Administration (GSA). As of November 2022, the approximately 17-acre site is for sale by the GSA as the USGS team

has been gradually relocating from Menlo Park to Mountain View.<sup>12</sup> As of November 2022, the City has received eight redevelopment interest inquiries from private developers, with the majority of the developers interested in partnering with a affordable housing-specialized developer for any redevelopment project. No unit ranges have yet been determined.

The Housing Element Update is taking credit for 2 acres of affordable housing as a conservative estimate, based on these conversations with interested developers. Potentially, greater amount of housing – including market-rate housing – could be developed on the site based on zoning regulations.

- Site #64, 795 Willow Road, is technically on the 90-acre parcel of the Menlo Park VA Medical Center. The approximately 90-acre campus provides primary care and specialty health services and the landowner (VA) has strong interest to redevelop the southeastern portion of the site fronting Willow Road with affordable housing. As the project site is located on federal, VA-owned land, the VA has its own multi-step federal disposition process in which the VA must demonstrate that excess VA-owned land is no longer needed for VA operations.

The US Dept. of Veterans Affairs is entering into an Enhanced Use Lease agreement with MidPen to develop a 61-unit building on approximately 2 acres in the southeast quadrant of the Menlo Park VA Campus along Willow Road. As of October 2022, the VA and MidPen Housing have engaged with the City to submit preliminary project plans for courtesy review. Since the VA, a federal agency, is the land owner, the site and proposed affordable housing project are not subject to City review and permitting, however, both the VA and MidPen Housing have voluntarily elected to communicate and engage with the City, including the City's Planning Commission, with the intent of realizing a strong affordable housing project serving Menlo Park and the greater region during the Housing Element planning period. In 2015, the VA used a portion of the hospital campus for Willow Housing, a 61-unit 100% affordable housing development for veterans.<sup>13</sup>

- Of the 69 sites in the Site Inventory, 17 sites are less than 0.5 acres, 48 sites are between 0.5 acres and 10 acres, and 4 sites are larger than 10 acres.

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<sup>12</sup> See <https://www.gsa.gov/real-estate/real-estate-services/real-property-utilization-disposal/property-sales/rockaway-grove>

<sup>13</sup> See <http://www.willowhousingmenlopark.com/>

~~Development on 13 sites smaller than 0.4 acres will not be counted towards the lower income portion of RHNA.~~

~~Some sites include consolidation of adjacent parcels under common ownership (i.e., sites are owned by the same property owner) in order to qualify as a "suitable size" site for developing lower income housing.~~

### **Sites 0.4 to 0.5 Acres**

~~Due to the high land costs in Menlo Park and the substantial demand for assisted living, projects serving persons in lower income categories and with specific needs, such as senior housing or housing for persons living with disabilities, both of which tend to have smaller unit sizes, may be more feasible on lots with certain parameters. The Site Inventory includes sites between 0.4 acres and 0.5 acres in size within this suitability range. There are four sites in this range:~~

- ~~● **Site #7** — 728 Willow Road~~
- ~~● **Site #29** — 445 Burgess Road~~
- ~~● **Site #47** — 555 Willow Road~~
- ~~● **Site #62(R)** — 550 Ravenswood Avenue~~

### **Sites Larger than 10 Acres**

~~To support the development of lower income housing on some of the larger sites in Menlo Park, the Housing Element recommends a strategy of using "carveouts" of one or two acres that would allow residential development in mixed-use areas. These carveouts are intended to make land costs more manageable for residential developers, particularly lower income housing developers, and to complement the existing uses that may likely remain intact with new development. There are 10 carveout sites in the Site Inventory, four of which are on sites larger than 10 acres in size:~~

- ~~**Site #12** — 345 Middlefield Road (USGS Site)~~
- ~~● **Site #21** — 350 Sharon Park Drive (Sharon Green Apartments)~~
- ~~● **Site #49** — 2722 Sand Hill Road~~

## Site #64 – 795 Willow Road (Menlo Park VA Hospital)

### Affirmatively Furthering Fair Housing

A new requirement for this 6<sup>th</sup> Cycle Housing Element is for the Site Inventory to be consistent with a jurisdiction's duty ~~forte~~ Affirmatively Furthering Fair Housing (AFFH).<sup>14</sup> HCD recommends the Site Inventory address:

- Improved Conditions
- Exacerbated Conditions
- Isolation of the RHNA
- Local Data and Knowledge
- Other Relevant Factors

In addition to the Site Inventory-specific analysis below, further information on Affirmatively Furthering Fair Housing is available in Chapter 4 of the Housing Element.

#### **AFFH Site Inventory Analysis**

Menlo Park affirmatively furthered fair housing by integrating new affordable housing in high-resource areas of the city and developing market rate housing in lower-resource areas of the city while being mindful of displacement and connectivity issues. The RHNA is distributed throughout Menlo Park, focusing on amenity-rich areas in downtown, near the Veterans' Affairs Hospital, and near I-280. The Site Inventory allocation of affordable units has been refined based on likelihood of development. Extensive local outreach was used to refine this AFFH approach. In addition, the Housing Element is mindful of recent development patterns and deep historical trends.

Currently from the data and population makeup of Menlo Park's population, the majority of non-white and lower income populations are located primarily to the east of US State Route 101 in the Belle haven and Bayfront neighborhoods. As a result, these residents usually do not have the same access and benefits when it comes to clean air, health, and municipal amenities such as public transportation or schools. As a result, in order to not only increase the housing supply in the City of Menlo Park, but also promote fair

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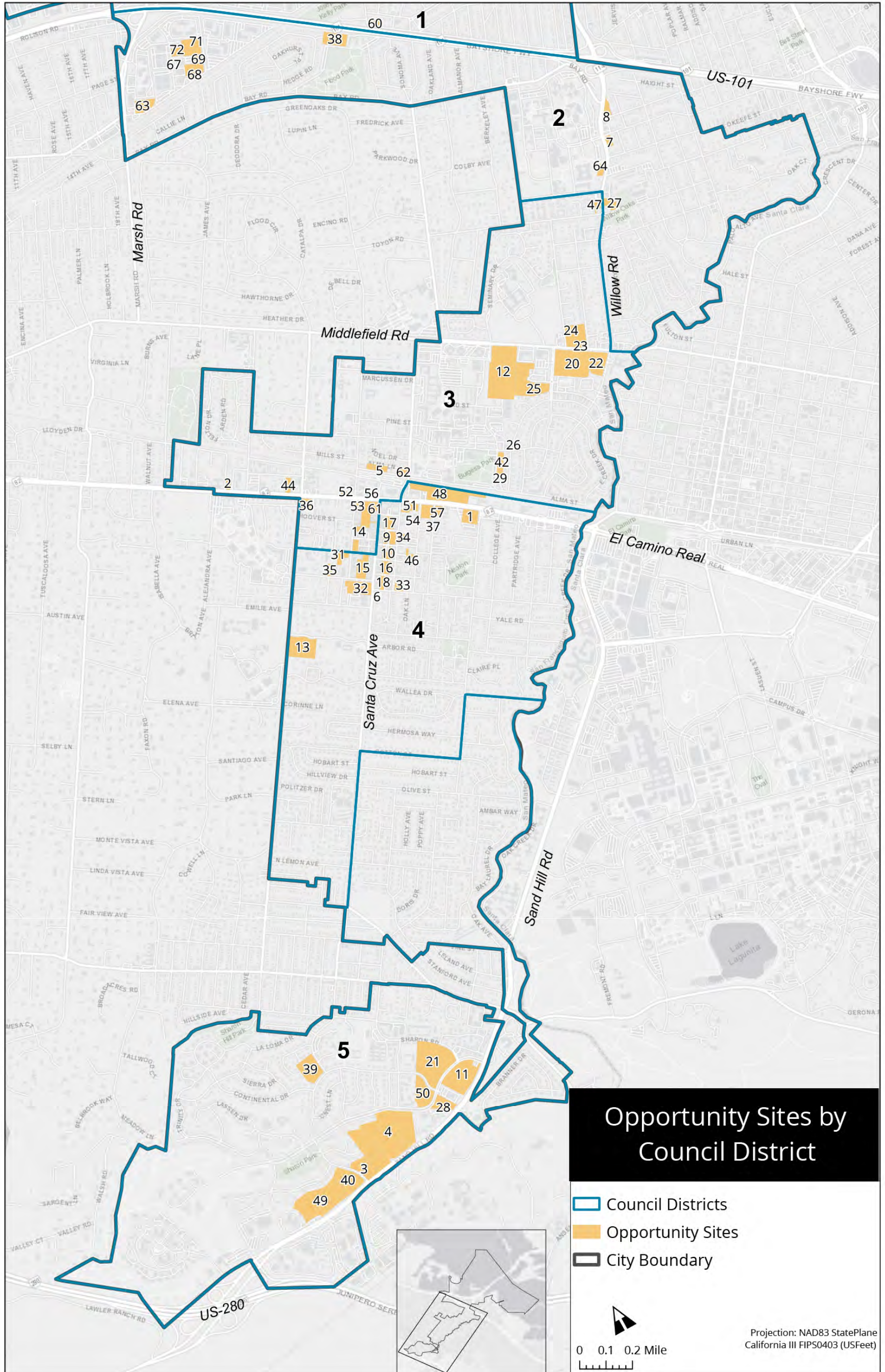
<sup>14</sup> For more information, see HCD's April 27, 2021 document on Affirmatively Furthering Fair Housing, available at [https://www.hcd.ca.gov/community-development/affh/docs/affh\\_document\\_final\\_4-27-2021.pdf](https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf)

housing; there should be sites in the richer areas of the city that are to be used for housing that can be used for fair housing.

For the City owned sites in the City of Menlo Park (see appendix 7-6), sites located near the downtown core are best utilized as more housing on underutilized land will not disrupt the character of other residential neighborhoods. Furthermore, using City owned sites in Downtown Menlo Park can help reinvigorate the downtown core. Furthermore, areas around the downtown core have better amenities such as better public transportation with Caltrain and SamTrans, better accessible shops and grocery stores, and more open space for residents.

Menlo Park has chosen to distribute its housing opportunity sites mostly throughout Council Districts 2 through 5, the portions of the city ~~south-west~~ of US-101. This site distribution strategy was chosen for two primary reasons. First, the vast majority of Menlo Park's pipeline projects, consisting of higher-density market-rate housing, have been proposed Council District 1 (~~north-east~~ of US-101). Second, Council Districts 2 through 5 are higher-opportunity areas of the city that are better connected to amenities such as transit, jobs, schools, and open space.

Figure 7-3: Sites by Council District



The housing in Council District 1 (~~north-east~~ of US-101) is almost entirely comprised of pipeline projects, many of which are still pending. These pipeline projects account for the majority of Menlo Park's above market-rate housing allocation. The one exception is Site #60 at 335 Pierce Road, that was identified by MidPen Housing as a potential affordable housing project during the Housing Element Update process.

The Site Inventory strategy strives to balance an increase in market-rate housing ~~north-east~~ of US-101 (District 1) with an increase in affordable housing ~~south-west~~ of US-101 (Districts 2 through 5). The strategy used walkshed maps to identify potential sites that had access to Menlo Park's social resources and amenities. This potential site list was narrowed by applying HCD's size requirements for sites that can support lower-income housing, and was further refined based on likelihood of development.

The majority of the sites in the Site Inventory offer affordable housing opportunities in high or highest resource areas that are within a 15-minute walk of:

- Parks
- Groceries and Markets
- Public Transit
- Employment Centers
- Schools

Detailed maps of these amenities can be found in Appendix 7-2. A full assessment of fair housing is provided in Chapter 4 and in Appendix 4-2.

### Site Inventory and Existing Social Patterns

A complete analysis of the Site Inventory must analyze how the identified sites contribute to or mitigate fair housing issues.

The three fair housing issues identified in Chapter 4 were:

A. Fair Housing outreach

B. Need for affordable housing options throughout Menlo Park to promote mobility

C. Need for community conservation and revitalization in low and moderate resource neighborhoods located east of US-101 (Council District 1)

The sites in the 6<sup>th</sup> Cycle Site Inventory wholly consist of parcels allocated towards the City's lower income or moderate income RHNA. This is because Pipeline Projects, which are disproportionately in Council District 1, are sufficient to provide the city's above moderate income RHNA. The affordable allocations in the Site Inventory are



largely located in Council Districts 2-5, which are areas of high or highest opportunity according to TCAC mapping. This strategy of allocating affordable units in high-resource areas and market-rate units in lower-resource areas improves integration, alleviates access to opportunity, and supports the disproportionate housing needs of special needs populations.

The focus on developing low-income housing in high-resource areas is supported by input given by affordable housing developers. The draft Site Inventory was refined after conversations where these developers described ideal sites for affordable housing, which included emphases on tax credit scoring and proximity to transit.

The Housing Element's overall fair housing strategy is to increase integration by incentivizing the development of 100 percent affordable housing in high-resource areas while using the pipeline projects to provide above-market-rate units in low and moderate resource areas. This will also provide more access to opportunities by bringing more affordable units into high-opportunity areas. Finally, this strategy will ease displacement risks by increasing the opportunities for high-density housing in areas of the city outside of Council District 1.

### **Integration and Segregation**

The Site Inventory improves integration and mitigates segregation by giving lower-income residents the opportunity to live in areas of the city that have historically been exclusive. These areas, west of US-101, have higher-performing school districts and more green space than areas east of US-101. By providing affordable housing options throughout Menlo Park, this addresses a fair housing issue.

This improved integration is balanced by mitigation of historic segregation. The development of large numbers of market-rate units in Council District 1 brings a whiter and higher-income cohort to an area of Menlo Park that has historically consisted of lower-income communities of color. Care must be taken to address fair housing issues and conserve community while revitalizing the low and moderate resource areas. City Actions in the Fair Housing Issues table, as well as Housing Element programs such as Program H.2E (Anti-Displacement Strategy) will be vital in remediating displacement while improving integration.

### **Disparities in Access to Opportunity**

Sites are prioritized for low-income housing tax credits by the Tax Credit Allocation Committee if they fall within "High" or "Highest" Resource Areas. All of the sites with the exception of the Marsh Road and Bohannon Drive cluster and Site #60 at 355 Pierce are within the High or Highest Resource Areas of the city. A map of Resource and

Opportunity Sites in Menlo Park is provided in Chapter 4: Affirmatively Furthering Fair Housing, Figure 4-3.

In the Site Inventory, the site selection process incentivized sites for affordable housing that were located within a 15-minute walk of amenities such as grocery stores, schools, and parks. In addition, all of the sites designated for affordable housing besides Site #60 and Site #38 (Ravenswood School Site) are located in high-performing school districts. Many sites are also located near the Menlo Park VA Medical Center, which is crucial infrastructure for veterans – particularly veterans with special housing and/or health needs.

### **Disproportionate Housing Needs**

Due to the site selection process that prioritized sites within a close walking distance of crucial amenities, the sites allocated for affordable housing in the Site Inventory are well-suited to accommodate households with unique and disproportionate housing needs. Many of these sites are located close to health facilities and grocery stores, easing access for households with low mobility. In addition, the El Camino Real/Downtown area is home to nearly half of the sites, as well as the vast majority of the City's commercial areas, its lone Caltrain station, and several Caltrans bus routes.

### **Site Inventory Special Cases**

~~There are three exceptions, where sites that would meet lower-income housing qualifications set forth by HCD will instead be used to accommodate moderate-income housing due to AFFH limitations. These are:~~

- ~~1. The sites at Marsh Road and Bohannon Drive, in the northwest area of Menlo Park. These sites prioritize moderate-income housing, with no lower-income units located in this area. This is because the sites are not as connected to amenities and support services as the rest of the city, with entrances only off of Marsh Road.~~
- ~~2. The sites on the Middlefield Road corridor. These sites, along a commercial corridor, are better suited to moderate-income workforce housing.~~
- ~~3. The Ravenswood School District site at the former Flood School will be rezoned to a maximum density of 20 du/ac, which is lower than the 30 du/ac required to accommodate lower-income units. However, it will be available to accommodate~~

moderate-income units. As of July 2022, the Ravenswood School District is collecting proposals from housing developers for the site.<sup>15</sup>

Sites are prioritized for low-income housing tax credits by the Tax Credit Allocation Committee if they fall within "High" or "Highest" Resource Areas. All of the sites with the exception of the Marsh Road and Bohannon Drive cluster and Site #60 at 355 Pierce are within the High or Highest Resource Areas of the city. A map of Resource and Opportunity Sites in Menlo Park is provided in Chapter 4: Fair Housing, Figure 4-3.

Another balance struck in order to affirmatively further fair housing was to limit the Site Inventory largely to sites of a size that could support low-income housing: 0.5 to 10 acres in area. The concept of "carveouts", would allow housing to be placed adjacent to other existing uses on the same parcel. This concept is discussed in detail in the "Non-Vacant Sites Analysis" section below.

In addition, there were 13 sites less than 0.5 acres in size retained as part of the final Site Inventory that did not include lower income housing in their site capacity calculation. These sites were included in order to provide more small-scale moderate-income and market-rate housing downtown. These sites serve as workforce housing or transit-oriented housing that could support the city's vibrancy goals for downtown. These units also serve to avoid over-concentration of the low-income units downtown, described in the Site Inventory.

The focus on developing low-income housing in high-resource areas is supported by input given by affordable housing developers. The draft Site Inventory was refined after conversations where these developers described ideal sites for affordable housing, which included emphases on tax credit scoring and proximity to transit.

The Housing Element's overall fair housing strategy is to increase integration by incentivizing the development of 100 percent affordable housing in high-resource areas while using the pipeline projects to provide above-market rate units in low and moderate resource areas. This will also provide more access to opportunities by bringing more affordable units into high-opportunity areas. Finally, this strategy will ease displacement risks by increasing the opportunities for high-density housing in areas of the city outside of Council District 1.

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<sup>15</sup> See "Former Flood School Site" at <http://www.ravenswoodschools.org/About-Ravenswood/Facilities/Facilities-Planning/Additional-Information-About-the-Former-Flood-School-Site/index.html>

## City Owned Properties

The City of Menlo Park owns a variety of properties. The range of property types include:

- Downtown Parking Lots
- Office Building at 1000 El Camino Real
- Civic Center
- Parks
- Pump Stations
- Public Works Corporation Yard
- Community Centers

A list of City-owned properties are provided in Appendix 7-6. The Downtown parking lots have the highest development potential due to the location and because there are no buildings on the parking lots. The City Council decided not to pursue housing development in the parks or the Civic Center site.

