



**REGULAR MEETING AGENDA – NOTICE OF CONTINUANCE OF PUBLIC HEARING**

**Date:** 12/6/2022  
**Time:** 6:00 p.m.  
**Locations:** [Zoom.us/join](https://zoom.us/join) – ID# 831 3316 9409 and  
City Council Chambers  
751 Laurel St., Menlo Park, CA 94025

**NOTICE OF CONTINUANCE OF PUBLIC HEARING**

**NOTICE IS HEREBY GIVEN THAT THE PUBLIC HEARING IDENTIFIED BELOW IN AGENDA ITEM F1., HELD AT THE SPECIAL CITY COUNCIL MEETING ON NOVEMBER 30, 2022 WAS CONTINUED TO TUESDAY DECEMBER 6, 2022 AND SHALL RESUME ON: TUESDAY DECEMBER 6, 2022 AT 6 P.M. ONLINE IN A REMOTE FORMAT, PURSUANT TO ASSEMBLY BILL (AB) 361, AND ACCESSIBLE AT:**

- [Zoom.us/join](https://zoom.us/join) – ID# 831 3316 9409
- IN-PERSON, AT THE CITY COUNCIL CHAMBERS, 751 LAUREL ST., MENLO PARK, CA 94025

**NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE**

Consistent with Government Code section 54953(e), and in light of the declared state of emergency, and maximize public safety while still maintaining transparency and public access, members of the public can listen to the meeting and participate using the following methods.

**How to participate in the meeting**

- Access the live meeting, in-person, at the City Council Chambers
- Submit a written comment online up to 1-hour before the meeting start time:  
[city.council@menlopark.org](mailto:city.council@menlopark.org)  
Please include the agenda item number you are commenting on.
- Access the meeting real-time online at:  
[Zoom.us/join](https://zoom.us/join) – Meeting ID 831 3316 9409
- Access the meeting real-time via telephone at:  
(669) 900-6833  
Meeting ID 831 3316 9409  
Press \*9 to raise hand to speak
- Watch meeting:
  - Cable television subscriber in Menlo Park, East Palo Alto, Atherton, and Palo Alto:  
Channel 26
  - City Council Chambers

Note: City Council closed sessions are not broadcast online or on television and public participation is limited to the beginning of closed session.

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, county and local orders, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the City’s website [menlopark.gov](http://menlopark.gov). The instructions for logging on to the webinar and/or the access code is subject to change. If you have difficulty accessing the

webinar, please check the latest online edition of the posted agenda for updated information ([menlopark.gov/agendas](http://menlopark.gov/agendas)).

According to City Council policy, all meetings of the City Council are to end by midnight unless there is a super majority vote taken by 11:00 p.m. to extend the meeting and identify the items to be considered after 11:00 p.m.

## Regular Session

### A. Call To Order

### B. Roll Call

### C. Agenda Review

### D. Public Comment

Under “Public Comment,” the public may address the City Council on any subject not listed on the agenda. Each speaker may address the City Council once under public comment for a limit of three minutes. You are not required to provide your name or City of residence, but it is helpful. The City Council cannot act on items not listed on the agenda and, therefore, the City Council cannot respond to non-agenda issues brought up under public comment other than to provide general information.

### E. Consent Calendar

- E1. Adopt a resolution to continue conducting the City’s Council and advisory body meetings remotely due to health and safety concerns for the public and to authorize the use of hybrid meetings ([Staff Report #22-230-CC](#))
- E2. Adopt a resolution ratifying the Menlo Park Fire Protection District Ordinance No. 50-2022 adopting amendments to the 2022 California Fire Code ([Staff Report #22-231-CC](#))
- E3. Receive and file the Single Audit Report for the fiscal year ended June 30, 2021 ([Staff Report #22-232-CC](#))
- E4. Reject all bids for the minimum point of entry room heating, ventilation, and air conditioning upgrade project and direct staff to rebid the project at a future date ([Staff Report #22-233-CC](#))
- E5. Adopt a resolution of intention to abandon a public utility easement along the rear of properties at 1701 Bay Laurel Drive and 1715 Bay Laurel Drive; determine this action is categorically exempt under California Environmental Quality Act Guidelines Section 15305’s Class 5 exemption for minor alterations in land use limitations ([Staff Report #22-234-CC](#))
- E6. Authorize the city manager to execute an agreement with the West Bay Sanitary District regarding the provision of recycled water service within Menlo Park Municipal Water Service Area; determine this action is exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15268 (Ministerial Projects) ([Staff Report #22-237-CC](#))



## **F. Continued Public Hearing**

- F1. Consider the Planning Commission's recommendation to approve the proposed project with modifications and adopt a resolution to 1) certify the final environmental impact report (Final EIR), make the California Environmental Quality Act (CEQA) findings including the Statement of Overriding Considerations for significant and unavoidable impacts, and approve the mitigation monitoring and reporting program (MMRP), 2) adopt a resolution to amend the General Plan Circulation Element, 3) adopt resolutions to approve the vesting tentative maps for the proposed project, read the title, and waive further reading of ordinances to 4) amend the City zoning map, rezone the project site from R-MU-B and O-B to R-MU-B-X and O-B-X to include the "X" Conditional Development overlay, and approve the conditional development permit and 5) adopt the development agreement, and 6) adopt a resolution to approve the below market rate (BMR) housing agreements for the proposed Willow Village masterplan project located at 1350-1390 Willow Road, 925-1098 Hamilton Avenue and 1005-1275 Hamilton Court, 1399 and 1401 Willow road, and 871-883 Hamilton Avenue ([Staff Report #22-228-CC](#)) – **Continued from 11/30/2022**

## **G. Regular Business**

- G1. Authorize the city manager to execute a community funding agreement and approve budget amendment ([Staff Report #22-235-CC](#))

## **H. Study Session**

- H1. Provide direction regarding revisions to the City's draft Housing Element in response to comments from the State Department of Housing and Community Development (HCD), and potential Zoning Ordinance and El Camino Real/Downtown Specific Plan amendments associated with the Housing Element Update project ([Staff Report #22-236-CC](#)) ([Presentation](#))

Please note: Public comment on item H1. is limited to two minutes per speaker.

## **I. Informational Items**

- I1. City Council agenda topics: December 2022 ([Staff Report #22-240-CC](#))  
I2. Transmittal of city attorney billing ([Staff Report #22-238-CC](#))  
I3. Update on the Willow Oaks Park improvement project ([Staff Report #22-239-CC](#))

## **J. City Manager's Report**

## **K. City Councilmember Reports**

## **L. Adjournment**

At every regular meeting of the City Council, in addition to the public comment period where the public shall have the right to address the City Council on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Council on any item listed on the agenda at a time designated by the chair, either before or during the City Council's consideration of the item.

At every special meeting of the City Council, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the chair, either before or during consideration of the item. For appeal hearings, appellant and applicant shall each have 10 minutes for presentations.

If you challenge any of the items listed on this agenda in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Menlo Park at, or prior to, the public hearing.

Any writing that is distributed to a majority of the City Council by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available by request by emailing the city clerk at [jaherren@menlopark.org](mailto:jaherren@menlopark.org). Persons with disabilities, who require auxiliary aids or services in attending or participating in City Council meetings, may call the City Clerk's Office at 650-330-6620.

Agendas are posted in accordance with Government Code Section 54954.2(a) or Section 54956. Members of the public can view electronic agendas and staff reports by accessing the City website at [menlopark.gov/agendas](http://menlopark.gov/agendas) and can receive email notification of agenda and staff report postings by subscribing to the "Notify Me" service at [menlopark.gov/subscribe](http://menlopark.gov/subscribe). Agendas and staff reports may also be obtained by contacting City Clerk at 650-330-6620. (Posted: 12/1/2022)



## STAFF REPORT

### City Council

Meeting Date:

12/6/2022

Staff Report Number:

22-230-CC

Consent Calendar:

**Adopt a resolution to continue conducting the City's Council and advisory body meetings remotely due to health and safety concerns for the public and to authorize the use of hybrid meetings**

### Recommendation

Staff recommends that the City Council adopt a resolution (Attachment A) to continue conducting the City's Council and advisory body meetings remotely due to health and safety concerns for the public and to authorize the use of hybrid meetings.

### Policy Issues

Assembly Bill 361 (AB 361) was signed into law September 16, 2021 allowing cities to continue holding virtual meetings during any emergency proclaimed by the governor. AB 361 will expire when the state of emergency ceases or January 1, 2024, whichever is first. Governor Newsom recently announced an end to the state of emergency February 28, 2023, in which case AB 361 would expire on that date. The City Council would need to declare every 30 days that the City's legislative bodies must continue to meet remotely or in a hybrid format whereby City Councilmembers, appointed officials, staff and the public may participate in person or remotely, in order to ensure the health and safety of the public.

### Background

The California Legislature approved AB 361, which was signed by the governor September 16, 2021 for signature. The bill allows local legislative bodies to continue to meet remotely through January 1, 2024. A local agency will be allowed to continue to meet remotely when:

- The local agency holds a meeting during a declared state of emergency
- State or local health officials have imposed or recommended measures to promote social distancing
- Legislative bodies declare the need to meet remotely due to present imminent risks to the health or safety of attendees

The City meets the requirements to continue holding meetings remotely in order to ensure the health and safety of the public:

- The City is still under a local state of emergency
- County Health urges that all individuals in public spaces maintain social distancing and wear masks

On September 13, 2022 Governor Newsom signed AB 2449 amending the Brown Act to provide additional teleconference procedures to allow members of a legislative body (included bodies appointed by the City Council) to participate remotely in public meetings. The new amendments to the Brown Act go into effect January 1, 2023 and provide complex procedures for holding hybrid public meetings. A hybrid meeting

allows members of City Council and advisory bodies, staff, and members of the public to participate in meetings either virtually and in-person.

## Analysis

The City is still under a local state of emergency and the emergency findings required under AB 361 are still in effect. San Mateo County is still in the Low COVID-19 Community Level category and the Centers for Disease Control and Prevention (CDC) recommends that people may choose to mask at any time and people with symptoms, a positive test, or exposure to someone with COVID-19 should wear a mask. The resolution authorizes the use of hybrid meetings, whereby City Councilmembers, participants, and staff may choose to attend either remotely or in person due to health and safety concerns and needs. The City Council finds that reducing the number of persons present in City Council chambers may continue to reduce imminent health risks associated with large groups and/or members of varying households gathering indoors.

AB 2449 would allow local officials to hold remote public meetings and would authorize relaxed teleconferencing procedures beyond what is currently required by the Brown Act (meaning there would be no need to identify each teleconference location, post agendas at all teleconference locations, or allow the public to access the teleconference locations) if at least a quorum of the legislative body participates in-person at a single location identified on the agenda that is open to the public, and the legislative body follows certain requirements, including:

- The legislative body must provide either a two-way audiovisual platform or two-way telephonic service and a live webcasting of the meeting to allow the public to remotely hear and visually observe the meeting, and remotely address the legislative body.
- The agenda must identify and include an opportunity for all persons to attend via a call-in option, internet-based service option and at the in-person location of the meeting.
- A member of the legislative body can only participate remotely if one of the following are met:
  - the member notifies the legislative body at the earliest opportunity possible, including at the start of a regular meeting, of their need to participate remotely for “just cause”; or
  - the member requests the legislative body to allow them to participate in the meeting remotely due to “emergency circumstances” and the legislative body takes action to approve the request. The legislative body must request a general description (generally not exceeding 20 words) of the circumstances relating to their need to appear remotely at the given meeting.
- “Just cause” is defined as (i) a childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely; (ii) a contagious illness that prevents a member from attending in person; (iii) a need related to a physical or mental disability as defined by statute; or (iv) travel while on official business of the legislative body or another state or local agency.
- Members of the legislative body are prohibited from using AB 2449 to participate in remote meetings for more than three consecutive months or for 20% of the regular meetings in a calendar year.
- Members of the legislative body participating remotely must participate using both audio and visual technology. While the new law doesn’t specify whether audio and visual technology must be enabled at all times while participating remotely, we think the best reading of the law is that a member participating remotely should keep their camera on, and be able to participate via audio at all times during the meeting.
- Members of the legislative body participating remotely must publicly disclose whether any individual over the age of 18 is present in the same room as the member participating remotely.

- A meeting must be paused when there is any teleconference disruption for the public and no action can be taken if a disruption event prevents the legislative body from broadcasting the meeting.
- Real-time public comments must be allowed during the meeting.
- Legislative bodies must implement procedures for resolving requests for reasonable accommodations for individuals with disabilities.

### **Impact on City Resources**

Additional technologies will need to be purchased and implemented in the City Council Chambers, Main Library (Senior Annex), Oak Room (Arrillaga Recreation Center), and the Downtown Conference Room (City Hall) in order to hold hybrid meetings. There will also be the need to train staff and advisory body members on the new technology.

### **Environmental Review**

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it is an organizational structure change that will not result in any direct or indirect physical change in the environment.

### **Public Notice**

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

### **Attachments**

A. Resolution

Report prepared by:

Judi A. Herren, Assistant to the City Manager/City Clerk

**RESOLUTION NO. XXXX****RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK AND ON BEHALF OF COMMISSIONS AND COMMITTEES CREATED BY THE CITY COUNCIL PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54952(b) AUTHORIZING TELECONFERENCE MEETINGS IN COMPLIANCE WITH AB 361 (GOVERNMENT CODE SECTION 54953(e)) TO CONTINUE TO ALLOW MEMBERS OF THE PUBLIC TO SAFELY PARTICIPATE IN LOCAL GOVERNMENT MEETINGS**

WHEREAS, the City Council is committed to ensuring public access to observe and participate in local government meetings; and

WHEREAS, all meetings of the City Council and other legislative bodies created pursuant to Government Code Section 54952(b) are open and public, as required by the Ralph M. Brown Act, so that any member of the public may participate in local government meetings; and

WHEREAS, the AB 361, codified at Government Code section 54953(e), makes provisions for remote teleconferencing participation in local government meetings, without compliance with the requirements of 54953(b)(3), during a Governor-proclaimed state of emergency and if the local legislative body determines, by majority vote, that as a result of the emergency, meeting solely in person would present imminent risks to the health or safety of attendees; and

WHEREAS, on March 4, 2020, Governor Newsom proclaimed a State of Emergency due to the outbreak of respiratory illness due to a novel coronavirus (now known as COVID-19) and that State of Emergency is still in effect in the State of California; and

WHEREAS, on March 11, 2020 the City Council proclaimed the existence of a local state of emergency within the City, pursuant to Section 8625 of the California Emergency Services Act in response to the COVID-19 pandemic; and

WHEREAS, COVID-19 continues to threaten the health and lives of City residents; and

WHEREAS, the SARS-CoV-2 Delta and Omicron Variants are highly transmissible in indoor settings; and

WHEREAS, the Omicron subvariants of the SARS-CoV-2 virus is overtaking other variants in San Mateo County; and

WHEREAS, according to data from the County's Health Administrator and County website, the County is averaging approximately 12 new cases per 100,000 of COVID-19 per day; and

WHEREAS, although the City has returned to in-person meetings, due to the prevalence of BA strains of the SARS-CoV-2 virus overtaking other variants in San Mateo County, the City Council finds that reducing the number of persons present in City Council chambers is necessary to reduce imminent health risks associated with large groups and/or members of varying households gathering indoors; and

WHEREAS, the State of California and the City of Menlo Park continue to follow safety measures in response to COVID-19 as ordered or recommended by the Centers for Disease Control and Prevention (CDC), California Department of Public Health (DPH), and/or County of

San Mateo, as applicable, including facial coverings when required; and based upon that guidance, in-person attendance indoors at public meetings continues to present a health risk for certain segments of the population, necessitating the need to reduce the number of in-person meeting attendees; and

WHEREAS, the City Council, acting as a legislative body pursuant to Government Code section 54952(a) and for the benefit of the commissions, committees and other bodies that were created by the City Council pursuant to Government Code section 54952(b) (collectively referred to as “Legislative Bodies”), finds that the current conditions meet the circumstances set forth in Government Code section 54953(e)(3) to allow Legislative Bodies to continue to use teleconferencing to hold open and public meetings if the Legislative Bodies comply with the requirements set forth in Government Code section 54953(e)(2) to ensure the public can safely participate in and observe local government meetings.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Menlo Park that the City Council does hereby:

1. Find that current conditions authorize teleconference public meetings of Legislative Bodies. Based on the California Governor’s continued declaration of a State of Emergency and current conditions, the City Council finds that meeting in person, without the option for certain populations and persons to participate remotely, would present imminent risks to the health or safety of attendees. The City Council does therefore find that Legislative Bodies and members of Legislative Bodies of the City may elect to use teleconferencing to hold public meetings in accordance with Government Code section 54953(e)(2) to ensure members of the public have continued access to safely observe and participate in local government meetings.
2. Authorize Legislative Bodies to conduct teleconference meetings. The Legislative Bodies are hereby authorized to take all actions necessary to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with Government Code section 54953(e)(2) and other applicable provisions of the Brown Act.
3. Authorize Legislative Bodies to conduct hybrid meetings. The Legislative Bodies are hereby further authorized to conduct meetings in a “hybrid” format, where both members of the Body may elect to be present in person, utilizing appropriate distancing and masking practices, or participate by teleconferencing technology. Such meetings of the Legislative Bodies that occur using teleconferencing technology will provide an opportunity for any and all members of the public who wish to address Legislative Bodies and will otherwise occur in a manner that protects the statutory and constitutional rights of parties and the members of the public attending the meeting via teleconferencing.

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I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the sixth day of December, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this \_\_ day of December, 2022.

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Judi A. Herren, City Clerk



## STAFF REPORT

### City Council

Meeting Date:

12/6/2022

Staff Report Number:

22-231-CC

Consent Calendar:

**Adopt a resolution ratifying the Menlo Park Fire Protection District Ordinance No. 50-2022 adopting amendments to the 2022 California Fire Code**

### Recommendation

Staff recommends that the City Council adopt a resolution (Attachment A) ratifying the Menlo Park Fire Protection District's Ordinance No. 50-2022 adopting revisions to the 2022 California Fire Code.

### Policy Issues

Menlo Park does not have its own fire department. The Menlo Park Fire Protection District (Fire District) takes the lead in adopting any local amendments to the California Fire Code. Under the Fire Protection District Law of 1987, the Fire District has authority to adopt local amendments to the California Fire Code by adopting its own ordinance, and its modifications will go into effect within Menlo Park as long as they are ratified by the City. The Fire District has adopted an ordinance making such modifications to the 2022 California Fire Code, which are shown in Attachment B and C. Staff is presenting a resolution to the City Council ratifying the Fire District's ordinance so that it may go into effect in Menlo Park, on January 1, 2023.

### Background

On November 1, 2022 staff provided the City Council a review of the proposed amendments to the fire Code and Local Ordinances. The City Council did not have any comments.

### Analysis

If the City Council chooses to take action to adopt the resolution, the updated Fire Code and local amendments will be ratified and effective January 1, 2023. The resolution will designate the Fire District as the primary entity for enforcement of the fire code as amended. The Fire District Board adopted the ordinance at their meeting November 15, 2022.

### Impact on City Resources

The adoption of the resolution ratifying the Fire District Fire Code Ordinance No. 50-2022 will not result in any direct costs to the City. Public informational materials, such as City webpages and/or handouts, will need to be updated to reflect minor modifications.

### Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

**Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting and posting a notice at the City Hall front entry.

**Attachments**

- A. Resolution ratifying Fire District Ordinance 50-2022
- B. Fire District Ordinance No. 50-2022
- C. Matrix of Fire District ordinance versus 2022 California Fire Code

Report prepared by:

Sergio Rudin, Assistant City Attorney

Chuck Andrews, Assistant Community Development Director

Reviewed by:

Deanna Chow, Assistant Community Development Director

**RESOLUTION NO. XXXX**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK  
RATIFYING THE MENLO PARK FIRE PROTECTION DISTRICT ORDINANCE  
ADOPTING AMENDMENTS TO THE 2022 CALIFORNIA FIRE CODE**

WHEREAS, the Fire Protection District Law of 1987 (Health and Safety Code 13869 et seq.) allows fire districts and cities to adopt amendments to the California Fire Code based on local conditions.

WHEREAS, the Menlo Park Fire Protection District (Fire Protection District) adopted Ordinance No. 50-2022, amending the 2022 California Fire Code on November 15, 2022.

WHEREAS, the City desires to ratify Ordinance No. 50-2022 so that it applies within the territorial jurisdiction of the City of Menlo Park.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Menlo Park, as follows:

1. The City Council hereby ratifies Fire Protection District Ordinance No. 50-2022, which amends the 2022 California Fire Code, Title 24 California Code of Regulations, Part 9, in accordance with Health and Safety Code Section 13869.7. The City Council of the City of Menlo Park delegates the enforcement of Ordinance No. 50-2022 to the Chief of the Fire Protection District or the Chief's authorized representative(s).
2. Ordinance No.50-2022, as ratified herein, shall apply to building permit submittals made after January 1, 2023.
3. The City Council, in the exercise of its independent judgment, determines that this action is exempt from the California Environmental Quality Act (CEQA) Guidelines Sections 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the sixth day of December, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this \_\_\_\_ day of December, 2022.

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Judi A. Herren, City Clerk

**MENLO PARK FIRE PROTECTION DISTRICT**  
**ORDINANCE NO. 50-2022**  
**DISTRICT FIRE PREVENTION CODE**  
**For the City of Menlo Park**

AN ORDINANCE OF THE MENLO PARK FIRE PROTECTION DISTRICT ADOPTING THE 2021 EDITION OF THE INTERNATIONAL FIRE CODE WITH THE 2022 CALIFORNIA FIRE CODE AND LOCAL AMENDMENTS.

**WHEREAS**, pursuant to Title 24 of the California Code of Regulations, also known as the California Building Standards Code (“CBSC”) and California Health and Safety Code Section 13869 *et seq.*, a fire protection district may adopt a fire prevention code by reference and may also, when reasonably necessary due to local climatic, geological or topographical conditions, establish more stringent local building standards relating to fire and safety than those set forth in the CBSC; and

**WHEREAS**, pursuant to California Health and Safety Code sections 18941.5 and 17958, the Board of Directors of the Menlo Park Fire Protection District hereby finds that the amendments adopted herein are reasonably necessary because of local climatic, geologic, and topographic conditions; and

**WHEREAS**, the Menlo Park Fire Protection District is required to formally adopt a Fire Code, and to comply with California Health and Safety Code Sections, 13143.5, 13145, and 13146, for the enforcement provisions of the California Fire Code; and

**WHEREAS**, the Menlo Park Fire Protection District (the “District”) now desires to adopt by reference an amended and restated District Fire Prevention Code that makes local amendments to the 2022 Edition of the California Fire Code based upon the 2021 Edition of the International Fire Code, and

**WHEREAS**, this Ordinance was introduced and was adopted after the holding of a public hearing pursuant to California Health and Safety Code Section 13869.7 and California Government Code Section 50022.3.

**WHEREAS**, the City of Menlo Park agrees to ratify and implement this adoption by reference

**NOW, THEREFORE**, the Board of Directors of the Menlo Park Fire Protection District ordains as follows:

**SECTION 1: LOCAL CLIMATIC GEOLOGICAL AND TOPOGRAPHICAL CONDITIONS**

Pursuant to Section 17958.5 and 17958.7 of the State of California Health and Safety Code, the Board of Directors of the Menlo Park Fire District finds that the below changes or modifications are needed and are reasonably necessary because of certain local climatic, geological and topographic conditions as follows:

## **Finding 1: Climatic**

The District, on average, experiences an annual rainfall of 19.7 inches. This rainfall can be expected between October and April of each year. However, during the summer months there is little, if any measurable precipitation. During this dry period the temperatures are usually between 70 – 95 F degrees with light to gusty westerly winds. These drying winds, combined with the natural and imported vegetation which is dominant throughout the area, create a hazardous fuel condition that can cause extensive encroaching into these wooded and grass covered areas where wind-driven fires can have severe consequences. This has been demonstrated in a number of like climatic areas within the State of California and the western United States.

