

January 6, 2025

VIA E-MAIL

Ms. Deanna Chow
Community Development Director
Community Development Department
City of Menlo Park
710 Laurel St.
Menlo Park, CA 94025
dmchow@menlopark.gov

RE: 320 Sheridan Drive Project Application

Dear Ms. Chow:

We represent Alliant Strategic Development, the applicant (“Applicant”) of a residential development project (“Project”) proposed for 320 Sheridan Drive (“Property”) in the City of Menlo Park (“City”). This letter updates the State Density Bonus Law (“SDBL”) requests summarized in letters dated February 29, 2024, May 13, 2024, July 26, 2024, and September 13, 2024.

This letter builds on the prior four letters and does not repeat the legal requirements that protect the Project from denial or being approved conditioned on lower density, the meaning of various provisions of SDBL, or re-explain why the Project is entitled to SDBL benefits. Instead, this letter focuses on the Project’s SDBL requests and brings the total to five requested incentives.

As detailed below, the Applicant requests a density bonus, incentives, waivers, and use of SDBL parking standards. The Applicant reserves its right to request additional incentives and waivers during the entitlement process, as needed to respond to City comments.

1. State Density Bonus

a. Density Bonus

As discussed previously, SDBL provides the Project with an 80 percent density bonus. The Project seeks a 72 percent density bonus, to allow a total of 88 units.

b. Incentives

The Project is entitled to five incentives or concessions (called incentives in this letter). The Project seeks five incentives:

- *Above-Ground Electrical Wires.* City Municipal Code (“MPMC”) section 15.16.190 requires that, absent a waiver from City Council, a developer put utility distribution facilities underground when redeveloping a property. While all new utilities serving the Project will be placed underground, the Applicant requests an incentive to waive this requirement as it relates to the existing overhead utility lines along the Property frontage to remain aboveground. Undergrounding the lines would be extremely expensive, and not undergrounding the lines results in identifiable and actual cost reductions to provide for affordable housing costs.
- *No Window Inset.* MPMC section 16.20.040(5)(C) requires all exterior windows located in solid walls be inset by a minimum of two inches from the face of the exterior finishes. The Applicant requests an incentive to waive this requirement, allowing less than a two-inch inset. Recessing windows from the exterior wall increases the cost of construction, and therefore not meeting this requirement results in identifiable and actual cost reductions to provide for affordable housing costs.
- *Alternative Means to Comply with Transit Passes.* The City/County Association of Governments (“C/CAG”) generally requires developers to fund transit passes for residents. The Applicant requests to instead participate in the Go Pass Program because future Project tenants would be income-qualified for that program. As shown in the submitted Transportation Demand Management (“TDM”) Plan, C/CAG stated that the City may allow the proposed substitution. The Applicant thus requests to use an incentive to substitute participation in the Go Pass Program for the requirement to provide transit subsidies. This substitution results in identifiable and actual cost reductions to provide for affordable housing costs.
- *No LEED Certification.* MPMC section 16.20.050(1) requires that new residential construction comply with Table 16.20.050(1)(B), which imposes a requirement that new construction between 10,000 square feet and 100,000 square feet be “[d]esigned to meet LEED Silver BD+C.” Footnote 1 to Table 16.20.050(1)(B) indicates in part that the “applicant must complete all applicable LEED certification documents prior to approval of the final inspection for the building permit to be reviewed either for LEED certification, or for verification by a third party approved by the city for which the applicant will pay for review and/or certification.” While the Project would be designed to meet the required LEED standards, the Applicant seeks an incentive to waive any certification

requirements because certification is expensive. By negating the certification costs, this incentive results in identifiable and actual cost reductions to provide for affordable housing costs.

- *No Pre-Plumbing for Recycled Water.* MPMC section 16.20.050(3)(D) requires all new buildings to be dual plumbed for the internal use of recycled water. The Applicant requests an incentive to not pre-plumb the Project for recycled water. There is no recycled water available now or in the foreseeable future for the Project's location. Not pre-plumbing for recycled water saves hundreds of thousands of dollars in construction costs and thus results in an identifiable and actual cost saving to provide for affordable housing.

c. Waivers

SDBL provides the Project unlimited waivers. To accommodate the density permitted, the Applicant requests the following 10 waivers:

- *Floor Area Ratio ("FAR").* MPMC section 16.20.030 limits FAR to 45 percent. The Applicant requests a waiver to allow an FAR greater than 45 percent. This waiver is necessary to avoid the loss of floor area needed to accommodate the permitted density.
- *Height.* MPMC section 16.20.030 limits heights to 35 feet. The Applicant requests a waiver to allow heights up to 40 feet. This waiver is necessary to avoid the loss of top floor units and to support the density permitted.
- *Driveways and Open Parking Areas (Paving).* MPMC section 16.20.030 limits driveways and open parking areas (paving) to 20 percent of the land area. The Applicant requests a waiver to allow paving over 48.2 percent of the Property. This waiver is necessary to allow the Project at the density and with the parking amenities proposed. Absent this waiver, the Project would have to reduce parking and associated units.
- *Land Area Required Per Dwelling Unit.* MPMC section 16.20.030 requires 2,178 square feet of land area per unit. The Applicant requests a waiver to allow 1,237 square feet of land area per unit. This waiver is necessary to allow the Project to achieve the density of 88 units, as permitted under SDBL.
- *Setbacks.* MPMC section 16.20.030 requires the following setbacks: front—15 percent of lot width with a minimum of 20 feet; corner side—15 feet; and rear—15 percent of lot width with a minimum of 15 feet. The Applicant requests a waiver to allow the setbacks listed in the preceding sentence to be 10 feet. This waiver is necessary to allow the Project at the density proposed. Absent this

waiver, the Project would have to reduce building footprints, which would reduce units.

- *Façade Modulation.* MPMC section 16.20.040(2) requires minor and major façade modulations, together with four-foot minimum height modulation and major change in fenestration pattern. The Applicant requests a waiver to these requirements because the only way to comply with them would be to alter unit layout in a manner that would reduce the units provided with the amenities proposed.
- *Building Profile.* MPMC section 16.20.040(3) has building profile standards, including a requirement for a 45-degree building profile beginning at 25 feet high. The Applicant requests a waiver to this requirement because this requirement would physically preclude construction of that project as designed and at the density proposed.
- *Parking Lot Tree Islands.* MPMC section 16.20.040(8)(F) requires at least one tree with a minimum size of a twenty-four-inch box for every eight parking spaces. The Applicant requests a waiver to provide fewer trees in the parking lot. To fit more trees in the parking lot would require more space for the parking lot for tree islands, reducing building area and units.
- *Bicycle Parking.* MPMC section 16.20.030 requires 1.5 long-term bicycle parking spaces per unit and ten percent additional short-term bicycle parking spaces for guests. At these ratios, the Project requires 132 long-term bicycle parking spaces and 14 short-term spaces. The Project provides 88 long-term bicycle parking spaces on unit balconies and 14 short-term bicycle parking spaces. The Applicant requests a waiver to the long-term bicycle parking requirements because it cannot accommodate additional long-term bicycle parking (such as a bicycle storage room) in the Project as designed with the density proposed.
- *Fence in Front Yard Setback.* MPMC section 16.64.020(a) limits fence heights in the front setback to four feet. The Project requires a six-foot fence, which is consistent with existing fences around the Property. The Applicant requests a waiver to the City's requirement to allow a six-foot fence, consistent with existing fences, in its front yard setback. Absent this waiver, the Project would need to be less dense to make space for the fence outside the front yard setback.

d. Parking Reduction

MPMC section 16.20.030 requires two parking spaces per unit, one of which must be covered, and that the spaces not be in a required front or side yard. SDBL provides its own

parking maximums and standards. Under SDBL, the following ratios, inclusive of guest and ADA parking, apply:

Unit Size	Parking Maximum
One Bedroom	1
Two and Three Bedrooms	1.5

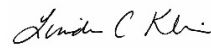
(Gov. Code, § 65915, subd. (p)(1).) SDBL also allows a development to “provide onsite parking through tandem parking or uncovered parking.” (*Id.*, subd. (p)(4).)

Using SDBL’s requirements, the Project requires 111 parking spaces. The Project would provide at least 111 uncovered parking spaces. Accordingly, the Project meets SDBL parking requirements.

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The Applicant remains concerned about the Project schedule, which could cost the Project its ability to obtain a tax credit allocation. Accordingly, we request that the City do everything within its ability to expedite Project processing. Please do not hesitate to contact me if you have any questions regarding this matter.

Sincerely,


Linda C. Klein

Cc: Nira Dougherty, Esq.
John Shaw
Steven Spielberg
Katia Kamangar