## MEETING LOWER-INCOME RHNA ON NON-VACANT SITES

### Non-vacant Sites Analysis

The California Department of Housing and Development (HCD) notes that jurisdictions with limited vacant land may rely on the potential for new residential development on non-vacant sites – sites with existing uses. HCD requires the Housing Element to describe the realistic potential of each site and the extent that the existing uses impede additional residential development; the jurisdiction's past experience converting existing uses to higher-density residential development; region-wide market trends and conditions; and regulatory or other incentives or standards that encourage additional housing development on nonvacant sites.

Pursuant to Government Code 65583.2(g)(3), the Housing Element must include a program requiring the replacement of units affordable to the same or lower income level as a condition of any development on a nonvacant site consistent with those requirements set forth in Density Bonus Law (Government Code 65915(c)(3). Replacement requirements shall be required for sites identified in the inventory that currently have residential uses, or within the last five years have had residential uses that have been vacated or demolished, and were either rent or price restricted, or were occupied by low or very low income households. This requirement is satisfied by Program H2.B.

This section notes the number of non-vacant sites and quantifies the portion of the 2023-2031 Regional Housing Needs Allocation (RHNA) to be met with non-vacant sites before reviewing the development context of higher-density housing development on non-vacant sites in Menlo Park and the region. Then, it provides potential findings before concluding with findings determined by the City Council at its \_\_\_\_\_ meeting.

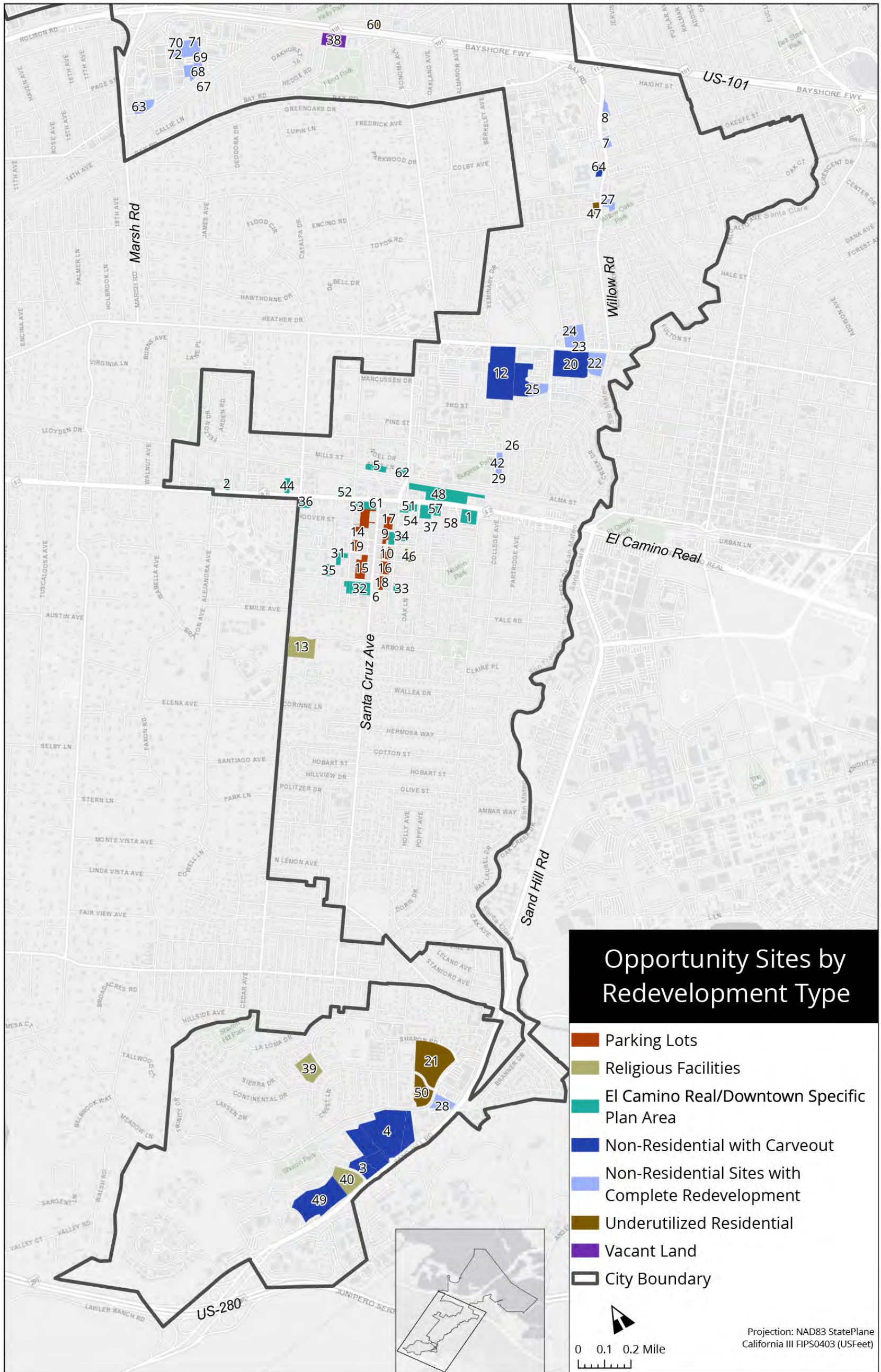
There are 69 sites identified as opportunity sites. Of these, only Site #38, the Ravenswood School District Site at 300 Sheridan Drive, is vacant.

Site #38, 320 Sheridan Drive, is the location of the former James Flood Elementary School and is owned by the Ravenswood City School District (RCSD). RCSD has indicated it is in negotiations with Alliant Strategic Development (potential developer) to build up to 90 affordable housing units with teachers and District staff given first preference. In May 2022, the City held a community meeting to provide an opportunity to learn more about the site and to hear from community members. As of October 2022, the City has not received a formal development application for review.

The 68 non-vacant sites are grouped into six potential redevelopment types to ~~further~~better analyze their development potential:

- Religious Facilities
- Parking Lots
- Non-Residential with Carveout
- Non-Residential with Complete Redevelopment
- El Camino Real/Downtown Specific Plan Area
- Underutilized Residential

Figure 7-54: Sites by Redevelopment Type



The City is relying on non-vacant sites to accommodate more than 50 percent of 1,166 units, the RHNA for lower income households. As the City of Menlo Park is mostly built out, the opportunity sites identified have the highest potential for development. Other sites have been evaluated and eliminated from consideration due to size and existing uses. The proposed policies and programs are critical to incentivize and increase the likelihood of development on these sites. In addition, the reduction of key governmental constraints (particularly zoning limitations) are tools the City has to encourage housing development.

**Table 7-7: RHNA Capacity by Typology**

	Lower-Income		Moderate Income	Above-Moderate Income	Total New Housing Units
	Very Low	Low			
<b>6<sup>th</sup> Cycle RHNA</b>	740	426	496	1,284	2,946
<b>30% Buffer</b>	222	128	149	385	884
<b>Accessory Dwelling Unit Capacity [RHNA Credit]</b>	26	25	26	8	85
<b>Pipeline Projects Capacity [RHNA Credit]</b>	134	230	230	3,050	3,644
<b>Site Capacity Needed</b>	<b>802</b>	<b>299</b>	<b>389</b>	<b>0</b>	<b>1,490</b>

Lower income unit capacity of the Site Inventory is shown in Table 7-8. Of the 895 units (1,166 units needed to accommodate RHNA, less lower income units from ADUs and Pipeline Projects), 100 percent will be allocated to non-vacant sites, as the only non-vacant site (Site #38) is not zoned appropriately for accommodating lower income units. Of the 1,516 units (the RHNA capacity inclusive of the 30 percent buffer for lower income units), 73 percent will be allocated to non-vacant sites. The remaining 27 percent are covered by the 415 units provided by pipeline projects and accessory dwelling units.

**Table 7-8: Lower-Income RHNA Capacity by Typology**

	Parcels	Developable Acreage	Lower-Income Site Capacity	Lower-Income RHNA Capacity
<b>Nonvacant Site Capacity</b>	68	70.0	100%	73%
<b>Vacant Site Capacity</b>	4	2.6	0%	0%

<b>ADU and Pipeline Capacity</b>	N/A	N/A	N/A	27%
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~~Non-vacant sites will provide 73 percent of the lower-income RHNA. Because non-vacant sites comprise more than half of Menlo Park’s sites inventory, Government Code Section 65583.2(g)(2) requires that the City analyze the extent to which existing uses may constitute an impediment to additional residential development, past experience in converting existing uses to higher density residential development, market trends and conditions, and regulatory or other incentives to encourage redevelopment. Furthermore, as part of the resolution adopting the Housing Element, the City Council will make findings based on substantial evidence that the existing use is not an impediment and will likely discontinue during the planning period. These findings will be based on a variety of factors including development trends, property owner interest, structure age, property valuation, and development capacity.~~

~~Since more than 50 percent of the lower income RHNA is met by non-vacant sites, this section will demonstrate per Government Code § 65583.2(g)(2) that existing uses are not impediments to additional development.~~

~~This demonstration includes:~~

- ~~1. A description of recent residential development on non-vacant sites in Menlo Park,~~
- ~~2. Recent 100 percent affordable residential development throughout the region (including Menlo Park), and~~
- ~~3. A category by category analysis of non-vacant sites that includes potential findings for Menlo Park City Council, as required by HCD.~~

**Residential Development on Nonvacant Sites**

Of the 51 developments and development proposals that included multifamily residential or new non-residential uses in Menlo Park during the past five years, 42 (84 percent) have been on or involved use of non-vacant sites. From these same 51 developments, 30 (59 percent) have included residential uses, 22 (43 percent) have introduced new residential (including in mixed-use developments) into a previously non-residential site, and eight (16 percent) have expanded an existing residential use. This strong history of residential development on non-vacant sites demonstrates a market demand for such development that can be expanded with the new policies in this Housing Element.



A list of these 51 developments is provided as Appendix 7-3 in this Housing Element.

### **Region-Wide Affordable Housing Projects.**

There have been many affordable housing projects, including 100 percent affordable projects, built on non-vacant lots in San Mateo County and neighboring Santa Clara County in the past several years. Menlo Park's 2023-2031 Housing Element focuses its policies on the production of affordable housing, particularly 100 percent affordable housing, as a response to community outreach and as a method to produce and affirmatively further fair housing in the city. The incentives for 100 percent affordable housing involve density bonuses as well as certain fee and development review waivers. These incentives were designed as a response to input from city residents, affordable housing residents, and affordable housing developer input.

Appendix 7-4 includes a list of 17 projects in the area, including six in Menlo Park. These projects range from 37 to 213 du/ac in density and four to eight stories in height.

### **Potential Findings for Development of Non-Vacant Sites**

#### **Parking Lots**

The Bay Area has seen the redevelopment of surface parking lots with multifamily housing throughout the past few years, most notably in Redwood City's city-owned parking lots. Another example is The Village at Burlingame where two city-owned parking lots are currently under construction for the development of 100 percent affordable workforce and senior-focused apartments. This is an opportunity for Menlo Park to leverage the value of City-owned land in the downtown core, providing affordable housing as well as increasing the vibrancy of downtown.

There are ~~nine~~ eight surface parking lots suitable for multifamily development. All sites are given by their site number, name (if applicable) and address:

- **Site #9** – Parking Lot Near Trader Joe's Between Chestnut and Curtis
- **Site #10** - Parking Lot Behind Wells Fargo (between Crane and Chestnut)\*
- **Site #14** - Parking Lot Between El Camino Real and Chestnut on West Side of Santa Cruz
- **Site #15** - Parking Lot Between University and Crane on West Side of Santa Cruz
- **Site #16** - Parking Lot Between Evelyn and Crane

- **Site #17** - Parking Lot between Curtis and Doyle
- **Site #18** - Parking Lot Behind Draeger's\*
- **Site #19** - Parking Lot off Oak Grove

These eight parking lots are owned by the City. Sites #10 and #18, denoted with asterisks, include some portions of privately-owned land used for parking. Parking lots are not considered "vacant" sites because they are used for parking as well as the Menlo Park Farmer's Market, supporting the social and economic fabric of the downtown.

For the City-owned parking lots downtown, a feasibility study may be necessary to ensure that parking easements owned by neighboring businesses are managed appropriately. There may also be potential utility easements that need to be taken into consideration. There are several development possibilities, including reserving one or more parking lots for redevelopment as a parking garage and using other lots for development of 100-percent affordable housing. Alternatively, some parking lots could be retained for surface parking use, or certain portions of the City-owned lots can be developed with affordable housing.

Program H4.G describes the City-led process to promote housing development on underutilized City-owned parking lots in downtown. The City's goal is to develop 100-percent affordable housing on at least some portion of the eight parking lots, as determined by a feasibility study.

Similar studies have been used to catalyze parking lot redevelopment in nearby cities. Burlingame is currently constructing a 132-unit affordable workforce and senior apartment on a parcel that previously held a parking lot.<sup>16</sup> The development is done in conjunction with a public parking garage nearby. The Burlingame projects provides a blueprint and demonstrates to potential development partners the feasibility of the sort of projects envisioned on the City-owned lots in Menlo Park.

### ***Potential Findings for Parking Lots***

The City can potentially make the following findings to determine that the existing use on parking lots is likely to be discontinued:

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<sup>16</sup> Village at Burlingame (Project Information). Available at [https://www.burlingame.org/business\\_detail\\_T54\\_R140.php](https://www.burlingame.org/business_detail_T54_R140.php)

- The City of Menlo Park owns a majority of the downtown parking lots and can facilitate the use of these parking lots for development of affordable housing.
- The value of the land as a residential use and the opportunity for new affordable housing downtown provides a public benefit that exceeds the value as surface parking facilities.

Evidence for these findings includes similar developments in neighboring jurisdictions and a high-level economic analysis as provided in Appendix 7-5.

### **Religious Facilities**

Assembly Bill 1851 (AB 1851) (2020), prohibits local agencies from denying a housing development project that would be built at religious facility properties on the footprint of 50 percent of the existing parking spaces serving a religious facility. The purpose of the law is to streamline development of affordable housing on the underutilized parking lots of existing religious facilities. There are numerous examples of this law working as intended throughout California, including in San Jose at the Cathedral of Faith and in San Diego at the Clairemont Lutheran Church.

There are three facilities that are suitable for AB 1851 development in Menlo Park. The "(C)" in the site identifier denotes a religious facility.

- **Site #13(C)** - The Church of Jesus Christ of Latter-day Saints Menlo Park: 1105 Valparaiso Avenue
- **Site #39(C)** - St. Denis Catholic Church: 2250 Avy Avenue
- **Site #40(C)** - St. Bede's Episcopal Church: 2650 Sand Hill Road

These sites will be able to utilize Menlo Park's new Affordable Housing Overlay that will promote increased density on these sites. These religious facilities include Menlo Church, St. Bede's Episcopal Church and the First Church of Christ, Scientist. Other religious facilities may have parking lots that are too small to provide significant housing development.

### ***Potential Findings for Religious Facilities***

The City can potentially make the following findings to determine that the existing use in religious facilities is not likely to conflict with residential development.

- The controlling entity and its use is not affected, due to new state law.

- Religious facilities are exempt from property tax, but the additional residential allowance provides a potential revenue stream for the religious facilities.
- Some churches may provide affordable housing as part of their mission to support the community.

Evidence for these findings includes similar developments in neighboring jurisdictions and stated interest by some of the property owners, as well as the relatively low utilization of these parking lots outside of religious services.

### **El Camino Real/Downtown Specific Plan Area**

As part of this Housing Element's goals, policies, and programs, the area in the El Camino Real/Downtown Specific Plan will be "upzoned" – increasing allowable residential density – to a minimum of 30 dwelling units per acre depending on the Specific Plan subarea. The total residential unit cap of the area specified by the Plan would also be removed. These actions will incentivize the development of multifamily housing within the Specific Plan Area. There are 26 sites in the Site Inventory within the Specific Plan Area, not including parking lots discussed separately:

#### ***El Camino Real***

- **Site #1** - El Camino Real Safeway: 525 El Camino Real

Site #1 does not include the entire shopping center anchored by Safeway, but only the parcel underlying the shopping center's parking lot. Development is envisioned as a residential development over ground-floor parking, without affecting the other uses in the shopping center.

- **Site #2(R)** - 1620 El Camino Real (Reuse Site)
- **Site #36** - 1377 El Camino Real
- **Site #37** - 855 El Camino Real
- **Site #43(R)** - Sultana's Mediterranean: 1149 El Camino Real (Reuse Site)
- **Site #44(R)** - Ducky's Car Wash: 1436 El Camino Real (Reuse Site)
- **Site #48(R)** - 700 El Camino Real (Reuse Site)
- **Site #51** - 949 El Camino Real
- **Site #52** - 1246 El Camino Real

- **Site #53(R)** - 1189 El Camino Real (Reuse Site)
- **Site #55(R)** - 1161 El Camino Real (Reuse Site)
- **Site #56(R)** - 1179 El Camino Real (Reuse Site)
- **Site #59(R)** - 905 El Camino Real (Reuse Site)

***Downtown***

- **Site #5(R)** - 1100 Alma Street (Reuse Site)
- **Site #6** - Church of Pioneers Foundation Properties: 900 Santa Cruz Avenue
- **Site #30** - Trader Joe's Downtown: 720 Menlo Avenue
- **Site #31** - 800 Oak Grove Avenue
- **Site #32** - 930 Santa Cruz
- **Site #34** - 707 Menlo Avenue
- **Site #35** - 1300 University Avenue
- **Site #54(R)** - 607 Menlo Avenue (Reuse Site)
- **Site #57** - 761 Menlo Avenue
- **Site #58** - 751 Menlo Avenue
- **Site #61(R)** - 610 Santa Cruz Avenue
- **Site #62(R)** - 550 Ravenswood Avenue
- **Site #33** - Draeger's Parking Lot Downtown

The increased housing potential brought to these sites from the upzoning and Affordable Housing Overlay to be implemented as part of this Housing Element will serve to increase multifamily housing opportunities in the El Camino Real/Downtown Area. Also, increased housing potential is supported by the City's vibrancy goals for downtown, as a larger residential population will support dining, entertainment, and retail as well as live/work opportunities.

There are other rezonings in the El Camino Real/Downtown Area but outside of the sites listed in the Site Inventory. These additional rezonings will increase density and are intended to broadly encourage housing within the Specific Plan Area, but the Housing Element does not rely on them to meet RHNA.