Because of variable weather patterns, normal rainfall cannot always be relied upon. This can result in water rationing and water allocation programs, as demonstrated in past drought patterns. Water shortages may also be expected in the future due to limited water storage capabilities and increased consumption. The District is bounded by San Francisco Bay on the east and the foothills of the Santa Cruz Coastal Range of mountains on the west. This setting allows for strong gusty winds to blow through the Fire District. These winds are a common occurrence each afternoon during summer months. Wind increases a fire's ability to spread and has been attributed to the rapid spread of both vegetation and structure fires. Automatic fire sprinkler protection as required in buildings specified in Chapter 9 of the Fire Code and the local requirements and standards of Menlo Park Fire Protection District would significantly reduce the fire's ability to spread rapidly, especially when the jurisdiction is affected by the typical wind patterns.

## **Finding 2: Geologic and Geographic**

- A. **Geographic Location.** The District is located at the southeastern most part of San Mateo County.
- B. **Seismic Location.** The District is situated on alluvial soils between San Francisco Bay and the San Andreas Fault zones. The location makes it particularly vulnerable to damage to taller and older structures caused by seismic events. The relatively young geological processes that have created the San Francisco Bay Area are still active today. Seismically, the District sits between two active earthquake faults, the San Andreas fault and the Hayward/Calaveras fault, and numerous potentially active faults. A majority of the District's land surface is in the high-to-moderate seismic hazard zones, as established by the U.S. Geological Survey.
- C. **Seismic and Fire Hazards.** Fires following an earthquake have the potential of causing greater loss of life and damage than the earthquake itself. A significant portion of the District's residential, commercial and industrial structures are located in seismic risk zones. Should a significant seismic event occur, fire suppression resources would have to be prioritized to mitigate the greatest threat, and may not be available for every structural

fire. In such an event, individual structures should be equipped to help in mitigation of the risk of damage.

Other variables could aggravate the situation: (i) the extent of damage to the water system; (ii) the extent of isolation due to bridge and/or freeway overpass collapse; (iii) the extent of roadway damage and/or amount of debris blocking the roadways; (iv) climatic conditions (hot, dry weather with high winds); (v) time of day will influence the amount of traffic on roadways and could intensify the risk to life during normal business hours; and; (vi) the availability of timely mutual aid or military assistance.

- D. Waterways. The Fire District's south and east boundary lines are waterways, the south side being the San Francisquito Creek, and the east side being the San Francisco Bay. Both waterways are influenced by tides. The San Francisquito Creek is fed from Searsville Dam, located along the Jasper Ridge, and also collects water from storm drains along its drainage pathway. The creek finally empties into San Francisco Bay, and is therefore influenced by tidal activity. During periods of heavy rainfall in combination with high tides in the Bay, San Francisquito Creek has overflowed its banks, causing floods in both East Palo Alto and Menlo Park. The floods have hampered fire apparatus making a timely response to emergencies and providing needed service to the community. Proper roadway widths as defined in Chapter 5 of the Fire Code and the minimum roadway standards established by Menlo Park Fire District can provide fire apparatus with accessibility while helping to divert excess water flow during rainy seasons.
- E. Transportation. The District is dissected by a major state highway (El Camino Real) and two major interstate freeways (I-280 and U.S. 101). However, the interconnecting road system is significantly less well developed. These conditions are likely to affect response times of fire suppression personnel and apparatus during periods of heavy traffic or conditions of major emergencies.

The Fire District is also split in half by an active railway that serves commuters during daylight hours and transports freight in the evening. There are seven railroad crossings that allow fire apparatus to cross from one side of the Fire District to the other. The railroad limits the Fire District's ability to not only make a timely response to an emergency, but also hampers our ability to provide a safe number of fire fighters to the scene of an emergency to begin operations that are compliant with Cal-OSHA Safety Regulations. Again, a structure's ability to control a fire or emergency condition with fire sprinkler protection, would play a key role in reducing losses.

A single toll bridge connects the Fire District with a substantial workforce that resides in Alameda County. This single point source connection significantly adds to traffic congestion through the jurisdiction during commute hours. With alternative work schedules, commute hours may last from 5:00 am through 7:00 pm, with significant traffic backups also noted during the lunch hour.



- F. **Soil Conditions.** The District lies near the southern end of San Francisco Bay and is built atop the alluvial deposits that surround the margins of the Bay. The alluvium was created by the flooding of the many streams emptying into the San Francisco Bay depression, and from intermittent sea water inundation occurring over the last two or three million years. The areas closest to the Bay are overlain by unconsolidated fine silty clay, known as Bay Mud which varies in thickness from a few feet to as much as 30 feet. Generally, the older more stable alluvium is to the south and the younger less stable material is to the north. Bedrock lies beneath the area at depths generally 300 feet or more. The predominant soils patterns actuate the adverse effects on structures that may be expected from major seismic events.
- G. **Building Design.** Many of the older and taller buildings are of designs which greatly limit accessibility by District resources. This includes large narrow parcels that have been subdivided into “flag-lots” on narrow residential streets.

The infrastructure that supports these buildings is old and not in compliance with current Codes. Some water purveyors and water mains in residential and commercial areas deliver water supplies that do not meet fire flow requirements required by Appendix B of the Fire Code. Some fire hydrant locations in both residential and commercial do not meet distance requirements of Appendix C of the Fire Code. This will not only hamper fire suppression operations, but limits building design. When water supplies must be altered to accommodate new construction, Menlo Park Fire District Standards on Underground Water Piping and the Standard on Water Supplies attempt to work with the existing infrastructure to accommodate the needs of fire fighters.

Residential properties in the Fire District consist primarily of one-acre or smaller parcels, flag lots and single and multi-family infill developments. Common to the larger parcels is the development of additional residential or in-law type occupancies for which fire department access is difficult based on existing driveway configurations for the original single-family parcels. Flag lots, for example, typically have driveways in excess of 150 feet, with narrow access, necessitating additional requirements, which the Fire District has added to Section 503, by creating Standards for driveways and private roadways that includes minimum driveway widths, fire apparatus turnaround specifications, and minimum vertical clearances. Areas in the District have older narrow roads, less than 20 feet wide and unimproved sidewalks or gutters, and allow parking on both sides. Parking is a regional issue which plagues the streets causing streets to be narrow allowing only one vehicle to pass. Regional traffic has increased causing neighborhoods to be flooded with increased pass through traffic, reducing alternative emergency response routes. Neighborhoods are increasing traffic control measure installations which also increase emergency response times. Additionally, fire department response times are increased due to gated access roads, a lack of street or address illumination, and existing vegetation barriers. Section 505.1 provides minimum standards for addresses on buildings and now requires new buildings to have illuminated addressing. However, neighborhood street lighting continues to be an issue.

Proper roadway widths as required by Chapter 5 and Appendix D of the Fire Code, along with minimum Menlo Park Fire District Fire Prevention Code, would allow fire apparatus to set up fire suppression operations and access both driveways that extend greater than 150 feet, and private roadways serving minor developments.

With the aging infrastructure, many water supplies do not meet current fire flow requirements. When redevelopment occurs, compliance to Fire Code Section 507 in addition to Menlo Park Fire District Fire Prevention Code on Water Supplies and on Underground (Piping) Standards is required. The Water Supply Standard provides for the type and size of the approved fire hydrant, its location in relationship to “flag-lots”, and placement of “blue-dots” to indicate their placement.

Due to the close proximity to San Francisco Bay, salt content in the soil is highly corrosive. Menlo Park Fire District’s Underground Standards provides requirements for underground piping of both fire hydrant installations as well as underground piping for automatic fire sprinkler system.

### **Finding 3: Topographical**

The District’s topographic conditions are closely associated with the geological /geographical element. With the elevation changes within the District, development has followed the path of least resistance, creating a meandering pattern. This circumstance does not lend itself to a good systematic street and road layout, which would promote easy traffic flow. It has, in fact, resulted in few major cross-town thoroughfares that tend to be heavily congested, primarily during commute hours and seasonal periods of the year. This creates barriers that reduce the response time of fire equipment and other emergency services.

The topography of the District is also challenged by major development patterns. Employment areas are located adjacent to and throughout the jurisdiction. The people who work in these areas have added to the traffic congestion in the District thereby reducing the District’s response time capabilities.

Inherent delays caused by these traffic patterns make it necessary to mitigate these problems with greater requirements for built-in automatic fire protection systems, noted in Section 903 of the Fire Code, along with local requirements and standards. In addition, the Fire District has added Fire Alarm maintenance requirements, specifically UL Certification noted in Section 907, to reduce false alarms and insure system reliability.

### **Finding 4**

The climatic conditions along the Peninsula affect the acceleration, intensity and size of a fire within the jurisdiction. Times of little or no rainfall, low humidity, and high temperatures have created extremely hazardous fire conditions, particularly as they relate to roof fires and conflagrations. The winds experienced in the Fire District can have a tremendous impact upon structure fires by carrying sparks and burning brands to other structures, thus spreading the fire and causing conflagrations. In building fires, winds can literally force the fire back into the

structure, creating a blow torch effect, in addition to preventing the natural and cross ventilation efforts of firefighters. In 1997, a fire at Green Oaks School in East Palo Alto resulted in a multi-million-dollar loss. The fire's unusually rapid spread was attributed to wind conditions occurring at the time of the fire. Other fires within the jurisdiction's housing tracts have also experienced unusually rapid spread due to the gusty winds that occur daily off the San Francisco Bay.

#### **Finding 5**

By the use of automatic early fire detection and suppression systems, the Fire District will have the ability to curb losses of life and property attributed to the local climate's influence on fires. With the use of an early, automatic fire suppression system, major fire losses can be controlled. For example, in 1989, a flammable liquid fire occurred at Romic Environmental Services, a former chemical recycling company that was located at the south end of the Fire District. The area suspected as the point of the fire's origin was an open-air, un-sprinklered building subject to wind conditions. The fire grew rapidly. It was finally brought under control several hours after discovery, with the assistance of neighboring fire departments and resulted in a multi-million-dollar loss of property, equipment and product. Two years later, after the area had been rebuilt and retrofitted with an automatic fire sprinkler system, another fire occurred at the same location. This fire was contained to a single piece of equipment and was controlled by one fire crew.

#### **Finding 6**

The geological conditions experienced within the Fire District increase the magnitude, exposure and accessibility to fire events. For example, a fire following an earthquake has the potential of causing greater loss of life and damage than the earthquake itself. Hazardous materials, particularly toxic gases, could pose the greatest threat to the largest number of people, should a significant seismic event occur. Fire protection resources would have to be prioritized to mitigate the greatest threat, and may likely be unavailable for smaller single-family dwelling or smaller business occupancy fires. Other variable conditions could include damage to the water system, freeway overpass collapse, roadways blocked by debris, and time of day, which could affect traffic patterns during or after the event.

In 1989 a 7.0 magnitude earthquake struck the San Francisco Bay Area via the San Andres Fault. For three hours following the event, firefighters from Menlo Park Fire District responded to over 100 incidents per hour. Though during this event, losses in the Fire District due to fire were minimal, however other neighboring jurisdictions were not as lucky. Had automatic fire sprinkler protection been a requirement at the time, it could have assisted firefighters in setting their priorities and assisting those citizens who needed emergency services the most.

#### **Finding 7**

Heavy traffic congestion on city streets already acts as a barrier to the timely response of fire equipment and emergency services. Continued growth, both residential and commercial from both inside and outside the Fire District will only serve to continue the traffic problem. In the event of an accident or other emergency at certain key point intersections, portions of the Fire

District could be isolated or response times could be sufficiently slowed, thus increasing the risk of substantial injury and damage.

A year long time study of response times for fire apparatus indicates significant increases in response to emergencies during the commute hours of 6:00 am to 10:00 am and again from 3:00 pm to 7:00 pm. In conjunction with the increased response time, fire losses also showed the same pattern of higher losses for fires starting during commute hours. From 2003 to 2012, the Fire District experienced 22 structural fires where the property loss was greater than \$300,000. From 2013 to July 2016, 40% of dollar loss occurred during commute traffic time. A \$2,561,485 loss of \$6,389,086 during this time, indicating significant losses that could be directly attributed to typical traffic congestion experienced within the Fire District.

If fire apparatus is hindered in their response, automatic fire sprinkler protection will help. According to IFSTA Training Manuals, the temperature inside a structure can go from ambient to an excess of 1,000 degrees F within the first ten minutes of a fire. Delay of fire apparatus will only allow the fire to grow, thus making efforts to suppress the fire more difficult. Additionally, the ability to perform an effective rescue is diminished if fire fighters are delayed in their response. With an automatic fire sprinkler protection system in place, the fire should be held to a controllable level, allowing the ability of citizens to escape from the burning structure, as well as allowing firefighters to contain the fire in a safe manner in its beginning stages.

### **Finding 8**

It is due to these climatic, geographical and topographical conditions that the Fire District supports the need for structures within the jurisdiction to at least be capable of initial fire suppression capacity.

### **Finding 9**

For the above reasons, taken individually and cumulatively, that the Board of Directors of the Menlo Park Fire Protection District finds there to be building and fire hazards particular to the jurisdiction that require the increased fire protection detailed as set forth in this Ordinance.

## **SECTION 2: TITLE, ENFORCEMENT & RECORDKEEPING**

This set of regulations, including provisions adopted and incorporated by reference, shall be known as the "District Fire Prevention Code" of the Menlo Park Fire Protection District ("the District") and may be cited as such. It is also referred to as the "Fire Code" in these regulations.

- A. No section of the Fire Prevention Code shall impose a mandatory duty of enforcement on the Fire District, or on any officer, official, agent, employee, board, or commission thereof. Instead, if any section purports to impose a mandatory duty of enforcement, said section shall be deemed to invest the Fire District, and the appropriate officer, official, agent, employee, board, council, or commission with discretion to enforce the section, or not to enforce it.

- B. A copy of the Fire Prevention Code, as defined herein, shall be kept on file in the office of the Menlo Park Fire Protection District Fire Marshal.

### **SECTION 3: AUTHORITY**

The District Fire Prevention Code is adopted pursuant to the Fire Protection District Act of 1987 (California Health and Safety Code Sections 13800 *et seq.*) and in particular the following provisions of that Act:

- A. Section 13861(h), which empowers the District to adopt ordinances;
- B. Section 13861(i), which empowers the District to establish and enforce rules and regulations for the administration, operation and maintenance of the governmental services which it is authorized to provide;
- C. Section 13862, which empowers the District to provide certain governmental services including fire protection services;
- D. Section 13869, which empowers the District to adopt a fire prevention code by reference; Section 13870, which empowers the District's authorized representatives to order correction or elimination of fire and life hazards;
- E. Section 13871(b), which provides that failure to correct or eliminate a fire or life hazard after a duly issued order is a misdemeanor;
- F. Section 13872, which empowers the District's authorized representatives to issue citations for certain violations;
- G. Section 13873, which provides that the District's employees shall have the powers of peace officers while engaged in the prevention and suppression of fires and the preservation of life and property; and,
- H. Sections 13916, 13917, 13918 and 13919, which, among other things, empower the District's Board of Directors to charge a fee to cover the cost of any services, which the District provides and the cost of enforcing any regulation for which a fee is charged.

### **SECTION 4: ADOPTION BY REFERENCE**

- A. The Menlo Park Fire Protection District hereby adopts the 2022 California Fire Code (California Code of Regulations, Title 24, Part, 9 [based on the 2021 International Fire Code published by the International Code Council]), with California Amendments as amended, including Appendix D except to the extent portions of the CFC may be added, deleted, modified or amended by Section 6 (Local Amendments) of this Code. The 2022 California Fire Code, with the changes, additions, and deletions set forth this ordinance, is adopted by this reference as though fully set forth in this ordinance. As of the effective date of this ordinance, the provisions of the fire code are controlling and enforceable within the limits of each town or city within the jurisdiction of the District.
- B. The Menlo Park Fire Protection District hereby adopts the 2022 California Fire Code (California Code of Regulations, Title 24, Part, 9 [based on the 2021 International Fire Code published by the International Code Council]), with California Amendments as amended, together with the non-building standards reproduced therein except otherwise provided by this ordinance, are adopted by reference as the Fire Code of the Menlo Park Fire Protection District. This Code including all amendments thereto, shall hereafter be

called the “Fire Code,” and/or this “Code” and are adopted as and for the rules, regulations, and standards within the Jurisdiction as to all matters therein, except otherwise provided.

**SECTION 5: AUTHORITY AND DUTIES OF THE BUREAU OF FIRE PREVENTION AND LIFE SAFETY**

The California Fire Code, including California Fire Code Standards as adopted and amended herein, shall be enforced by the Menlo Park Fire Protection District and managed by the Bureau of Fire Prevention and Life Safety, and shall operate under the direction of the Fire Chief and the Fire Marshal of the Menlo Park Fire Protection District. Both Fire Officers shall be known as the Fire Code Officials.

**SECTION 6: LOCAL AMENDMENTS, MODIFICATIONS AND DELETIONS TO THE CALIFORNIA FIRE CODE**

Based upon the findings of the Board of Directors of the Menlo Park Fire Protection District regarding local climatic, topographical, and geological conditions, the following sections and/or subsections of the 2022 California Fire Code and the 2021 International Fire Code are amended or modified as set forth in this section. If a section is not referenced below, it remains unchanged.

**SECTION 101 SCOPE AND GENERAL REQUIREMENTS** is *amended* to read as follows:

**101.1 Title.** These regulations shall be known as the 2022 CALIFORNIA FIRE CODE, and with amendments adopted by the Menlo Park Fire Protection District, will be referred to herein as the “CODE,” and/or the “FIRE PREVENTION CODE.”

**SECTION 102.6 HISTORIC BUILDINGS** is added and *amended* to read as follows:

102.6 The provisions of this code relating to the construction, alteration, repair, enlargement, restoration, relocation or moving of buildings or structures shall not be mandatory for existing buildings or structures identified and classified by the state or local jurisdiction as historic buildings where such buildings or structures do not constitute a distinct hazard to life or property. Fire protection in designated historic buildings shall be provided in accordance with the California Historic Building Code.

**SECTION 107 FEES** is added and *amended* to read as follows:

**107.1** The fees for the permits and other services shall be established by resolution of the Menlo Park Fire Protection District Fire Board Fee Schedule (“Fee Schedule”). The fee shall be set to cover the cost of the Fire District to review and inspect the intended activities, operations or functions.

**Exception:** Fees for a permit may be waived at the discretion of the Fire Chief when the work or event to be conducted is for the Town of Atherton, City of East Palo Alto, City of Menlo Park or County of San Mateo.

**107.2 Schedule of permit fees.** Where a permit or other inspection fee is required, a fee for each permit shall be paid as required, in accordance with the Menlo Park Fire Protection District Fee Schedule.

**SECTION 111 MEANS OF APPEALS** is *amended* to read as follows:

**111.1 Board of Appeals established.** All decisions and rulings of the Fire Code Official are final and any appeals shall be made through the legal process.

**SECTION 112 VIOLATIONS** is *amended* to read as follows:

**SECTION 112.4 Violation Penalties** is added and *amended* to read as follows:

**112.4 Violation penalties.** Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be guilty of a misdemeanor, punishable by a fine of not more than \$1000 or by imprisonment not exceeding 6 months, or both such fine and imprisonment. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

**112.4.1 Abatement of violation.** In addition to the imposition of the penalties herein described, the fire code official is authorized to institute appropriate action to prevent unlawful construction or to restrain, correct or abate a violation; or to prevent illegal occupancy of a structure or premises; or stop an illegal act, conduct of business or occupancy of a structure on or about any premise.



**SECTION 202 GENERAL DEFINITIONS** are amended to *add* the following:

**All Weather Driving Surface.** A roadway designed to carry the imposed weight loads of fire apparatus complete with all underground utilities, curbs, gutters, and a minimum surface finish of one layer of asphalt or concrete or road pavers.

**Essential Service Facility.** Shall mean that building or structure which has been designated by the local government to house facilities that are necessary for emergency operations.

**Fire Code Official.** The fire code official shall mean the District's Fire Chief, employees of the District's Fire Prevention and Fire Suppression Divisions and such other representatives of the District as may be authorized by the Menlo Park Fire District Board of Directors or the Fire Chief.

**Floor Area, Gross.** The floor area within the inside perimeter of the exterior walls of the building under consideration, exclusive of vent shafts and courts, without deduction for corridors, stairways, closets, the thickness of interior walls, columns or other features. The floor area of a building, or portion thereof, not provided with surrounding exterior walls shall be the usable area under the horizontal projection of the roof or floor above. The gross floor area shall not include shafts with no openings or interior courts.

Areas to be included in the new gross floor area square footage calculation include:

1. Garages or carports if under a habitable space, or covers egress
2. New attached garage
3. All additions
4. Total square footage of any room that received alterations or additions. Removing sheetrock exposing structural framing or any structural change in a room involves the total square footage of that room.

Existing square footage shall be obtained from the San Mateo County Tax Assessor's Office or may be submitted by a licensed architect.

**Jurisdiction.** Jurisdiction shall mean the territorial boundaries of the Menlo Park Fire Protection District. In that case "Jurisdiction" would mean, as appropriate, the County of San Mateo, the City of East Palo Alto, the City of Menlo Park and the Town of Atherton. The Fire District's map book shall be adopted by reference to indicate the territorial boundaries of the Menlo Park Fire Protection District.

Except where in the code the term "jurisdiction" is used in a context which implies the ability to exercise governmental powers, such as "the authority having jurisdiction," then in that context "jurisdiction" shall mean the particular public agency authorized to and exercising that governmental power.

**Local Law Enforcement.** “Local law enforcement” shall mean the local police departments of the City of East Palo Alto, the City of Menlo Park, the Town of Atherton, the San Mateo County Sheriff’s Department, and the California Highway Patrol.

**Substantial Alteration.** The renovation of any structure and/or which combined with any additions to the structure, affects a *gross floor area* which exceeds fifty percent (50%) of the existing floor area of the structure. This may include but is not limited to:

1. Removal of exterior walls and/or roof assembly

When any structural changes are made to the building, such as walls, columns, beams or girders, floor or ceiling joists and covering, roof rafters, roof diaphragms, foundations, piles or retaining walls or similar components, the floor area of all rooms affected by the changes shall be included in computing floor areas for purposes of applying this definition. This definition does not apply to the replacement and upgrading of residential roof coverings.

**SECTION 308.3.2 THEATRICAL PERFORMANCES** is added and *amended* to read as follows:

**308.3.2 Theatrical performances.** Where approved, open-flame devices used in conjunction with theatrical performances are allowed to be used where adequate safety precautions have been taken in accordance with NFPA 160 and Title 19 CCR.

**SECTION 324 MOBILE FOOD PREPARATION VEHICLES** is added to read as follows:

**SECTION 324.1 HEALTH DEPARTMENT APPROVAL**

324.1 Health department approval. Mobile food preparation vehicles shall display a San Mateo County Health Department sticker as prescribed by County Health.

**SECTION 403.11 SPECIAL REQUIREMENTS FOR PUBLIC SAFETY** is *added* in its entirety.

**403.11 Special requirements for public safety.** Special requirements for public safety shall be in accordance with Sections 403.11.1 through 403.11.3.3.

**CHAPTER 5 IS ADOPTED IN ITS ENTIRETY AND AMENDED BELOW:**

**SECTION 501.1 SCOPE. AMENDED**

**501.1 Scope.** Fire service features for buildings, structures and premises shall comply with this chapter, and appendix D.

**SECTION 503 FIRE APPARATUS ACCESS ROADS** is *amended* to read as follows:

**503.1 Where required.** Fire apparatus access roads shall be provided and maintained in accordance with Sections 503.1.1 through 503.1.3 and according to The Bureau of Fire Prevention and Life Safety Standards and Guidelines Manual.

