Housing and Planning Commissions



SPECIAL JOINT MEETING MINUTES

Date: 01/12/2023 Time: 7:00 p.m.

Location: Zoom.us/join - ID# 862 5880 9056 and

Council Chambers

751 Laurel St., Menlo Park, CA 94025

A. Call To Order

Planning Commission Chair (PCC) Chris DeCardy called the meeting to order at 7:13 p.m.

B. Roll Call

Planning Commission Present: Andrew Barnes, Chris DeCardy (Chair), Linh Dan Do, Cynthia Harris (Vice Chair), Jennifer Schindler, Michele Tate

Planning Commission Absent: Henry Riggs

Housing Commission Present: Nevada Merriman, Chelsea Nguyen (Vice Chair), John Pimentel, Adriana Walker

Housing Commission Absent: Lauren Bigelow (Chair), Jackelyn Campos, Heather Leitch

Staff: Deanna Chow, Assistant Community Development Director; Tom Smith, Principal Planner; Calvin Chan, Senior Planner; Chris Turner, Associate Planner

C. Reports and Announcements

Deanna Chow said the city recently released a Notice of Funding Availability providing an opportunity for affordable housing developers to make proposals for production of affordable housing.

D. Public Comment

None

E. Public Hearing

E1. Planning Commission and Housing Commission review of the Housing Element for the 2023-2031 planning period and the following actions: 1) adopt a resolution of the Planning Commission recommending the City Council certify the subsequent environmental impact report, adopt California Environmental Quality Act findings, adopt a Statement of Overriding Considerations for significant and unavoidable impacts, and approve a mitigation and monitoring program for the Housing Element project, and 2) adopt Planning Commission and Housing Commission resolutions recommending that the City Council amend the General Plan to update the Housing Element. (Staff Report #23-006-PC and 23-001-HC)

Principal Planner Tom Smith introduced the item.

Luke Evans, ESA, the city's environmental consultant, presented on the Subsequent Environmental Impact Report (SEIR).

Planner Smith made a presentation on the revisions to the draft Housing Element Update (HEU) made after review of the draft by the state's Department of Housing and Community Development (HCD).

PCC DeCardy opened the public hearing.

- Lynne Bramlett expressed concern with the city's general plan process and its available resources to support that process and recommended creating a citizen's taskforce to examine that process, make a report and then prepare annual reports on the general plan.
- Soody Tronson expressed dissatisfaction with the process and that the city was not resolving problems associated with the Housing Element and housing.
- Karen Grove, Menlo Park, supported changes and to have programs implemented to protect residents with affirmatively furthering fair housing.
- Jenny Michel, Coleman Place Neighborhood Block, recommended increasing protection for renters and affordable housing and types.
- Misha Silin, Allied Arts neighborhood, said that some of the changes were encouraging but challenged the reality of identified affordable housing sites.
- Pam Jones, Belle Haven, recommended to add that the city was committed to education to develop a sense of a lens of equity referring to the Government Alliance for Racial Equity and that it be placed on the Council's 2023-2024 workplan.
- Brittani Baxter, district 3 resident, commended efforts toward anti-displacement and tenant
 protection measures and urged to find some way that people currently living in multifamily
 projects would be enabled to return to those units should the property redevelop; under
 environmental justice that landlords improve buildings toward climate resiliency, and rezone so
 that vacant office space becomes residential zoning.
- Katherine Dumont supported inclusion of stronger tenant protection programs and their accelerated timelines and supported increasing density and types of housing, especially in high resource areas like the downtown.
- Michael (no last name given), downtown Menlo Park resident, suggested rezoning the downtown to allow taller buildings and greater residential density.
- Skyler Spear, Public Advocates, supported inclusion of tenant protection and adding a
 commitment to expand just cause evictions; suggested redeveloping city-owned parking lots to
 provide housing; and expressed concern with the feasibility of the sites identified.

PCC DeCardy closed the public hearing.

Housing Commissioner Nguyen said she supported developing city-owned lots in the downtown into mixed use and that be expedited to occur before 2024.