Mixed use projects such as 1540 El Camino Real and 1300 El Camino Real are already approved and under construction, respectively, in Menlo Park. Similar projects can be found in Redwood City (1601 El Camino Real) and Palo Alto (2951 El Camino Real and 3150 El Camino Real). Downtown projects in Menlo Park such as 1285 El Camino Real and 506-556 Santa Cruz Avenue demonstrate a market for mixed-use development in Menlo Park that will only strengthen as increased densities are allowed.

### ***Potential Findings for El Camino Real/Downtown Specific Plan Area***

The City can potentially make the following findings to determine that the existing uses in the El Camino Real/Downtown Specific Plan Area are likely to be discontinued:

- Removal of the housing unit production cap and the addition of other incentives will encourage residential development.
- Increased residential density allowances will increase financial feasibility of housing development.

Evidence for these findings includes similar developments in neighboring jurisdictions as well as the relatively large number of project applications and approvals in the Specific Plan Area. There are also many older buildings on the sites and in the specific plan area as a whole. Although building age data is limited in Menlo Park – only three of the 26 sites in this subsection have their year of construction listed:

- **Site #6:** 1949
- **Site #57:** 1968
- **Site #59(R):** 1946

In the entire/El Camino Real/Downtown Specific Plan Area, there are 82 parcels with building age data. The average year of construction is 1974 and the median year of construction is 1948.

### **Non-Residential Parcels with Carveout**

Through individual interviews and focus group discussions with affordable housing developers and advocates, one of the more promising development types on larger



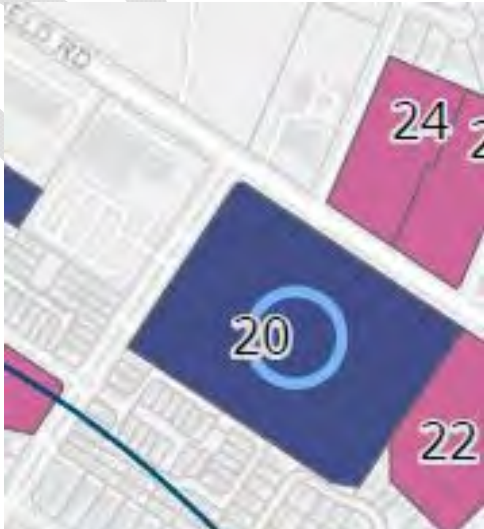
sites they mentioned was horizontal mixed use, where affordable housing is adjacent to other uses on the same parcel. This carveout would be limited to the vacant portion of the site, or atop existing surface-level parking.

This typology is represented in the Site Inventory as "Non-Residential with Carveout", where housing is developed on a certain acreage of the entire site. This would be incentivized to be 100 percent affordable housing by the Affordable Housing Overlay.

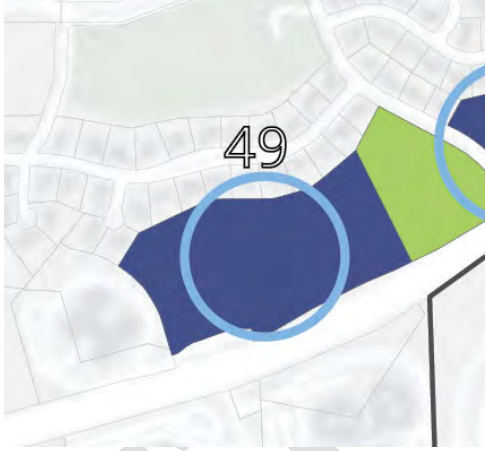

There are seven sites with non-residential uses that could include housing as a horizontal mixed use:

*Table 7-8: Sites with Non-Residential Carveout*

Site - Address	Map
<p><b>Site #3</b> - 2500 Sand Hill Road</p>	
<p><b>Site #4</b> - Quadrus: 2480 Sand Hill Road</p>	

Site - Address	Map
<p><b>Site #11</b> - Sharon Heights Shopping Center: 325 Sharon Park Drive</p>	
<p><b>Site #12</b> - USGS Site: 345 Middlefield Road</p>	
<p><b>Site #20</b> - 272 Middlefield Road</p>	



Site - Address	Map
<p><b>Site #49</b> - 2722 Sand Hill Road</p>	
<p><b>Site #64</b> - VA Medical Center: 795 Willow Road</p>	

Of these seven sites with non-residential uses that could include housing as a horizontal mixed use, five sites are privately owned. The USGS Site is being auctioned, and the US Department of Veterans Affairs has stated interest in developing approximately two acres of the Menlo Park VA Medical Center as veterans' housing.

Site #11 does not include the entire shopping center anchored by Safeway, but only the portion of the parcel underlying the shopping center's parking lot. Development is envisioned as a residential development over ground-floor parking, without affecting the other uses in the shopping center.

Due to flexible office work policies put in place to support safe work during the Covid-19 pandemic, there may be decreasing demand for the professional service firms that typically rent office space in Menlo Park. This opens up opportunities for land owners to pursue alternative revenue streams in the underutilized parking lots, replacing functionally obsolete office structures or otherwise vacant areas of parcels by contracting with affordable housing developers.

### ***Potential Findings for Non-Residential Parcels with Carveouts***

The City can potentially make the following findings to determine that the existing uses in these non-residential sites are not likely to conflict with residential development.

- The controlling entity and its existing use are not affected.
- Adding a new housing use increases the land value of the property.

Evidence for these findings includes similar developments in neighboring jurisdictions and potential interest mentioned by some property owners, as well as the low existing floor area to land area ratio, an indicator of potential underutilization of the site.

### ***Non-Residential Parcels with Complete Redevelopment***

The single most common development in Menlo Park in recent years has been multi-family residential on rezoned industrial or commercial property, primarily in the Bayfront area east of US-101. The strength of the housing market relative to other uses is likely to continue in the wake of the Covid-19 pandemic, and as demand for housing continues to be strong. Residential uses increase the attractiveness of new development on 19 sites throughout the city:

#### ***Half-Mile from Major Transit Stop***

- **Site #7** - 728 Willow Road
- **Site #8** - 906 Willow Road
- **Site #25** - 8 Homewood Place
- **Site #26** - 401 Burgess Drive
- **Site #29** - Stanford Blood Center: 445 Burgess Drive
- **Site #41** - 431 Burgess Drive
- **Site #42** - 425 Burgess Drive

#### ***Further than Half-Mile From Major Transit Stop***

- **Site #22** - 85 Willow Road
- **Site #23** - 200 Middlefield Road
- **Site #24** - 250 Middlefield Road

- **Site #27** - Menlo Park Surgical Hospital: 570 Willow Road
- **Site #28** - 2200 Sand Hill Road
- **Site #63** - 3875 Bohannon Drive
- **Site #67** - 3905 Bohannon Drive
- **Site #68** - 3925 Bohannon Drive
- **Site #69** - 4005 Bohannon Drive
- **Site #70** - 4025 Bohannon Drive
- **Site #71** - 4055 Bohannon Drive
- **Site #72** - 4060 Campbell Avenue

Redevelopment on these sites could be 100 percent residential or mixed use with both residential and non-residential uses. There have been several such projects in Menlo Park in the Bayfront area, as well as along Middlefield in Mountain View and Redwood City. There are also 100 percent affordable projects in similar sites in Santa Clara and San Jose.

Many of these sites have older buildings that could be demolished and redeveloped. The building on Site #23, however, was constructed in 2013. This is recent and the building is still well within its useful lifespan, but the building has been vacant for 2 years. Increased incentives to redevelop or retrofit with housing – including the AHO and new state laws such as AB 2011, would help spur residential development on the parcel.

Site #63 is currently in use by the United States Post Office. However, this does not preclude residential development on the site. In neighboring Burlingame, a former post office site was sold in 2014 and a current project for a “community town square” is in planning for the site.<sup>17</sup> A similar redevelopment could take place on 3875 Bohannon Drive, particularly as there are many parcels in the Site Inventory in the Marsh/Bohannon area of the city.

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<sup>17</sup> See “220 Park Road”, available at [https://www.burlingame.org/business\\_detail\\_T54\\_R112.php](https://www.burlingame.org/business_detail_T54_R112.php)

The sites on Bohannon Drive and Campbell Avenue are zoned for Office ("O" Zoning).<sup>18</sup> The new residential allowances in the Affordable Housing Overlay will be similar to Connect Menlo's R-MU zoning designation, which allows up to 100 du/ac at the bonus level of development. This is a good indicator that higher-density housing could be developed in this area and that there is a market for such use. Newer commercial spaces along Middlefield Road and near Burgess Park were not selected for the Site Inventory. Similarly, only older or underutilized office-zoned parcels were selected for the Site Inventory in the Marsh/Bohannon area.

**Residential Conversion Impacts on City's Tax Base**

Menlo Park's major tax base of commercial and office uses will not be significantly affected by the conversion of these 19 sites due to the large amount of commercial space retained in the city. The sites in this category only take up a small percentage of the total office and commercial uses citywide, ranging from six percent of Professional and Administrative Office uses to less than two percent of the Bayfront Innovation Area (within City Council District 2).

*Table 7-9: Percentage of Citywide Non-Residential Land Use Designation Affected by Opportunity Site Designation*

Land Use	Citywide Land Use Acres	Housing Opportunity Sites	Housing Opportunity Sites (Acres)	Percentage of Land Use
<b>Bayfront Innovation Area</b>	511	7	8.15	1.5%
<b>Retail Commercial*</b>	42	4	8.83	21.0%
<b>Professional and Administrative Office</b>	212	13	44.15	20.8%

*\*Site 8 is a consolidation of sites along Willow under common ownership that includes a single 0.23-acre parcel, APN 062-211-050, zoned R3 under "Medium Density Residential." This parcel is not included in this table because it does not currently allow an office or commercial use.*

In addition, mixed-use developments that retain commercial and office use will still be allowed in the sites selected for the Site Inventory.

**Potential Findings for Non-Residential Parcels with Complete Redevelopment**

<sup>18</sup> ConnectMenlo was a planning project that adopted Office, Life Science, and Residential Mixed Use zoning districts in the Bayfront area to envision a live/work/play environment. More information is available at <https://beta.menlopark.org/Government/Departments/Community-Development/Planning-Division/Comprehensive-planning/ConnectMenlo>.

The City can potentially make the following findings to determine that the existing uses in these non-residential sites are likely to be discontinued:

- Some controlling landowners are considering a sale, change of use, or change of locations
- Adding a potential new use increases the land value of the property


Evidence for these findings includes the large number of recent developments in similar sites in Menlo Park and the surrounding area, as well as the obsolete and/or vacant buildings on the sites. Many sites also have low floor area to land area ratio, an indicator of potential underutilization of the site.


### Underutilized Residential

There are five sites in the Sites Inventory that are currently zoned for residential but could support additional housing.

Two sites have existing multifamily housing where more capacity is available on the parcel:

**Table 7-740: Sites with Underutilized Residential – More Capacity Available**




Site - Address	Map
<p><b>Site #21</b> - Sharon Green Apartments: 350 Sharon Park Drive</p>	

Site - Address	Map
<p><b>Site #50</b> - Seven Oaks Apartments: 600 Sharon Park Drive</p>	

There are also three sites where redevelopment for higher-density multifamily is available:

**Table 7-811: Sites with Underutilized Residential Higher-Density Capacity Available**

Site - Address	Map
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Site - Address	Map
<p><b>Site #46(R)</b> - 796 Live Oak Avenue (Reuse Site)</p>	
<p><b>Site #47</b> - Menlo BBQ: 555 Willow Road</p>	
<p><b>Site #60</b> - 335 Pierce Road</p>	

The increased density and Affordable Housing Overlay for these sites incentivizes development beyond the already strong housing market in Menlo Park and the

Peninsula. There has been property owner interest in residential development on two sites (Menlo BBQ and 335 Pierce Road), and increased incentives will support more development on the other underutilized sites.

***Potential Findings for Underutilized Residential parcels***

The City can potentially make the following findings to determine that the existing uses in these residential sites are likely to be discontinued:

- Some controlling landowners are considering a sale, change of use, or change of locations
- Increased residential density allowances will increase financial feasibility of housing development

Evidence for these findings includes the redevelopment of low-density or medium-density housing in Menlo Park and the surrounding area, and the obsolete buildings and/or underutilized on these sites.

**Adopted Findings**

On \_\_\_\_\_, Menlo Park City Council adopted the 2023-2031 Housing Element and included the findings listed below.

The City Council finds that, as result of the high demand for housing in the city, obsolete buildings, declining uses, low existing floor area ratios, the significant impact of the Covid-19 pandemic and related shifts in the commercial and residential real estate markets and development trends, and as further evidenced by recent site development inquiries, each as further specified on a categorical and site-by-site basis in the 2023-2031 Housing Element Update, the existing uses on each nonvacant site identified for inclusion within the Affordable Housing Overlay Zone and zoned to accommodate the City’s lower income housing needs, as noted in the Site Inventory (Appendix 7-1), is not an impediment to additional residential development during the planning period for the 2023-2031 Housing Element.

These findings are supported by appendices 7-2 and 7-4, listing the city's recent residential development on nonvacant sites and region-wide 100 percent affordable housing, as well as the following table that shows the potential findings by development category:

*Table 7-129: Potential Findings By Site Category*

Potential	Parking	Religious	Non-	El Camino	Non-	Underutilized
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Finding	Lots	Facilities	Residential with Carveout	Real/Downtown Specific Plan Area	Residential with Complete Redevelopment	Residential
Some controlling landowners are considering a sale, change of use, or change of locations	X				X	X
The value of the land as residential outstrips its existing use	X	X				
The controlling entity and its use is not affected		X	X			
Adding a potential new use increases the land value of the property			X		X	
Removal of housing unit production cap and other incentives will encourage residential development				X		
Increased density allowances will increase financial feasibility of				X		X

housing development						
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### Nonvacant Sites that Include Residential Units

None of the 68 nonvacant sites include units that are or were occupied by, or subject to, affordability agreements for lower-income households.

#### **AB 725 (Wicks)**

All of the sites in the Sites Inventory are in areas zoned for at least four units of housing per parcel, complying with AB 725. The Affordable Housing Overlay, which covers all of the sites, allows for densities of at least 30 du/ac, which would allow more than four units even in areas where the underlying zoning would not allow it, such as R1U and R1S-zoned parcels.

## ALTERNATIVE METHODS TO ACCOMMODATE THE RHNA

### Accessory Dwelling Units

Menlo Park makes use of the "safe harbor option" to project future annual Accessory Dwelling Unit (ADU) production from 2018-2020 for the 6th Cycle planning period in order to determine the number of units projected to be built. With approximately 10.6 ADUs built annually from 2018-2020, there will be a projected 85 ADUs built during the 6th Cycle.

*Table 7-1310: ADU Permits*

Year	ADUs Receiving Building Permit
2018	15
2019	4
2020	13
<b>Average</b>	10.6

Following ABAG/MTC guidance, these 85 ADUs can be distributed across affordability levels as shown in the Table 7-14 below. ADUs does not always need to be rented to someone outside the family. The purpose of an ADU is to provide housing including housing for the primary family’s children, parents, or relatives. As ADUs will vary in size and shape based on individual lot constraints, it is difficult to predict potential rental

income levels. The methodology used in the table below has been provided by ABAG/MTC as sufficient for RHNA credit calculations.

*Table 7-114: Projected ADUs*

	Very Low	Low	Moderate	Above Moderate	Total
<b>Proportion</b>	30%	30%	30%	10%	100%
<b>ADUs</b>	26	25	26	8	85

Menlo Park's 6<sup>th</sup> Cycle Housing Element does not use rehabilitated, converted, or preserved existing affordable residential units nor other alternative methods to meet its RHNA obligations.

### Other Land Use Strategies

In addition to the residential capacity discussed in the Site Inventory, Accessory Dwelling Units, and Pipeline Projects, the City is pursuing Zoning Ordinance modifications to produce more housing outside of the Site Inventory. Menlo Park is modifying the Zoning Ordinance to produce an additional 621 market-rate units by pursuing the following:

- Modifying the El Camino Real/Downtown Specific Plan
  - Remove residential development cap
  - Increase the maximum base level density to at least 30 du/ac across all subareas
  - Increase the maximum bonus level density in certain subareas to maintain a spread between the base and bonus level densities
  - Establish a minimum density of 20 du/ac to all subareas, upon the addition of residential uses on a site
  - Review development standards such as height and parking ratios to reduce potential constraints on development
- Rezoning Commercial-Only Sites
  - Allow residential uses with a maximum base density of at least 30 du/ac

- Maintain some level of neighborhood-serving commercial use such as in the Sharon Heights shopping center
- Modify R-3 Zoning Around Downtown
  - Remove lot size requirement in R-3 Zoning District that only allowed 30 du/ac densities on lots 10,000 square feet or greater around Downtown.

These modifications are broadly applied across zoning designations. While they may bolster development on specific sites in the Site Inventory, they are also expected to lead to additional units for above moderate income households. These 621 additional units are included as "Other Land Use Strategies" in Table 7-15.

### AB 1233: 5th Cycle Shortfall Review

Menlo Park had adequate sites available in its previous Housing Element cycle and is not required to accommodate any unaccommodated need. There is no rezoning necessary as per Government Code § 65584.09.

## ~~SUMMARY OF QUANTIFIED OBJECTIVES~~

~~Many programs and policies reduce barriers and create opportunities for a balanced community. These goals are essential to meeting the City's housing needs, but are more qualitative in general. Menlo Park reasonably expects that a total of 6,404 units will be constructed, as described by the tables below:~~

*Table 7-15: Projected Housing Summary*

Category	6 <sup>th</sup> -Cycle Opportunity Sites	Accessory Dwelling Units	Pipeline Projects	Other Land-Use Strategies	Rehabilitation	Conservation/ Preservation
Very-Low Income	876	26	134	0	0	0
Low Income	494	25	230	0	0	0
Moderate Income	648	26	230	0	0	0
Above Moderate Income	135	8	3,050	621	0	0
Sub-Totals	2,135	85	3,644	621	0	0
<b>Total</b>				<b>6,503-units</b>		

**Table 7-16: New Housing Units by Affordability**

Type of Unit	Number of Units
New Affordable Units	2,689
New Market Rate Units	3,814
Total Units	6,503

## INFRASTRUCTURE

The Water, Sewer, Dry Utilities, and Environmental Constraints review is taken from the Draft EIR, which was published on November 4, 2022.<sup>19</sup>

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<sup>19</sup> Available at <https://ceqanet.opr.ca.gov/2015062054/4>.