**SECTION 503.1.1 BUILDINGS AND FACILITIES** is *amended* to read as follows:

**503.1.1** Approved fire apparatus access roads shall be provided for every facility, building or portion of a building hereafter constructed or moved into or within the jurisdiction. The fire apparatus access road shall comply with the requirements of this section and Appendix D, and shall extend to within 150 feet (45 720 mm) of all portions of the facility and all portions of the exterior walls of the first story of the building as measured by an approved route around the exterior of the building or facility.

Exceptions: *No Changes*

**503.1.1.2** is *added* to read as follows: Nothing in the California Fire Code shall prevent the Town or City from designating or maintaining a street as a "Fire Lane" which does not meet the requirements of a fire apparatus access road under the California Fire Code.

**503.3 Marking.** Where required by the *fire code official*, approved signs and markings designating fire lanes shall comply with California Vehicle Code section 22500.1. The designation shall be indicated (1) by a sign posted immediately adjacent to, and visible from, the designated place clearly stating in letters not less than one inch in height that the place is a fire lane, (2) by outlining or painting the place in red and, in contrasting color, marking the place with the words "FIRE LANE", which are clearly visible from a vehicle, or (3) by a red curb or red paint on the edge of the roadway upon which is clearly marked the words "FIRE LANE". Signs and markings shall not be obstructed, and shall be maintained in a clean and legible condition at all times and be replaced or repaired when necessary to provide adequate visibility.

**503.7** - Restrictions and requirements as specified in the California Vehicle Code shall apply to fire lanes established by this section.

**SECTION 505 PREMISES IDENTIFICATION** is *amended* to read as follows:

**505.1 Address Identification.** New and existing buildings shall have approved address numbers, building numbers or approved building identification placed in a position that is plainly legible and visible from the street or road fronting the property. These numbers shall contrast with their background. Address numbers shall be Arabic numerals or English alphabet letters. Numbers shall not be spelled out. Where required by the fire code official, address identification shall be

provided in additional approved locations to facilitate emergency response. Where access is by means of a private road and the building cannot be viewed from the public way, a monument, pole or other sign or means shall be used to identify the structure. Address identification shall be maintained. Said numbers shall be either internally or externally illuminated in all new construction. Numbers shall be as follows:

1. Minimum of one-half inch (1/2") stroke by eight inches (8") high.  
**Exception:** Single-Family dwelling minimum of one-half inch (1/2") stroke by four inches (4") high.
2. When the structure is more than fifty (50) feet from the street or fire apparatus access, a minimum of one-inch (1") stroke by twelve inches (12") high is required.

**SECTION 505.1.1 Multi-tenant buildings** is *added* to read as follows:

**505.1.1 Multi -Tenant Buildings.** Numbers or letters shall be designated on all occupancies within a building. Size shall be one-half inch (1/2") stroke by four inches (4") high and on a contrasting background. Directional address numbers or letters shall be provided. Said addresses or numbers shall be posted at a height no greater than 5 feet, 6 inches (5' 6") above the finished floor and shall be either internally or externally illuminated in all new construction.

**SECTION 505.1.2 Rear Addressing** is *added* to read as follows:

**505.1.2 Rear Addressing.** When required by the fire code official, approved numbers or addresses shall be placed on all new and existing buildings in such a position as to be plainly visible and legible from the fire apparatus road at the back of a property or where rear parking lots or alleys provide an acceptable vehicular access. Number stroke and size shall comply with 505.1.

**SECTION 506 KEY BOXES** is *amended* to read as follows:

**506.1 Where required.** Where access to or within a structure or an area is restricted because of secured openings or where immediate access is necessary for life-saving or fire-fighting purposes, the fire code official is authorized to require a key box to be installed in an approved location and shall be at a height not more than 6 ft. above the finished floor. The key box shall be of an approved type listed in accordance with UL 1037, and shall contain keys to gain necessary access as required by the fire code official. Where a new gate or barrier is installed on a fire access roadway, the fire department shall have emergency access. Gates or barriers shall have a Knox® key switch.

**SECTION 506.3 Key Box contents requirements** is *added* to read as follows:

**506.3 Key box contents requirements.** The keys provided shall be a master key to all spaces including multi-tenant spaces. Additional keys shall be included for card access, elevator control, fire alarm control panels, and fire sprinkler control valve access.

**Exceptions:**

1. Multi-tenant spaces which provide a key box for each tenant and installed per Section 506.1.
2. Electronic card keys and codes may not be utilized as a substitute for manual keys.

**SECTION 508.2 FIRE CONTROL ROOM** is *added* to read as follows:

**508.2 Fire control room.** An approved fire control room shall be provided for all new buildings or occupancies with a change of use, requiring protection by an automatic fire sprinkler system. The room shall contain the fire alarm control panels, ERCCS control equipment, and other fire equipment required by the Fire Code Official. Fire control rooms shall be located within the building at a location approved by the Fire Code Official, and shall be provided at grade with a means to access the room directly from the exterior. Durable signage shall be provided on the exterior side of the access door to identify the fire control room. Fire Control Rooms shall not be less than 50 square feet.

**Exceptions:**

1. Group R-3 Occupancies.
2. Occupancies with a fire pump shall have a fire control room that is a minimum of 200 square feet.
3. In high-rise buildings, the fire control room shall not be less than 200 square feet.

**SECTION 510.1 EXCEPTION #1 IS DELETED**

**SECTION 510.3** is *amended* to read as follows:

**510.3 Permits required.** *Permits shall be required as set forth in Sections 105.5 and 105.6 for the installation of or modification to and the operation of in-building two-way emergency responder communication coverage systems and related equipment. Maintenance performed in accordance with this code is not considered a modification and does not require a permit.*

**SECTION 510.4.2** is *amended* to read as follows:

**510.4.2 System Design.** The in-building, two-way emergency responder communication coverage system shall be designed in accordance with Sections 510.4.2.1 through 510.4.2.8, *NFPA 1221, NFPA 1225, NFPA 72 and San Mateo County ERCCS (P-500).*

**SECTION 510.4.2.9 UL CERTIFICATION. ADDED**

**510.4.2.9 UL CERTIFICATION.** New ERCES systems shall be UL-Certified. A Certificate of Completion and other documentation as listed in NFPA 72 shall be

provided for all new fire alarm system installations. It is the responsibility of the building owner or owner's representative to obtain and maintain a current and valid Certificate.

**Section 510.5 is amended to read as follows:**

**510.5 Installation requirements.** The installation of the in-building, two-way emergency responder communication coverage system shall be in accordance with *San Mateo County ERCCS (P-500)*, *NFPA 72*, *NFPA 1221*, and Sections 510.5.2 through 510.5.5 of the Fire Code.

**SECTION 903 AUTOMATIC SPRINKLER SYSTEMS** is *amended* as follows:

**903.2 Where required.** Approved automatic fire sprinkler systems in new buildings and structures shall be provided in all Group A, B, E, F, M, R, S, and U Occupancies greater than 1,000 square feet and in locations described in subsections 903.2.2, 903.2.5, 903.2.6, 903.2.8, 903.2.11, 903.2.12. Sections and Subsections of 903.2.1, 903.2.3, 903.2.4, 903.2.9, 903.2.10, and 903.2.11.3 of Chapter 9 of the code are deleted in their entirety.

Approved automatic fire sprinkler system in existing buildings and structures shall be provided as described in section 903.6.

**Exceptions:**

1. Independent solar carports or structures, non-combustible carports or shade structures.
2. Canopies less than 1000 square feet over motor vehicle fuel dispensing facilities when constructed in accordance with Section 406.7.2 of the 2022 California Building Code.

**903.2.7 Group M.** Automatic fire sprinkler systems shall be provided throughout buildings containing a Group M occupancy with a fire area greater than 1,000 square feet and any Group M occupancy used for the display and sale of upholstered furniture.

**903.2.7.1 High Pile storage {CFC text not modified}**

**903.2.11.1 Stories without Openings** is *amended as follows:*

**Stories and basements without openings.** Automatic sprinkler systems shall be installed in every building with a basement.

Automatic sprinkler systems shall be installed in every story of all buildings where the floor area exceeds 1000 square feet and where the following type of exterior wall opening is not provided.

1. Openings entirely above the adjoining ground level totaling at least 20 square feet (1.86 m<sup>2</sup>) in each 50 linear feet (15 240 mm), or fraction thereof, of exterior wall in the story on at least one side.

**903.3.1.1.2 Bathrooms is Deleted.**

**903.3.1.2 NFPA 13R sprinkler systems.** Where in the code a NFPA 13R sprinkler system is allowed, a NFPA 13 sprinkler system shall be used.

**903.3.3 Obstructed locations.** Automatic sprinklers shall be installed with regard to obstructions that will delay activation or obstruct the water distribution pattern and shall be in accordance with the applicable automatic sprinkler system standard that is being used. Automatic fire sprinklers shall be installed in or under covered kiosks, displays, booths, concession stands, laboratory fume hoods, bio safety cabinets that use flammable liquids in processes, or equipment that exceeds 4 feet (1219 mm) in width. Not less than a 3-foot (914 mm) clearance shall be maintained between automatic sprinklers and the top of piles of combustible fibers. Sprinklers shall be provided in all areas including combustible or noncombustible concealed spaces, 6 inches or more.

**Exceptions:**

1. Combustible or noncombustible concealed spaces if the building owner and the fire code official agree in writing that combustible or noncombustible concealed spaces, 6 inch or less are unlikely to change in the future.
2. Kitchen equipment under exhaust hoods protected with a fire-extinguishing system in accordance with Section 904.

**903.3.10 Partial Systems in new buildings or structures** is added to read as follows: Automatic fire sprinkler systems that only protect a portion of the building shall not be allowed.

**903.6 WHERE REQUIRED IN EXISTING BUILDINGS AND STRUCTURES.** An *automatic sprinkler system* shall be provided in existing buildings and structures where required in Chapter 11 or when improvements are conducted in accordance with this section.

**903.6.1 Where required due to improvements to buildings and structures** is added and *amended* to read as follows: The provisions of this section are intended to provide a reasonable degree of fire safety in existing structures by requiring installation of an automatic fire-extinguishing system.

**903.6.1.1 Where Required.** All existing buildings and structures, regardless of type of occupancy or area, shall be provided with an automatic fire sprinkler system when any of the following conditions occur:

1. Where the *gross floor area* of a proposed alteration, addition, or combination of alterations and additions and the *gross floor area* of any alterations, additions, or combination of alterations and additions exceeds 50% of the existing *gross floor area* of the building or 75% of the existing *gross floor area* of the building for R-3 occupancies.

**Exception:** Buildings or structures less than 1,000 square feet.



2. When a change in occupancy classification, as defined within the Building Code, results in an increased fire hazard or risk due to business operations and/or number of occupants permitted in the building.
3. When an existing occupancy constructs a basement that is 250 square feet or larger, a fire sprinkler system shall be provided throughout the basement and the rest of the building or structure.

**903.6.1.2 Partial Systems in existing buildings and structures** is *added* to read as follows: Automatic fire sprinkler systems that only protect a portion of the building shall not be allowed.

**Exception:** A phased installation of an automatic fire sprinkler system may be accepted as an alternate materials and method application, as prescribed in Section 104.9, when different tenant spaces in the same building are occupied, and the installation of a fire sprinkler system may disrupt business. Not to exceed five (5) years for final completion from initial permit date.

**907 FIRE ALARM AND DETECTION SYSTEMS** is *amended* to read as follows:

**Section 907.1.6 is added to read as follows:**

**907.1.6 Certification.** New fire alarm systems shall be UL-Certified. A certificate of Completion and other documentation as listed in NFPA 72 shall be provided for all new fire alarm system installation. It is the responsibility of the building owner or owner's representative to obtain and maintain a current and valid UL Certificate. The protected premise shall be issued a UUFX type certification from Underwriters Laboratories (UL).

**907.7 Acceptance tests and completion is amended as follows:** Upon completion of the installation, the fire alarm system and all fire alarm components shall be tested in accordance with NFPA 72. Fire alarms systems in commercial structures shall obtain a UL Certificate for the system prior to final inspection.

**907.9 Where required in existing buildings and structures is amended as follows:** An *approved* fire alarm system shall be provided in existing buildings and structures where required in Chapter 11. When an alteration to any existing building or structure requires an upgrade or new fire alarm system, multiple fire alarm systems shall be approved by the fire code official.

**SECTION 1207.11.5.1 ELECTRICAL DISCONNECT** is *added* to read as follows:

**1207.11.5.1 Electrical Disconnect.** The ESS disconnect shall be located on the exterior of the building and at the main panel.

**SECTION 1207.11.11 INTERCONNECTED ELECTRICAL POWER SOURCES** is *added* to read as follows:

**1207.11.11 Interconnected Electrical Power Sources.** A permanent directory site plan plaque denoting the location of all electrical power source disconnecting means on or in the premises shall be installed at each service equipment location and at the location(s) of the system disconnect(s) for all electric power production sources capable of being interconnected.

Appendix B of the 2022 California Fire Code is amended to read as follows:

**APPENDIX B**  
**FIRE-FLOW REQUIREMENTS FOR BUILDINGS**

*California Fire Code, Appendix B Table B105.1(1) is amended to read as follows:*

**TABLE B105.1(1)**  
**REQUIRED FIRE-FLOW FOR ONE- AND TWO-FAMILY DWELLINGS, GROUP R-3**  
**AND R-4 BUILDINGS AND TOWNHOUSES**

<b>FIRE-FLOW CALCULATION AREA (square feet)</b>	<b>AUTOMATIC SPRINKLER SYSTEM (Design Standard)</b>	<b>MINIMUM FIRE-FLOW (gallons per minute)</b>	<b>FLOW DURATION (hours)</b>
0-3,600	No automatic sprinkler system	1,000	1
3,601 and greater	No automatic sprinkler system	Value in Table B105.1(2)	Duration in Table B105.1(2) at The required fire-flow rate
0-3,600	Section 903.3.1.3 of the <i>California Fire Code</i> or Section 313.3 of the <i>California Residential Code</i>	1,000	1
3,601 and greater	Section 903.3.1.3 of the <i>California Fire Code</i> or Section 313.3 of the <i>California Residential Code</i>	½ value in Table B105.1(2) <sup>a</sup>	1

For SI: 1 square foot = 0.0929 m<sup>2</sup>, 1 gallon per minute = 3.785 L/m.

a. The reduced fire-flow shall be not less than 1,000 gallons per minute.

**California Fire Code, Appendix B Table B105.2 is amended to read as follows:**

**TABLE B105.2  
REQUIRED FIRE-FLOW FOR BUILDINGS OTHER THAN ONE- AND  
TWO-FAMILY DWELLINGS, GROUP R-3 AND R-4 BUILDINGS AND  
TOWNHOUSES**

<b>AUTOMATIC SPRINKLER SYSTEM (Design Standard)</b>	<b>MINIMUM FIRE-FLOW (gallons per minute)</b>	<b>FLOW DURATION (hours)</b>
No automatic sprinkler system	Value in Table B105.1(2)	Duration in Table B105.1(2)
Section 903.3.1.1 of the <i>California Fire Code</i>	50% of the value in Table B105.1(2) <sup>a</sup>	Duration in Table B105.1(2) at the reduced flow rate
Section 903.3.1.2 of the <i>California Fire Code</i>	50% of the value in Table B105.1(2) <sup>a</sup>	Duration in Table B105.1(2) at the reduced flow rate

For SI: 1 gallon per minute = 3.785 L/m.

- a. The reduced fire-flow shall be not less than 1,500 gallons per minute.

**Appendix D FIRE APPARATUS ACCESS ROADS** is *added*

**Appendix L REQUIREMENTS FOR PIPED AIR SCBA REFILLING SYSTEMS** is *added* as follows:

For buildings more than 10 stories in height, shall install Firefighter Air Replenishment System per Menlo Park Fire Protection District Standards and Guidelines Manual.

**SECTION 7: DATE OF EFFECT**

This ordinance shall take effect and be in full force on January 1, 2023.

**SECTION 8: PUBLIC POSTING**

This ordinance shall be posted on the Menlo Park Fire Protection District website at [www.menlofire.org](http://www.menlofire.org) and published pursuant to law.

Introduced the 18th day of October 2022, public hearing was held on November 15, 2022.

PASSED AND ADOPTED as an Ordinance of the Menlo Park Fire Protection District at a regular meeting thereof held on the 15th day of November 2022.


AYES:       BERNSTEIN, JONES, KIRALY, MCLAUGHLIN, AND SILANO

NOES:       NONE


ABSENT:     NONE

ABSTAIN: NONE

ATTESTED:

  
\_\_\_\_\_  
Michelle Kneier, Clerk of the Board

APPROVED:

  
\_\_\_\_\_  
Charles D. Bernstein, Board President

## 2022 CA Fire Code vs. Ordinance - City of Menlo Park

## MPFPD Ordinance

IFC/CFC Code Section	MPFD Change (in Red)	Reason
<b>CALIFORNIA ADMINISTRATIVE</b>		
<b>[A] 101 General</b>		
<b>101.1 Title.</b> These regulations shall be known as the <i>Fire Code</i> of [NAME OF JURISDICTION], hereinafter referred to as “this code.”	<b>101.1 Title.</b> These regulations shall be known as the 2022 CALIFORNIA FIRE CODE, and with amendments adopted by the <b>Menlo Park Fire Protection District</b> , will be hereinafter referred to as the “CODE,” and/or the “FIRE PREVENTION CODE.” <b>See also Paragraph 3 of this ordinance.</b>	Section 101.1 is the Title of the Code and is required to be filled in by the jurisdiction. The referral to Paragraph 3 of the Ordinance is parallel language adopting the entire Fire Code with District amendments.
<b>102.6 Historic Buildings</b>	102.6 The provisions of this code relating to the construction, alteration, repair, enlargement, restoration, relocation or moving of buildings or structures shall not be mandatory for existing buildings or structures identified and classified by the state or local jurisdiction as historic buildings where such buildings or structures do not constitute a distinct hazard to life or property. <b>Fire protection in designated historic buildings shall be provided in accordance with the California Historic Building Code.</b>	Section 102.6 is to provide guidance on how to properly construct and protect CA Historic Buildings.
<b>107 Fees</b>	<b>107.1</b> The fees for the permits and other services shall be established by resolution of the <b>Menlo Park Fire Protection District Fire Board Fee Schedule (“Fee Schedule”)</b> . The fee shall be set to cover the cost of the Fire District to review and inspect the intended activities, operations or functions. <b>Exception: Fees for a permit may be waived at the discretion of the Fire Chief when the work or event to be conducted is for the Town of Atherton, City of East Palo Alto, City of Menlo Park or County of San Mateo.</b>	Establishes reference to established cost recovery fees for services related to construction, occupancy permits, etc.
	<b>107.2</b> Where a permit or other inspection fee is required, a fee for each permit shall be paid as required, in accordance with the <b>Menlo Park Fire Protection District Fee Schedule.</b>	States fees shall be paid for permits and inspections
<b>111.1 Means of Appeals</b>	<b>111.1 Board of Appeals.</b> All decisions and rulings of the Fire Code Officials are final and any appeals shall be made through the legal process.	Appeals process describes to follow legal process.
<b>112 Violations</b>	112.4 Violation penalties. Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be guilty of a <b>misdemeanor</b> , punishable by a fine of not more than <b>\$1000</b> or by imprisonment not exceeding <b>6 months</b> , or both such fine and imprisonment. Each day that a violation continues after due notice has been served shall be deemed a separate offense.	Allows District to abate code violations.

	112.4.1 Abatement of violation. In addition to the imposition of the penalties herein described, the fire code official is authorized to institute appropriate action to prevent unlawful construction or to restrain, correct or abate a violation; or to prevent illegal occupancy of a structure or premises; or stop an illegal act, conduct of business or occupancy of a structure on or about any premise.	Allows District to abate code violations.
<b>CHAPTER 2 DEFINITIONS</b>		
None	<b>All Weather Driving Surface.</b> A roadway designed to carry the imposed weight loads of fire apparatus complete with all underground utilities, curbs, gutters, and a minimum surface finish of one layer of asphalt or concrete or road pavers.	Clarify a driving surface that includes fire apparatus
None	<b>Essential Service Facility.</b> Shall mean that building or structure which has been designated by the local government to house facilities that are necessary for emergency operations.	Clarify fire stations, EOCs and other public facilities.
<b>FIRE CODE OFFICIAL.</b> The fire chief or other designated authority charged with the administration and enforcement of the code, or a duly authorized representative.	<b>FIRE CODE OFFICIAL.</b> The fire code official shall mean the District's Fire Chief, employees of the District's Fire Prevention and Fire Suppression Divisions and such other representatives of the District as may be authorized by the Menlo Park Fire District Board of Directors or the Fire Chief	In the International Fire Code, the term Fire Code Official is used generically to allow other agencies, besides the Fire Department, to enforce the Fire Code. For Menlo Park Fire District, the Fire Chief and employees of the Fire District are charged with the enforcement of the Fire Code.
<b>[B] FLOOR AREA, GROSS.</b> The floor area within the inside perimeter of the exterior walls of the building under consideration, exclusive of vent shafts and courts, without deduction for corridors, stairways, closets, the thickness of interior walls, columns or other features. The floor area of a building, or portion thereof, not provided with surrounding exterior walls shall be the usable area under the horizontal projection of the roof or floor above. The gross floor area shall not include shafts with no openings or interior courts.	The floor area within the inside perimeter of the exterior walls of the building under consideration, exclusive of vent shafts and courts, without deduction for corridors, stairways, closets, the thickness of interior walls, columns or other features. The floor area of a building, or portion thereof, not provided with surrounding exterior walls shall be the usable area under the horizontal projection of the roof or floor above. The gross floor area shall not include shafts with no openings or interior courts. Areas to be included in the square footage calculation include: 1. Garages or carports if under a habitable space, or covers egress 2. New attached garage 3. All additions 4. Total square footage of any room that received alterations or additions. Removing sheetrock exposing structural framing or any structural change in a room involves the total square footage of that room. Existing square footage shall be obtained from the San Mateo County Tax Assessor's Office or may be submitted by a licensed architect.	Definition from the CA Building Code Ammended

<p><b>[A] JURISDICTION.</b> The governmental unit that has adopted this code under due legislative authority.</p>	<p><b>[A] JURISDICTION.</b> Jurisdiction shall mean the territorial boundaries of the Menlo Park Fire Protection District. In that case “Jurisdiction” would mean, as appropriate, the County of San Mateo, the City of East Palo Alto, the City of Menlo Park and the Town of Atherton. The Fire District’s map book shall be adopted by reference to indicate the territorial boundaries of the Menlo Park Fire Protection District. Except where in the code the term "jurisdiction" is used in a context which implies the ability to exercise governmental powers, such as “the authority having jurisdiction,” then in that context "jurisdiction" shall mean the particular public agency authorized to and exercising that governmental power.</p>	<p>The term Jurisdiction has two meanings. One, indicates the boundary lines which make up the Menlo Park Fire Protection District, and Two, indicates the government agency exercising its governmental powers.</p>
<p>None</p>	<p><b>LOCAL LAW ENFORCEMENT.</b> Local law enforcement” shall mean the local police departments of the City of East Palo Alto, the City of Menlo Park, the Town of Atherton, the San Mateo County Sheriff’s Department, and the California Highway Patrol.</p>	<p>The term Local Law Enforcement is used in the Code in Chapters 1, 4 and 5. This ordinance uses the term when referring to fire lanes and parking enforcement. A definition in the ordinance defines exactly who the local law enforcement agency is.</p>
<p>None</p>	<p><b>SUBSTANTIAL ALTERATION.</b> The renovation of any structure and/or which combined with any additions to the structure, affects a gross floor area which exceeds fifty percent (50%) of the existing floor area of the structure. This may include but is not limited to :</p> <p>1) Removal of exterior walls and/or roof assembly</p> <p>When any structural changes are made to the building, such as walls, columns, beams or girders, floor or ceiling joists and covering, roof rafters, roof diaphragms, foundations, piles or retaining walls or similar components, the floor area of all room affected by the changes shall be included in computing floor areas for purposes of applying this definition. This definition does not apply to the replacement and upgrading of residential roof coverings.</p>	<p>The term <i>substantial alteration</i> is used in the ordinance in section 505.1 when referring to the lighted address requirement, and the of definition of a substantial alteration is used as the foundation in section 903.6.1.1 for determining when improvements occur to an existing building and it becomes reasonable to include fire sprinkler protection as a portion of the improvement.</p>
<p><b>CHAPTER 3 GENERAL REQUIREMENTS</b></p>		
<p><b>308.3.2 Theatrical Performances.</b></p>	<p>Where approved, open-flame devices used in conjunction with theatrical performances are allowed to be used where adequate safety precautions have been taken in accordance with NFPA 160 and Title 19 CCR.</p>	<p>Added and amended to allow state approved devices in theatrical shows.</p>
<p><b>324.1 Mobile Food Preparation Vehicles</b></p>	<p>Health department approval. Mobile food preparation vehicles shall display a San Mateo County Health Department sticker as prescribed by County Health.</p>	<p>Added to verify compliance with County Health rules and maintenance of fire extinguishing equipment.</p>
<p><b>CHAPTER 4 EMERGENCY PLANNING</b></p>		
<p><b>403.11 Special requirements for public safety.</b> Special requirements for public safety shall be in accordance with Sections 403.11.1 through 403.11.3.3.</p>		<p>Added to describe fire watch requirements</p>