Planning Commission Discussion

The Planning Commission discussed the SEIR.

- Ratio of population to acres of park and recreational facilities was citywide and did not address dearth of those facilities in areas of the city;
- Reference to public comment on tribal cultural resources and concern that the city had no
 overarching guidance about historic preservation and that should be established outside of the
 Housing Element.

PLANNING COMMISSION ACTION: Motion and second (Harris/Schindler) to adopt a resolution recommending certification of the Supplemental Environmental Impact Report (SEIR), approval of the California Environmental Quality Act (CEQA) findings, and adoption of the Statement of Overriding Considerations (SOC) and Mitigation, Monitoring, and Reporting Program (MMRP); passes 5-1 with Commissioner Barnes opposed and Commissioner Riggs absent.

Housing Commission Discussion

- Concern that the Affordable Housing Overlay allowed for additional density in exchange for added public benefit but in process of densifying, it makes it more expensive and difficult for a nonprofit or any affordable developer to acquire and suggested increasing ability to increase the number of units per acre beyond 100;
- Look at impact fee deferral until occupancy;
- Recommend racial equity training;
- Accelerate housing development in downtown and city owned parking lots set up zoning upfront or seek developers to submit RFQ's with creative proposals.

PCC DeCardy recessed the meeting for a short break.

HOUSING COMMISSION ACTION: Motion and second (Pimentel/Walker) to adopt a resolution recommending the City Council approve the 2023 to 2031 Housing Element with the following modifications; passes 4-0-3 with Commissioners Bigelow, Campos, and Leitch absent. The modifications are as follows:

- 1. Strengthen fee waivers or defer fees for affordable housing development on sites where the Affordable Housing Overlay (AHO) would be applicable; and
- 2. Add a program for City participation in a racial equity training program, such as the Government Alliance on Race and Equity (GARE).

HOUSING COMMISSION ACTION: Motion and second (Nguyen/Pimentel) to recommend an additional modification to the Housing Element; passes 3-0 with Commissioners Bigelow, Campos, and Leitch absent and Commissioner Merriman abstaining. The additional modification is as follows:

1. Expedite the implementation of Program H4.G, "Consider City-Owned Land for Housing (Downtown Parking Lots)," with a feasibility study to assess which parking lots are most suitable for residential development to be initiated in 2023.

Planning Commission Discussion

- Expedite Program H4.G in three ways and to happen concurrently; 1) administratively seek RFQs or some mechanism to involve developer(s), as soon as possible, 2) hire a consultant to study the site feasibility, and 3) enact zoning changes;
- Language to modify the AHO to allow greater than 100 dwelling units per acre;
- Add that alternative transportation in-lieu fee collected under H4.M be used for improvement for transit modes other than personal motor vehicles;
- For H6.F not to limit TDM to transit areas;
- Add program for move-in readiness for renters.

PLANNING COMMISSION ACTION: Motion and second (Harris/Tate) to continue until 11:30 p.m.; passes 6-0-1 with Commissioner Riggs absent.

- Do annual check-in on program implementation;
- Ask Council to direct staff to seek creative ways to accelerate downtown parking lots for affordable housing;
- Concern that stakeholders downtown needed to be consulted at the start of actions toward using city-owned parking lots for residential development;
- Support for Housing Commission recommendations;
- Accelerate implementation of H2.E, "Anti-displacement Strategy;"

PLANNING COMMISSION ACTION: Motion and second (Harris/Tate) to adopt a resolution recommending the City Council approve the 2023 to 2031 Housing Element with the following modifications; 6-0 passes with Commissioner Riggs absent. The modifications are as follows:

- 1. Accept modifications #1 and #2 as recommended by the Housing Commission (listed above);
- 2. Consider further accelerating the timeframes for implementation of Program H2.E, "Anti-Displacement Strategy;"