## **Water**

Water systems would have capacity and/or be adequate to serve cumulative development, including development allowed under the Housing Element Update. Therefore, the HEU, in combination with past, present, existing, approved, pending, and reasonably foreseeable future projects in the vicinity, would not contribute considerably to cumulative impacts on water systems, and this cumulative impact would be less than significant.

While water supply shortfalls are projected in single dry and multiple dry years with implementation of the Bay-Delta Plan Amendment, these projected shortfalls could be overcome through the SFPUC's various projects, programs and plans and further addressed through implementation of the WSCPs. In addition, development under the Housing Element Update would be required to adhere to all applicable regulations that promote water conservation and water use efficiencies. While results of the projects, programs and plans and demand reductions cannot be quantified, it is reasonable to expect that many of the projects, programs and plans would be successful and additional water supplies and demand reductions can be obtained. For these reasons, implementation of the Housing Element Update would have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal years. In single dry and multiple dry years, DMMs and implementation of the WSCPs by all water suppliers would further reduce demand to meet the water supply shortage. This finding is consistent with that found in the ConnectMenlo EIR. The HEU's impact with respect to water supply would therefore be less than significant.

## **Sewer**

Development allowed under the Housing Element Update, in combination with cumulative development within the San Francisquito Creek watershed would increase the amount of impervious surface in the watershed, and thus would increase the amount of stormwater runoff. However, similar to development allowed under the Housing Element Update, cumulative development would be required to adhere to State and local standards that would ensure that post-development runoff rates do not exceed pre-development rates and durations and that LID measures be implemented.

Stormwater systems would have capacity and/or be adequate to serve cumulative development, including development allowed under the Housing Element Update. Therefore, the Housing Element Update, in combination with past, present, existing, approved, pending, and reasonably foreseeable future projects in the vicinity, would not contribute considerably to cumulative impacts on stormwater systems,

## **Dry Utilities**

Development allowed under the Housing Element Update, in combination with cumulative development within the PG&E's service area would increase demand for electricity and natural gas. However, development projects would be required to comply with applicable state and local regulations pertaining to energy conservation. Furthermore, as noted in the ConnectMenlo EIR, PG&E routinely updates its long-range plans to incorporate potential growth in its service area (City of Menlo Park, 2016b). Therefore, the electrical and natural gas infrastructure would be sufficient to serve cumulative development, including development allowed under the Housing Element Update.

Electricity and natural gas systems would have capacity and/or be adequate to serve cumulative development, including development allowed under the Housing Element Update. Therefore, the Housing Element Update, in combination with past, present, existing, approved, pending, and reasonably foreseeable future projects in the vicinity, would not contribute considerably to cumulative impacts on electricity and natural gas systems, and this cumulative impact would be less than significant.

The geographic context with respect to telecommunication service is the service areas for the telecommunication providers that serve the city. Development allowed under the Housing Element Update, in combination with cumulative development within the service areas for the telecommunication providers that serve the city would increase demand for telecommunication service. However, similar to the development provided for under the Housing Element Update, cumulative development of underground conduits and overhead cables to facilitate telecommunications services would be required to comply with applicable federal, state, and local standards pertaining to underground and overhead utility infrastructure.

## **Environmental Constraints**

The geographic scope of analysis for cumulative hazardous materials impacts encompasses and is limited to the potential housing opportunity and land use strategy sites and their immediately adjacent area. This is because impacts relative to hazardous materials are generally site-specific and depend on the nature and extent of the hazardous materials release, and existing and future soil and groundwater conditions. For example, hazardous materials incidents tend to be limited to a smaller and more localized area surrounding the immediate spill location and extent of the release, and could only be cumulative if two or more hazardous materials releases spatially overlapped.

The timeframe during which the project could contribute to cumulative hazards and hazardous materials effects includes the construction and operations phases. For the potential housing opportunity and land use strategy sites, the operations phase is permanent. However, similar to the geographic limitations discussed above, it should be noted that impacts relative to hazardous materials are generally time-specific. Hazardous materials events could only be cumulative if two or more hazardous materials releases occurred at the same time, as well as overlapping at the same location.

Water: To completed with environmental analysis

Sewer: To completed with environmental analysis

**Environmental Constraints**

To completed with environmental analysis

**SUMMARY OF QUANTIFIED OBJECTIVES**

The following table summarizes Menlo Park’s quantified objectives for the 2023-2031 Housing Element planning period. The objectives include the City’s new construction objectives to meet its regional housing needs (RHNA) and conservation objectives which reflect preservation of Crane Place, which is at moderate risk for conversion to market-rate prices.

The City will fund Habitat for Humanity’s Homeownership Preservation Program in the Belle Have neighborhood, with a goal of assisting 20 very low-income homeowners to complete major rehabilitation improvements to their homes.

***Table 7-12: Quantified Objectives***

<b><u>Income Level</u></b>	<b><u>New Construction Objectives</u></b>	<b><u>Rehabilitation Objectives<sup>1</sup></u></b>	<b><u>Conservation Objectives</u></b>
<b><u>Extremely Low (0% - 30% AMI)</u></b>	<u>449</u>	<u>20</u>	<u>93 (Crane Place)</u>
<b><u>Very Low (31% - 50% AMI)</u></b>	<u>696</u>		
<b><u>Low (51% - 80% AMI)</u></b>	<u>1,260</u>	<u>0</u>	<u>--</u>
<b><u>Moderate</u></b>	<u>1,175</u>	<u>0</u>	<u>--</u>



<u>(81% - 120% AMI)</u>			
<u>Above Moderate</u> <u>(&gt;120% AMI)</u>	<u>3,676</u>	<u>0</u>	
<u>Totals</u>	<u>7,256</u>	<u>20</u>	<u>93</u>

DRAFT

# Goals, Policies and Programs

## FAIR HOUSING – POLICY AND PROGRAM DEVELOPMENT

Menlo Park's approach to affirmatively furthering fair housing is integrated into the goals, policies, and programs of the Housing Element. Chapter 4: Affirmatively Furthering Fair Housing, identifies four overarching issues contributing to housing issues in the city:

- Disproportionate Housing Needs
- Displacement
- Housing Costs
- Disproportionate Transportation Issues

Policy responses to these contributing factors are contained in this chapter and identified in Table 4-17 within Chapter 4. In addition, the City took a site allocation approach that considered countervailing forces to the large number of market-rate units developed (or projected to develop) in Council District 1, north of US-101, particularly the Belle Haven neighborhood, and the impacts of these units on disadvantaged communities. The Affordable Housing Overlay and related policies and programs consider strategies to develop more affordable housing, particularly 100 percent affordable housing, in Council Districts 2 through 5, south of US-101. The approach described in the policies and programs would encourage more affordable housing in high-resource areas throughout the city. The policies and programs reinforce and promote the development of affordable housing while encouraging equitable dispersion of affordable housing throughout the city and avoiding further concentration of opportunity and poverty.

The housing policies and programs were also developed based on an extensive community outreach process. Some of the policies and programs were directly adapted from outreach suggestions on policy updates. The community identified strategies for addressing the needs of special needs populations and emphasized the importance of expanding opportunities for affordable housing. A full summary of the findings from the community outreach is discussed in Chapter 4. The policies and programs contained in this chapter reinforce housing equity by responding to the concerns and priorities identified by the community.

This Housing Element contains seven housing **goals** that provide overarching housing objectives for the City to strive towards. Within each goal are **policies** that describe the approach or behavior that will move the City towards the respective goal. These policies and goals will be realized through housing **programs**, which detail actionable implementation steps that the City will take throughout the planning period. Each housing program includes the responsible party for implementation, funding source, measurable objective, and timeframe for implementing the program.

The overarching intent of the Housing Element is to:

*Address community housing needs by providing a range of housing choices that blend new development into the community consistent with environmental, infrastructure and service needs.*

The City has the following seven housing goals for the 2023-2031 Housing Element, which are described in more detail within the table below, bolstered by policies and programs:

1. **Implementation responsibilities.** Continue to build local government institutional capacity and monitor accomplishments to effectively respond to housing needs.
2. **Existing housing and neighborhoods.** Equitably maintain, protect and enhance existing housing and neighborhoods, while also supporting quality schools, city services, and infrastructure.
3. **Specialized housing needs.** Provide housing for special needs populations that is coordinated with support services.
4. **Affordable housing.** Support the development of a diversity of housing types for people at all income levels, particularly for extremely low-, very low-, and low-income households.
5. **Equity.** Ensure equitable access to housing.
6. **Sustainable housing.** Implement sustainable and resilient housing development practices.
7. **Design of housing.** Ensure new housing is well-designed and addresses the housing needs of the city.

## Housing Element Goals, Policies and Programs

REFERENCE	GOAL/POLICY/PROGRAM
Goal H1	<b>IMPLEMENTATION RESPONSIBILITIES.</b> <i>Continue to build local government institutional capacity and monitor accomplishments to effectively respond to housing needs.</i>
Policy H1.1	<b>Local Government Leadership.</b> Recognize affordable housing as an important City priority. 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.
Policy H1.2	<b>Inter-Jurisdictional Strategic Action Plan for Housing.</b> Coordinate housing strategies with other jurisdictions in San Mateo County, as appropriate, to meet the City's housing needs.
Policy H1.3	<b>Local Funding for Affordable Housing.</b> Seek ways to reduce housing costs for lower-income workers and people with special needs by developing ongoing local funding sources and continuing to utilize other local, state and federal assistance to the fullest extent possible. Funding should also be sought for the development and support of transitional housing. The City will also maintain the Below Market Rate (BMR) housing program requirements for residential and non-residential developments.
Policy H1.4	<b>Organizational Effectiveness.</b> 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: <ul style="list-style-type: none"> <li>a. Provide technical and administrative support and assist in finding outside funding to agencies and private sponsors in developing and/or rehabilitating housing to accommodate special housing needs.</li> <li>b. Provide representation on committees, task forces, or other forums addressing housing issues at a local, regional, or state level.</li> <li>c. Evaluate staff capacity and additional resources to monitor and implement affordable housing policies and projects.</li> </ul>
Policy H1.5	<b>Housing Element Monitoring, Evaluation and Revisions.</b> Establish a regular monitoring and update process to assess housing needs and achievements and provide a process for modifying policies, programs, and resource allocations in response to changing conditions.
Program H1.A	<b>Establish City Staff Work Priorities for Implementing Housing Element Programs.</b> As part of the annual review of the Housing Element (see Program H1.B), establish work priorities to implement the Housing Element related to community outreach, awareness and input on housing concerns. Strive to ensure that all City publications, including the City's Activity Guide, include information on housing programs. City staff work priorities specific to

REFERENCE	GOAL/POLICY/PROGRAM
	<p>Housing Element implementing programs include, but are not limited to:</p> <ul style="list-style-type: none"> <li>a. Conduct the annual review of the Housing Element (Program H1.B).</li> <li>b. Review options for funding housing affordable to extremely low-, very low-, low- and moderate-income households. (Program H1.I)</li> <li>c. Make recommendations to City Commissions on strategies for housing opportunity sites and funding (Policy H4.1).</li> <li>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 (Program H1.E, H5.B)</li> <li>e. Conduct community outreach and provide community information materials through an open and non-advocacy process (Program H5.B).</li> <li>f. Engage property owners in identifying opportunities to construct housing affordable to extremely low-, very low-, low- and moderate-income households (Program H5.B).</li> <li>g. Pursue opportunities where the City can participate in constructing affordable housing on City-owned sites (Program H4.G).</li> <li>h. Develop ongoing and annual outreach and coordination with non-profit housing developers and affordable housing advocates (Program H1.E).</li> <li>i. Continue to participate in ongoing regional housing-related activities, including participation in ongoing efforts as part of the Countywide 21 Elements effort (Program H1.C, H1.D).</li> <li>j. Work with affordable housing developers on creating informational resources and opportunities that would help them evaluate and craft affordable housing proposals.</li> </ul> <p><i>Responsibility:</i> City Commissions; Planning Division; Housing Division; City Manager; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Establish staff priorities for implementing Housing Element programs  <i>Timeframe:</i> Participate in ongoing regional planning activities throughout the Housing Element planning period and develop a work program as part of the annual review of the Housing Element (see Program H1.B)</p>
<b>Program H1.B</b>	<p><b>Review the Housing Element Annually.</b>  As required by state law, review the status of Housing Element programs by April of each year, beginning April 2023. As required by statute, the annual review will cover:</p> <ul style="list-style-type: none"> <li>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 maintain internal consistency. In addition, a consistency review will be implemented as part of the annual general plan implementation report required under Government</li> </ul>

REFERENCE	GOAL/POLICY/PROGRAM
	<p>Code § 65400.</p> <p>b. Statistical summary of residential building activity tied to various types of housing, household need, income, and Housing Element program targets.</p> <p><i>Responsibility:</i> City Commissions; Planning Division; Housing Division; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Review and monitor Housing Element implementation; conduct public review with the Housing Commission, Planning Commission and City Council, and submit Annual Report to HCD  <i>Timeframe:</i> April 2023 and annually thereafter</p>
<b>Program H1.C</b>	<p><b>Work with the San Mateo County Department of Housing.</b></p> <p>Continue to coordinate with the San Mateo County Department of Housing (DOH) to manage the affordable housing stock to ensure permanent affordability; implement resale and rental regulations for very low-, low-, and moderate-income units; and ensure that these units remain at an affordable price level.</p> <p><i>Responsibility:</i> Planning Division; Housing Division; City Manager  <i>Financing:</i> General Fund  <i>Objectives:</i> Meet with the County twice a year and coordinate with County efforts to maintain and support affordable housing  <i>Timeframe:</i> Every 6 months</p>
<b>Program H1.D</b>	<p><b>Regional Coordination.</b></p> <p>Continue participating in regional housing efforts and collaborations, including San Mateo County's 21 Elements.</p> <p><i>Responsibility:</i> Planning Division; Housing Division; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Work with other San Mateo County jurisdictions to address regional housing needs and attend 21 Elements coordination activities  <i>Timeframe:</i> Ongoing</p>
<b>Program H1.E</b>	<p><b>Work with Non-Profits on Housing.</b></p> <p>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. Non-profits should have an advisory role when implementing housing programs to help understand the community's needs and opportunities for non-profit housing development. The City currently works with and refers households in need to Samaritan House San Mateo, Human Investment Project (HIP Housing), and the Housing Endowment and Regional Trust (HEART). The City will continue to implement the bi-annual notice of funding availability (NOFA), which allows non-profits to apply for</p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p>funding to promote the preservation and production of affordable housing.</p> <p><i>Responsibility:</i> Housing Division; Planning Division; City Manager  <i>Financing:</i> General Fund  <i>Objectives:</i> Continue NOFA implementation and maintain a working relationship with non-profit housing sponsors  <i>Timeframe:</i> Engage with non-profits at least twice a year</p>
<b>Program H1.F</b>	<p><b>Update the Housing Element.</b>  In coordination with other jurisdictions in San Mateo County, update the Menlo Park Housing Element to be consistent with State law requirements and address the City's Regional Housing Needs Allocation (RHNA) every eight years.</p> <p><i>Responsibility:</i> City Commissions; Planning Division; Housing Division; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Assure consistency with SB 375 and Housing Element law  <i>Timeframe:</i> Update the Housing Element by January 2023</p>
<b>Program H1.G</b>	<p><b>Update Priority Procedures for Providing Water Service to Affordable Housing Developments.</b>  At least once every five years, update written policies and procedures that grant priority for service allocations to proposed developments that include housing units affordable to lower-income households consistent with SB 1087 (Government Code § 65589.7).</p> <p><i>Responsibility:</i> Planning Division; Department of Public Works (Menlo Park Municipal Water); City Manager; City Council  <i>Financing:</i> Water Fund  <i>Objectives:</i> Comply with Government Code § 65589.7  <i>Timeframe:</i> When the Urban Water Management Plan is updated (anticipated 2025 and 2030)</p>
<b>Program H1.H</b>	<p><b>Transparency on Progress towards RHNA.</b>  Publish information regarding below market rate development pipeline projects, including the anticipated number of units and affordability, on the City's housing website in coordination with the Housing Element's annual progress report.</p> <p><i>Responsibility:</i> Planning Division; Housing Division  <i>Financing:</i> General Fund  <i>Objectives:</i> Increase accessibility and transparency of affordable housing development in the city  <i>Timeframe:</i> Ongoing; website shall be updated at least once a year</p>
<b>Program H1.I</b>	<p><b>Utilize the City's Below Market Rate (BMR) Housing Fund.</b></p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p>Administer and no less frequently 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 through a Notice of Funding Availability (NOFA). Consider providing additional preference point for projects that include extremely low-income units and/or units set aside for special needs populations needing on-site supportive services. <u>The first NOFA of the planning period will be released in early 2023 for approximately \$2 million.</u></p> <p><i>Responsibility:</i> City Commissions; Housing Division; Planning Division; City Attorney; City Manager; City Council  <i>Financing:</i> Below Market Rate Housing Fund and General Fund  <i>Objectives:</i> Accumulate and distribute funds for housing affordable to extremely low-, very low-, low- and moderate-income households  <i>Timeframe:</i> Advertise the availability of funds in the BMR Housing Fund at least every two years</p>
<b>Goal H2</b>	<p><b>EXISTING HOUSING AND NEIGHBORHOODS.</b>  <i>Equitably maintain, protect and enhance existing housing and neighborhoods, while also supporting quality schools, city services and infrastructure.</i></p>
<b>Policy H2.1</b>	<p><b>Maintenance, Improvement, and Rehabilitation of Existing Housing.</b>  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 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 will also be encouraged.</p>
<b>Policy H2.2</b>	<p><b>Preservation of Residential Units.</b>  Limit the conversion of residential units to other uses and regulate the conversion of rental developments to non-residential uses unless 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.</p>
<b>Policy H2.3</b>	<p><b>Condominium Conversions.</b>  Assure that any conversion of rental housing to owner-occupied housing accommodates the units' existing tenants, 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.</p>
<b>Policy H2.4</b>	<p><b>Protection of Existing Affordable Housing.</b>  Strive to ensure that affordable housing provided through government incentives, subsidies, funding, and deed restrictions remains affordable over time. The City will intervene when possible to help preserve such housing.</p>
<b>Policy H2.5</b>	<p><b>Maintenance and Management of Quality Housing and Neighborhoods.</b>  Encourage good management practices, rehabilitation of viable older housing, and long-term maintenance and improvement of neighborhoods.</p>
<b>Policy H2.6</b>	<p><b>School District and City Service Maintenance.</b>  Work with the school districts and child care providers (pre-K and out-of-school time) to maintain quality service as demand</p>