<p><b>403.11.1 Fire watch personnel.</b> Where, in the opinion of the fire code official, it is essential for public safety in a place of assembly or any other place where people congregate, because of the number of persons, or the nature of the performance, exhibition, display, contest or activity, the owner, agent or lessee shall provide one or more fire watch personnel, as required and approved. Fire watch personnel shall comply with Sections 403.11.1.1 and 403.11.1.2.</p>		<p>Added to describe fire watch personnel</p>
<p><b>403.11.1.1 Duty times.</b> Fire watch personnel shall remain on duty while places requiring a fire watch are open to the public, or when an activity requiring a fire watch is being conducted.</p>		<p>Added to describe fire watch required times</p>
<p><b>403.11.1.2 Duties.</b> On duty fire watch personnel shall have the following responsibilities: 1. Keep diligent watch for fires, obstructions to means of egress and other hazards. 2. Take prompt measures for remediation of hazards and extinguishment of fires that occur. 3. Take prompt measures to assist in the evacuation of the public from structures.</p>		<p>Added to describe fire watch duties</p>
<p><b>403.11.2 Public safety plan for gatherings.</b> Where the fire code official determines that an indoor or outdoor gathering of persons has an adverse impact on public safety through diminished access to buildings, structures, fire hydrants and fire apparatus access roads or where such gatherings adversely affect public safety services of any kind, the fire code official shall have authority to order the development of or prescribe a public safety plan that provides an approved level of public safety and addresses the following items: 1) Emergency vehicle ingress and egress; 2) Fire protection; 3) Emergency egress or escape routes; 4) Emergency medical services; 5) Public assembly areas; 6) The directing of both attendees and vehicles, including the parking of vehicles; 7) Vendor and food concession distribution; 8) The need for the presence of law enforcement; 9) The need for fire and emergency medical services personnel; 10) The need for weather monitoring person.</p>		<p>Added to describe large gatherings safety plan</p>
<p><b>403.11.3 Crowd managers.</b> Where facilities or events involve a gathering of more than 500 people, crowd managers shall be provided in accordance with Sections 403.11.3.1 through 403.11.3.3</p>		<p>Added to describe crowd managers</p>
<p><b>403.11.3.1 Number of crowd managers.</b> Not fewer than two trained crowd managers, and not fewer than one trained crowd manager for each 250 persons or portion thereof, shall be provided for the gathering. <b>Exceptions:</b> 1) Outdoor events with fewer than 1,000 persons in attendance shall not require crowd managers; 2) Assembly occupancies used exclusively for religious worship with an occupant load not exceeding 1,000 shall not require crowd managers; 3) The number of crowd managers shall be reduced where, in the opinion of the fire code official, the fire protection provided by the facility and the nature of the event warrant a reduction.</p>		<p>Added to describe crowd managers requirements</p>
<p><b>403.11.3.2 Training.</b> Training for crowd managers shall be approved.</p>		

<p><b>403.11.3.3 Duties.</b> The duties of crowd managers shall include, but not limited to: 1) Conduct an inspection of the area of responsibility and identify and address any egress barriers; 2) Conduct an inspection of the area of responsibility to identify and mitigate any fire hazard; 3) Verify compliance with all permit conditions, including those governing pyrotechnics and other special effects; 4) Direct and assist the event attendees in evacuation during an emergency; 5) Assist emergency reponse personnel where requested; 6) Other duties required by the fire code official; 7) Other duties as specified in the fire safety plan</p>		<p>Added to describe crowd manager training</p>
<b>CHAPTER 5 FIRE SERVICE FEATURES</b>		
<p><b>501.1 Scope.</b> Fire service features for buildings, structures and premises shall comply with this chapter.</p>	<p><b>501 .1 Scope.</b> Fire service features for buildings, structures and premises shall comply with this chapter, <b>and appendix D.</b></p>	<p>Added for more detailed criteria.</p>
<p><b>503 Fire Apparatus Access Roads</b> <b>503.1 Where Required.</b> Fire apparatus access roads shall be provided and maintained in accordance with Sections 503.1.1 through 503.1.3</p>	<p><b>503.1 Where required.</b> Fire apparatus access roads shall be provided and maintained in accordance with Sections 503.1.1 through 503.1.3 <b>and according to Menlo Park Fire District Fire District Standards and Guidelines Manual.</b></p>	<p>Added to describe fire access road requirements</p>
<p><b>503.1.1 Buildings and facilities.</b> Approved fire apparatus access roads shall be provided for every facility, building or portion of a building hereafter constructed or moved into or within the jurisdiction. The fire apparatus access road shall comply with the requirements of this section and shall extend to within 150 feet of all portions of the facility and all portions of the exterior walls of the first story of the building as measured by an approved route around the exterior of the building or facility.</p>	<p><b>503.1.1 Approved fire apparatus access roads shall be provided for every facility, building or portion of a building hereafter constructed or moved into or within the jurisdiction. The fire apparatus access road shall comply with the requirements of this section and Appendix D, and shall extend to within 150 feet (45 720 mm) of all portions of the facility and all portions of the exterior walls of the first story of the building as measured by an approved route around the exterior of the building or facility. Exceptions: No Changes</b></p>	<p>Amended to provide required fire access during construction for medical or fire emergencies during any weather conditions.</p>
<p><b>None</b></p>	<p><b>503.1.1.2 is added</b> to read as follows: Nothing in the California Fire Code shall prevent the Town or City from designating or maintaining a street as a “Fire Lane” which does not meet the requirements of a fire apparatus access road under the California Fire Code. <b>503.1.2 - 5.3.6 (CFC text not modified)</b></p>	<p>Added to allow jurisdictions to recognize public roads as Fire Lanes or Fire Access Roads.</p>
<p><b>503.3 Marking.</b> Where required by the <i>fire code official, approved</i> signs or other <i>approved</i> notices or markings that include the words NO PARKING—FIRE LANE shall be provided for fire apparatus access roads to identify such roads or prohibit the obstruction thereof. The means by which <i>fire lanes</i> are designated shall be maintained in a clean and legible condition at all times and be replaced or repaired when necessary to provide adequate visibility.</p>	<p><b>503.3 Marking.</b> Where required by the <i>fire code official approved</i> signs and markings designating fire lanes shall comply with California Vehicle Code section 22500.1. The designation shall be indicated (1) by a sign posted immediately adjacent to, and visible from, the designated place clearly stating in letters not less than one inch in height that the place is a fire lane, (2) by outlining or painting the place in red and, in contrasting color, marking the place with the words "FIRE LANE", which are clearly visible from a vehicle, or (3) by a red curb or red paint on the edge of the roadway upon which is clearly marked the words "FIRE LANE". Signs and markings shall not be obstructed, and shall be maintained in a clean and legible condition at all times and be replaced or repaired when necessary to provide adequate visibility.</p>	<p>Local law enforcement has asked that designated fire lanes are marked with both signs AND red curbs AND lettering stating "No Parking - Fire Lane." Section changed to follow language from the California Vehicle Code, per Menlo Park Police.</p>
	<p><b>503.7</b> Restrictions and requirements as specified in the CA Vehicle Code shall apply to fire lanes established by this section.</p>	<p>Added to follow CA Vehicle Code</p>

<p><b>505.1 Address identification.</b> New and existing buildings shall be provided with approved address identification. The address identification shall be legible and placed in a position that is visible from the street or road fronting the property. Address numbers shall be Arabic numbers or alphabetical letters. Numbers shall not be spelled out. Each character shall be not less than 4 inches high with a minimum stroke width of 1/2 inch. Where required by the fire code official, address identification shall be provided in additional approved locations to facilitate emergency response. Where access is by means of a private road and the building cannot be viewed from the public way, a monument, pole or other sign or means shall be used to identify the structure. Address identification shall be maintained.</p>	<p><b>505.1 Address Identification.</b> New and existing buildings shall have approved address numbers, building numbers or approved building identification placed in a position that is plainly legible and visible from the street or road fronting the property. These numbers shall contrast with their background. Address numbers shall be Arabic numerals or English alphabet letters. Where required by the fire code official, address identification shall be provided in additional approved locations to facilitate emergency response. Where access is by means of a private road and the building cannot be viewed from the public way, a monument, pole or other sign or means shall be used to identify the structure. Address identification shall be maintained. Said numbers shall be either internally or externally illuminated in all new construction. Numbers shall be as follows: 1. Minimum of one-half inch (1/2") stroke by eight inches (8") high. <b>Exception:</b> Single-family dwelling minimum of one-half inch (1/2") stroke by four inches (4") high. 2. When the structure is more than fifty (50) feet from the street or fire apparatus access, a minimum of one inch (1") stroke by twelve inches (12") high is required.</p>	<p>The Fire District responds to many types of emergencies, including medical calls, critical home services such as flooding or natural gas leaks, and smoke or carbon monoxide alarms, just to name a few. In many areas of the Fire District, street lighting is not available, which makes finding addresses difficult, especially when seconds count. The Fire District ordinance requires new buildings and buildings undergoing a substantial alteration to include an illuminated address, so that emergency responders can more easily find the location needing help.</p> <p>The ordinance also provides minimum size requirements for address numbers on larger structures for better visibility, where the International Fire Code is silent.</p>
<p>None</p>	<p><b>505.1.1 Multi -Tenant Buildings.</b> Numbers or letters shall be designated on all occupancies within a building. Size shall be one-half inch (1/2") stroke by four inches (4") high and on a contrasting background. Directional address numbers or letters shall be provided. Said addresses or numbers shall be posted at a height no greater than 5 feet, 6 inches (5' 6") above the finished floor and shall be either internally or externally illuminated in all new construction.</p>	<p>The ordinance requires individual tenant spaces to have address numbers, and provides guidance as to height and size of the numbers. The International Fire Code is silent on this issue.</p>
<p>None</p>	<p><b>505.1.2 Rear Addressing.</b> When required by the fire code official, approved numbers or addresses shall be placed on all new and existing buildings in such a position as to be plainly visible and legible from the fire apparatus road at the back of a property or where rear parking lots or alleys provide an acceptable vehicular access. Number stroke and size shall comply with 505.1.</p>	<p>The ordinance requires rear entrances to tenant spaces to have corresponding address, so fire fighters can orientate themselves when approaching the rear of a single building that has multiple addresses. The International Fire Code is silent on this issue.</p>
<p><b>506.1 Where required.</b> Where access to or within a structure or an area is restricted because of secured openings or where immediate access is necessary for life-saving or fire-fighting purposes, the fire code official is authorized to require a key box to be installed in an approved location. The key box shall be an approved type listed in accordance to UL 1037, and shall contain keys to gain necessary access as required by the fire code official.</p>	<p><b>506.1 Where required.</b> Where access to or within a structure or an area is restricted because of secured openings or where immediate access is necessary for life-saving or fire-fighting purposes, the fire code official is authorized to require a key box to be installed in an approved location. The key box shall be of an approved type listed in accordance with UL 1037, and shall contain keys to gain necessary access as required by the fire code official. <b>Where a new gate or barrier is installed on a fire access roadway, the fire department shall have emergency access. Gates or barriers shall have a Knox® key switch.</b></p>	<p>Added to require knox key box</p>

None	<b>506.3 Key box content requirements.</b> The keys including multi-tenant spaces. Additional keys shall be included for card access, elevator control, fire alarm control panels, and fire sprinkler control valve access. <b>Exceptions:</b> 1) Multi-tenant spaces which provide a key box for each tenant and installed per Section 506.1 2) Electronic card keys and codes may be utilized as a substitute for manual keys.	Description of keys required for fire department access box.
<b>508.2 Fire Control Room</b>	An approved fire control room shall be provided for all new buildings or occupancies with a change of use, requiring protection by an automatic fire sprinkler system. The room shall contain the fire alarm control panels, ERCCS control equipment, and other fire equipment required by the Fire Code Official. Fire control rooms shall be located within the building at a location approved by the Fire Code official, and shall be provided at grade with a means to access the room directly from the exterior. Durable signage shall be provided on the exterior side of the access door to identify the fire control room. Fire Control Rooms shall not be less than 50 square feet. Exceptions: 1. Group R-3 Occupancies. 2. Occupancies with a fire pump shall have a fire control room that is a minimum of 200 square feet. 3. In high-rise buildings, the fire control room shall not be less than 200 square feet.	Added to follow standard for San Mateo County fire jurisdictions operational consistency.
<b>510.1 Emergency Responder Communication Coverage in new buildings.</b>	Exception 1. Where approved by the building official and the fire code official, a wired communication system in accordance with Section 907.2.13.2 shall be permitted to be installed or maintained instead of an approved radio coverage system.	Deleted. No hard wire is accepted for fire and police communications.
<b>510.3 Permits required</b>	<i>Permits shall be required as set forth in Sections 105.5 and 105.6</i> for the installation of or modification to <i>and the operation of</i> in-building two-way emergency responder communication coverage systems and related equipment. Maintenance performed in accordance with this code is not considered a modification and does not require a permit.	Amended to follow MPPFD permit process
<b>510.4.2 System design</b>	The in-building, two-way emergency responder communication coverage system shall be designed in accordance with Sections 510.4.2.1 through 510.4.2.8, NFPA 1221, <i>NFPA 1225, NFPA 72 and San Mateo County ERCCS (P-500)</i> .	Amended to follow San Mateo County Fire Chiefs policy for coverage design.
<b>510.4.2.9</b>	<b>510.4.2.9 UL CERTIFICATION.</b> New ERCCS systems shall be UL-Certified. A Certificate of Completion and other documentation as listed in NFPA 72 shall be provided for all new fire alarm system installations. It is the responsibility of the building owner or owner's representative to obtain and maintain a current and valid Certificate.	In the early 1980's UL established a program for certification of fire alarm systems. NFPA 72 Standards were used as the requirements for the certification. The certificate is a declaration by the alarm company responsible for the installation that the system as described on the certificate form has been installed and will be maintained in accordance with the NFPA Standard. This standard is now including ERCCS beginning January 1, 2023.
<b>510.5 Installation requirements</b>	The installation of the in-building, two-way emergency responder communication coverage system shall be in accordance with <i>San Mateo County ERCCS (P-500), NFPA 72, NFPA 1221, and Sections 510.5.2 through 510.5.5.</i>	Amended to follow San Mateo County Fire Chiefs policy for coverage design.

<b>903 Automatic Sprinkler Systems</b>		
<b>Town of Atherton</b>		
<b>903.2 Where required.</b> <i>Approved automatic sprinkler systems</i> in new buildings and structures shall be provided in the locations described in Sections 903.2.1 through 903.2.12.	<b>903.2 Where required.</b> Approved automatic fire sprinkler systems in new buildings and structures shall be provided in <b>all Group A, B, E, F, M, R, S, and U Occupancies greater than 1,000 square feet and in locations described in subsections 903.2.2, 903.2.5, 903.2.6, 903.2.8, 903.2.11, 903.2.12.</b> Sections and Subsections of 903.2.1, 903.2.3, 903.2.4, 903.2.9, 903.2.10 and 903.2.11.3 of Chapter 9 of the code are deleted in their entirety. Approved automatic fire sprinkler system in existing buildings and structures shall be provided as described in section 903.6. Exceptions: 1. Independent solar carports or structures, non-combustible carports or shade structures. 2. Canopies less than 1000 square feet over motor vehicle fuel dispensing facilities when constructed in accordance with Section 406.7.2 of the 2022 California Building Code.	Maintaining Ordinance requirements that has been in place since 1984 to aid in fire propagation and spread. Aging water infrastructure, inadequate hydrant spacing and increased response times due to traffic, road width, traffic calming devices slow down response requiring increased protection. These subsections refer to Group A, B, E, F, and S Occupancies where the fire sprinkler threshold is greater than 1,000 square feet, and would conflict with the ordinance.
<b>903.2.7 Group M.</b> An <i>automatic sprinkler system</i> shall be provided throughout buildings containing a Group M occupancy where one of the following conditions exists: 1. A Group M <i>fire area</i> exceeds 12,000 square feet (1115 m2). 2. A Group M <i>fire area</i> is located more than three stories above grade plane. 3. The combined area of all Group M <i>fire areas</i> on all floors, including any mezzanines, exceeds 24,000 square feet (2230 m2). 4. A Group M occupancy used for the display and sale of upholstered furniture or mattresses exceeds 5,000 square feet (464 m2).	<b>903.2.7 Group M.</b> Automatic fire sprinkler systems shall be provided throughout buildings containing a Group M occupancy <b>with a fire area greater than 1,000 square feet and any Group M occupancy used for the display and sale of upholstered furniture.</b>  <b>903.2.7.1 High-piled storage.</b> To remain unchanged	The ordinance requires new M occupancies to have automatic fire sprinklers when the square footage exceeds 1,000 square feet.  Section 903.2.7.1 requires Group M Occupancies with high piled storage to follow the fire sprinkler requirements of Chapter 32 on High Piled Combustible Storage.
<b>903.2.11.1 Stories without openings.</b> An <i>automatic sprinkler system</i> shall be installed throughout all stories, including <i>basements</i> , of all buildings where the floor area exceeds 1,500 square feet (139.4 m2) and where there is not provided at least one of the following types of <i>exterior wall</i> openings: 1. Openings below grade that lead directly to ground level by an exterior <i>stairway</i> complying with Section 1009 or an outside ramp complying with Section 1010. Openings shall be located in each 50 linear feet (15 240 mm), or fraction thereof, of <i>exterior wall</i> in the story on at least one side. The required openings shall be distributed such that the lineal distance between adjacent openings does not exceed 50 feet (15 240 mm).	<b>903.2.11.1 Stories and basements without openings.</b> Automatic sprinkler systems shall be installed in every building with a basement.  Automatic sprinkler systems shall be installed in every story of all buildings where the floor area exceeds 1000 square feet and where the following type of exterior wall opening is not provided.  1. Openings entirely above the adjoining ground level totaling at least 20 square feet (1.86 m2) in each 50 linear feet (15 240 mm), or fraction thereof, of exterior wall in the story on at least one side.	Adjustments in this section require automatic fire sprinkler protection in basements of occupancies. The threshold begins at square footage exceeding 250 square feet, except for the Town of Atherton which has no threshold square footage.  Basement fires bring a different tactic to fire suppression operations. Entry is obscured by thick smoke. Opening doors to basement create a rush of hot gases typically exceeding 900 degrees F. A fire in a basement can cause the floor to giveaway under firefighters as they enter the structure to attempt extinguishment.
<b>903.3.1.1.2 Bathroom</b>	Deleted	MPFPD standard to delete bathrooms due to fire history
<b>903.3.1.2 NFPA 13R sprinkler systems.</b> <i>Automatic sprinkler systems</i> in Group R occupancies up to and including four stories in height not exceeding 60 feet in height above grade plane shall be permitted to be installed throughout in accordance with NFPA 13R as amended in Chapter 80.	<b>903.3.1.2 NFPA 13R sprinkler systems.</b> Where in the code a NFPA 13R sprinkler system is allowed, a NFPA 13 sprinkler system shall be used.	NFPA 13R sprinkler systems are used in multi-family dwellings (apartments). They allow un-sprinklered spaces and installation practices inconsistent with similar size occupancies. This change requires a full fire sprinkler system, which is consistent with similar size buildings.