- 3. Revise Program H4.D, "Modify the Affordable Housing Overlay (AHO)," to indicate that the AHO may be modified to allow maximum densities greater than 100 dwelling units per acre (du/ac);
- 4. Revise the title of Program H4.G, "Consider City-Owned Land for Housing (Downtown Parking Lots)," to state, "Prioritize City-Owned Land for Housing (Downtown Parking Lots)" and set the timeframe for administrative tasks such as development of the feasibility study, rezoning of the parking lots, and development of a request for qualifications (RFQ) to commence concurrently in 2023;
- 5. Modify Program H4.M, "Update Parking Requirements and Design Standards," to specify that alternative transportation in-lieu fees collected as part of the program be utilized toward improvements for modes of transport other than personal motor vehicles;
- 6. Modify Program H6.F, "Transit Incentives," to specify that transit demand management (TDM) strategies should be integrated into all residential development, regardless of proximity to transit; and
- 7. Add a program to develop a move-in readiness program, including exploring financial assistance, focused on renters.

F. Informational Items

F1. Future Planning Commission Meeting Schedule

Regular Meeting: January 23, 2023Special Meeting: February 6, 2023

G. Adjournment

Chair DeCardy adjourned the meeting at 11:29 p.m.

Staff Liaison: Deanna Chow, Assistant Community Development Director

Recording Secretary: Brenda Bennett

Approved by the Planning Commission on May 1, 2023







MEETING PURPOSE

- Recommendations to City Council on Housing Element
- Housing Commission
 - Recommendation on Housing Element adoption
- Planning Commission
 - Recommendations on subsequent environmental impact report (SEIR) certification and Housing Element adoption

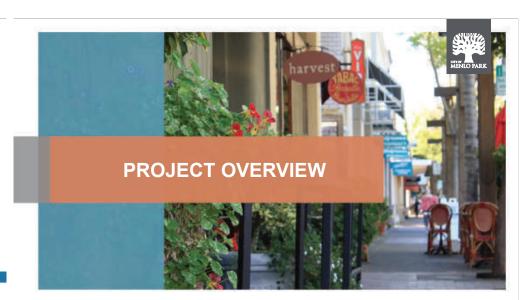
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RECOMMENDED MEETING PROCEDURE

- Presentation by project team (including Final SEIR)
- Clarifying questions from Commissioners
- Public comments
- Commissioner discussion
- Planning Commission recommendation on SEIR certification
- Housing Commission recommendation on Housing Element adoption
- Planning Commission recommendation on Housing Element adoption





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BACKGROUND

- Required 6th Cycle Housing Element Update
- Plan for city's housing needs from 2023 to 2031
- Regional Housing Needs Allocation (RHNA) is 2,946 units
- Accounting for above-moderate income units already in pipeline, City must plan for 1,477 new affordable units
- Also updating goals, policies, and programs to preserve, improve, and develop housing for all income categories and affirmatively further fair housing





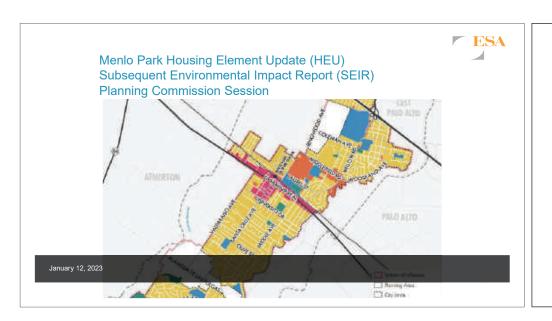
MAJOR LAND USE STRATEGIES

- Affordable RHNA will be met by zoning changes to allow up to 4,000 new units dispersed throughout city
 - The total would accommodate a mix of development types and achieve 2,834 affordable units
 - Primarily in Council districts 2 through 5
- Housing Element includes key zoning-related programs to be implemented within one year
- Program H4.D: Increase density bonuses in the affordable housing overlay (AHO)
- Program H4.I: Rezone commercial sites to allow residential and/or mixed-use development
- Program H4.J: Remove minimum lot size to achieve 30 du/ac for R-3 lots around downtown, and allow sites over 2 acres to have a density of 20 du/ac
- Program H4.L: Increase densities in El Camino Real/Downtown Specific Plan area and remove residential cap

OPPORTUNITY SITES Belle Haven/Bayfront Downtown/ El Camino Real







Overview of the SEIR

A Subsequent EIR (SEIR) has been prepared for the City's Housing Element and Safety Element Update, and the new Environmental Justice Element.