REFERENCE	GOAL/POLICY/PROGRAM
	increases.
Policy H2.7	<p><b>Develop and Enforce Anti-Displacement Strategy.</b></p> <p>Work with neighborhood and community groups, particularly in neighborhoods that have historically been adversely impacted by past discriminatory redlining practices, to reduce displacement.</p>
Program H2.A	<p><b><u>Preservation of Assisted Housing. Adopt Ordinance for "At-Risk" Units.</u></b></p> <p>Prepare an ordinance requiring an 18-month notice to residents, the City, and the San Mateo County Department of Housing of all proposed conversions of subsidized housing units to market-rate rents. In addition, the City will <u>initiate discussions with property establish regular contact with the</u> owners of potential "at-risk" units <u>at least 3 years prior to expiration to monitor tenant noticing requirements. to assure long-term coordination.</u> 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 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.</p> <p><i>Responsibility:</i> City Commissions; Planning Division; Housing Division; City Attorney; City Council</p> <p><i>Financing:</i> General Fund; <u>Preservation funding as necessary (BMR funds, Affordable Housing and Sustainable Communities Program, HCD Portfolio Reinvestment Program, etc)</u></p> <p><i>Objectives:</i> Adopt an ordinance for at-risk units. <u>Preserve 92 low income units in Crane Place Apartments at-risk of conversion in 2028.</u></p> <p><i>Timeframe:</i> Adopt ordinance within one year of Housing Element adoption. <u>The City will also eContact owners of Crane Place Apartments no later than 2025 to ensure compliance with state preservation notice law. potential at-risk units every two years.</u></p>
Program H2.B	<p><b>Amend the Zoning Ordinance to Protect Existing Housing.</b></p> <p>Consistent with state law, amend the Zoning Ordinance to reflect the Housing Element policy that limits the loss of existing residential units or the conversion of existing residential units to non-residential uses (see Policy H2.2). Zoning Ordinance changes and City activities should address residential displacement impacts, including the following:</p> <ol style="list-style-type: none"> <li>a. Avoid contradicting the Ellis Act.</li> <li>b. Consider regulations used in other communities.</li> <li>c. Consider 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.</li> <li>d. Collaborate with the San Mateo County Department of Housing, HIP Housing, Mid-Pen Housing Corporation, and others to protect affordable units in Menlo Park.</li> <li>e. Consider rezoning of properties for consistency to match and protect their existing residential uses.</li> </ol> <p><u>In addition, the City will require replacement of any units proposed for removal on Housing Element sites occupied by lower</u></p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p><u>income households within the last 5 years consistent with those requirements set forth in density bonus law (Government Code 65915(c)(3)).</u></p> <p><i>Responsibility:</i> City Commissions; Planning Division; City Attorney; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Protect existing rental housing as part of infill implementation and other Zoning Ordinance changes  <i>Timeframe:</i> Within two years of Housing Element adoption</p>
<p><b>Program H2.C</b></p>	<p><b>Assist in Implementing Housing Rehabilitation Programs.</b></p> <p>Concentrate housing rehabilitation outreach and funding in the Belle Haven neighborhood to prevent existing housing units, both single-family houses and apartments, from deteriorating; significantly reduce the number of seriously deteriorated units. <del>Emphasis will be placed on the rehabilitation of multifamily developments.</del> As city infrastructure ages, rehabilitation efforts may be expanded more broadly throughout the city. City activities include the following:</p> <ul style="list-style-type: none"> <li><del>a. Fund Habitat for Humanity's Homeownership Preservation Program in the Belle Have Neighborhood, providing housing rehabilitations valued at \$40,000-\$75,000 per home, with a goal of assisting 20 very low-income homeowners. To identify and engage homeowners in Belle Haven at greatest risk of displacement or harm due to the conditions of their homes, Habitat will employ an outreach specialist and work closely with public and private agencies and organizations that serve the neighborhood and its residents.</del></li> <li><del>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.</del></li> <li><del>b. Encourage private sponsors to develop and maintain housing units using state and federal housing assistance programs for emergencies and other repairs.</del></li> <li><del>e. Work with San Mateo County to compete for Community Development Block Grant funds to ensure the continuation of the Single Family Ownership Rehabilitation Program for low- and very low-income families in the community.</del></li> <li><del>d.b. Investigate possible use of housing rehabilitation loans to assist homeowners in bringing unpermitted implementing the City's accessory dwelling units (ADUs) up to health and safety codes programs.</del></li> </ul> <p><i>Responsibility:</i> Planning Division; Building Division; Housing Division  <i>Financing:</i> <del>Outside subsidy</del> <u>BMR funds</u>  <i>Objectives:</i> Utilize the City's BMR funds to rehabilitate very low- and low- income housing. <u>Assist at least 20 very low income homeowners</u>  <i>Timeframe:</i> <del>Ongoing with annual progress monitoring</del> <u>Initiate Homeownership Preservation Program in 2023 and complete within three years.</u></p>
<p><b>Program H2.D</b></p>	<p><b>Accessory Dwelling Unit (ADU) Amnesty Program.</b></p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p>Amend the ADU Ordinance to include an amnesty program for ADUs that do not comply with building codes or planning development standards if the violation is not necessary to protect health and safety. <u>Utilize the City Newsletter, website and other social media outlets to initiate a marketing program for homeowners on the benefits of ADUs and of legalizing unpermitted units, and the availability of funds to support conversion of unpermitted development (refer to Program H4.F)</u></p> <p><i>Responsibility:</i> Planning Division; Building Division  <i>Financing:</i> General Fund; <u>BMR funds</u>  <i>Objectives:</i> <u>Bring unpermitted ADUs up to code to improve their health and safety for occupants and integrate within the City's official housing stock</u><del>Count ADUs towards the City's total housing inventory</del>  <i>Timeframe:</i> <u>Homeowners outreach and incorporation of amnesty provisions in the Zoning Ordinance shall be completed by the end of 2024</u><del>Within three years of Housing Element adoption</del></p>
<p><b>Program H2.E</b></p>	<p><b>Anti-Displacement Strategy.</b></p> <p><u>Conduct outreach and meet with residents</u><del>individuals</del> and organizations <u>primarily in the Belle Haven historically segregated neighborhood</u><del>s</del> to develop an anti-displacement strategy that the City Council can adopt after review from the Housing Commission and Planning Commission. This strategy should reflect community engagement, <u>potentially including research and tools such as community meetings, surveys and field visits in collaboration with local community organizations. It will and local research and</u> include policies that could:</p> <ol style="list-style-type: none"> <li>a. Increase housing quality while preventing evictions</li> <li>b. Consider neighborhood tenant preference for affordable housing</li> <li>c. Identify new sources of funding for anti-displacement efforts</li> <li>d. Develop localized anti-displacement programs that could accompany large-scale developments</li> <li>e. Provide deposit assistance, particularly for veterans</li> <li>f. <u>Provide robust tenant education to</u> <del>c</del>Connect tenants to housing supportive programs and ensure that tenants are aware of their rights by posting resources on the City's housing website and other media</li> <li>g. Inform tenants of opportunities for rental assistance, such as revolving loan funds or external funding sources.</li> <li><del>h.</del> <u>Consider continuation of funding beyond 2024 for the Menlo Park Housing Assistance Program to provide emergency financial assistance to lower income tenants and homeowners facing displacement for reasons not addressed by the tenant relocation assistance ordinance or rental assistance related to impacts of COVID-19</u></li> <li><u>h. Expand Just Cause Eviction provisions beyond current law to include tenants of any tenure</u></li> <li><u>i. Increase the time of rent relocation assistance</u></li> <li><u>j. Create an eviction monitoring and data collection program</u></li> </ol>

REFERENCE	GOAL/POLICY/PROGRAM
	<p><i>Responsibility:</i> Planning Division; Housing Division; Housing Commission; Planning Commission; City Council; City Attorney</p> <p><i>Financing:</i> General Fund; commercial linkage fees; <u>BMR funds</u>; outside funding</p> <p><i>Objectives:</i> Mitigate displacement in <del>historically segregated areas of</del> the city and provide financial assistance to tenants</p> <p><i>Timeframe:</i> Develop <u>an anti-displacement strategy for the City, particularly the Belle Haven neighborhood, by December 2026, and begin program implementation in 2027</u> <del>and tenant support programs within three years of Housing Element adoption</del></p>
<b>Program H2.F</b>	<p><b>Childcare Allowances</b></p> <p>Update the Zoning Ordinance to allow large family day care by-right in all residential areas in conformance with California Health and Safety Code, Division 2 Licensing Provisions, Chapter 3.6 Family Day Care Homes, Section 1597.45. As part of this update the City will also consider the following:</p> <ol style="list-style-type: none"> <li>1) Reducing parking requirements for small and large family day care</li> <li>2) Ways to encourage development of childcare facilities in multifamily development</li> <li>3) Potential incentives for development of childcare facilities</li> </ol> <p><i>Responsibility:</i> Planning Division; Housing Division; Housing Commission; Planning Commission; City Council; City Attorney</p> <p><i>Financing:</i> General Fund</p> <p><i>Objectives:</i> Support families with children, large families generally, and single-parent households</p> <p><i>Timeframe:</i> Update zoning code within 1 year of housing element adoption.</p>
<b>Goal H3</b>	<p><b><i>SPECIALIZED HOUSING NEEDS.</i></b></p> <p><b><i>Provide housing for special needs populations that is coordinated with support services.</i></b></p>
<b>Policy H3.1</b>	<p><b>Special Needs Groups.</b></p> <p>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, including developmental disabilities; the unhoused; people living 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.</p>
<b>Policy H3.2</b>	<p><b>Health and Human Services Programs Linkages.</b></p> <p>Assist service providers in linking 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 and/or physical disabilities, substance abuse problems, HIV/AIDS, physical and developmental disabilities, multiple diagnoses, veterans, victims of</p>

REFERENCE	GOAL/POLICY/PROGRAM
	domestic violence, and other economically challenged or underemployed workers.
<b>Policy H3.3</b>	<p><b>Incentives for Special Needs Housing.</b> Use density bonuses and other incentives to meet special housing needs, including housing for lower-income seniors and people living with disabilities.</p>
<b>Policy H3.4</b>	<p><b>Transitional and Supportive Housing.</b> Recognize the need for and desirability of transitional and supportive housing and treat transitional and supportive housing as a residential use that will be subject to the same restrictions that apply to other residential uses of the same zone.</p>
<b>Policy H3.5</b>	<p><b>Coordination with Other Agencies in Housing People Experiencing Homelessness.</b> Engage other jurisdictions in San Mateo County to support long-term solutions for unhoused individuals and families in San Mateo County.</p>
<b>Policy H3.6</b>	<p><b>Local Approach to Housing for the Homeless.</b> Support a "housing first" approach to addressing homeless needs, consistent with the Countywide HOPE Plan. "Housing first" is intended to provide unhoused individuals and families with housing quickly and then provide other services as needed, focusing on helping people quickly access and sustain permanent housing. The City recognizes the need for and desirability of emergency shelter housing for people experiencing homelessness and has established Municipal Code Chapter 16.99, Emergency Shelter for <del>the</del> Homeless Overlay, which includes a year-round emergency shelter as a permitted use in specific locations within the city. In addition, the following would apply:</p> <ol style="list-style-type: none"> <li>a. In recognition that unhoused veterans are a special need population in San Mateo County, the City will work with the U.S. Department of Veterans Affairs in Menlo Park to identify possible programs and locations for housing and support services for homeless veterans.</li> <li>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.</li> <li>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.</li> <li>d. Development standards for emergency shelters for people experiencing homelessness located in Menlo Park will ensure that shelters are developed to protect 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.</li> </ol>
<b>Policy H3.7</b>	<p><b>Adaptable/Accessible Units for People Living with Disabilities.</b> Ensure that new multifamily housing includes units that are accessible and adaptable for use by people living with</p>

REFERENCE	GOAL/POLICY/PROGRAM
	disabilities, including developmental disabilities, in conformance with the California Building Code. This strategy will include ways to promote housing design that allows seniors to "age-in-place" in their community.
<b>Policy H3.8</b>	<p><b>Develop and Preserve Accessible Units.</b></p> <p>Promote the development, rehabilitation, and preservation of affordable housing for people living with disabilities, including developmental disabilities, particularly in neighborhoods accessible to public transit, commercial services, and health and community facilities.</p>
<b>Policy H3.9</b>	<p><b>Support People Living with Disabilities.</b></p> <p>Support options for long-term housing with supportive services accommodating people living with disabilities, including developmental disabilities, to live independently in a permanent setting.</p>
<b>Policy H3.10</b>	<p><b>ADUs for People Living with Disabilities.</b></p> <p>Encourage the use of Accessory Dwelling Units (ADUs) for accommodating people living with disabilities, including developmental disabilities, particularly considering incentives to promote accessible ADUs and exploring the feasibility of a financing program or fee waivers for rent-restricted ADUs that are affordable to extremely low-income people living with disabilities who would benefit from coordinated housing support and other services.</p>
<b>Program H3.A</b>	<p><b>Continue to Implement Procedures for Reasonable Accommodation.</b></p> <p>Maintain internal review procedures to provide individuals living with disabilities, including developmental disabilities, with reasonable accommodation in rules, policies, practices and procedures to ensure equal access to housing. The purpose of these procedures and/or ordinance is to provide a process for individuals with disabilities to request reasonable accommodation with regard to relief from the various land use, zoning, or building laws, rules, policies, practices and/or procedures of the City. <u>The City will also review its reasonable accommodation procedures to ensure consistency with guidance provided by the Department of Housing and Urban Development (HUD) and Department of Justice (DOJ) on required justification for denial of an accommodation request.</u><sup>1</sup></p> <p><i>Responsibility:</i> City Commissions; Planning Division; City Attorney; City Council</p> <p><i>Financing:</i> General Fund</p> <p><i>Objectives:</i> Create a public handout and provide a digital copy on the City's website and a physical copy at City Hall and the public libraries.</p> <p><i>Timeframe:</i> <u>Review current procedures and amend as necessary for consistency with guidance provided by DOJ and HUD.</u> Publish the handout by the end of 2025. Implementation of reasonable accommodation procedures will be ongoing throughout the planning period.</p>
<b>Program H3.B</b>	<b>Encourage Rental Housing Assistance Programs.</b>

<sup>1</sup> HUD and DOJ advise that for an accommodation to be denied, the requested accommodation must cause an undue financial and administrative burden, or fundamentally alter the nature of the provider's operations

REFERENCE	GOAL/POLICY/PROGRAM
	<p>Continue to publicize federal, state and local rental housing programs for special needs populations programs on the City's website. Work with the San Mateo County Department of Housing to implement the Section 8 Rental Assistance Program and, <u>utilizing the best-available City data to identify multi-family property owners, conduct outreach to property owners in high resource neighborhoods to encourage their participation in the rental assistance program.</u> <del>a</del>As appropriate, assist similar non-profit housing sponsor rental assistance programs. Information will be provided through the implementation of Housing Element Program H1.C and H5.C.</p> <p><i>Responsibility:</i> Planning Division; Housing Division; City Manager; San Mateo County Department of Housing and non-profit housing sponsors; U.S. Department of Housing and Urban Development (HUD)</p> <p><i>Financing:</i> Outside subsidy</p> <p><i>Objectives:</i> Provide assistance at current Section 8 funding levels to assist 230 extremely low and very low-income households per year (assumes continued funding of program)<sup>4</sup></p> <p><i>Timeframe:</i> <u>Property owner outreach in 2024 and 2027 Ongoing</u>; Update website annually</p> <p><sup>4</sup>Source of data: Housing Leadership Council of San Mateo County, from the San Mateo County Department of Housing (Housing Authority)</p>
<b>Program H3.C</b>	<p><b>Assist in Providing Housing for Persons Living with Disabilities.</b></p> <p>Continue to partner with Countywide 21 Elements organization to contribute support and engage in programs that develop housing and improve housing opportunities for people living with disabilities, including developmental disabilities.</p> <p><i>Responsibility:</i> City Commissions; Planning Division; Housing Division; City Manager; City Attorney; City Council</p> <p><i>Financing:</i> General Fund; other sources</p> <p><i>Objectives:</i> Conduct outreach on the availability of funds for non-profit organizations that provide housing and programs for people with disabilities. Promote available funds through the community funding grant program, which provides an allocation of up to 1.7 percent of the collected property tax revenue.</p> <p><i>Timeframe:</i> Outreach would be conducted yearly</p>
<b>Program H3.D</b>	<p><b>Develop Incentives for Special Needs Housing.</b></p> <p>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, for example, density bonuses and other incentives for needed senior housing, senior care facilities and other special needs housing for persons living with disabilities in the community, including people with developmental disabilities. 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:</p> <ol style="list-style-type: none"> <li>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.</li> </ol>

REFERENCE	GOAL/POLICY/PROGRAM
	<ul style="list-style-type: none"> <li>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 a non-profit organization sponsors units or when they are developed under the Retirement Living Unit (R-L-U) District provisions of the Zoning Ordinance.</li> <li>c. The City will coordinate with the Golden Gate Regional Center to ensure that the needs of the developmentally disabled are considered as part of the program.</li> <li>d. Provide a density bonus for affordable housing mixed-use projects accessible to people with disabilities and developmental disabilities within a half-mile radius of a public transit stop.</li> <li>e. Amend the Zoning Ordinance to reduce parking requirements for developments that house people with special needs, including affordable housing mixed-use projects accessible to people with disabilities and developmental disabilities and projects within a half-mile radius of a public transit stop.</li> <li>f. Consider developing housing development targets for various special needs populations.</li> </ul> <p><i>Responsibility:</i> City Commissions; Planning Division; City Manager; City Attorney; City Council</p> <p><i>Financing:</i> General Fund; other sources</p> <p><i>Objectives:</i> Amend the Zoning Ordinance to provide opportunities for housing and adequate support services for seniors and people living with disabilities</p> <p><i>Timeframe:</i> Within two years of Housing Element adoption</p>
<b>Program H3.E</b>	<p><b>Continue Support for Countywide Homeless Programs.</b></p> <p>Support activities intended to address homelessness in San Mateo County. Below are specifics:</p> <ul style="list-style-type: none"> <li>a. The City will work with and support the Veteran's Administration and Haven House emergency shelter programs.</li> <li>b. The City will continue to support Human Investment Project (HIP Housing) programs.<sup>6</sup></li> <li>c. Continue to partner with non-profits on conducting outreach to people experiencing homelessness.</li> <li>d. Collaborate with other jurisdictions to house people experiencing homelessness, including the Project Homekey program and multi-jurisdictional navigation centers.</li> <li>e. Continue to support the County goal of achieving functional zero homelessness, meaning that anyone who desires shelter can access it through an array of County facilities and programs.</li> </ul> <p><i>Responsibility:</i> City Commissions; Planning Division; Housing Division; City Manager; City Council; San Mateo County Housing Department; HIP Housing; Veteran's Administration; Life Moves; HEART (The Housing Endowment and Regional Trust)</p> <p><i>Financing:</i> General Fund; other sources</p>