<p><b>903.3.3 Obstructed locations.</b> Automatic sprinklers shall be installed with regard to obstructions that will delay activation or obstruct the water distribution pattern. Automatic sprinklers shall be installed in or under covered kiosks, displays, booths, concession stands or equipment that exceeds 4 feet (1219 mm) in width. Not less than a 3- foot (914 mm) clearance shall be maintained between automatic sprinklers and the top of piles of combustible fibers.</p> <p>Exception: Kitchen equipment under exhaust hoods protected with a fire-extinguishing system in accordance with Section 904.</p>	<p><b>903.3.3 Obstructed locations.</b> Automatic sprinklers shall be installed with regard to obstructions that will delay activation or obstruct the water distribution pattern and shall be in accordance with the applicable automatic sprinkler system standard that is being used. Automatic fire sprinklers shall be installed in or under covered kiosks, displays, booths, concession stands, <b>laboratory fume hoods, bio safety cabinets that use flammable liquids in processes,</b> or equipment that exceeds 4 feet (1219 mm) in width. Not less than a 3-foot (914 mm) clearance shall be maintained between automatic sprinklers and the top of piles of combustible fibers. <b>Sprinklers shall be provided in all areas including combustible or noncombustible concealed spaces, 6 inches or more.</b></p> <p>Exception: 1. <b>Sprinkler protection for concealed spaced 6 inches or more may be omitted if the building owner and the fire code official agree in writing that the use of the space is unlikely to change in the future.</b>  2. Kitchen equipment under exhaust hoods protected with a fire-extinguishing system in accordance with Section 904.</p>	<p>The Fire District requires fire sprinkler protection in obstructed locations that are 6 inches or more in height or width. These spaces are typically used to run electrical wiring, and have been collection points for combustible debris. Fires in these concealed spaces have the ability to overcome automatic fire sprinkler protection. By providing fire sprinkler protection in these spaces, early fire detection is established and the fire is controlled. Industrial areas of the District cater to Research and Development Laboratories. Due to fire histories in these labs, the Fire District requires fire sprinkler protection inside lab fume hoods, and in biosafety cabinets that use flammable liquids in processes.</p> <p>By including an exception, for sprinklering the 6 inch concealed space, the ordinance allows for flexibility depending on the occupancy and the use of the space.</p>
<p>None</p>	<p><b>903.3.10 Partial Systems in new buildings or structures.</b> Automatic fire sprinkler systems that only protect a portion of the building shall not be allowed.</p>	<p>The Fire District added a section to the ordinance that requires a full fire sprinkler system in a building, and to not allow for a partial system. When firefighters respond to a fire in a sprinklered building, it is assumed that the all portions of the building have fire sprinkler protection. If the fire's origin happened to be in an unsprinklered portion of a sprinklered building, the fire's heat can overcome the sprinklered portion of the building.</p>
<p><b>903.6 Where required in existing buildings and structures.</b> An automatic sprinkler system shall be provided in existing buildings and structures where required in Chapter 11.</p>	<p><b>903.6 Where required in existing buildings and structures.</b> An automatic sprinkler system shall be provided in existing buildings and structures where required in Chapter 11 <b>or when improvements are conducted in accordance with this section.</b></p>	<p>No changes to the introductory statement.</p>
<p>None</p>	<p><b>903.6.1 Where required due to improvements to buildings and structures.</b> The provisions of this section are intended to provide a reasonable degree of fire safety in existing structures by requiring installation of an automatic fire-extinguishing system.</p>	<p>The Fire Code does not specify whether or not an existing building that under goes improvements should include automatic fire sprinkler protection. The Fire District has specified in this section, what it believes to be reasonable requirements to add fire sprinkler protection when buildings are improved or occupancies are changed to become hazardous.</p>

None	<p><b>903.6.1.1 Where Required.</b> All existing buildings and structures, regardless of type of occupancy or area, shall be provided with an automatic fire sprinkler system when any of the following conditions occur: (1) Where the gross floor area of a proposed alteration, addition, or combination of alterations and additions and the gross floor area of any alterations, additions, or combination of alterations and additions exceeds 50% of the existing gross floor area of the building or 75% of the existing gross floor area of the building for R-3 occupancies.</p> <p>Exception: Buildings or structures less than 1,000 square feet. (2) When a change in occupancy classification, as defined within the Building Code, results in an increased fire hazard or risk due to business operations and/or number of occupants permitted in the building.</p> <p>(3) When an existing occupancy constructs a basement that is 250 square feet or larger, a fire sprinkler system shall be provided throughout the basement and the rest of the building or structure.</p>	<p>The Fire Code does not specify whether or not an existing building that under goes improvements should include automatic fire sprinkler protection. The Fire District has specified in this section, what it believes to be reasonable requirements to add fire sprinkler protection when buildings are improved or occupancies are changed to become hazardous.</p>
None	<p><b>903.6.1.2 Partial Systems in existing buildings and structures.</b> Automatic fire sprinkler systems that only protect a portion of the building shall not be allowed. Exception: A phased installation of an automatic fire sprinkler system may be allowed as an alternate materials and method application, as prescribed in Section 104.9, when different tenant spaces in the same building are occupied, and the installation of a fire sprinkler system may disrupt business. Not to exceed five (5) years for final completion from initial permit date.</p>	<p>Description of not allowing partial systems. Allows exceptions for existing multi-tenant buildings.</p>
907.1.6 Certification	<p><b>907.1.6 Certification.</b> New fire alarm systems shall be UL-Certified. A certificate of Completion and other documentation as listed in NFPA 72 shall be provided for all new fire alarm system installation. It is the responsibility of the building owner or owner's representative to obtain and maintain a current and valid Certificate. The protected premise shall be issued a UUFX type certification from Underwriters Laboratories (UL).</p>	<p>Added for system integrity and reduction of false alarms. Been a MPFPD Standard for over 20 years. Now becoming a San Mateo County standard</p>
907.7 Acceptance tests and completion. Upon completion of the installation, the fire alarm system and all fire alarm components shall be tested in accordance with NFPA 72.	<p><b>907.7 Acceptance tests and completion.</b> Upon completion of the installation, the fire alarm system and all fire alarm components shall be tested in accordance with NFPA 72. <b>Fire alarms systems in commercial structures shall obtain a UL Certificate for the system prior to final inspection.</b></p>	<p>In the early 1980's UL established a program for certification of fire alarm systems. NFPA 72 Standards were used as the requirements for the certification. The certificate is a declaration by the alarm company responsible for the installation that the system as described on the certificate form has been installed and will be maintained in accordance with the NFPA Standard.</p>
907.9 Where required in existing buildings and structures. An <i>approved</i> fire alarm system shall be provided in existing buildings and structures where required in Chapter 11.	<p><b>907.9 Where required in existing buildings and structures.</b> An <i>approved</i> fire alarm system shall be provided in existing buildings and structures where required in Chapter 11. <b>When an alteration to any existing building or structure requires an upgrade or new fire alarm system, multiple fire alarm systems shall be approved by the fire code official.</b></p>	<p>If a fire occurs in a single space of a multi-tenanted building, occupants of the other spaces should also be notified of the fire and evacuated. However, NFPA 72 allows individual tenants to install their own fire alarm system, thus NOT notifying other tenants of a fire. To correct this problem, the Fire District will require a single fire alarm system for multi-tenanted spaces. Fire code official will approve multiple systems with conditions.</p>



None	<b>1207.11.5.1 Electrical Disconnect.</b> The ESS disconnect shall be located on the exterior of the building and at the main panel.	Added to allow firefighters to secure utilities from the exterior of the house in the event of an emergency
None	<b>1207.11.11 Interconnected Electrical Power Sources.</b> A permanent directory site plan plaque denoting the location of all electrical power source disconnecting means on or in the premises shall be installed at each service equipment location and at the location(s) of the system disconnect(s) for all electric power production sources capable of being interconnected.	Added to provide notification to firefighters of multiple power sources and locations to secure utilities and aid in firefighter safety and safe operations.
<b>Appendix B</b> Table B105.1(1) Minimum fire flow for Section 903.3.1.3 - minimum fire flow shall be 1000gpm for 1 hour duration minimum	<b>Table B105.1(1) Minimum fire flow for Section 903.3.1.3 shall be 1000 gpm for 1 hour duration</b>	The CA Fire Code historically allowed the AHJ to reduce fire flow requirements. The code now makes it automatic, which takes away the local AHJ ability to mitigate local water issues and conflagration potential. This provides MPFPD what we have historically provided for over 30 years and allows proper fire protection for our increasing density and larger buildings and potential for conflagration.
<b>Appendix B</b> Table B105.2 Minimum fire flow for Section 903.3.1.1 - 25% of the value in Table B105.1(2) <sup>a</sup> ; Section 903.3.1.2 - 25% of the value in Table B105.1(2) <sup>b</sup>	<b>Table B105.2 Minimum fire flow for Section 903.3.1.1 - 50% of the value in Table B105.1(2)<sup>a</sup>; Section 903.3.1.2 - 50% of the value in Table B105.1(2)<sup>b</sup></b>	The CA Fire Code historically allowed the AHJ to reduce fire flow requirements. The code now makes it automatic, which takes away the local AHJ ability to mitigate local water issues and conflagration potential. This provides MPFPD what we have historically provided for over 30 years and allows proper fire protection for our increasing density and larger buildings and potential for conflagration.
<b>Appendix D</b>	<b>Added - Fire Apparatus Access Roads</b>	To clarify requirements of fire access roads for uniformity.
<b>Appendix L</b>	<b>Appendix L Requirements for PIPED AIR SCBA REFILLING SYSTEMS is added</b> as follows: For buildings more than 10 stories in height, shall install Firefighter Air Replenishment System per Menlo Park Fire Protection District Standards and Guidelines Manual.	Currently, a firefighter's air bottle lasts about 20 (plus) minutes before it needs to be refilled. With a Firefighter Air System installed in a multi story building, firefighters can refill their air supply from the interior of the building, without having to leave the fire area. Without such a system, an air bottle would need to be refill from an air-refill truck located on the street. This requirement allows for a more efficient use of the firefighters time on the fire scene.





## STAFF REPORT

### City Council

**Meeting Date:** 12/6/2022  
**Staff Report Number:** 22-232-CC

**Consent Calendar:** Receive and file the Single Audit Report for the fiscal year ended June 30, 2021

### Recommendation

Staff and the Finance and Audit Committee recommend that the City Council receive and file the Single Audit Report (SAR) for the fiscal year ended June 30, 2021.

### Policy Issues

Pursuant to 2 CFR (Code of Federal Regulations) 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, a non-federal agency that expends \$750,000 or more during the fiscal year in federal awards is required to have a single audit and issue a SAR. The City expended \$1.3 million during fiscal year ending June 30, 2021; therefore, is required to issue a Single Audit Report.

The SAR tests the schedule of expenditures of federal awards (SEFA) to ensure that an agency has used federal funds correctly in compliance with Office of Management Budget (OMB) standards.

The June 30, 2021, report was due March 31, 2022, but extended to September 30, 2022 due to COVID issues. Agencies are required to complete their SARs and uploaded all necessary documentation to the Federal Audit Clearinghouse by September 30, 2022 not to be considered delinquent. The City is in compliance with this date.

### Background

The City contracted with the firm Lance, Soll & Lungard, LLP (Certified Public Accountants) in 2019 to perform an audit of the City's financial records, complete the SAR and render an opinion in accordance with generally accepted auditing standards. The contract covers a three-year engagement with June 30, 2022, being their final year.

### Analysis

Staff and the Finance and Audit Committee reviewed the City's June 30, 2021, SAR at its October 19, 2022 meeting. The auditor's examined the City's compliance with the types of requirements described in the OMB compliance supplement that could have a direct and material effect on the City's major federal programs for the year ended June 30, 2021.

Based on their annual independent audit, the auditor rendered an unmodified "clean" opinion on the City's SEFA in all material respects in relation to the basic financial statements as a whole. The significant

deficiencies and material weaknesses identified in relation to the financial statements have been addressed by staff in the Management's Response and Corrective Action in Section II of the SEFA.

### **Impact on City Resources**

The independent auditing services is a covered expense within the City's approved budget.

### **Environmental Review**

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it is an organizational structure change that will not result in any direct or indirect physical change in the environment.

### **Public Notice**

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

### **Attachments**

A. City of Menlo Park SAR for the year ended June 30, 2021

Report prepared by:  
Marvin Davis, Interim Finance Director



# CITY OF MENLO PARK, CALIFORNIA

JUNE 30, 2021

SINGLE AUDIT REPORT

Focused  
on YOU



CITY OF MENLO PARK, CALIFORNIA

SINGLE AUDIT REPORT

JUNE 30, 2021

CITY OF MENLO PARK, CALIFORNIA

SINGLE AUDIT REPORT

JUNE 30, 2021

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of the City Council  
City of Menlo Park, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Menlo Park California, (the City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 29, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiencies reported on the schedule of findings and questioned costs to be material weaknesses: 2021-001 through 2021-003.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency, described on the accompanying schedule of findings and questioned costs, to be a significant deficiency: 2021-004.



To the Honorable Mayor and Members of the City Council  
City of Menlo Park, California

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests did not disclose any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **City's Response to Findings**

The City's response to the findings identified in our audit was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Lance, Soll &amp; Lughard, LLP". The signature is written in a cursive, flowing style.

Sacramento, California  
December 29, 2021



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members of the City Council  
City of Menlo Park, California

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Menlo Park (the City), California's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

***Basis for Opinion***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's government programs.





To the Honorable Mayor and Members of the City Council  
City of Menlo Park, California

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be a material weakness, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.



To the Honorable Mayor and Members of the City Council  
City of Menlo Park, California

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 29, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Lance, Soll & Luyhard, LLP*

Sacramento, California

September 19, 2022 (Except for the Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance, which is dated December 29, 2021)

CITY OF MENLO PARK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>
<b>CDBG - Entitlement Grants Cluster</b>			
U.S. Department of Housing and Urban Development Passed Through:			
San Mateo County Joint Urban Agreement			
Community Development Block Grants/Entitlement Grants	14.218	14-729-2952	\$ 45,600
Subtotal - Assistance Listing 14.218			<u>45,600</u>
Total Department of Housing and Urban Development Programs			<u>45,600</u>
<b>Total CDBG - Entitlement Grants Cluster</b>			<u><b>45,600</b></u>
<b>Other Programs</b>			
U.S. Department of Agriculture Passed Through:			
California Department of Education			
Child and Adult Care Food Program	10.558	88-307-4270	43,950
Total U.S. Department of Agriculture Programs			<u>43,950</u>
U.S. Department of Transportation Passed Through:			
California Department of Transportation			
Highway Planning and Construction	20.205	94-900-7744	393,477
State of CA - Office of Traffic Safety			
State and Community Highway Safety	20.600	80-824-4842	19,224
Minimum Penalties for repeat offenders for driving while intoxicated	20.608	80-824-4842	2,814
National priority safety programs	20.616	80-824-4842	23,350
Total Department of Transportation Programs			<u>438,865</u>
U.S. Department of Treasury Direct Programs:			
COVID-19 - Coronavirus Relief Fund *	21.019	N/A	434,929
Total U.S. Department of Treasury			<u>434,929</u>
U.S. Institute Of Museum And Library Services Or National Endowment For The Arts Or National Endowment For The Humanities Passed Through:			
State of CA - Library			
Grants to States	45.310	82-775-8827	82,409
Total U.S. Institute Of Museum And Library Services Or National Endowment For The Arts Or National Endowment For The Humanities			<u>82,409</u>
U.S. Department of Health and Human Services Passed Through:			
San Mateo County Area Agency on Aging			
Special Programs for the Aging Title VIII, Chapter 2 - Long Term Care Ombudsman Services for Older Individuals	93.042	10-204-0412	29,366
Special Programs for the Aging Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	10-204-0412	10,000
Child Care and Development Block Grant	93.575	10-204-0412	27,563
Total U.S. Department of Health and Human Services Passed Through:			<u>66,929</u>
U.S. Department of Homeland Security Direct Programs:			
Hazard Mitigation Grant*	97.039	N/A	214,881
Total U.S. Department of Homeland Security			<u>214,881</u>
<b>Total Other Programs</b>			<u><b>214,881</b></u>
<b>Total Expenditures of Federal Awards</b>			<u><b>\$ 1,327,563</b></u>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

CORONAVIRUS EMERGENCY ACTS FUNDING RECONCILIATION

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>
<b>U.S. Department of Treasury</b>			
COVID-19 - Coronavirus Relief Fund *	21.019	N/A	\$ 434,929
Total Coronavirus Relief Fund			<u>434,929</u>
<b>Total Coronavirus Emergency Acts Funding</b>			<u><u>\$ 434,929</u></u>

\* Major Program

<sup>1</sup> There was no federal awards expended in the form of noncash assistance and insurance in effect during the year.

**CITY OF MENLO PARK**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2021**

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**Note 1: Summary of Significant Accounting Policies Applicable to the Schedule of Expenditures of Federal Awards**

**A. Reporting Entity**

The financial reporting entity consists of (a) the primary government, City of Menlo Park, California (City), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The City has no other organizations defined in (b) and (c) that would be included in the City's financial statements.

**B. Basis of Accounting**

Funds received under the various grant programs have been recorded within the general, special revenue, and capital projects funds of the City. The City utilizes the modified accrual basis of accounting for the general, special revenue, and capital projects funds. Expenditures of federal awards reported on the Schedule of Expenditures of Federal Awards (Schedule) are recognized when incurred.

**C. Relationship of Schedule of Expenditures of Federal Awards to Financial Statements**

The accompanying Schedule presents the activity of all federal financial assistance programs of the City. Federal financial assistance received directly from federal agencies as well as federal financial assistance passed through the State of California, the County of San Mateo, and Silicon Valley Community Foundation are included in the Schedule. The Schedule was prepared only from the accounts of various grant programs and, therefore, does not present the financial position or results of operations of the City.

**D. Pass-Through Entities' Identifying Number**

When federal awards were received from a pass-through entity, the Schedule shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the City determined that no identifying number is assigned for the program or the City was unable to obtain an identifying number from the pass-through entity.

**b. Basis of Accounting**

The expenditures included in the accompanying schedule were reported on the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are incurred when the City becomes obligated for payment as a result of the receipt of the related goods and services. Expenditures reported included any property or equipment acquisitions incurred under the federal program. The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF MENLO PARK

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified Opinion

Internal control over financial reporting:

- Significant deficiencies identified?  yes  none reported
  - Material weaknesses identified?  yes  no
- Noncompliance material to financial statements noted?  yes  no

Federal Awards

Internal control over major programs:

- Significant deficiencies identified?  yes  none reported
- Material weaknesses identified?  yes  no

Type of auditors' report issued on compliance for major programs: Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)?  yes  no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.019	Coronavirus Relief Fund
97.039	Hazard Mitigation Grant Program

Dollar threshold used to distinguish between type A and type B program \$750,000

Auditee qualified as low-risk auditee?  yes  no

**CITY OF MENLO PARK**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**SECTION II - FINANCIAL STATEMENT FINDINGS**

**Accounts Payable Accrual**

**Reference Number:** 2021-001

**Evaluation of Finding:**

Material Weakness

**Condition:**

The City did not accrue a check relating to services performed in fiscal year 2020-2021 as of June 30, 2021.

**Criteria:**

The City should ensure that all payables are accrued in the proper fiscal year.

**Cause of Condition:**

The cause of this condition resulted from time constraints on the review process of the year end journal entries.

**Effect or Potential Effect of Condition:**

The misstatement resulted in understated expenditures and accounts payable at year end.

**Recommendation:**

LSL recommends that the City perform a thorough review over the AP accrual, beyond the City's AP cutoff period to ensure any late invoices are properly accrued, if necessary.

**Management's Response and Corrective Action:**

The City accepts this finding. In fiscal year 2020-21, the City implemented a new financial software – OpenGov parallel with the old Cayenta financial system. The conversion started in March 2021 which conflicts with the year-end and audit preparation. Two of the Accountants (City only have 3 accountant positions) were assigned on the system conversion and installation, which took away their times to focus on the year-end closing and audit preparation. The system conversion to the new financial software should have been done after the audit preparation is completed. Due to the staffing changes and the vacancy of the Finance and Budget Manager position, staff assigned to the audit were not able to review the entire Accounts Payable schedule prior to the scheduled audit field work.

In the future, City staff will make sure that a thorough review of the Accounts Payable accrual, beyond the City's cutoff period will be properly accrued.

**Recognition of Land Held for Resale**

**Reference Number:** 2021-002

**Evaluation of Finding:**

Material Weakness

**CITY OF MENLO PARK**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**SECTION II - FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**Condition:**

The City expensed land held for resale in the trial balance provided for the audit. Because of audit inquiries LSL became aware that the city bought land held for resale. This purchase was verified against council minutes.

**Criteria:**

The City of Menlo Park should not expense purchases of land held for resale.

**Cause of Condition:**

Improper review of financial transactions for classification and rights to assets.

**Effect or Potential Effect of Condition:**

The unremedied condition would have overstated expenses and understated assets by \$440,284

**Recommendation:**

The City should review all real estate transactions for proper classification in the financial records.

**Management's Response and Corrective Action:**

The City accepts this finding. Error was an oversight on City's part due to short staff. In the future, fixed assets will be reconciled and reviewed for proper classifications in the general ledger and financial records.

**Bank Reconciliation Process**

**Reference Number:** 2021-003

**Evaluation of Finding:**

Material Weakness

**Condition:**

We received various correcting Bank reconciliations. The City of Menlo Park should be reviewing and completing bank reconciliations before the start of audit fieldwork.

**Criteria:**

The timeliness of bank reconciliations is important for the financial management of the City of Menlo Park. The reconciliation needs to be performed in an accurate and timely manner

**Cause of Condition:**

Improper review of the bank reconciliation process and lack of oversight into the review process.

**Effect or Potential Effect of Condition:**

Without timely and accurate bank reconciliations, the City is hindered in financial management.

**Recommendation:**

The City of Menlo Park should implement changes to the bank reconciliation process to ensure they are completed accurately and timely.



**CITY OF MENLO PARK**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**SECTION II - FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**Management's Response and Corrective Action:**

The City accepts this finding. In fiscal year 2020-21, the Accountant II position was assigned to focus on the system conversion of the new accounting system. The bank reconciliation preparation has left behind and also the review process due to staffing changes. Only one staff and a consultant were provided to focus on the year end and audit preparation. In the future the City will ensure they are completed accurately and timely. OpenGov has a bank reconciliation function that will be used to process the bank reconciliation monthly.

**Correcting Journal Entries**

**Reference Number:** 2021-004

**Evaluation of Finding:**

Significant Deficiency

**Condition:**

During the course of the audit, the City of Menlo Provided over a dozen correcting journal entries. These ranged from closing entries that were improperly not included in the financial records provided for the audit to corrections of material errors.

**Criteria:**

The City of Menlo Park should ensure that the general ledger and other financial records are complete, accurate and reviewed in a timely manner.

**Cause of Condition:**

Due to staffing changes at the City of Menlo Park, there are areas which are not being properly reviewed for completeness and accuracy.

**Effect or Potential Effect of Condition:**

The potential effect of the City of Menlo Park not posting journal entries varies by journal entry, but the management of the City should strive to ensure the accuracy and completeness of the financial information.

**Recommendation:**

The City of Menlo Park should review the year-end close process and update with improved procedures that will help ensure the accuracy and completeness of the information under audit.

**Management's Response and Corrective Action:**

The City accepts this finding. As mentioned earlier, the system conversion should have been scheduled after the audit preparation, so staff can focus on the year end closing and audit preparation. Staffing changes during this period affected staff deadlines. Staff focus were diverted to system conversion that several journal entries were not finished or prepared prior to the scheduled audit field work.

City will ensure that the general ledger and other financial records are completed, accurate and reviewed in a timely manner.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters were reported.



**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

**Finding: 2020-001 – Insurance Payable Accrual**

Appropriate corrective actions were taken; this finding is considered resolved and is not repeated in the fiscal year ended June 30, 2021.

**Finding: 2020-002 – Various Adjust Journal Entries**

Reason for Recurrence:

The City performed a system conversion prior to the audit, experienced staffing changes, resulting in a number of correcting journals being provided after the trial balance had been provided to the auditors.

Planned Corrective Action:

The City accepts this finding. As mentioned earlier, the system conversion should have been scheduled after the audit preparation, so staff can focus on the year end closing and audit preparation. Staffing changes during this period affected staff deadlines. Staff focus were diverted to system conversion that several journal entries were not finished or prepared prior to the scheduled audit field work.

City will ensure that the general ledger and other financial records are completed, accurate and reviewed in a timely manner.

Current Year Reference Number:

2021-004

**Finding: 2020-003 – Duplicate Water Service Charge**

Appropriate corrective actions were taken; this finding is considered resolved and is not repeated in the fiscal year ended June 30, 2021.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters were reported.



## STAFF REPORT

### City Council

**Meeting Date:** 12/6/2022

**Staff Report Number:** 22-233-CC

**Consent Calendar:** **Reject all bids for the minimum point of entry room heating, ventilation, and air conditioning upgrade project and direct staff to rebid the project at a future date**

### Recommendation

Staff recommends that the City Council reject all bids received for the minimum point of entry (MPOE) Room heating, ventilation, and air conditioning (HVAC) upgrade project and direct staff to re-bid the project at a future date.

### Policy Issues

The City Council must take action to award or reject construction bids for capital improvement projects above the city manager's signing authority per public contracting requirements.

### Background

The MPOE room is located within the police department building at 701 Laurel Street, Menlo Park. This room houses the information technology (IT) servers for the police department and City Hall. The servers are critical infrastructure, which are necessary for the operation of City services and storage of electrical files. The servers and its related equipment generate a considerable amount of heat in a relatively small area and the flow of cool air through the servers is essential to the proper cooling of them. Therefore, the HVAC system is an integral part of the IT room, and is important to maintaining the air quality, temperature and humidity of the room. The existing HVAC system in the MPOE room is deficient and does not have sufficient temperature control for the servers. This project will replace the existing HVAC system to provide necessary upgrades to support the existing and future electrical IT loads in the MPOE room to make sure the IT servers are cool enough to work properly and serve the police department and City Hall.

### Analysis

On September 15, 2022, staff advertised the project for construction bidding with an engineer's estimate of \$71,350. The project was advertised through PlanetBids. On October 19, 2022, the City received one bid for the project from Trahan Mechanical, in the amount of \$315,600.

The project specifications stipulated that the contract award would be based on the base bid and the bidders' responsiveness to the project documents. Trahan Mechanical, with a listed base bid of \$315,600, was identified as the apparent low bidder pending review of the bid documentation by staff. Upon documentation review, the bid was identified as nonresponsive due to bid irregularities. The bidder did not completely fill out the subcontractor's list form, which is a requirement of the project specifications and subcontractor listing law. The submitted bid was also five times higher than the engineer's estimate, and

this is attributable, in part, to the bid schedule not reflecting the project scope in great enough detail. Some of the bid items, such as minor concrete work, had valuations which were vastly disproportional to the scope of work.