The SEIR builds upon the work completed for the 2016 ConnectMenlo effort and addresses the impacts of providing expanded housing opportunities in other parts of the City beyond the Bayfront.



Environmental Review Process

Milestone	Dates (some are tentative)		
Publish Notice of Preparation (NOP)	December 22, 2021		
Draft SEIR scoping session	January 24, 2022		
End of NOP comment period	January 31, 2022		
Publish Draft SEIR	November 4, 2022		
Draft SEIR comment session	November 14, 2022		
End of Draft SEIR comment period	December 19, 2022		
Publish Response to Comments on Draft SEIR	January 3, 2023		
Final SEIR certification hearings	Mid-late January, 2023		

Environmental Issues Analyzed in the Draft SEIR

- Aesthetics
- Air Quality
- Biological Resources
- Cultural Resources
- Energy
- Geology, Soils, & Paleontology
 Tribal Cultural Resources
- Greenhouse Gas Emissions
 Wildfire
- Hazards & Hazardous

- Hydrology & Water Quality
- Population & Housing
- Public Services & Recreation
- Utilities & Service Systems
- Transportation

Materials

ESA



Principal Findings of the Draft SEIR

- · Less than significant (LTS) effects and effects that can be mitigated to a less-than-significant level in all topic areas except air quality, cultural resources, and transportation.
 - Air Quality: Emissions during construction of larger projects
 - Cultural Resources (Historic Structures): Structures eligible for the National Register and/or California Register could be demolished and lost.
 - Transportation: Required upgrades to pedestrian and bicycle facilities might not occur based on lack of established nexus and identified funding.
 - Transportation: Some residential projects could exceed adopted guidelines for reductions in vehicle miles traveled (VMT).
- · The impacts identified above would be significant and unavoidable.

Alternatives

Alternative	Description
No Project Alternative (required by CEQA)	HEU and associated elements would not be adopted, additional housing sites would not be identified, and no zoning changes would occur
Low VMT Area Alternative*	Concentrate all residential density increases in areas within identified Priority Development Areas in the Downtown area and/or areas of the City with demonstrated low VMT

^{*} Indicates environmentally superior alternative



ESA

Response to Public Comments and the Final SEIR

- Lists agencies and individuals who submitted comments:
 - San Francisco Public Utilities Commission
 - Ravenswood Community School District
 - Ten organizations
 - Eleven individuals
- Final SEIR
 - Draft SEIR
 - Response to Comments Document
 - Revisions to the Draft SEIR
 - Mitigation Monitoring and Reporting Program (MMRP)

Together these documents constitute the SEIR

ESA

Principal Comments Received on the Draft SEIR

CEQA Issues

- Aesthetic impacts of densification
- Impacts to biological resources (birds and trees)
- Population and growth methodologies
- Impacts to recreation facilities
- Vehicle miles traveled (VMT)
- Water supply

Non-CEQA Issues

- Requests to add sites
- Requests to remove sites
- Requests for higher densities and more affordability
- Traffic congestion, parking

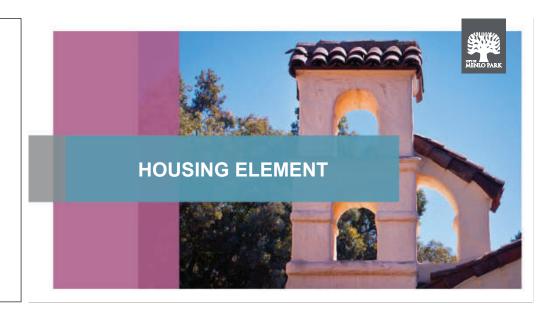
ESA

What's Next for CEQA?