REFERENCE	GOAL/POLICY/PROGRAM
	<p><i>Objectives:</i> Conduct quarterly check-ins with the Menlo Park Homeless Outreach Team, which consists of staff from the Housing Division, Police Department and community-based organizations that provide homeless outreach and support services. Support housing and services for the homeless and at-risk persons and families.</p> <p><i>Timeframe:</i> Conduct check-ins with Menlo Park Homeless Outreach Team at least once quarterly</p> <p><sup>6</sup> <i>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 resident has a private room and shares the common living areas. The Self-Sufficiency Program (SSP) provides housing assistance and support services to low-income parents and emancipated foster youth to become financially self-sufficient within 1-5 years. Participants receive subsidized rent or a housing scholarship while completing an education or job training program and finding employment in their field. While in the program, HIP Housing provides monthly case management and life skills workshops to encourage continued progress.</i></p>
<b>Program H3.F</b>	<p><b>Work with the U.S. Department of Veterans Affairs on Homeless Issues.</b></p> <p>Work with the U.S. Department of Veterans Affairs to identify possible programs and locations for housing and support services for the homeless, including unhoused veterans. <u>Seek to provide 60 supportive homes for very low income veterans and their families who were formerly homeless or at risk of homelessness on the Palo Alto Health Care System Campus in cooperation with MidPen Housing.</u></p> <p><i>Responsibility:</i> Planning Division; Housing Division; City Manager; City Council; U.S. Department of Veterans Affairs</p> <p><i>Financing:</i> General Fund and outside</p> <p><i>Objectives:</i> Contact the U.S. Department of Veterans Affairs to coordinate in addressing the needs of people experiencing homelessness. <u>Seek to achieve a minimum of 60 new units of affordable housing for veterans.</u></p> <p><i>Timeframe:</i> Meet with the U.S. Department of Veterans Affairs annually. <u>SecureCoordinate entitlements for MidPen supportive housing project (2023); initiate project construction (2024); project opening (2025)</u></p>
<b>Program H3.G</b>	<p><del><b>Low Barrier Navigation Centers.</b></del></p> <p><del>Amend Municipal Code Chapter 16.04, Definitions, to include a "Low Barrier Navigation Center" definition consistent with AB 101. Amend mixed-use and nonresidential zoning districts that allow multifamily housing to permit low barrier navigation centers as a by-right use.</del></p> <p><del><i>Responsibility:</i> Planning Division; Planning Commission; City Council</del></p> <p><del><i>Financing:</i> General Fund</del></p> <p><del><i>Objectives:</i> Provide a pathway to permanent housing for people experiencing homelessness</del></p>

REFERENCE	GOAL/POLICY/PROGRAM
<p><b>Program H3.G</b></p>	<p><i>Timeframe:</i> <del>Within one year of Housing Element adoption</del></p> <p><b>Zoning Text Amendments for Special Needs Housing.</b>  <u>As presented under the Governmental Constraints analysis and pursuant to state law, the City will undertake the following revisions to the Municipal Code:</u></p> <ul style="list-style-type: none"> <li><u>Amend the Code to explicitly allow transitional and supportive housing as a residential use in all zones allowing residential uses and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone.</u></li> <li><u>Amend the Code to explicitly allow supportive housing by-right in all zones where multi-family and mixed uses are permitted.</u></li> <li><u>Amend the Code to allow small employee housing (6 or fewer) in all residential zone districts.</u></li> </ul> <hr/> <ul style="list-style-type: none"> <li><u>Modify Municipal Code 16.99, Emergency Shelter for Homeless Overlay, subsection .030 to increase the number of beds allowed in an emergency shelter for the homeless</u></li> <li><u>Amend the Code to allow group homes for more than six persons in all residential zone districts consistent with state law and fair housing requirements</u></li> <li><u>Amend the Code to define and provide for Low Barrier Navigation Centers in mixed-use and nonresidential zoning districts that allow multi-family housing</u></li> <li><u>Amend the definition of family in the Code to eliminate the requirement of a common housekeeping management plan based on an internally structured relationship providing organization and stability</u></li> </ul> <p><i>Responsibility:</i> <u>Planning Division; Planning Commission; City Council</u>  <i>Financing:</i> <u>General Fund</u>  <i>Objectives:</i> <u>Facilitate housing for Menlo Park’s special needs and extremely low income populations.</u>  <i>Timeframe:</i> <u>Amend Zoning Code by 2024.</u></p>
<p><b>Program H3.H</b></p>	<p><b>Inclusionary Accessible Units.</b>  As part of the development review process, encourage increasing the number of accessible units beyond state building code requirements to provide more housing opportunities for individuals living with disabilities, including developmental disabilities. <u>Incorporate incentives for accessible units beyond state requirements in the Affordable Housing Overlay and the City’s updated BMR Inclusionary Housing Regulations.</u></p> <p><i>Responsibility:</i> Planning Division  <i>Financing:</i> General Fund  <i>Objectives:</i> Expand housing opportunities for people with disabilities</p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p><i>Timeframe:</i> Ongoing on a project-by-project basis. <a href="#">Incorporate incentives in the AHO (2023) and updated BMR regulations (2025)</a></p>
<p><b>Program H3.I</b></p>	<p><b>Accessible ADUs.</b>  Adopt incentives to encourage the development of accessible ADUs, such as allowing larger ADUs for accessible units and waiving fees in exchange for providing a deed-restricted ADU affordable to low-income households.</p> <p><i>Responsibility:</i> Planning Division; Planning Commission; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Expand housing opportunities for people with disabilities  <i>Timeframe:</i> Within two years of Housing Element adoption concurrent with Program H3.A</p>
<p><b>Program H3.J</b></p>	<p><b>Marketing for Accessible Units.</b>  As a condition of the disposition of any City-owned land, land dedicated to affordable housing under the City's inclusionary housing ordinance, the award of City financing, any density bonus concessions, or land use exceptions or waivers for any affordable housing project, the City shall require that a housing developer implement an affirmative marketing plan for physically accessible units which, among other measures, provides disability-serving organizations adequate prior notice of the availability of the accessible units and a process for supporting people with qualifying disabilities to apply.</p> <p><i>Responsibility:</i> Planning Division; Housing Commission; Planning Commission  <i>Financing:</i> General Fund  <i>Objectives:</i> Expand housing opportunities for people living with disabilities  <i>Timeframe:</i> Ongoing on a project-by-project basis</p>
<p><b>Program H3.K</b></p>	<p><b>Employment Services.</b>  Work with area employers and advocacy organizations to develop a program to increase the employment rate of people living with disabilities, including developmental disabilities.</p> <p><i>Responsibility:</i> Economic Development Division  <i>Financing:</i> General Fund  <i>Objectives:</i> Host a working meeting or workshop with employers and advocacy groups to develop a strategy for creating jobs for persons with disabilities and boosting the number of workers with disabilities among area employers  <i>Timeframe:</i> Meeting will be held by the end of 2026. Program implementation will be ongoing thereafter.</p>
<p><b>Program H3.L</b></p>	<p><b>Large Units.</b>  Develop floor area ratio (FAR) bonuses to encourage the development of affordable developments with three or more bedrooms that are suitable for larger families. <a href="#">The City will be preparing a handout for developers to identify the City's</a></p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p><u>various housing requirements and incentives, and will incorporate information on large unit bonuses.</u></p> <p><i>Responsibility:</i> Planning Division; Planning Commission; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Encourage the development of housing for large families  <i>Timeframe:</i> <u>Adopt large unit bonus</u> within <del>two</del><sup>three</sup> years of Housing Element adoption, <u>and post on City website in conjunction with developer guide</u></p>
<b>Program H3.M</b>	<p><b>Wheelchair Visitability.</b>  Consider a wheelchair visitability ordinance, supporting healthy social interaction and independence for persons living with a disability and seniors.</p> <p><i>Responsibility:</i> Planning Division; Planning Commission; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Allow for people with wheelchairs to have greater visitation access to homes in Menlo Park  <i>Timeframe:</i> Within six years of Housing Element adoption</p>
<b>Goal H4</b>	<p><b>AFFORDABLE HOUSING.</b>  <i>Support the development of a diversity of housing types for people at all income levels, particularly for extremely low-, very low-, and low-income households.</i></p>
<b>Policy H4.1</b>	<p><b>Housing Opportunity Sites.</b>  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 Sites should have the following characteristics:</p> <ol style="list-style-type: none"> <li>a. The site has the potential to deliver for-sale or rental units affordable to lower-income households meeting the City's RHNA need.</li> <li>b. The site has the potential to meet special housing needs for local workers, single parents, seniors, persons with disabilities, and small or large families.</li> <li>c. Consider opportunities for developing housing units on City-owned properties.</li> <li>d. The site scores well for Low Income Housing Tax Credits (LIHTC) subsidy or has unique opportunities due to financing and/or financial feasibility.</li> <li>e. 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), child care provider capacity, transit, parks, and commercial shopping areas.</li> </ol>

REFERENCE	GOAL/POLICY/PROGRAM
	<ul style="list-style-type: none"> <li>f. Consider incorporating existing viable commercial uses into the development of housing sites.</li> <li>g. Sites should affirmatively further fair housing goals.</li> </ul>
<b>Policy H4.2</b>	<p><b>Housing to Address Local Housing Needs.</b>  Strive to provide opportunities for new housing development to meet the City's share of its Regional Housing Needs Allocation (RHNA). The City intends to provide an adequate supply and variety of housing opportunities to meet the needs of Menlo Park's workforce and special needs populations; strive to match housing types, affordability, and location with household income; and address the housing needs of extremely low-income persons, lower-income families with children and lower-income seniors.</p>
<b>Policy H4.3</b>	<p><b>Variety of Housing Choices.</b>  Strive to achieve a mix of housing types, densities, affordability levels and designs distributed throughout the city. Specific items include:</p> <ul style="list-style-type: none"> <li>a. The City will work with developers of non-traditional and innovative housing approaches on the financing, design, and construction of different types of housing that meet local housing needs.</li> <li>b. Housing opportunities for families with children should strive to provide necessary facilities nearby or on-site.</li> <li>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, workforce housing, special needs housing, large units with three or more bedrooms, single-room occupancy (SRO) housing, shared living and cohousing, mobile-homes, manufactured housing, self-help or "sweat-equity" housing, cooperatives and assisted living.</li> <li>d. The City will support the development of affordable, alternative living arrangements such as cohousing and "shared housing" (e.g., the Human Investment Project's — HIP Housing — shared housing program).</li> <li>e. The City will encourage the development of affordable housing intended for people living with disabilities.</li> </ul>
<b>Policy H4.4</b>	<p><b>Mixed-Use Housing.</b>  Encourage well-designed residential mixed-use developments where residential use is appropriate to the setting. Encourage mixed-use development in proximity to transit and services, such as shopping centers, the C-4 district along Willow Road near the Willows neighborhood, properties zoned C-1, C-1-A, C-1-C, C-2 and C-2-A, C-2-B, C-2-S, and P, as well as near the downtown to support downtown businesses (consistent with the El Camino Real/Downtown Specific Plan).</p>
<b>Policy H4.5</b>	<p><b>Redevelopment of Commercial Shopping Areas and Sites.</b>  Encourage housing development in conjunction with the redevelopment of commercial shopping areas and sites.</p>
<b>Policy H4.6</b>	<p><b>Retention and Expansion of Multifamily Sites at Medium and Higher Density.</b>  Strive to protect and expand the supply and availability of multifamily and mixed-use infill housing sites for housing, maximizing multifamily uses on properties.</p>
<b>Policy H4.7</b>	<p><b>Infill Housing Adjacent to Downtown.</b>  Create opportunities for new affordable and accessible housing units in areas adjacent to the El Camino Real/Downtown</p>

REFERENCE	GOAL/POLICY/PROGRAM
	Specific Plan area to meet the City's share of its Regional Housing Needs Allocation (RHNA), support downtown retail activities, and locate new housing near jobs and transit. New housing opportunities will contribute to the vibrancy of downtown without changing the character of the area. Larger properties will be allowed to redevelop at higher densities with design review to assure a fit of new housing with the character of the area and adjacent uses.
<b>Policy H4.8</b>	<b>Incentives for Affordable Housing Development.</b> Explore incentives for qualified housing developments, such as expanding the ministerial review process, fee waivers or fee reductions, and reduced parking requirements, to help achieve housing goals while ensuring that potential impacts are considered and mitigated.
<b>Policy H4.9</b>	<b>Long-Term Housing Affordability Controls.</b> 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).
<b>Policy H4.10</b>	<b>Preferences for Affordable and Moderate-Income Housing.</b> Implement BMR and moderate-income housing preferences for people living or working in Menlo Park to the extent consistent with Fair Housing laws.
<b>Policy H4.11</b>	<b>Inclusionary Housing Approach.</b> Require residential developments involving five (5) or more units to provide very low-, low- and moderate-income housing units. In-lieu fees are allowed but not encouraged. The units provided through this policy are intended for permanent occupancy and must be deed-restricted, including, but not limited to, single-family housing, multifamily 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 in-lieu fee requirements.
<b>Policy H4.12</b>	<b>Emphasis on Affordable Housing.</b> To the extent possible, focus housing development on 100 percent affordable housing developments, particularly in areas near existing amenities and in high-opportunity areas of the city. Ministerial review could support this on 100 percent affordable projects within the AHO and in areas under SB10 or citywide.
<b>Policy H4.13</b>	<b>Accessory Dwelling Units (ADUs).</b> Encourage the development of well-designed new ADUs (e.g., carriage houses, attached independent living units, small detached living units), the legalization of existing ADUs, or conversion of accessory buildings or structures to safe and habitable ADUs as a critical way to provide affordable housing in combination with primary residential uses on low-density lots.
<b>Policy H4.14</b>	<b>Fair Share Distribution of Housing throughout Menlo Park.</b> Promote the distribution of new medium- and higher-density residential developments that affirmatively further fair housing throughout the city, considering relationship to surrounding residential uses, particularly near public transit and major transportation corridors in the city. This includes potential new housing in commercial areas along Willow Road, Middlefield Avenue, and Sand Hill Road.
<b>Policy H4.15</b>	<b>Commercial Linkage Fee.</b>

REFERENCE	GOAL/POLICY/PROGRAM
	Require a commercial linkage fee to fund affordable housing.
<b>Policy H4.16</b>	<p><b>Neighborhood Responsibilities within Menlo Park.</b></p> <p>Seek ways specific to each neighborhood to provide additional housing as part of each neighborhood's fair share responsibility and commitment to help achieve community-wide housing goals. This may range from in-lieu fees, accessory dwelling units, higher density housing sites, infill housing, mixed-use, or other new housing construction.</p>
<b>Policy H4.17</b>	<p><b>Developer Coordination with Schools.</b></p> <p>Developers will meet and confer with the affected school districts as part of the development review process to discuss potential effects of their development on school related issues and to consider appropriate analysis, as needed, to address any potential effects.</p>
<b>Program H4.A</b>	<p><b>Amend the Below Market Rate Inclusionary Housing Regulations.</b></p> <p>Amend the Below Market Rate (BMR) Housing Program for Residential Developments. Modifications <u>to be evaluated could</u> include the following:</p> <ul style="list-style-type: none"> <li>a. Increase the BMR requirement, <u>and consider implementing a sliding scale requiring increased percentages of BMR units for larger projects.</u></li> <li>b. Add a menu of options for achieving affordability, particularly for extremely low-income households.</li> <li>c. Adjust the percentage of units required to be affordable depending on the degree of affordability achieved (moderate-, low-, very low-, and extremely low-income) or provision of housing for residents with disproportionate housing needs (e.g., 3-4 bedroom units for larger families, units for people living with disabilities).</li> <li>d. Provide a density bonus for developments that include housing for people living with disabilities.</li> <li>e. Provide a density bonus for developments with on-site services that include units intended for employees.</li> <li>f. Initiate a study to explore amending affordable housing in-lieu fees for developments of five or more units.</li> <li>g. Assess/develop measures to minimize the number of cost-burdened households (households paying more than 30 percent of income toward housing) in affordable housing developments.</li> <li>h. Assess/develop appropriate performance metrics for the BMR program.</li> <li>i. As part of the BMR amendment process, the City will engage both affordable and market-rate housing developers.</li> </ul> <p><i>Responsibility:</i> Planning Division; Housing Division; City Attorney; City Commissions; City Council</p> <p><i>Financing:</i> General Fund</p> <p><i>Objectives:</i> <u>Coordinate with 21 Elements in preparation of a regional nexus study. Prepare a nexus study to determine the cost of the in-lieu fee and provide input into amendments to the City's BMR Program.</u> Implement requirements to assist in providing housing affordable to extremely low-, very low-, low-</p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p>and moderate-income households in Menlo Park.</p> <p><i>Timeframe:</i> <u>Initiate nexus study in 2023. Amend the BMR Inclusionary Housing Regulations and update the in-lieu fee <del>W</del>within two years of Housing Element adoption; incorporate into a handout for developers on the City's housing requirements and incentives for posting on the City's website.</u></p>
<p><b>Program H4.B</b></p>	<p><b>Modify BMR Guidelines regarding allocations.</b></p> <p>Review and amend the <u>Below Market Rate (BMR) Guidelines in order</u> to encourage <u>construction of</u> new BMR units, <u>particularly to be built, and identify ways to construct affordable housing</u> for lower-income households, including family <u>(multi-bedroom) units housing</u>. 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 to prioritize:</p> <ol style="list-style-type: none"> <li>Development of 100 percent affordable housing developments (with greater preference for deeper affordability).</li> <li><del>Workforce +</del>Rental housing affordable to moderate-, low- and very low-income households <u>living or working in Menlo Park</u>.</li> <li>Housing for individuals with disabilities, including developmental disabilities.</li> </ol> <p>The BMR program should support development on sites the City has determined viable for Low Income Housing Tax Credits (LIHTC) funding by setting aside a substantial portion of the uncommitted BMR fund balance and future BMR fees received for such development. <del>The City will also modify provisions regarding rental housing to be consistent with the Costa Hawkins Act.</del><u>In conjunction with Program H3.H: Inclusionary Accessible Units, consider a prioritization for persons with disabilities who require accessibility modifications to housing units.</u></p> <p><i>Responsibility:</i> Planning Division; Housing Division; City Attorney; City Commissions; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Amend the Zoning Ordinance to require additional affordable units in market-rate developments  <i>Timeframe:</i> Within two years of Housing Element adoption</p>
<p><b>Program H4.C</b></p>	<p><b>Increase Commercial Linkage Fee.</b></p> <p>Evaluate and modify commercial linkage fee based on a nexus study and higher fees adopted by surrounding jurisdictions.</p> <p><i>Responsibility:</i> Planning Division, Housing Division; City Council; City Attorney  <i>Financing:</i> General Fund  <i>Objectives:</i> Increase <u>local</u> funding <del>for affordable housing development</del><u>to support production of affordable housing</u>  <i>Timeframe:</i> <u>Complete nexus study in conjunction with inclusionary nexus study (Program H4.A), and adopt linkage fee <del>W</del>within <del>two</del>one years of Housing Element adoption</u></p>
<p><b>Program H4.D</b></p>	<p><b>Modify the Affordable Housing Overlay (AHO).</b></p>