Staff recommends that the City Council reject the bid received for the MPOE Room HVAC Upgrade project and direct staff to re-bid the project. To facilitate rebidding the project, staff will perform the following actions:

- Reevaluate the engineer's cost estimation
- Revise the bid schedule to reflect more project scope detail
- Combine this project with a similarly scoped project to replace the HVAC system at the Dispatch room to achieve greater economies of scale.

Subject to the City Council's approval, staff will re-advertise the project in 2023 and schedule an award of contract in 2023 contingent upon bids received.

### **Impact on City Resources**

There is no impact on City resources.

### **Environmental Review**

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

### **Public Notice**

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

### **Attachments**

None.

Report prepared by:  
Arian Khosravian, Project Manager

Report reviewed by:  
Theresa Avedian, Senior Civil Engineer  
Tanisha Werner, Assistant Public Works Director - Engineering



## STAFF REPORT

### City Council

Meeting Date:

12/6/2022

Staff Report Number:

22-234-CC

Consent Calendar:

**Adopt a resolution of intention to abandon a public utility easement along the rear of properties at 1701 Bay Laurel Drive and 1715 Bay Laurel Drive; determine this action is categorically exempt under California Environmental Quality Act Guidelines Section 15305's Class 5 exemption for minor alterations in land use limitations**

### Recommendation

Staff recommends that the City Council adopt a resolution of intention (Attachment A) to abandon two public utility easements along the rear of the properties at 1701 Bay Laurel Drive and 1715 Bay Laurel Drive and determine this action is categorically exempt under California Environmental Quality Act (CEQA) Guidelines Section 15305's Class 5 exemption for minor alterations in land use limitations.

### Policy Issues

In order to abandon public easements, the City is legally required to go through a multistep process as specified by the State of California Streets and Highways Code or can abandon public easements through a tentative map as provided for in the Subdivision Map Act (California Government Code Section 66499.20.2.) In addition to the process required by the Streets and Highways Code, City practice has been to initiate abandonment proceedings with the City Council consideration of a resolution of intent.

### Background

In May 2020, the City issued a building permit for the construction of a new two-story, single-family residential home at 1701 Bay Laurel Drive. During the construction of the new residence, PG&E removed the existing overhead electric utilities located along the rear of the properties at 1701 Bay Laurel Drive and 1715 Bay Laurel Drive, at the request of the property owners. New underground electric utilities were installed on Bay Laurel Drive to provide utility services to both 1701 and 1715 Bay Laurel Drive properties.

### Analysis

The existing overhead utilities along the rear of the properties located at 1701 Bay Laurel Drive and 1715 Bay Laurel Drive were removed. New underground utilities were installed on Bay Laurel Drive to provide utility services to both 1701 and 1715 Bay Laurel Drive properties. The applicant has obtained "no objection" letters for the easement abandonment from all relevant public utility agencies for both 1701 Bay Laurel Drive and 1715 Bay Laurel Drive.

### Abandonment procedure

The applicable abandonment procedure is a three-step process that first involves City Council adoption of a

Resolution of intention to abandon public utility easements. The resolution forwards the abandonment request to the Planning Commission for its consideration and recommendation, tentatively scheduled for January 9, 2023. The Planning Commission will review the abandonment to determine if it conforms with the City's General Plan. The City Council will consider the Planning Commission's recommendation at a subsequent public hearing, tentatively scheduled for February 14, 2023. Staff will advertise notices of the public hearing in the local newspaper and at the site in accordance with the requirements of the Streets and Highways Code. An affidavit of posting will then be filed with the city clerk. Should the utility agencies, affected parties, Planning Commission, and City Council consider the abandonment favorably, a resolution ordering the vacation and abandonment of the easements at 1701 Bay Laurel Drive and 1715 Bay Laurel Drive will be recorded.

### **Impact on City Resources**

There is no direct impact on City resources associated with the actions in this staff report. The fee for staff time to review and process the abandonment has been paid by the applicant.

### **Environmental Review**

The proposed public utility easement abandonment is Categorically Exempt under Class 5, minor alterations in land use, of the current State of CEQA Guidelines.

### **Public Notice**

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

### **Attachments**

A. Resolution of intention

Report prepared by:  
Edress Rangeen, Associate Engineer

Report reviewed by:  
Ebby Sohrabi, Senior Civil Engineer  
Tanisha Werner, Assistant Public Works Director - Engineering

RESOLUTION NO. XXXX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK  
DECLARING THE INTENTION OF SAID CITY TO ABANDON TWO 10-  
FOOT-WIDE PUBLIC UTILITY EASEMENTS ALONG THE REAR OF  
PROPERTIES AT 1701 BAY LAUREL DRIVE AND 1715 BAY LAUREL  
DRIVE**

WHEREAS, the City Council of the City of Menlo Park has considered the abandonment of public utility easements within the properties at 1701 Bay Laurel Drive and 1715 Bay Laurel Drive shown in Exhibit A, which is attached and made apart thereto; and

WHEREAS, the Planning Commission is tentatively scheduled to review the proposed abandonment for consistency with the City's General Plan at its meeting on January 9, 2023; and

WHEREAS, pursuant to Streets and Highways Code section 8320(a), the City Council will hold a Public Hearing tentatively scheduled for February 14, 2023 as required by law to determine whether said public utility easements shall be abandoned.

NOW, THEREFORE, BE IT RESOLVED, that a Resolution of Intention of the City Council of the City of Menlo Park does hereby propose the abandonment of public utility easements within the properties at 1701 Bay Laurel Drive and 1715 Bay Laurel Drive.

I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council resolution was duly and regularly passed and adopted at a meeting by said City Council on the sixth day of December, 2022 by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS THEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this \_\_\_\_ day of December, 2022.

---

Judi A. Herren, City Clerk

Exhibits:

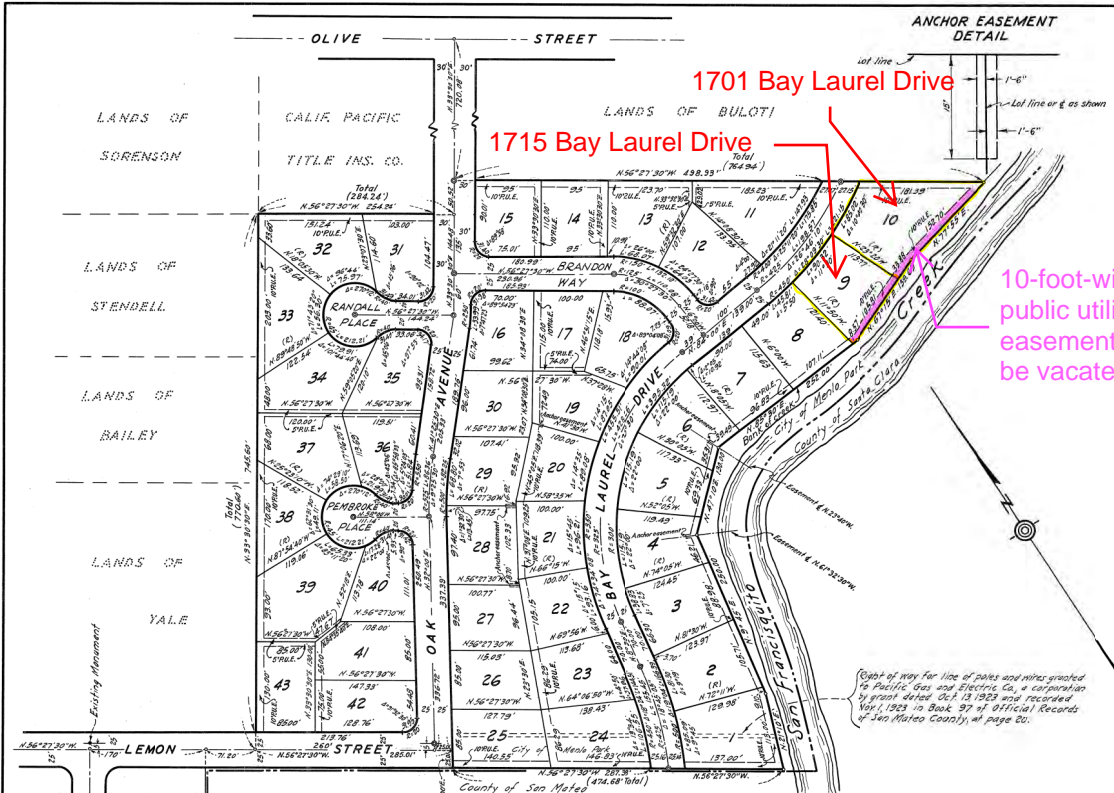
- A. Abandonment of public utility easement along the rear of the properties at 1701 Bay Laurel Drive and 1715 Bay Laurel Drive



# Abandonment of public utility easement at the rear side of the properties at 1701 Bay Laurel Drive and 1715 Bay Laurel Drive

8  
29

8  
29



**OWNER'S CERTIFICATE**

Ross H Chamberlain Ltd, a corporation, hereby certifies that it is the owner of or has some right title or interest in and to the real property included within the subdivision shown upon this map and that it is the only party whose consent is necessary to pass a clear title to said property and here by consents to the making of said map and subdivision as shown within the boundaries and hereby dedicates to public use all streets, avenues, Ways, Drives and Places and easements for public utilities, under or over and those certain strips of land designated as "public utilities easements" (PUEs) as shown on said map within said subdivision, consisting of land to be kept open and free from buildings and structures of any kind.

ROSS H CHAMBERLAIN Ltd., a corporation.  
*By* \_\_\_\_\_ President *By* *M. E. Flynn* Secretary

**ACKNOWLEDGMENT**

STATE OF CALIFORNIA, ss.  
 COUNTY OF SAN MATEO, ss.  
 On this 23 day of March, 1948 before me, Willie Krieste a Notary Public in and for the County of San Mateo, State of California, duly commissioned and sworn, personally appeared Ross H Chamberlain and M. E. Flynn known to me to be the President and Secretary respectively of Ross H Chamberlain Ltd., a corporation, the Corporation that executed the within instrument and known to me to be the persons who executed the same on behalf of the Corporation, named herein, and acknowledged to me that said corporation executed the same.  
 IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year in this certificate first above written.  
 My Commission Expires November 10, 1951  
*Willie Krieste*  
 Notary Public in and for the County of San Mateo, State of California.

**CERTIFICATE OF ENGINEER**

I, H.C. Armitage, hereby certify that I am a Registered Civil Engineer of the State of California, that this map consisting of one sheet, correctly represents a survey made under my supervision during the month of March, 1948, that the survey is true and complete as shown, that all of the monuments shown thereon actually exist and their positions are correctly shown and that said monuments are sufficient to enable the survey to be retraced.  
 Dated March 23, 1948  
*H.C. Armitage*  
 Registered Civil Engineer Certificate No. 1704

**CERTIFICATE OF CITY ENGINEER**

I, Edwin H. Smith, City Engineer of the City of Menlo Park, hereby certify that I have examined the within map and find it to be substantially the same as the tentative map, that all provisions of the law have been complied with and that I am satisfied that said final map is thoroughly correct.  
*Edwin H. Smith*  
 City Engineer of the City of Menlo Park.

**STANFORD CREEK  
 MENLO PARK  
 SAN MATEO COUNTY, CALIF.**

SUBDIVISION OF A PORTION OF  
 THE 'MARTIN TRACT MENLO PARK'

SCALE 1"=100' MARCH, 1948  
 H.C. ARMITAGE CIVIL ENGINEER

**BASIS OF BEARINGS NOTE**

The bearing of Lemon Street as shown on map of Oakdell Manor, Menlo Park, San Mateo County, Calif., recorded in Map Book 28 at page 15, has taken as the basis of bearings shown on this map.  
 All distances shown in feet and decimals hereof.  
 © Indicates Iron Bolt in Pavement.  
 The blue border indicates the boundaries of the land subdivided by this map.

**RECORDER'S CERTIFICATE**

File No. 24789-21  
 Filed for record at the request of California Pacific Life Insurance Company this 2 day of April, 1948, at 11:33 minutes past 3 A.M. of which is Volume 29 of Maps, at page 2. Records of San Mateo County, California.

**CERTIFICATE OF CITY CLERK**

I, Margaret A. Becker, City Clerk and ex-officio clerk of the City Council of the City of Menlo Park, hereby certify that the City Council of the City of Menlo Park, State of California, by a resolution adopted at a regular meeting of said Council, duly convened and held on this 23 day of March, 1948, did approve the within map and did accept on behalf of the public, all parcels of land offered for dedication for public use.

*Margaret A. Becker*  
 City Clerk and ex-officio clerk of the City Council of the City of Menlo Park.

*Willie Krieste*  
 County Recorder of the County of San Mateo.





**STAFF REPORT**

**City Council**

**Meeting Date:**

**12/6/2022**

**Staff Report Number:**

**22-237-CC**

**Consent Calendar:**

**Authorize the city manager to execute an agreement with the West Bay Sanitary District regarding the provision of recycled water service within Menlo Park Municipal Water Service Area; determine this action is exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15268 (Ministerial Projects)**

**Recommendation**

Staff recommends that the City Council authorize the city manager to execute an agreement with West Bay Sanitary District (WBSD) regarding the provision of recycled water service within Menlo Park Municipal Water (MPMW) Service area and determine this action is exempt from CEQA pursuant to CEQA Guidelines section 15268 (Ministerial Projects) in that approval of the agreement is required by the Water Code section 13850.7, and also, pursuant to CEQA Guidelines section 15307 (Action for Protection of Natural Resources), in that the approval of the agreement would authorize the provision of recycled water within the service area in lieu of potable water.

**Policy Issues**

As a water purveyor, MPMW is required to provide recycled water to potential users within its service area boundary. If recycled water requests from customers within the MPMW service area boundary cannot be met in a reasonable time frame, MPMW can delegate the requests to a recycled water producer. Under this Agreement (Attachment A), MPMW would designate WBSD as the recycled water purveyor for applicable customers in the Bayfront Area as shown on the map in Exhibit A of the agreement. Pursuant to State law, the City must adopt a recycled water ordinance designating areas within the MPMW service area that can, or may in the future, use recycled water and establish rules and regulations governing the use and distribution of recycled water. Staff will be working to develop the ordinance prior to completion of the Bayfront area recycled water facilities in the 2025-2026 timeframe.

**Background**

WBSD provides wastewater collection services to the City, as well as to the Towns of Portola Valley, Atherton, Woodside, sections of the City of East Palo Alto, and sections of unincorporated areas of Santa Clara and San Mateo counties. The wastewater collected from these areas flows to the Menlo Park Pump Station, located on Marsh Road near the entrance of Bedwell Bayfront Park, and is pumped to the wastewater treatment facility in Redwood City. Both the Menlo Park Pump Station and the wastewater treatment facility in Redwood City are operated by Silicon Valley Clean Water (SVCW.) A substantial portion of the wastewater treated at the SVCW facility is discharged to the San Francisco Bay, while the remainder is treated to recycled water standards and sold to Redwood City customers for non-potable uses.

In February 2019, WBSD completed the Bayfront Recycled Water Facilities Plan. The report performed

additional market assessment, studied recycled water treatment requirements, evaluated potential project alternatives, and identified a recommended project.

On October 29, 2019, the City Council received and filed WBSD's Bayfront recycled water facilities plan and delegated authority to the city manager to negotiate an agreement for recycled water purveyorship options. Option 2 (WBSD Purveyorship) was recommended as described below:

- WBSD would be the recycled water purveyor for the Bayfront area and charge connection fees, meter fees, and usage fees to each individual customer. WBSD would be responsible for billing and collection from customers.
- WBSD would be responsible to maintain the transmission lines, service lines, and meters to customers throughout the MPMW service area.

In April 2020, the city manager signed a letter supporting WBSD's Flow Equalization and Resource Recovery Facility (FERRF) Levee Improvements and the award of a grant from the San Francisco Bay Water Quality Improvement Fund. WBSD received \$4.9 million from the grant.

WBSD is proposing a Bayfront project consisting of two primary elements. The first element, the FERRF Levee Improvements project, will improve levees around the property to protect the site against San Mateo County's 50-year sea level rise projections and remove the interior portions of the site from the Federal Emergency Management Agency (FEMA) 100-year floodplain. The flood protection measures consist of installing fill, sheetpiles and the construction of a horizontal levee. The levee Improvement project will require WBSD to work on the city's land for the installation of fill and sheetpiles. Exhibit B shows the encroachment areas on the city's land which would require WBSD to enter into an encroachment agreement with the city for a Temporary Construction Easement (TCE.) The second element consists of building a Recycled Water Facility on this site to serve the Bayfront area of Menlo Park.

The Bayfront Recycled Water Project includes various off-site improvements including a pump station located near the SVCW's existing Menlo Park Pump Station near the intersection of Marsh Road and Bayfront Expressway and an influent pipeline to the recycled water facility. Influent and distribution pipelines will be located within the road right-of-way connecting the influent pump station to the Bayfront Recycled Water Facility (RWF.) Recycled water distribution pipelines would also be constructed within the road right-of-way for Bayfront Expressway, Constitution Drive, Chilco Street and Hamilton Avenue.

The WBSD recycled water system is anticipated to be designed and constructed in phases. Those phases have been established and mapped as shown in Exhibit A of the agreement.

On December 18, 2020, WBSD filed a Notice of Availability of the FERRF Levee Improvements and Bayfront RWF draft environmental impact report (EIR) for public review and comment; the draft EIR only covered the first two elements – the levee improvements and the recycled water facility and related pipelines to serve the Phase 1 area. The comment period ended February 1, 2021. Comments were received, addressed, and the draft EIR was certified May 12, 2021.

Since January 2021, the City, WBSD, and their respective attorneys have been working to develop the agreement for the provision of recycled water service within MPMW's service area in the Bayfront area. Also, on May 10, 2022, WBSD and their consultant, Woodard Curran, presented an update on the project to the City Council.

## Analysis

MPMW purchases all of its potable water supply from the San Francisco Public Utilities Commission (SFPUC) and supplies water to about half of the City's residences and businesses through approximately 4,300 service connections. As required by State law, in May 2021, the City Council adopted the 2020 Urban Water Management Plan (UWMP), which requires urban water suppliers to describe and evaluate their water supply sources and reliability through 2040. Per the UWMP, during normal non-drought years, MPMW would have sufficient water to meet all of its planned future water demands through 2040. However, during multiple drought years, MPMW could experience water supply shortfalls of more than 50 percent. Recycled water supplies, which can be relied upon in all water year types, provide reliable supplemental water to our community.

Under California Water Code §13580, et seq., the Water Recycling Act of 1991 (Recycling Act) requires that water purveyors, such as MPMW, identify potential uses for recycled water and potential recycled water customers within their service areas. As part of this requirement, and to help offset potential future shortfalls in water supply, MPMW evaluated the feasibility of developing a recycled water program as part of the Water System Master Plan (WSMP), which was adopted in 2018. The WSMP identified potential areas that could be served with recycled water and the feasibility of acquiring recycled water from the cities of Redwood City, Palo Alto and WBSD.

This agreement would designate WBSD as the recycled water purveyor to the area identified in the exhibit to the agreement, as well as other sections of its service area which will be constructed in three phases:

- Phase 1 would serve new developments in the Bayfront area. These Phase 1 areas are within MPMW boundaries. The plant would be sized to meet the maximum daily demand of newly proposed developments in this area (for their demands which can be met with recycled water.) These developments may use WBSD's recycled water if they are willing to finance their portion of costs associated with the initial recycled water plant and distribution pipeline construction, and pay to operate and maintain the system. Additional users within the Phase 1 area can be added as supply is available, and they would be expected to pay for their share of both the capital and operating costs of providing the recycled water supply. This phase is estimated to be constructed by approximately 2025.
- Phase 2 would serve the area within the MPMW that is south of Highway 101 and north of Middlefield Road. It is not anticipated that this phase would be initiated until water users in this area, and the City of Menlo Park, express a strong desire to promote this phase. Furthermore, the extension of service would require an extensive recycled water distribution system expansion.
- Phase 3 would serve the area within the MPMW south of Middlefield Road, including the City Hall complex and related municipal facilities. Similar to Phase 2, it is not anticipated that this phase would be initiated until the water users in this area, and the City of Menlo Park, expressed a strong desire to promote this.

The Phase 1 facilities are currently in the design phase and construction is expected to be completed in 2025. Future Phases 2 and 3 are subject to appropriate review under CEQA.

## Impact on City Resources

WBSD estimates their proposed recycled water project will provide 220 acre-feet of recycled water per year after 2025 when all sites are connected, which would decrease MPMW's potable water sales in an equivalent amount. In May 2021, the City Council adopted the five-year water rates which took into account the anticipated decreased SFPUC water purchases and revenues associated with WBSD's proposed project. Overall, MPMW is expected to experience an increase in potable water sales associated with the

projected growth and increased water demand within its service area, particularly from the Bayfront area.

### **Environmental Review**

On December 18, 2020, WBSD filed a Notice of Availability of the FERRF Levee Improvements and Bayfront RWF draft EIR for public review and comment; the draft EIR covers the first phase of improvements (the levee improvements and Bayfront RWF and related pipelines.) The comment period ended February 1, 2021. Comments were received, addressed, and the EIR was certified May 12, 2021. The construction of the Bayfront RWF facility was appropriately studied and there have been no changes to the project or its circumstances, or new information available, which would trigger a requirement for a subsequent EIR under CEQA Guidelines section 15162. Accordingly, no further CEQA documentation is warranted.

The City's action in this agenda item is to approve the service agreement which authorizes the provision of recycled water, and is exempt from CEQA pursuant to CEQA Guidelines section 15268 (Ministerial Projects), in that approval of the agreement is required by the Water Code section 13850.7, and also, pursuant to CEQA Guidelines section 15307 (Action for Protection of Natural Resources), in that the approval of the agreement would authorize the provision of recycled water within the service area in lieu of potable water.