Recommend Certification of the Final SEIR

- · Verify that that the Final SEIR meets the requirements of CEQA.
- Concur with the CEQA Findings
- Recommend adoption of a Statement of Overriding Considerations for the Significant and Unavoidable impacts identified in the SEIR, based on the following public benefits of adopting the HEU (summarized):
 - Achieves compliance with the requirements of state law;
 - Plans for the community in a sustainable, healthy, and balanced way with a focus on affordable housing development and affirmatively furthering fair housing; and
 - Updates the Safety Element and provides a new Environmental Justice Element to provide for safety, equity, and the reduction of unique or compounded health risks in disadvantaged communities.
- Recommend adoption of the Mitigation Monitoring and Reporting Program (MMRP)
 - The MMRP memorializes the commitments the City has made to minimizing the impacts of the HEU.









- May 2021-Present: Outreach through project galleries, survey, pop-up events, focus groups, community meetings, City website, email lists, and other methods
- October 4, 2021: Joint Planning Commission/Housing Commission meeting to review land use strategies
- November 17, 2021: Housing Commission discussed affordable housing strategy options to meet RHNA
- January 24, 2022: Planning Commission SEIR scoping session
- May 11, 2022: Primary draft Housing Element circulated for public review
- May 16, 2022: Joint Planning Commission and Housing Commission meeting to review primary draft Housing Element
- June 6, 2022: City Council meeting to review primary draft Housing Element
- July 25, 2022: City submitted primary draft Housing Element to HCD, beginning 90-day state review period
- October 21, 2022: City received letter from HCD with list of requested revisions
- January 6, 2023: City released final review draft Housing Element with revisions to address all HCD comments



HCD COMMENTS ON PRIMARY DRAFT HOUSING ELEMENT



- Primary draft Housing Element addresses many requirements
- Majority of comments were in the following topic areas:
- Affirmatively furthering fair housing (AFFH)
- Housing sites inventory and realistic capacity
- Analysis of constraints that would reduce housing development
- Addressing programs with more specificity and concrete action

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HOUSING ELEMENT REVISIONS

- Chapters 3, 4 and 5 have been updated to provide more narrative and data regarding AFFH concerns and disparity between areas north and south of U.S. 101
- Chapter 4 includes table of fair housing issues and actions the City will take to address the issues
- Chapter 5 includes responses to identified constraints, many of which are now addressed as programs in to be implemented through 2031



- Chapter 7 includes an update to HCD's realistic capacity methodology to estimate unit production on the housing opportunity sites
- Site capacity is set as: Acreage x Density x Total Adjustment

Total Adjustment Factors for Housing Opportunity Sites								
Geography	Land Use Controls	Realistic Capacity	Typical Densities	Infra. Availability	Enviro. Constraints	Total		
Specific Plan Area	0.95	0.80	0.90	1	1	0.684		
Elsewhere in City	0.95	0.90	0.95	1	1	0.812		

- City is also able to apply proposed density increases from updated Affordable Housing Overlay
- Changes to the methodology increase total affordable units from







KEY UPDATED HOUSING ELEMENT PROGRAMS

- Chapter 8 updated with new and revised programs
- Program H2.E: Anti-displacement strategy
- Funding for Menlo Park Housing Assistance Program beyond 2024
- Expansion of just cause eviction policies beyond current law for tenants of any tenure
- Increase in length of time for rent relocation assistance
- Creation of eviction monitoring and data collection program
- Development of tenant rights education
- Program H4.A: Amend BMR housing regulations to consider increasing
- Program H4.E: Streamlined project review for certain developments
- Program H4.G: Consider City-owned land for housing (downtown parking lots), with RFP by end of 2025
- Others in staff report and red-lined final review draft Housing Element





TENTATIVE UPCOMING MILESTONES

- January 31: City Council actions on SEIR and Housing Element
- February 9: Environmental Justice and Safety Elements community meeting (in English)
- February 10: Environmental Justice and Safety Elements community meeting (in Spanish)
- 1st Quarter of 2023: Continued advancement of Environmental Justice and Safety Elements and zoning implementation







REMAIN ENGAGED IN THE PROCESS

- Staff will continue to provide updates on the various elements of the Housing Element Update project on the City's webpage
- menlopark.gov/HousingElement