REFERENCE	GOAL/POLICY/PROGRAM
	<p>Update the Affordable Housing Overlay (AHO) to provide density bonuses and other incentives (particularly for very low- and low-income units) for the development of multifamily housing affordable to extremely low-, very low-, low-, and moderate-income households and units that are preferential for people with special needs who will benefit from coordinated on-site services including people with disabilities and developmental disabilities. The AHO <u>will be structured so that state density bonus incentives can be utilized in conjunction with the AHO, providing for densities of up to 100 units/acre</u>. <del>is offered as an alternative to the density bonus described in AB 1763.</del> Consider outlining housing development targets for special needs populations.</p> <p><i>Responsibility:</i> Planning Division; Housing Division; Housing Commission; Planning Commission; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Incentivize affordable housing development in the city  <i>Timeframe:</i> Concurrent with Housing Element adoption <u>in 2023. Incorporate AHO provisions into a handout for developers on the City's housing requirements and incentives for posting on the City's website.</u></p>
<b>Program H4.E</b>	<p><del><b>Ministerial Review of 100 Percent Affordable Housing.</b></del></p> <p><del>In conjunction with the development and adoption of objective design standards, allow 100 percent affordable housing developments to be eligible for ministerial review.</del></p> <p><del><i>Responsibility:</i> Planning Division; Housing Division; Housing Commission; Planning Commission; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Amend the Zoning Ordinance to allow ministerial review of 100 percent affordable housing. Adopt objective design standards for residential development.  <i>Timeframe:</i> Within two years of Housing Element adoption and concurrently with the adoption of objective design standards</del></p>
<b>Program H4.E</b>	<p><del><b>Streamlined Project Review.</b></del></p> <p><del>Undertake the following actions to streamline project review and accelerate housing production:</del></p> <ul style="list-style-type: none"> <li><del>• Solicit input from the development community in the creation and adoption of objective design and development standards that would apply to 100 percent affordable housing projects</del></li> <li><del>• Amend the Zoning Ordinance to allow ministerial review of 100 percent affordable housing projects</del></li> <li><del>• Eliminate the current CUP requirement for multi-family projects in the R-3, R-3A and R-4 zoning districts</del></li> <li><del>• Develop written procedures for SB 35 applications so the City is prepared should it be subject to SB 35 streamlining in the future</del></li> </ul> <p><del><i>Responsibility:</i> Planning Division; Housing Division; Housing Commission; Planning Commission; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Utilize objective design and development standards to add greater certainty to and streamline the</del></p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p style="text-align: center;"><u>development review process</u></p> <p><i>Timeframe:</i> <u>Objective design/development standards and ministerial review for 100% affordable projects (2025); Eliminate CUP for multi-family (2025); SB 35 streamlining (2026, or earlier as needed)</u></p>
<p><b>Program H4.F</b></p>	<p><b>Modify Accessory Dwelling Unit (ADU) Development Standards and Permit Process.</b></p> <p>Continue to encourage accessory dwelling units (ADUs) and modify the City's regulations to <u>address non-compliance issues identified by HCD including increased flexibility in how parking is provided on-site, and streamlined approval, and increase the City's role in providing guidance for the approval of ADUs. Initiate a marketing program for homeowners on the benefits of ADUs and the availability of funds to support development through the City's Newsletter and posting of the ADU application checklist on the City website (2024). Request information on projected ADU rents as part of the development application as a means of assessing affordability.</u> The City will <u>coordinate with efforts being undertaken by 21 Elements work with a third party</u> to develop a <u>set of pre-approved tool with a list of potential ADU designs to facilitate a more streamlined review and permitting of ADUs.</u> One or more ADU designs shall be accessibility-focused, particularly for persons living with disabilities, including developmental disabilities.</p> <p><i>Responsibility:</i> Planning Division; City Attorney; City Council</p> <p><i>Financing:</i> General Fund</p> <p><i>Objectives:</i> Zoning Ordinance amendment and accompanying public-facing documentation (i.e., on the City website). <u>Seek to produce at least 85 ADUs between 2023-2031, including 51 affordable to lower income households</u></p> <p><i>Timeframe:</i> <u>Homeowners outreach, Modifications to the Zoning Ordinance, and development of potential ADU designs tool shall be completed by the end of 2024</u></p>
<p><b>Program H4.G</b></p>	<p><b>Consider City-Owned Land for Housing (Downtown Parking Lots).</b></p> <p>Promote housing development on underutilized City-owned parking lots in downtown <u>and adhere to procedures consistent with the Surplus Lands Act to provide affordable housing developers a first right of refusal (AB 1486). Solicit proposals and conduct a feasibility study to assess which parking lots are most suitable for residential development (2024); issue RFP for affordable housing development on some or all of the parking lots sites, including information on City land write-down incentives (2025); complete development entitlements (2026); seek to complete development of 345 affordable housing units on a combination of parking lot sites (2028).</u> <del>In publishing requests for competitive proposals for any City-owned land, land dedicated to affordable housing under the City's inclusionary ordinance or City housing funds,</del> <u>the City of Menlo Park shall grant additional points to proposals that address the city's most difficult to achieve housing priorities including providing a greater number of extremely low-, very low-, low-, and moderate-income units, or committing to make a percentage of the units subject preferential for people with special needs who will benefit from coordinated on-site services, such as for people living with disabilities, including developmental disabilities.</u></p> <p><i>Responsibility:</i> Planning Division; Housing Division; City Attorney; City Commissions; City Council</p> <p><i>Financing:</i> General Fund</p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p><i>Objectives:</i> <del>Achieve the development of 345 affordable units on a combination of City-owned parking lot sites in the downtown. Develop and issue a request for proposal to explore development options, including affordable housing with</del></p> <p><i>Timeframe:</i> <del>Community outreach and development strategy shall be completed</del> by the end of <u>2024, at which time an RFP can be issued.</u></p>
<p><b>Program H4.H</b></p>	<p><b>Review the Subdivision Ordinance.</b></p> <p>Review the Subdivision Ordinance to ensure consistency with Housing Element policies and implementing actions. Update the Subdivision Ordinance to fully comply with the current Subdivision Map Act and streamline the review and approval process.</p> <p><i>Responsibility:</i> Planning Division; Public Works; Building Division; City Attorney; City Commissions; City Council</p> <p><i>Financing:</i> General Fund</p> <p><i>Objectives:</i> Review and adopt amendments to the Subdivision Ordinance as needed</p> <p><i>Timeframe:</i> Within three years of Housing Element adoption</p>
<p><b>Program H4.I</b></p>	<p><b>Create New Opportunities for Mixed-Use Development.</b></p> <p>Adopt a Zoning Ordinance amendment for non-residential zones, including, but not limited to, C-4, C-2, C-2-A, C-2-B, C-2-S, C-1-C, C-1-A and P, to allow residential uses with 30 units/acre and/or mixed-use developments.</p> <p><i>Responsibility:</i> Planning Division; Housing Division; City Attorney; City Commissions; City Council</p> <p><i>Financing:</i> General Fund</p> <p><i>Objectives:</i> Adopt a Zoning Ordinance amendment</p> <p><i>Timeframe:</i> Concurrent with Housing Element adoption</p>
<p><b>Program H4.J</b></p>	<p><b>Increase Residential Density.</b></p> <p>Modify the Zoning Ordinance to allow a base density of 30 units/acre in R-3 zoned lots in the area around the El Camino Real/Downtown Specific Plan area.</p> <p><i>Responsibility:</i> Planning Division; City Attorney; City Commissions; City Council</p> <p><i>Financing:</i> General Fund</p> <p><i>Objectives:</i> Increase residential density in certain areas of the city</p> <p><i>Timeframe:</i> Concurrent with Housing Element adoption</p>
<p><b>Program H4.K</b></p>	<p><b>Maximize Development Proposals.</b></p> <p>Modify minimum densities and development standards to facilitate development proposals that maximize the use of R-3 properties near Downtown. Explore potential rezoning of other R-3 properties.</p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p><i>Responsibility:</i> Planning Division; Planning Commission; City Council</p> <p><i>Financing:</i> General Fund</p> <p><i>Objectives:</i> Develop additional multifamily housing on suitable parcels</p> <p><i>Timeframe:</i> Rezoning of R-3 properties near Downtown will be completed concurrently with the Housing Element adoption. Study for rezoning all other R-3 properties will occur within two years of Housing Element adoption.</p>
<p><b>Program H4.L</b></p>	<p><b>Modify El Camino Real/Downtown Specific Plan.</b></p> <p><u>Adopt/Consider</u> modifications to the El Camino Real/Downtown Specific Plan to include, but are not limited to, the following changes:</p> <ol style="list-style-type: none"> <li>a. Eliminate housing cap in El Camino Real/Downtown Specific Plan to align with SB 330.</li> <li>b. Increase the maximum base level density to at least 30 units/acre across all subareas.</li> <li>c. Increase the maximum bonus level density in certain subareas to encourage more housing.</li> <li>d. Establish a minimum density of 20 units/acre to all subareas, upon the addition of residential uses on a site.</li> <li>e. Review development standards such as height and parking ratios to reduce potential constraints on development and evaluate the design guidelines to establish objective design standards. Investigate opportunities for shared or district parking and parking in-lieu fees as part of district parking.</li> </ol> <p><i>Responsibility:</i> Planning Division; Planning Commission; City Council</p> <p><i>Financing:</i> General Fund</p> <p><i>Objectives:</i> Increase housing opportunities in El Camino Real/Downtown Specific Plan Area</p> <p><i>Timeframe:</i> Concurrent with Housing Element adoption</p>
<p><b>Program H4.M</b></p>	<p><b>Update Parking Requirements and Design Standards.</b></p> <p>Review and modify parking requirements and design standards to provide greater flexibility in site planning for multifamily residential housing, including establishing a parking or alternative transportation in-lieu fee. Parking amendments could involve reducing parking minimums, expanding parking maximums, eliminating parking requirements for affordable housing projects, expanding shared parking, exploring district parking, and exploring other parking recommendations provided by ABAG-MTC.</p> <p><i>Responsibility:</i> Planning Division; Public Works; City Commissions; City Council; City Attorney</p> <p><i>Financing:</i> General Fund</p> <p><i>Objectives:</i> Modify Municipal Code to include amended parking requirements and establish a parking or alternative transportation in-lieu fee</p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p><i>Timeframe:</i> Concurrent with Housing Element adoption; an in-lieu fee <del>shall be established</del><u>will be evaluated</u> within two years of Housing Element adoption. Additional amendments will be completed as needed thereafter with ongoing staff review of parking standards</p>
<b>Program H4.N</b>	<p><b>Achieve Long-Term Viability of Affordable Housing.</b>  Work with non-profits and other project sponsors to implement the City's Preferences for Affordable Housing policy (Policy H4.10), and to ensure a fair tenant selection process, appropriate project management, a 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.</p> <p><i>Responsibility:</i> Housing Division; BMR Administrator (HouseKeys); Planning Division; City Attorney  <i>Financing:</i> General Fund  <i>Objectives:</i> Establish project management and other ongoing project coordination needs  <i>Timeframe:</i> As developments are proposed and ongoing thereafter</p>
<b>Program H4.O</b>	<p><b>Identifying SB 10 Sites.</b>  <u>In conjunction with the Community Outreach and Development Strategy to be completed in 2025, conduct outreach to property owners about opportunities for development under an SB 10 overlay. Based on this input, develop and adopt</u> an overlay zone where SB 10 could be implemented throughout the city, particularly in transit-rich areas. Parcels identified in the overlay zone could be developed with up to 10 housing units.</p> <p><i>Responsibility:</i> Planning Division; City Attorney; City Commissions; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Amend the Zoning Ordinance and Map to implement an SB-10 overlay  <i>Timeframe:</i> <u>Adopt the overlay by December 2026</u> <del>Within five years of Housing Element adoption</del></p>
<b>Program H4.P</b>	<p><b>Community Opportunity to Purchase.</b>  Adopt an ordinance that provides qualified non-profit organizations the right of first offer, and/or the right of first refusal to purchase buildings with five or more residential units or vacant land that could be developed into five or more residential units, within the city.</p> <p><i>Responsibility:</i> Planning Division; City Council; City Attorney  <i>Financing:</i> General Fund  <i>Objectives:</i> Adopt a community opportunity to purchase ordinance. Increase opportunities for affordable housing development  <i>Time Frame:</i> Adopt ordinance by the end of 2024</p>
<b>Program H4.Q</b>	<b>Reuse Sites.</b>

REFERENCE	GOAL/POLICY/PROGRAM
	<p>Modify the Zoning Ordinance so that parcels in the Site Inventory identified as Reuse Sites allow for by-right processing (ministerial review) for housing developments that propose at least 20 percent of the units be affordable to lower-income households, in accordance with Government Code § 65583.2(c).</p> <p><i>Responsibility:</i> Planning Division; Planning Commission; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Allow for ministerial review for housing development on reuse sites that propose at least 20 percent of the units as affordable for lower-income households  <i>Timeframe:</i> Within three years of Housing Element adoption</p>
<p><b>Program H4.R</b></p>	<p><b>Work with the Fire District.</b></p> <p>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 achieving the City's housing goals.</p> <p><i>Responsibility:</i> Fire District; Planning Division; Public Works; Building Division; City Attorney; City Commissions; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Undertake local amendments to the State Fire Code and approve City Council Resolution ratifying the Fire District's local amendments  <i>Timeframe:</i> Complete local amendments to the State Fire Code by the end of 2025.  Ratify amendments by the end of 2026.</p>
<p><b>Program H4.S</b></p>	<p><b>Coordinate with School Districts to Link Housing with School District Planning Activities.</b></p> <p>Work with the five 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 (i.e., housing seniors, small units, smaller workforce housing, etc. in school capacity impact areas) and the relationship to the types of residential units proposed. (i.e., housing seniors, small units, smaller workforce housing, etc.). The City and applicants for market-rate residential rezoning/upzoning should also coordinate with the school districts during the development review process to discuss potential impacts and benefits to the school community.</p> <p><i>Responsibility:</i> Planning Division; School Districts; City Manager; City Commissions; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Coordinate with local school districts in planning for future housing in consideration of each school district's long-range planning, resources and capacity  <i>Timeframe:</i> Ongoing through project implementation</p>

REFERENCE	GOAL/POLICY/PROGRAM
Goal H5	<p><b>EQUITY.</b>  <i>Ensure equitable access to housing.</i></p>
Policy H5.1	<p><b>Equal Housing Opportunity.</b>  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 based on race, color, religion, marital status, disability, age, sex (including gender identity and sexual orientation), family status (due to the presence of children), national origin, or other arbitrary factors, consistent with the fair housing laws.</p>
Policy H5.2	<p><b>Community Participation in Housing and Land Use Plans.</b>  Strengthen a sense of community by providing opportunities for community participation, developing partnerships with various groups, and providing community leadership to address housing needs effectively. The City will undertake effective and informed public participation from all economic segments and special needs groups in the community to formulate and review housing and land use policy issues.</p>
Policy H5.3	<p><b>Neighborhood Meetings.</b>  Require developers of major housing projects to conduct neighborhood meetings with residents early in the process to problem solve and facilitate more informed, efficient and constructive development review.</p>
Policy H5.4	<p><b>Renter Protections.</b>  Ensure compliance with fair housing laws and pursue programmatic services and funding to assist renters and minimize the risk of evictions and displacement.</p>
Policy H5.5	<p><b>Equitable Investments.</b>  Partner with non-profit support services that specialize in outreach, education, and advocacy.</p>
Policy H5.6	<p><b>Rental Assistance Programs.</b>  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 and other entities.</p>
Policy H5.7	<p><b>Opportunities for Homeownership.</b>  Increase opportunities for homeownership in underserved, low-income and racially segregated communities.</p>
Program H5.A	<p><b>Fair Chance Ordinance.</b>  Adopt a Fair Chance Access to Housing Ordinance, which would prohibit housing providers from inquiring about or using criminal history and criminal background as a factor in the tenant selection process.</p> <p><i>Responsibility:</i> Planning Division; Housing Division; Housing Commission; Planning Commission; City Council</p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p><i>Financing:</i> General Fund  <i>Objectives:</i> Expand renter protections  <i>Timeframe:</i> Within five years of Housing Element adoption</p>
<p><b>Program H5.B</b></p>	<p><b>Undertake Community Outreach When Implementing Housing Element Programs.</b>  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, including people living with disabilities, including developmental disabilities, 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 Program H5.C. Specific outreach activities may include:</p> <ol style="list-style-type: none"> <li>a. Maintain the Housing Element Update mailing list and send public hearing notices to all interested public, non-profit agencies and affected property owners.</li> <li>b. Post notices at City Hall, the library, and other public locations.</li> <li>c. Publish notices in the local newspaper.</li> <li>d. Post information on the City's website.</li> <li>e. Conduct outreach (workshops, neighborhood meetings) to the community as Housing Element programs are implemented.</li> <li>f. Assure that Housing Commission meetings are publicized and provide opportunities for participation from housing experts, affordable housing advocates, special needs populations, and the larger community.</li> <li>g. Provide public information materials concerning recycling practices for the construction industry, as well as the 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 Municipal Code and California Building Code requirements.</li> <li>h. Provide public information materials about available energy conservation programs, such as the PG&amp;E Comfort Home/Energy Star new home program, to interested property owners, developers, and contractors.</li> <li>i. Promote and help income-eligible households to access federal, state and utility income qualifying assistance programs.</li> <li>j. Provide public information materials to developers, contractors, and property owners on existing federal, state and utility incentives for the installation of renewable energy systems, such as rooftop solar panels, available to property owners and builders.</li> </ol> <p><i>Responsibility:</i> Planning Division</p>