### **Public Notice**

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

### **Attachments**

- A. Agreement between City of Menlo Park and WBSD regarding provision of recycled water service within MPMW service area - Bayfront Area, and other customers within the recycled water purveyor boundary

Report prepared by:  
Fariborz Heydari, Senior Civil Engineer

Report reviewed by:  
Tanisha Werner, Assistant Public Works Director

**AGREEMENT****BETWEEN CITY OF MENLO PARK AND WEST BAY SANITARY DISTRICT  
REGARDING PROVISION OF RECYCLED WATER SERVICE WITHIN MENLO  
PARK MUNICIPAL WATER SERVICE AREA**

This Agreement is made by and between the West Bay Sanitary District ("West Bay") and the City of Menlo Park ("City" or "MPMW") (collectively the "Parties") and provides as follows:

**RECITALS**

WHEREAS, the City of Menlo Park is a municipal corporation and a general law city organized and existing under the laws of the State of California, and is the operator of Menlo Park Municipal Water, a division of the Menlo Park Public Works Department, and retail supplier of water to approximately 16,000 customers through approximately 4,300 service connections within the Menlo Park service area; and

WHEREAS, West Bay is a Sanitary District organized and existing under the Sanitary District Act of 1923 (the "Sanitary District Act") (Cal. Health & Safety Code § 6400, et seq.), and provides wastewater collection and conveyance services to the Cities of Menlo Park, Atherton and Portola Valley, and portions of East Palo Alto, Woodside and unincorporated San Mateo and Santa Clara counties; and

WHEREAS, the Water Recycling Act of 1991 ("Recycling Act") (Cal. Water Code §13575, et seq.) requires retail water suppliers, like MPMW, to identify potential uses for recycled water within their service areas, potential customers for recycled water service within their service areas, and, within a reasonable time, potential sources of recycled water; and

WHEREAS, the Recycling Act requires a retail water supplier that receives a request from a customer enter into an agreement to provide recycled water, if recycled water is available, or can be made available, to the retail water supplier for sale to the customer, and authorizes a retail water supplier to delegate to a recycled water producer or a recycled water wholesaler its responsibility to provide recycled water; and

WHEREAS, the City delegates the authority to West Bay to provide recycled water under Water Code Section 13580.5(a)(2), subject to West Bay's compliance with Water Code section 13580.7(b) – (d) with respect to rate setting for recycled water, and indemnification of the City for any related damages and claims against the City arising out of West Bay's recycled water rates and distribution;

WHEREAS, West Bay is authorized, pursuant to Section 6512 of the Sanitary District Act to "acquire, plan, construct, reconstruct, alter, enlarge, lay, renew, replace, maintain, and operate... water recycling and distribution systems..."; and

WHEREAS, West Bay has notified MPMW of its future ability to provide recycled water in accordance with Cal. Government Code Section 65604; and

WHEREAS, West Bay owns and operates a Flow Equalization and Resource Recovery Facility (FERRF) on its retired wastewater treatment plant site at 1700 Marsh Road in Menlo Park, north of Bedwell Bayfront Park; and

WHEREAS, West Bay plans to construct a 0.6 Million Gallons per Day (MGD) Membrane Bioreactor (MBR) Ultraviolet (UV) disinfection satellite recycled water treatment facility capable to upsize to 0.8 MGD, and associated pump stations and piping on the FERRF, that will provide up to 220 Acre-feet per Year (AFY), and potentially more in the future, of recycled water to commercial customers in the Bayfront area of Menlo Park and offset the delivery of potable water by the City; and

WHEREAS, the City of Menlo Park encourages and supports the use of recycled water and as part of the Land Use Element of its General Plan in response to frequent statewide drought conditions and concerns about the long term viability of continuing to irrigate exclusively with SFPUC potable water; and

WHEREAS, at the direction of Menlo Park City Council on October 29, 2019, City staff have been meeting with West Bay to discuss options for jointly pursuing the parties' mutual interests in conserving available potable water supplies, protecting the environment and natural resources, and reducing the volume of treated wastewater discharged into the San Francisco Bay; and

WHEREAS, West Bay has completed a study, funded by West Bay, prepared by Woodard & Curran (the "Feasibility Study"), demonstrating the feasibility of constructing a recycled water treatment facility (the "Project") in the Bayfront area, to be located at the FERRF behind the Bedwell Bayfront Park to produce recycled water for irrigation of landscaped areas, cooling towers, flushing of toilets, and other permitted uses; and

WHEREAS, West Bay prepared and certified an Environmental Impact Report (EIR) for the recycled water facility where the EIR considered three phases of the distribution of recycled-water, and as users are added to the distribution system they will be subject to appropriate project level review under the California Environmental Quality Act (CEQA); and

WHEREAS, West Bay has preliminarily concluded that recycled water will be suitable for use as a substitute for the potable water currently used to irrigate the landscaping and flush toilets, and other permitted uses and to that end are seeking to enter into User Agreements with potential key customers Establishing Principles of Agreement for Design, Construction and Operation of Recycled Water Treatment Facility (the "User Agreements"), the purpose of which is to determine the demand for substituting recycled water permitted for some of the potable water in the customer facilities and provide a framework for preparation of a long-term agreement for the design, permitting, and construction of the Project; and

WHEREAS, California's Urban Water Management Planning Act ("UWMP Act") (Cal. Water Code §10610, et seq.) requires urban water suppliers that have 3,000 or more connections, or that supply at least 3,000 acre-feet per year (AFY) of water, to submit a UWMP to the California Department of Water Resources (DWR) every five years; and

WHEREAS, the UWMP Act was amended in 2009 to require water suppliers to reduce urban water use by twenty percent statewide by 2020; and

WHEREAS, pursuant to the UWMP Act, on May 25, 2021 MPMW adopted Resolution No. 6630 adopting its 2020 Urban Water Management Plan, the purpose of which is to:

- Identify measures to be implemented or projects to be undertaken to reduce water demands and address water supply shortfalls;
- Identify six stages of action to address up to 10 percent, up to 20 percent, up to 30 percent, up to 40 percent, up to 50 percent, and greater than 50 percent reduction in water supplies during dry water years;
- Identify actions to be implemented in the event of a catastrophic interruption in water supplies;
- Assess the reliability of the sources during normal, single-dry and multiple-dry water years up to five years; and

WHEREAS, in 2018 MPMW evaluated the potential for using recycled water to reduce potable water demands, and identified parcels within its service area as potential recycled water users using approximately 531 acre feet of water annually, and several relatively large potential recycled water users; and

WHEREAS, in 2018 MPMW completed a Water System Master Plan that includes an evaluation of recycled water opportunities as a means of providing a safe and reliable supply of non-potable water for the its customers; and

WHEREAS, by enactment of the Recycling Act, the State of California has found and declared that:

1. The State of California is subject to periodic drought conditions.
2. The development of traditional water resources in California has not kept pace with the state's population, which is growing at the rate of over 700,000 per year.
3. There is a need for a reliable source of water for uses not related to the supply of potable water to protect investments in agriculture, greenbelts, and recreation and to replenish groundwater basins, and protect and enhance fisheries, wildlife habitat, and riparian areas.
4. The environmental benefits of recycled water include a reduced demand for water in the Sacramento-San Joaquin Delta that is otherwise needed to maintain water quality, reduced discharge of waste into the ocean, and the enhancement of groundwater basins, recreation, fisheries, and wetlands.
5. The use of recycled water has proven to be safe from a public health standpoint, and the State Water Resources Control Board is regularly updating regulations for the use of recycled water to expand the safe use of recycled water Statewide.
6. The use of recycled water is a cost-effective, reliable method of helping to meet California's water supply needs.

7. The development of the infrastructure to distribute recycled water will provide jobs and enhance the economy of the state.
8. Retail water suppliers and recycled water producers and wholesalers should promote the substitution of recycled water for potable water and imported water in order to maximize the appropriate cost-effective use of recycled water in California.
9. Recycled water producers, retail water suppliers, and entities responsible for groundwater replenishment should cooperate in joint technical, economic, and environmental studies, as appropriate, to determine the feasibility of providing recycled water service.
10. Retail water suppliers and recycled water producers and wholesalers should be encouraged to enter into contracts to facilitate the service of recycled and potable water by the retail water suppliers in their service areas in the most efficient and cost-effective manner.
11. Recycled water producers and wholesalers and entities responsible for groundwater replenishment should be encouraged to enter into contracts to facilitate the use of recycled water for groundwater replenishment if recycled water is available and the authorities having jurisdiction approve its use.

WHEREAS, wholesale prices set by recycled water producers and recycled water wholesalers, and rates that retail water suppliers are authorized to charge for recycled water, should reflect an equitable sharing of the costs and benefits associated with the development and use of recycled water; and

WHEREAS, the Recycling Act authorizes a recycled water producer or recycled water wholesaler that has identified a potential use or customer that is within the service territory or jurisdiction of a retail water supplier to request a retail water supplier to enter into an agreement to provide recycled water to the potential customer; and

WHEREAS, West Bay plans to construct a 0.6 Million Gallons per Day (MGD) Membrane Bioreactor (MBR) Ultraviolet (UV) disinfection satellite recycled water treatment facility capable to upsize to 0.8 MGD, and associated pump stations and piping on the FERRF, that will provide up to 220 Acre-feet per Year (AFY), and potentially more in the future, of recycled water to commercial customers in the Bayfront area of Menlo Park and offset the delivery of potable water by the City. The proposed project is consistent with and in furtherance of the Parties' mutual goals, interests, and long-term water supply planning objectives; and

WHEREAS, the Parties have determined that it is desirable, in their mutual interest and consistent with their responsibilities and authority under the UWMP Act and Recycling Act for the MPMW to delegate to West Bay its responsibility under the Recycling Act to provide recycled water in accordance with the terms of this Agreement; and

WHEREAS, West Bay will develop a Recycled Water Ordinance and establish a Recycled Water Service Area as part of a future resolution; and



WHEREAS, West Bay and the City of Menlo Park have planned improvement projects at the FERRF and Bedwell Bayfront Park entrance area that require easements from each other to construct; and

WHEREAS, West Bay's Flow Equalization and Resource Recovery Facility (FERRF) abuts City land to the north, south, and east, and the City owns a small sliver of land north of the FERRF and Bayfront Park to the south and east as shown on Exhibit "B"; and

WHEREAS, the planned levee improvements encroach over the sliver and also small areas of Bayfront Park adjacent to the northeast and southwest corners of the FERRF, and these improvements will require granting of easement(s) from the City to the West Bay to construct the Levee Improvement Project, the City will work with West Bay to provide for the granting of such easements; and

WHEREAS, the City has street improvements planned at the corner of Haven and Marsh Road, the Haven Avenue Streetscape Project, that requires encroachment into the Menlo Park Pump Station; and

WHEREAS, these improvements will require granting of easement(s) from West Bay to the City, and West Bay will work with the City to provide for the granting of such easements; and

WHEREAS, it is understood that the easements in final form will be brought to City Council and West Bay Board for approval and it is understood that both the City and West Bay are amenable to granting easements needed to construct the Levee Improvements Project and the Haven Avenue Streetscape Project, respectively.

NOW, THEREFORE, the Parties agree as follows:

### **AGREEMENT**

1. Delegation. Pursuant to California Water Code Section 13580.5(a)(2), Menlo Park hereby delegates to West Bay Sanitary District the responsibility to provide recycled water to the Bayfront Area, and to other applicable customers within the Recycled Water Purveyor Boundary as shown on the map attached hereto as Exhibit A – Phase I. After consultation with City, West Bay may provide recycled water to service areas as shown in Phases 2 and 3. West Bay shall start the Local Agency Formation Commission (LAFCO) process after the MOU is approved by the City Council. West Bay shall prepare project level CEQA documents for future facilities serving Phases 2 and 3, and shall do public outreach and coordination with Cal Water, as appropriate, for users within their boundary.

2. Customer Offers and Rate-Setting. West Bay Sanitary District shall provide customers with information required by Water Code section 13580.7(f) in any offer to provide water service. In accordance with California Water Code Sections 13580.5(c) and 13580.7, rates for the supply of recycled water service provided to customers under this Agreement shall be set by West Bay Sanitary District. In setting rates, West Bay Sanitary District shall comply with the requirements of any applicable law, which may include but not be limited to Water Code Section 13580.7, Article XIID of the California Constitution and/or Government Code section 53750 et seq. To the fullest extent permitted by law, West Bay Sanitary District shall defend, indemnify and hold

harmless City, and its officials, officers, employees, agents, and volunteers, from and against any and all liability, loss, damage, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, civil penalties and fines, expenses and costs (including, without limitation, claims expenses, attorney's fees and costs and fees of litigation) (collectively, "Liability") of every nature, whether actual, alleged or threatened, arising out of or in connection with West Bay Sanitary District's rate setting practices or the provision of recycled water service under this Agreement.

3. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

EXECUTED and effective on the date by which it has been duly approved and executed by all Parties hereto.

WEST BAY SANITARY DISTRICT

Dated: \_\_\_\_\_

BY: \_\_\_\_\_  
Sergio Ramirez  
General Manager

CITY OF MENLO PARK

Dated: \_\_\_\_\_

BY: \_\_\_\_\_  
Justin I. C. Murphy  
City Manager

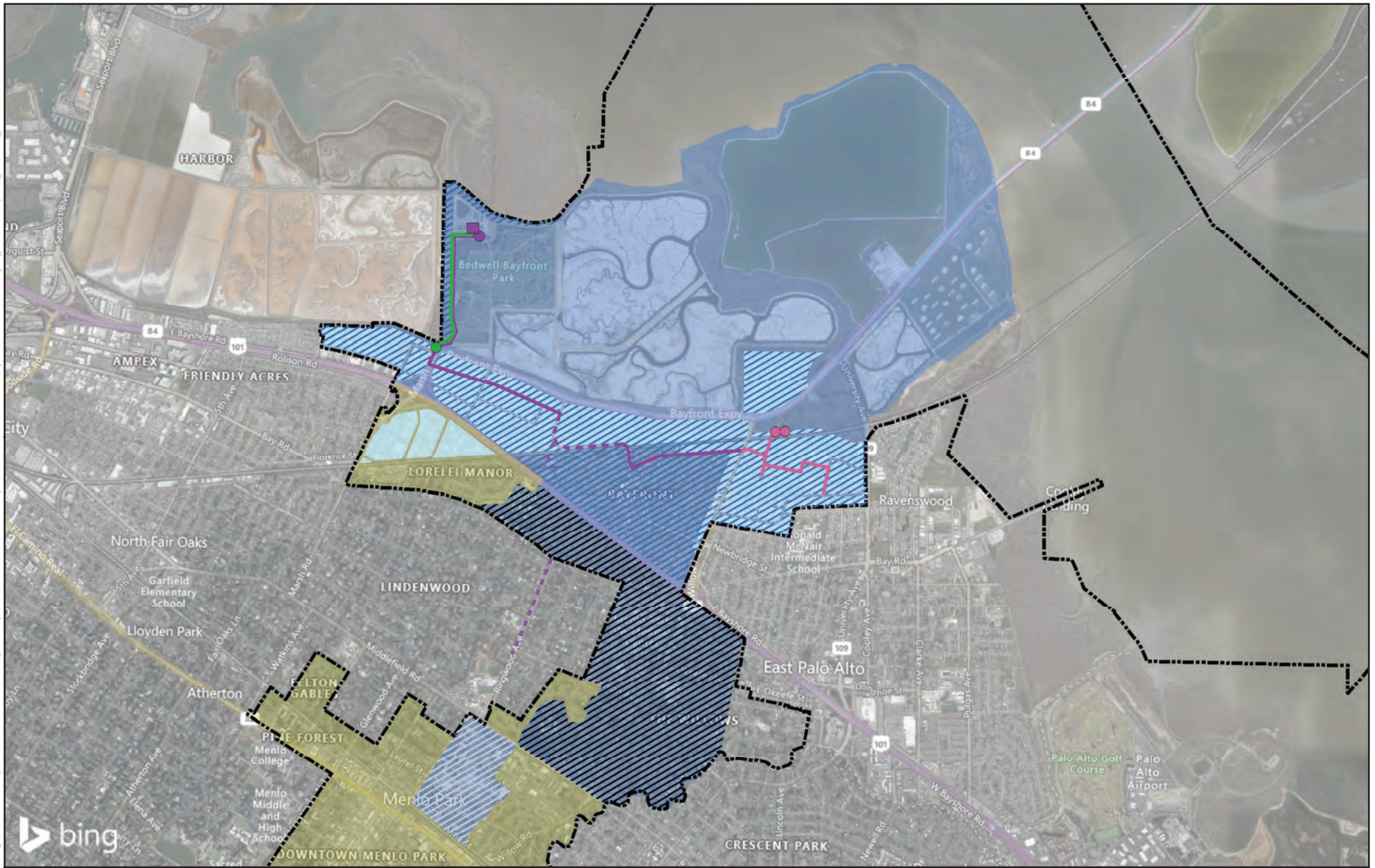
APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
Tony Condotti  
General Counsel

\_\_\_\_\_  
Nira F. Doherty  
City Attorney

EXHIBIT A  
WEST BAY DESIGNATED RECYCLED WATER PURVEYOR BOUNDARY MAP  
Phase 1 (Map also shows Phase 2 & 3)



**Exhibit A:**  
**Recycled Water Purveyor Boundary**  
*West Bay Sanitary District (WBSD)*  
*Menlo Park Municipal Water District*

<b>Legend</b>	Recycled Water Facility	Distribution Pipeline	Phase 1	City Boundary
	Influent Sanitary Sewer Pump Station (IPS)	Existing Distribution Pipeline	Phase 2	ConnectMenlo
	Recycled Water Storage Tank (0.50 MG)	Future Distribution Pipeline	Phase 3	Menlo Park Municipal Water
	Future Storage Tanks (0.50 MG Total)	Influent Sanitary Sewer Force Main (SSFM)		California Water Service Company

N

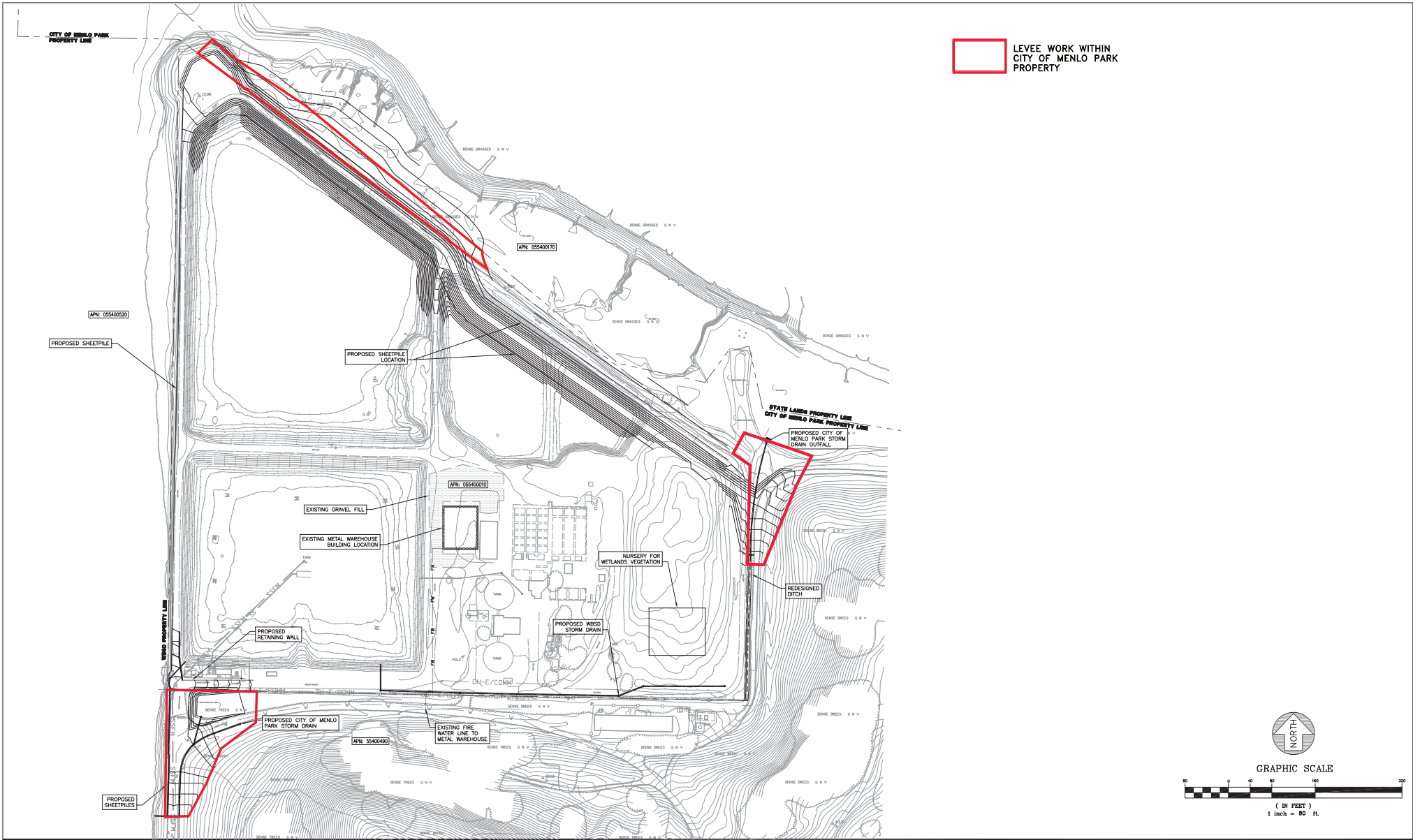
0 1,750 3,500 Feet

1 inch = 3,500 feet

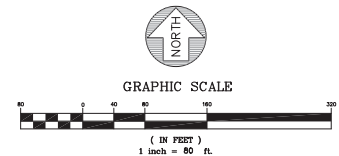
EXHIBIT B

Site Plan showing encroachment within the City of Menlo Park Bedwell Bayfront Park for West Bay Sanitary District's Levee Improvements.





LEVEE WORK WITHIN  
CITY OF MENLO PARK  
PROPERTY



DATE:	09/16/2022	12/15/2021	65% PROGRESS SET
SCALE:	AS NOTED	06/02/2022	90% PROGRESS SET
DESIGNED:	LFH & FYM	06/16/2022	MENLO PARK ENCROACHMENT PERMIT
DRAWN:	FYM		
CHECKED:	LFH		
PROJ. ENGR:	RJL		
BY	DATE	DESCRIPTION OF REVISIONS	APP'D

**FREYER & LAURETA, INC.**  
CIVIL ENGINEERS • SURVEYORS • CONSTRUCTION MANAGERS

150 Executive Park Blvd #4200 • San Francisco, CA 94134  
(415)934-7070 • www.freyerlaureta.com

**WEST BAY  
SANITARY DISTRICT  
SAN MATEO COUNTY**

PROJECT No. 1762.0

**FLOW EQUALIZATION AND RESOURCE RECOVERY FACILITY  
LEVEE IMPROVEMENTS PROJECT-ENCROACHMENT PERMIT**

**SITE PLAN  
MENLO PARK, CALIFORNIA**

SHEET  
**C2.0**

JOB NO.  
**1079**



**STAFF REPORT**

**City Council**

**Meeting Date:**

**4/13/2022 12/06/2022 – CONT. FROM 11/30/2022**

**Staff Report Number:**

**22-228-CC**

**Public Hearing:**

**Consider the Planning Commission’s recommendation to approve the proposed Willow Village masterplan project located at 1350-1390 Willow Road, 925-1098 Hamilton Avenue and 1005-1275 Hamilton Court, 1399 and 1401 Willow road, and 871-883 Hamilton Avenue with modifications and adopt a resolution to 1) certify the final environmental impact report (Final EIR), make the California Environmental Quality Act (CEQA) findings including the Statement of Overriding Considerations for significant and unavoidable impacts, and approve the mitigation monitoring and reporting program (MMRP), 2) adopt a resolution to amend the General Plan Circulation Element, 3) adopt resolutions to approve the vesting tentative maps for the proposed project, 4) read the title, and waive further reading of an ordinance to amend the City zoning map, rezone the project site from R-MU-B and O-B to R-MU-B-X and O-B-X to include the “X” Conditional Development overlay, and approve the conditional development permit and 5) read the title, and waive further reading of an ordinance to adopt the development agreement, and 6) adopt a resolution to approve the below market rate (BMR) housing agreements**

**Recommendation**

Staff recommends that the City Council consider the Planning Commission’s resolution (Attachment A) recommending approval with modifications of the proposed project to the City Council, including the following actions:

- Adopt a resolution to certify the Final EIR that analyzes the potential environmental impacts of the proposed project and makes the CEQA findings to address impacts, including a statement of overriding considerations for significant and unavoidable environmental effects that would result from the proposed project, and approves the mitigation monitoring and reporting program for the proposed project to mitigate impacts to less than significant with mitigation or reduce significant and unavoidable impacts (Attachment B);
- Adopt a resolution to amend the General Plan Circulation Map to modify the locations of the public rights-of-way, new street connections, paseos and incorporate multi-use pathways within the main project site and new site access (Attachment C);
- Adopt resolutions to approve the vesting tentative map for the main project site and the vesting tentative

map for the Hamilton Avenue Parcels to create new buildable parcels, dedicate public rights-of-way, identify public access easements, site infrastructure and realign Hamilton Avenue (Attachment D “main project site” and Attachment E “Hamilton Avenue parcels”);

- Introduce, read the title, and waive further reading of an ordinance to rezone the project site from R-MU-B and O-B to R-MU-B-X and O-B-X to include the “X” Conditional Development combining district overlay, amend the Zoning Map to include the X overlay and modify the locations of the public right-of-ways, new street connections and paseos, and approve a conditional development permit (CDP) to develop the proposed project through the master plan provisions outlined in the Zoning Ordinance, utilize the bonus level development allowances (increased height, density and intensity) in exchange for community amenities, establish allowed uses, development regulations (including design standard modification requests), and otherwise govern the development of the proposed project (Attachment F);
- Introduce, read the title, and waive further reading of an ordinance to adopt a development agreement (DA) between the City and the project applicant for vested rights in exchange for community amenities, public benefits, and assurances on the timing and phasing of the proposed project (Attachment G); and
- Adopt a resolution to approve the BMR housing agreements for the provision of 312 BMR units with a mix of affordable income limits, including 119 age-restricted senior units (Attachment H)

The City Council began its review of the proposed project, including the Planning Commission’s recommendation, at its regular meeting on November 15, 2022. At that meeting, the City Council received the staff’s and the applicant’s presentations, heard public comment, and deliberated on the proposed project. The City Council continued the item with direction to the applicant and staff on development agreement terms and modifications to the conditional development permit, draft resolutions, and the draft conditions of approval for the vesting tentative maps. Where a resolution, ordinance, or governing entitlement document has been revised, the tracked changed document is included in the recommended actions listed above. If the City Council adopts the resolutions or introduces the ordinances, the documents would be revised to incorporate the changes.