REFERENCE	GOAL/POLICY/PROGRAM
	<p><i>Financing:</i> General Fund</p> <p><i>Objectives:</i> Conduct community outreach and distribute materials</p> <p><i>Timeframe:</i> <del>At least on an annual basis</del> <del>Ongoing on a project-by-project basis</del></p>
<p><b>Program H5.C</b></p>	<p><b>Provide Multilingual Information on Housing Programs.</b></p> <p>Promote the availability of San Mateo County programs for housing construction, homebuyer assistance, rental assistance, special needs housing and programs including for people living with disabilities, including developmental disabilities; shelters and services for people experiencing homelessness; and housing rehabilitation through the following means: (a) providing information on the City's website <u>that is readily translatable into multiple languages</u> 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 mailings and other general communications that are sent to residents, landlords, property owners, realtors, local banks; (c) maintaining <u>multilingual</u> information on programs at the City's public counters; (d) training selected City staff to provide referrals to appropriate agencies; (e) distributing <u>multilingual</u> information on programs at public locations (libraries, schools, etc.); (f) using the activity calendar and public information channel; and (g) continue using multilingual translation/interpretation services and providing additional financial compensation to multilingual staff working on housing programs.</p> <p>Information may include:</p> <ul style="list-style-type: none"> <li>a. Fair Housing Laws, renter protections, and past discriminatory practices (including source of income discrimination)</li> <li>b. Rehabilitation loan programs</li> <li>c. San Mateo County Housing Authority information</li> <li>d. Housing programs, including rental assistance programs such as Section 8</li> <li>e. Code enforcement</li> <li>f. Homebuyer assistance</li> <li>g. Foreclosure assistance</li> <li>h. Information about affordable housing</li> <li>i. Information about shelters, navigation centers, and other supportive programs for people experiencing homelessness</li> </ul> <p><i>Responsibility:</i> Planning Division; Housing Division</p> <p><i>Financing:</i> General Fund</p> <p><i>Objectives:</i> <u>Improve access to information on housing programs to persons with limited English proficiency</u>  <del>Review and obtain materials by end of 2023; distribute and post materials, conduct staff training by the end of 2026; annually update as needed thereafter</del></p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p><i>Timeframe:</i> <del>Continue to provide readily translatable information on the City's webpage. Work to provide written information and handouts on the City's key housing programs in multiple languages by December 2024. Distribute educational materials at public locations and make public service announcements through different media at least two times a year</del></p>
<p><b>Program H5.D</b></p>	<p><b>Address Rent Conflicts.</b>  Provide for increased use and support of tenant/landlord educational and mediation opportunities by continuing to <u>fund and refer residents to Project Sentinel, as well as and other non-profits that handle fair housing complaints. Support Project Sentinel in expanding fair housing outreach to residents and landlords (refer to specific actions in the AFFH)</u></p> <p><i>Responsibility:</i> Planning Division; Housing Division; City Manager; City Attorney  <i>Financing:</i> General Fund  <i>Objectives:</i> <u>Increase awareness among residents, including low income and special needs populations, of available</u> <del>Update the City's website with</del> resources for addressing rent conflicts and fair housing complaints  <i>Timeframe:</i> <u>AFFH Actions: Provide multilingual fair housing information at City facilities (2023); Conduct informational workshops at the Family Recreation Center and before City Council (2024, 2026); Provide fair housing information to rental property owners (2025, 2028)</u> <del>Update the City's website and other housing materials at least annually with information</del></p>
<p><b>Program H5.E</b></p>	<p><b>Publicize Fair Housing Laws and Respond to Discrimination Complaints.</b>  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:</p> <ol style="list-style-type: none"> <li>a. Discrimination complaints will be referred to the appropriate agency. Specifically, the City will continue to work with Project Sentinel, Community Legal Services of East Palo Alto, Legal Aid Society of San Mateo County and the San Mateo County Department of Housing in handling fair housing complaints. Calls to the City are referred to these resources for counseling and investigation. These resources also provide direct fair housing education to Menlo Park residents.</li> <li>b. Enforce a non-discrimination policy in the implementation of <del>City</del> City-approved housing programs.</li> <li>c. Information regarding the housing discrimination complaint referral process will be posted on the City's website and available for the public and City staff.</li> <li>d. As needed, the City will reach out to lenders to increase the flow of mortgage funds to city residents.</li> </ol> <p><i>Responsibility:</i> Planning Division; Housing Division; City Manager; City Attorney  <i>Financing:</i> General Fund</p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p><i>Objectives:</i> <u>Affirmatively further fair housing by increasing awareness among residents, including low income and special needs populations, of available resources for addressing fair housing issues</u>  <del>Post fair housing laws on the City's website. Refer discrimination complaints to appropriate agencies.</del></p> <p><i>Timeframe:</i> <u>AFFH Actions: Provide multilingual fair housing information at the Family Recreation Center (2023); Conduct informational workshops at the Center and before City Council (2024, 2026); Provide fair housing information to rental property owners (2025, 2028)</u><del>Update the City's website annually</del></p>
<b>Program H5.F</b>	<p><b>First-Time Homebuyer Program.</b>  Continue <del>the City's partnership with the Housing Endowment and Regional Trust of San Mateo County (HEART) to implementing the first-time homebuyer program by working with agencies and organizations offering</del> first-time, moderate-income homebuyers down- payment assistance loans for homes purchased in the city. <u>Add information on the HEART homeownership program to the City's website, and coordinate with HEART on additional opportunities to promote the program.</u></p> <p><i>Responsibility:</i> Planning Division  <i>Financing:</i> HEART; <del>Meriwest Union Bank</del> (or other bank affiliated with the program)  <i>Objectives:</i> <u>Provide opportunities for moderate income first-time homebuyers to reside in the community referrals</u>  <i>Timeframe:</i> <u>Conduct program outreach by December 2024</u><del>Ongoing</del></p>
<b>Program H5.G</b>	<p><b>Improve Access to City Law.</b>  <u>Improve ease of access for the public to find fees, zoning, and development standards on the City website. This will include an easily-locatable landing page that provides basic information and reference links and is translatable through web-based translation services (i.e. Google Translate).</u></p> <p><u><i>Responsibility:</i> Planning Division</u>  <u><i>Financing:</i> General Fund</u>  <u><i>Objectives:</i> Have a one-stop landing page for development information that can be easily understood by developers and members of the public.</u>  <u><i>Timeframe:</i> Develop website by December 2024</u></p>
<b>Goal H6</b>	<p><b>SUSTAINABLE HOUSING.</b>  <b>Implement sustainable and resilient housing development practices.</b></p>
<b>Policy H6.1</b>	<p><b>Siting Development.</b>  Ensure new developments in the highest hazards areas include mitigation measures. Expand beneficial uses, such as open space, flood mitigation and recreation, in non-developable high hazard lands.</p>
<b>Policy H6.2</b>	<p><b>Resilient Design.</b></p>

REFERENCE	GOAL/POLICY/PROGRAM
	Encourage housing designs that are resilient to hazards and climate impacts through land use planning tools, development standards, and building standards.
<b>Policy H6.3</b>	<p><b>Renewable Energy/Energy Conservation in Housing.</b> Encourage energy efficiency and/or renewable energy in both new and existing housing and require all-electric fuel sources, energy conservation measures and renewable energy in the design of all new buildings. Promote energy conservation and/or renewable energy and weatherization features in existing homes. In addition, the City will support the actions contained in the City's Climate Action Plan (CAP).</p>
<b>Policy H6.4</b>	<p><b>Promote Energy Efficient/Renewable Programs.</b> Implement local policies and programs that promote and/or increase energy efficiency/renewable energy in the community, including participation in Peninsula Clean Energy. Promote county, state (Energy Upgrade California), federal and PG&amp;E energy programs for energy assessments and improvements. Seek grants and other funding to supplement City energy conservation/renewable activities.</p>
<b>Policy H6.5</b>	<p><b>Emergency Housing Assistance.</b> Participate and allocate funds, as appropriate, for county and non-profit programs providing disaster preparedness, emergency shelter, and related counseling/supportive services.</p>
<b>Policy H6.6</b>	<p><b>Reduce Personal Automobile Usage.</b> Encourage residents to reduce reliance on personal automobiles for transportation and encourage use of public transit and other alternative forms of mobility.</p>
<b>Program H6.A</b>	<p><b>Reach Codes.</b> Continue implementing reach codes that go beyond State minimum requirements for energy use in building design and construction, creating more opportunities to support greenhouse gas reduction targets.</p> <p><i>Responsibility:</i> Building Division  <i>Financing:</i> General Fund  <i>Objectives:</i> Achieve greenhouse gas reduction targets  <i>Timeframe:</i> Ongoing on a project-by-project basis</p>
<b>Program H6.B</b>	<p><b>Electric Vehicle Charging.</b> Evaluate opportunities for retrofitting existing multifamily housing developments with electric vehicle charging stations.</p> <p><i>Responsibility:</i> Building Division  <i>Financing:</i> General Fund  <i>Objectives:</i> Achieve greenhouse gas reduction targets  <i>Timeframe:</i> Concurrent with the next building code update in 2025</p>
<b>Program H6.C</b>	<p><b>Air Conditioning or Cooling Alternatives.</b></p>

REFERENCE	GOAL/POLICY/PROGRAM
	<p>Require alternatives to conventional air conditioning for new construction, including high-efficiency heat pumps, ceiling fans, air exchangers, increased insulation and low-solar-gain exterior materials to reduce peak electrical demands during high heat events to ensure the reliability of the electrical grid. Encourage Evaluate cooling products that recirculate inside air and do not bring in outside air, such as efficient HVAC systems and heat pumps.</p> <p><i>Responsibility:</i> Building Division; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Ensure healthy building environments  <i>Timeframe:</i> Within two years of Housing Element adoption</p>
<b>Program H6.D</b>	<p><b>Promote Energy Efficient/Renewable Programs.</b>  Continue to encourage participation in Peninsula Clean Energy and publicize energy efficient and renewable energy programs on the City’s website.</p> <p><i>Responsibility:</i> Sustainability Division  <i>Financing:</i> General Fund  <i>Objectives:</i> Encourage participation in the energy efficient and renewable energy programs  <i>Timeframe:</i> Update the City’s website annually</p>
<b>Program H6.E</b>	<p><b>Explore Multimodal Improvements.</b>  Identify multimodal improvements in the city that support housing development. This includes pedestrian and bicycle improvements, transportation demand management programs, and coordination with neighboring cities and transit providers to explore investments that provide multimodal connections to regional destinations.</p> <p><i>Responsibility:</i> City Manager; Public Works, City Attorney; City Council  <i>Financing:</i> General Fund; outside funding sources  <i>Objectives:</i> Coordinate with Redwood City on potential pedestrian and bicycle improvements  <i>Timeframe:</i> Within three years of Housing Element adoption</p>
<b>Program H6.F</b>	<p><b>Transit Incentives.</b>  Integrate transit demand management strategies for all residential development, particularly in areas further away from transit to increase access to transit and reduce vehicle trips and parking demand.</p> <p><i>Responsibility:</i> Planning Division  <i>Financing:</i> General Fund  <i>Objectives:</i> Reduce vehicle trips and parking demand and increase use of alternative forms of mobility.  <i>Timeframe:</i> Ongoing on a project-by-project basis</p>

REFERENCE	GOAL/POLICY/PROGRAM
<b>Program H6.G</b>	<p><b>Neighborhood Connectivity.</b> Invest in neighborhood connectivity, walkability, and access to services, healthy food, and recreation, particularly in low-resource neighborhoods north of US-101, to improve access and reduce the division of the urban form produced by the highway. Coordinate and prioritize activities with consideration of the City's capital improvement projects list.</p> <p><i>Responsibility:</i> Planning Division; Public Works; Planning Commission; City Council  <i>Financing:</i> State Cap and Trade; General Fund; State and Federal grants; project impact fees  <i>Objectives:</i> Reduce disparities in access to opportunities  <i>Timeframe:</i> Identify project priorities annually through coordination with the City's capital improvement projects list; implementation of the projects shall be ongoing throughout the planning period</p>
<b>Goal H7</b>	<p><b>DESIGN OF HOUSING.</b> <i>Ensure new housing is well-designed and addresses the housing needs of the city.</i></p>
<b>Policy H7.1</b>	<p><b>Housing Design.</b> Review proposed new housing to achieve excellence in development design through an efficient process, and encourage infill development on vacant and underutilized sites that meet the community's needs. The City will encourage innovative new construction and universal housing design that enhances mobility and independence of the elderly and those living with disabilities in existing neighborhoods, enhancing neighborhood identity and sense of community.</p>
<b>Program H7.A</b>	<p><b>Create Residential Design Standards.</b> <u>Solicit input from the development community in the creation and adoption of objective design and development standards to be applied to all residential and residential mixed-use projects that are eligible for ministerial review (refer to Program H4.E)</u> <del>Adopt objective design standards for each residential zoning district.</del></p> <p><i>Responsibility:</i> City Commissions; Planning Division; City Attorney; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Adopt objective design standards for multifamily developments, mixed-use housing developments, and ADUs <u>to add greater certainty to and streamline the development review process</u>  <i>Timeframe:</i> <u>Objective design/development standards outreach (2024) and adoption (2025) Commence within two years of Housing Element adoption</u></p>
<b>Program H7.B</b>	<p><b>Develop and Adopt Standards for SB 9 Projects.</b> Develop and adopt objective design standards for SB 9 (2021) projects, including urban lot splits and duplexes.</p> <p><i>Responsibility:</i> Planning Division; Planning Commission; City Council  <i>Financing:</i> General Fund  <i>Objectives:</i> Ensure new development is of high architectural quality and consistent with State law</p>

REFERENCE	GOAL/POLICY/PROGRAM
	<i>Timeframe:</i> Concurrent with Housing Element adoption

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# 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 percent of household income is considered affordable to these income groups. The definitions below are used throughout this Housing Element.

## DEFINITIONS

- **Above Moderate-Income Households:** Defined by California Housing Element law as households earning over 120 percent of the area median household income.
- **Accessible Housing:** Defined by the California Department of Housing and Community Development (HCD) as units accessible and adaptable to the needs of the physically disabled.
- **Accessory Dwelling Unit (ADU):** Defined in the City’s Municipal Code (16.79.020), accessory dwelling units (ADUs) are attached or detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. The unit shall contain permanent provisions for living, sleeping, eating, cooking, sanitation, and exterior access separate from the primary dwelling.
- **Accessory Dwelling Unit, Junior (JADUs):** Defined in the City’s Municipal Code (16.79.020), junior accessory dwelling units (JADUs) are dwelling units that are no more than 500 square feet and contained entirely within an existing or proposed single-family dwelling. A JADU must include a cooking facility with appliances and a food preparation counter and storage cabinets. A JADU may include separate sanitation facilities or may share sanitation facilities with the primary dwelling. A JADU must have exterior access separate from the primary dwelling.
- **Affordable Housing:** Affordable housing, for the purposes of the Housing Element, refers to housing that is affordable to extremely low-, very low-, low- and moderate-income households.



- **Emergency Shelter:** Defined by Health and Safety Code § 50800-50806.5 as housing with minimal supportive services that is limited to occupancy of six months or less by a person experiencing homelessness. No individual or household may be denied emergency shelter because of an inability to pay.
- **Extremely Low-Income Households:** Defined by Government Code § 65583(a) to require 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.” Extremely low-income is a subset of the very low-income regional housing need and is defined as households earning less than 30 percent of the area median household income.
- **Housing Affordability:** The generally accepted measure for determining whether a person can afford housing means spending no more than 30 percent of one’s gross household income on housing costs, including utilities, principal and interest. In the Bay Area, people can pay closer to 50 percent of their income for housing due to the high costs of housing. The two graphics below illustrate housing affordability in Menlo Park.
- **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 people experiencing homelessness 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 an emergency shelter or transitional housing, but does not eliminate the City’s need to zone for such uses.
- **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, the 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 Barrier Navigation Center:** Defined by California Government Code § 65660 as a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.
- **Low-Income Households:** Defined by California Health and Safety Code § 50079.5, which establishes the low-income limits set by the U.S. Department of Housing and Urban Development (HUD) as the state limit for low-income households. HUD limits for low-income households are generally households earning 50-80 percent of the median household income, adjusted for family size, with some adjustment for areas with unusually high or low incomes relative to housing costs.
- **Manufactured Homes:** Defined by California Health and Safety Code § 18007 as a structure that is transportable, is built on a permanent chassis and designed to be used as a single-family dwelling with or without a foundation when connected to the required utilities.
- **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.
- **Moderate-Income Households:** Defined by § 50093 of the California Health and Safety Code as households earning 80-120 percent of the area median household income.
- **Overlay Zoning or Zone:** Overlay zoning is a regulatory tool that is placed over an existing base zone(s) and 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 and Emergency Shelter Overlay zoning.
- **Persons per Household:** Average number of persons in each household.

- **Regional Housing Needs Allocation (RHNA):** The RHNA for the 6<sup>th</sup> cycle of housing element updates in the Bay Area identifies the number of housing units needed at various income levels for the 2023-2031 planning period/timeframe.
- **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 needs adults or youths, etc. The California Department of Social Services, Community Care Licensing Division, issues licenses for residential facilities 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. Also commonly referred to an accessory dwelling unit (ADU).
- **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.
- **Single Room Occupancy (SRO):** This housing type typically has single rooms with shared bathrooms and kitchen facilities.
- **Special Needs Housing:** Defined by California Housing Element law (65583(a)(6)) as populations with special needs that must be addressed in a housing element — these include the needs of people experiencing homelessness, seniors, people who are living with disabilities, persons with developmental disabilities, large families, and female-headed households.
- **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.

- **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 under the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with § 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.
- **Very Low-Income Households:** Defined by California Health and Safety Code § 50079.5, which establishes very low-income limits set by the U.S. Department of Housing and Urban Development (HUD) as the state limit for very low-income households, which are households earning less than 50 percent of the area median household income, with some adjustment for areas with unusually high or low incomes relative to housing costs.
- **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
AHO	Affordable Housing Overlay 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
GGRC	Golden Gate Regional Center
HCD	California Department of Housing and Community Development
HEART	The Housing Endowment and Regional Trust
HIP	Human Investment Project
HOPE	San Mateo County HOPE (Housing Our People Effectively) Interagency Council
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	United States Department of Veterans Affairs