## Policy Issues

The City Council should consider the Planning Commission’s review and recommendation when evaluating the merits of the proposed project, including project consistency with the City’s current general plan, municipal code, and other adopted policies and programs. The City Council will also need to consider the proposed development regulations, which include modifications to the development standards established in the Zoning Ordinance (e.g., design standards, bird friendly waivers, transportation demand management, signage, construction hours and BMR housing) in the CDP, and the proposed deviations from the Below Market Rate Housing Guidelines. As part of the project review, the City Council will need to make findings that the merits of the project and the public benefits and specific community amenities associated with the development agreement balance the significant and unavoidable environmental impacts as described in the environmental impact report by adopting a statement of overriding considerations. The policy issues summarized here are discussed in detail in the City Council November 15, 2022 staff report, available in Attachment I.

## Background

### Planning Commission recommendation

Previously, on November 3, 2022 the Planning Commission completed its review and recommendation on the proposed project. The Planning Commission voted 6-0-1, with Commissioner Schindler not participating,



to adopt a resolution recommending that the City Council approve the proposed project with the following modifications:

1. Incorporate a guarantee of operation for the community amenities (e.g., grocery store, pharmacy, bank, air quality monitoring installation, etc.);
2. Evaluate and incorporate a longer duration for the grocery store rent subsidy beyond the currently proposed 24 months, potentially up to as many as 60 months;
3. Clarify the minimum required development potential (e.g., number of dwelling units, size of grocery store, etc.);
4. Modify the timing for the delivery of the community amenities to be more concurrent with the completion of the office square footage;
5. Provide additional financial analysis on the cost and/or value of the senior standalone BMR housing building;
6. Reduce daily trips from the main project site by 1,000 or reduce office parking spaces commensurately;
7. Increase funding of \$10 million for programs to increase connectivity of the main project site and the surrounding area, including potential additional funding for the proposed Bayfront Area shuttle; and
8. Require the Bayfront Area shuttle to be electric.

#### City Council initial review and continuance

At its meeting on November 15, 2022, the City Council began its review of the proposed project, including the Planning Commission's recommendation to approve the proposed project with modifications. After receiving presentations from staff and the applicant and taking public comment, the City Council began its deliberation on the proposed project. The City Council and the applicant engaged in a discussion of potential project modifications to be incorporated into the DA, CDP, or other appropriate entitlement document. The list below provides a summary of the general topics that are discussed in detail later in the report and incorporated into the entitlement documents accordingly.

- Additional annual subsidy for grocery store through year five;
- Bayfront shuttle would be electric, if feasible, coordinated with other owners/users, and at 17 years City and applicant would meet and confer to discuss future operation and funding;
- Phasing plan modifications to frontload housing and amenities by moving up the start of residential buildings RS2 and RS6;
- Provide a longer term for the gap payment to offset fiscal impacts to the City if hotel is not built through a one-time payment at end of gap payment term or the end of the DA;
- Address on-site and off-site bicycle and pedestrian infrastructure in the CDP and/or map conditions;
- Increase funding for affordable housing with an offer of an additional \$1M from the applicant and two payments instead of four payments;
- Include low carbon or electric alternatives to the proposed diesel generators if commercial available at time of purchase;
- Include a City project manager to facilitate project implementation and review;
- Allow for City and community use of the event space at the Meeting and Collaboration Space (MCS);
- Include a financial penalty of 120 percent of the full cost of the Elevated Park segment over Willow Road if that portion is not constructed;
- Modify job training to include five job fairs in case of a hiring freeze;
- Include provisions for Elevated Park to address concerns about balloons and trash in the wetlands; and
- Directed staff to work with the City Council subcommittee for the project to schedule a meeting with East Palo Alto to discuss its comments on the project.

This City Council staff report primarily focuses on the analysis of the changes to the proposed project since

the City Council meeting, including modifications to address the City Council's recommendations and staff initiated edits and cleanups to the entitlement documents. For a detailed analysis of the proposed project, please review the November 15 City Council staff report (Attachment I) or the November 3 Planning Commission staff report (Attachment J.)

**Analysis**

Project overview

The applicant, Peninsula Innovation Partners, Inc., is proposing to redevelop the main project site with a mixed-use masterplan that includes office and accessory space, retail, hotel, and multifamily residential units through the master plan process that allows a project to aggregate development potential and Zoning Ordinance requirements across the site. A location map is included in Attachment K. A hyperlink to the master plan project plans is included in Attachment L. Table 1 summarizes the proposed development at the project site.

Table 1: Main project site project data		
	Proposed project (CDP Standards)	Zoning Ordinance bonus level standards (maximums)
Residential dwelling units	1,730 units**	1,735 units
Residential square footage	1,696,406 s.f.	1,701,404 s.f.
Residential floor area ratio	224.3%	225%
Commercial retail square footage	200,000 s.f.	397,848 s.f.
Commercial retail floor area ratio	12.6%	25%
Office square footage	1,600,000 s.f.*	1,780,436 s.f.
Office floor area ratio	113%	125%
Hotel rooms	193	n/a

\*Proposed office square footage includes a maximum of 1.25M s.f. of office use with the balance of 350,000 s.f. for meeting and collaboration space use (if office square footage is maximized at 1.25M sf) within the Campus District; the total s.f. includes a portion of the 25% non-residential FAR permitted in the R-MU portion of the project site.

\*\*The total units would include a minimum of 15 percent of the residential units as BMR units to satisfy the City's inclusionary requirements. Additional BMR units would be incorporated to comply with the commercial linkage requirement.

More details on the proposed project are included in the November 15, 2022 City Council Staff Report (Attachment I.)

Project entitlement modifications

The modifications discussed below are included in track changes in the City Council resolutions and ordinances for City Council consideration. If the resolutions are approved and ordinances introduced, staff will incorporate the track changes and any additional requested modifications into the final entitlement documents, resolutions, and ordinances.

Development agreement

Based on the City Council and the applicant's discussion and generally agreed upon terms at the November

15 City Council meeting, the applicant and City staff collaborated to incorporate the detailed language for the revisions to the development agreement (DA.) The redlined DA is included in Attachment G that documents the substantial changes discussed below as well as the minor clean up items.

*Elevated Park penalty (Section 5.1.A)*

The City Council identified connectivity concerns between the project site and the Belle Haven neighborhood. In response the applicant offered to increase the financial penalty if the Elevated Park is not constructed due to the inability for the applicant to obtain approvals of outside agencies and approval of lessees at the Hamilton Avenue Parcel North. The revised DA includes a 120 percent financial penalty on the full cost of the Elevated Park segment over Willow Road.

*Grocery store rent subsidy (Section 5.1.C)*

The City Council raised concerns about the viability of the grocery store beyond the two years of subsidized rent. The City Council and the applicant generally agreed to revise the grocery store rent subsidy to incorporate an additional \$1M that could be applied over years three to five if the grocery store is not meeting a specific sales target. Subsequently, staff and the applicant have worked together to determine specific metrics to be used in evaluating the grocery store and potential subsidy. The sales target proposed by the applicant and confirmed by BAE, the City's consultant, is \$14 per square foot in weekly sales on an annual basis, excluding pharmacy sales (referred to in the DA as the "Grocery Store Performance Standard".) The additional subsidy would be provided based on the amount of the delta between the store sales and Grocery Store Performance Standard for years three to five. The applicant would provide a subsidy if the Grocery Store Performance Standard is not met, with a not to exceed amount of \$1M over the three additional years. The applicant would report if any additional subsidy was provided through the annual review of the DA but is not required to disclose the amount of the subsidy. This subsidy would be in addition to the two years of rent subsidy in the amount of \$1,972,630 to the grocery store tenant.

*Affordable housing contribution (Section 5.1.D)*

In response to City Council and applicant discussion, the amount of the affordable housing contribution has been increased from \$5M to \$6M and the payments would be accelerated. Instead of an initial \$2M upon issuance of the first building permit for vertical construction and payments of \$1M annually thereafter, the DA has been revised to include an initial \$3M payment upon issuance of the first building permit for vertical construction and a second \$3M payment one year after. Exhibit F of the DA and the DA have been revised accordingly.

*Bayfront shuttle (Section 5.1.I)*

The DA includes a shuttle that would circulate between the project site and the Bayfront Area of Menlo Park to improve accessibility for residents in the vicinity and to enhance success of the grocery store and other retail uses. The DA previously identified that the shuttle would be electric, if feasible. The City Council requested and the applicant has agreed to make the shuttle electric, provided an electric shuttle can meet the required performance standards. The DA has been revised to identify that the shuttle would be electric, provided that the technology at the time of implementation is able to run for 12 hours without recharging and is commercially reasonably available. If this technology is not feasible, then the City and applicant would meet and confer to determine the lowest emission technology that is commercially reasonable and acceptable to the applicant and the City, which the applicant will then employ.

Additionally, the vicinity of the project site is currently served by multiple private and public shuttles and future development projects in the area may incorporate shuttles as part of their adopted transportation demand management (TDM) plans. The applicant, at the request of the City Council, has agreed to use commercially reasonable efforts to coordinate with other developers and owners in the area on the provision of shuttle services, subject to cost constraints and maintaining anticipated headways, which could allow for

the project shuttle to serve other sites and be integrated into a broader network of shuttles to allow for increased accessibility within the Bayfront Area.

The DA also has been revised to require the City and applicant to meet and confer to determine if there is continued demand for the shuttle after 17 years; If there is demand, the applicant and City would work together to determine an approach for continuing the service.

*Job fair for residents (Section 5.3.A)*

Similar to previous DAs, the proposed DA includes a requirement for Meta to hold an annual job fair for residents of Belle Haven and East Palo Alto. The DA initially identified that this job fair would be conducted annually for five years except in times of hiring freezes by Meta. Upon request from the City Council, the applicant has clarified that if a hiring freeze occurs the job fairs shall be extended annually until five job fairs have occurred.

*Additional gap payment in lieu of hotel (Section 5.3.G)*

The fiscal impact analysis for the proposed project identified that, if the hotel is not constructed, the proposed project would result in a negative fiscal impact to the City and, as part of the DA, City staff and the applicant negotiated a gap payment to cover the difference between the projected revenue and costs to the City generated by the proposed project. That gap payment would end in 17 years or upon the construction of the hotel. The City Council and the applicant discussed extending this payment at the November 15 City Council meeting. In response, the DA has been revised to include a lump sum payment or “Supplemental Gap Payment” if the Gap Payment Termination Date is reached without a hotel receiving a certificate of occupancy. The payment would be calculated using the annual gap payment in effect at the time with a three percent annual escalation rate over 10 years and a net present value discount rate of seven and one-half percent. The City’s consultant, BAE Urban Economics, has reviewed this methodology and determined the discount rate is consistent with other City fiscal impact analyses and that the 3 percent escalation rate is reasonable and generally consistent with the long term Bay Area Consumer Price Index increase of 4.1 percent. The proposed one time Supplemental Gap Payment would ensure that the project would be net neutral fiscally to the City over an additional 10 year period, without requiring the applicant to make payments beyond the term of the DA.

*Community use of Meeting and Collaboration Space (MCS) (Section 5.3.I)*

At the request of the City Council, the revised DA includes an allowance for the City, a non-profit, or similar community organization to use the MCS for up to six events per year. The use of the space would be subject to the applicant’s scheduling needs, applicant’s security protocols and requirements, and deed restrictions resulting from EIR mitigation measures. The applicant would report on the community use of the space annually as part of the DA annual reviews. To accommodate these community events, the applicant has requested that the trip cap for the Campus District be modified to allow for six additional exceedances for these events. A redlined CDP (Attachment F) clarifies the difference between local events (e.g. farmers’ markets) and community events, and a redlined Trip Cap Monitoring and Enforcement Policy is included in Attachment M.

*Environmentally cleaner generators (Section 5.3.J)*

The proposed project includes 12 diesel generators. The Planning Commission and City Council raised concerns about the timing of project construction and the need for diesel generators with regard to air quality. To address the concerns, the Council asked for the applicant to use non-diesel generators if feasible and the applicant agreed. The DA has been revised to require that if at the time future generators are purchased there is commercially available technology that is environmentally cleaner and can achieve the electrical load requirements of the project, and if the purchase price and operation costs are not more than five percent of the bid price for each generator, then the proposed project will implement the non-diesel

technology. The applicant would be required to provide verification of these cost increases to the City for review and confirmation.

*City project manager for implementation of proposed project (Section 9.3.C)*

The DA previously included an allowance for the applicant to request that the City hire additional staff and consultants to carry out the project expeditiously; however, the DA did not include an allowance for the City to decide to hire a project manager to facilitate project implementation. At the request of the City Council and the agreement of the applicant, the DA now includes a provision to allow the City to request the applicant to fund a third party consultant or member of staff to focus primarily on managing the proposed project implementation, including subsequent approvals. The retention of a project manager would allow the City to provide resources to facilitate implementation of the project and be reimbursed directly for those resources by the applicant team.

*Timing of residential buildings (Exhibit D)*

The City Council raised concerns that the project would not balance the delivery of the office buildings and residential buildings. In response, the applicant agreed to modify the timing for the start of residential building 2 (or RS2) (which includes the grocery store) and residential building 6 (or RS6.) The applicant would be required to start construction of residential RS2 concurrent with or prior to construction of the first office building and commence construction of RS6 within 90 days of the start of the first office building. The phasing plan in Exhibit D to the DA, at the request of the City Council, has also been revised to clarify that in no case shall any changes in the project phasing result in an increase in office uses above the maximum permitted in the CDP.

CDP revisions and clarifications

City staff included a number of additional clarifications and edits to the CDP in response to City Council direction and staff initiated clean up items as well as for consistency with the updated DA. The redlined CDP is included in Attachment F.

In response to City Council comments on the viability of the retail and restaurant uses on site, the applicant suggested modifying the CDP to prohibit ATMs, dry cleaners, massage facilities, and permanent third-party branded eating and retail establishments from the Campus District, unless those uses are open to the public (e.g. located in the Main Street retail spaces.) Staff believes these modifications would help ensure the retail and dining uses within the project are successful. These redlined changes are located in Section 3.1.4.1 of the CDP.

In response to concerns raised by the City Council and the Citizens Committee to Complete the Refuge, the City and applicant have revised the CDP to include a requirement that all garbage and recycling bins be designed to reduce windborne refuse (full or partial covers) and be emptied regularly (added section 13.8.3.) To address concerns regarding balloon trash from the Elevated Park, Section 19 (Operating Rules for Publicly Accessible Open Space) has been revised to include a provision that the operating rules prohibit balloons in the Elevated Park.

Under the permitted uses for each district, community events have been redefined as local events to avoid confusion with the six community events permitted in the Meeting and Collaboration Space. A new community events use (Section 3.1.4.10) has been added in the Campus District, referenced back to the DA for the definition and parameters for community events.

Section 15.1 has been revised to clarify that if the No Hamilton Avenue Realignment variant is incorporated into the proposed project, then the applicant would recalculate the maximum permitted floor area ratio, gross floor area, and density in accordance with the Zoning Ordinance and the masterplan plan set based



on the revised area of dedicated public right-of-way, provided the maximum development potential identified in the masterplan plan set shall not be exceeded.

Additional clean up items in the CDP are focused generally on typos, numbering, grammar, and minor edits for consistency with the project plans and other entitlement documents.

#### Vesting tentative maps (VTMs)

In response to City Council discussion and comments on the on-site and off-site circulation improvements, City staff updated the vesting tentative map for the main project site conditions to clarify the timing and expectations for the Willow Road Improvements and bicycle and pedestrian circulation on/off-site. A redlined version of the vesting tentative map conditions for the main project site is included in Attachment D.

For the Willow Road improvements, Condition 6.C for the main project site VTM has been revised to require the applicant to coordinate with staff on the improvements prior to the submittal of the first Final/Parcel Map and the applicant and the City shall coordinate on the design to ensure safe bicycle and pedestrian connections across Willow Road (including turning movements for bicyclists.) The previous conditions included a check in review by the City Council of the Willow Road improvements in advance of the submittal to Caltrans and that requirement has been revised to clarify that the update would be an opportunity for the City Council to provide input on the design for Caltrans' consideration. Caltrans has final design and permitting authority over Willow Road.

Staff added condition of approval 19 to the main project site VTM that requires bicycle infrastructure on the project site to comply with the masterplan plan set. The condition would further ensure that connections from off-site improvements and transitions within the project site are designed per best practice complete streets design guidance that emphasizes designing for all ages and abilities and City standards and City standards, subject to review and approved by the Public Works Director or their designee.

Condition of approval 20 has been added to the main project site VTM to clarify that if the Hamilton Avenue Realignment is not approved by Caltrans or the applicant is unable to obtain sufficient real property rights that the No Hamilton Avenue Realignment would take effect, as outlined in the CDP. This change is limited to clarifying that the vesting tentative map would comply with the CDP.

#### General plan amendment

Staff has revised the general plan circulation element amendment resolution to authorize the proposed project circulation and the circulation for the No Hamilton Avenue Realignment variant in the event that the applicant does not receive approval from outside agencies and real property rights to implement the realignment of Hamilton Avenue. The redlined resolution is included in Attachment C and includes updated exhibits for both the proposed project and the No Hamilton Avenue Realignment variant. These changes are limited to clarifying the amendment for consistency with the CDP.

#### Correspondence

Since the November 15, 2022 City Council public hearing, staff has received four additional items of correspondence included in Attachment N.

#### Conclusion

The City Council should consider the revised DA, CDP, general plan amendment resolution, and vesting tentative map conditions that Staff and the applicant have collaborated on in response to the City Council's direction at its November 15, 2022 public hearing. The resolutions, ordinances, and entitlement documents for the project are contained in Attachments B through G. The City Council should also consider the Planning Commission's recommendation (Attachment A) including its recommended modifications and

determine whether to certify the EIR and approve the requested land use entitlements and adopt the resolutions and introduce ordinances to enable the proposed project. The City Council will need to consider the environmental analysis, the merits of the proposed project, the comprehensive redevelopment through the CDP, the provision of BMR units, and the community amenities and public benefits in the DA.

### **Impact on City Resources**

The applicant is required to pay planning, building and public works permit fees, based on the City's Master Fee Schedule, to fully cover the cost of staff time spent on the review of the proposed project. The applicant is also required to fully cover the cost of work by consultants performing environmental review and additional analyses to evaluate potential impacts of the proposed project.

### **Environmental Review**

As stated in the CEQA Guidelines, an EIR is an informational document that is intended to provide the City, responsible and trustee agencies, other public agencies, and community members with detailed information about the potential environmental effects that could result from implementing the proposed project, examine and implement mitigation measures to reduce or avoid potentially significant physical environmental impacts if the proposed project is approved, and consider feasible alternatives to the proposed project, including a required No Project Alternative. The Final EIR, which includes the Draft EIR by reference, is included through the hyperlink in Attachment O.

The City released the Draft EIR for public review and comment on April 8, 2022. The comment period closed May 23, 2022. As part of its consideration of the merits of the project, the City Council will need to review and consider the Statement of Overriding Considerations (SOC) along with the Mitigation Monitoring and Reporting Program (MMRP.) The draft resolution certifying the EIR, making the CEQA findings inclusive of the SOC and the MMRP is included in Attachment B. The draft SOC outlines numerous public benefits of the project, inclusive of the benefits derived from the community amenities and development agreement, economic benefits, and social benefits. Per City Council direction, the SOC has been updated to remove under "Social Benefits" the statement that the proposed project would include a meeting and collaboration space so "visitors can understand the company's background and products." The other benefits of the meeting and collaboration space have been retained in the draft SOC. The SOC has also been revised to change the reference to grocery store space as a benefit to a grocery store. A redlined version of the resolution is included in Attachment B. The MMRP includes the feasible mitigation measures identified in the EIR. This Mitigation Monitoring and Reporting Program (MMRP) is designed to aid the City of Menlo Park in its implementation and monitoring of measures adopted from the certified EIR.

### **Public Notice**

Public notification of this special City Council meeting was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting. Public notification also consisted of publishing a notice in the local newspaper and notification by mail of owners and occupants within a ¼ miles radius of the subject property.

### **Attachments**

- A. Planning Commission Resolution recommending the City Council adopt a resolution to 1) certify the final environmental impact report (Final EIR), make the CEQA Findings, including the Statement of Overriding Considerations for significant and unavoidable impacts, and approve the mitigation

- monitoring and reporting program (MMRP), 2) adopt a resolution to amend the General Plan Circulation Element, 3) adopt resolutions to approve the vesting tentative maps for the proposed project, read the title, and waive further reading of ordinances to 4) amend the City zoning map, rezone the project site from R-MU-B and O-B to R-MU-B-X and O-B-X to include the "X" Conditional Development overlay, and approve the CDP and 4) adopt the development agreement, and 5) adopt a resolution to approve the BMR housing agreements for the proposed Willow Village masterplan project
- B. Resolution certifying EIR and adopting CEQA Findings and Statement of Overriding Considerations
  - C. Resolution amending General Plan Circulation Map
  - D. Resolution approving vesting tentative map for the Main project site (includes conditions)
  - E. Resolution approving vesting tentative map for the Hamilton Avenue parcels (includes conditions)
  - F. Ordinance rezoning main project site, amending the zoning map and approving a CDP
  - G. Draft Ordinance adopting the development agreement
  - H. Resolution approving the BMR housing agreements
  - I. Hyperlink – November 15 City Council agenda and staff report:  
[menlopark.gov/files/sharedassets/public/agendas-and-minutes/city-council/2022-meetings/agendas/20221115-city-council-agenda-packet.pdf#page=219](https://menlopark.gov/files/sharedassets/public/agendas-and-minutes/city-council/2022-meetings/agendas/20221115-city-council-agenda-packet.pdf#page=219)
  - J. Hyperlink – November 3 Planning Commission agenda and staff report:  
[menlopark.gov/files/sharedassets/public/agendas-and-minutes/planning-commission/2022-meetings/agendas/20221103-continuance-of-20221024-public-hearing.pdf#page=5](https://menlopark.gov/files/sharedassets/public/agendas-and-minutes/planning-commission/2022-meetings/agendas/20221103-continuance-of-20221024-public-hearing.pdf#page=5)
  - K. Location map
  - L. Hyperlink – master plan project plans: [menlopark.gov/files/sharedassets/public/community-development/documents/projects/under-review/willow-village/october-2022/masterplan-plan-set.pdf](https://menlopark.gov/files/sharedassets/public/community-development/documents/projects/under-review/willow-village/october-2022/masterplan-plan-set.pdf)
  - M. Redline Trip Cap Monitoring and Enforcement Policy
  - N. Correspondence since November 15 City Council meeting
  - O. Hyperlink Final EIR: [menlopark.gov/files/sharedassets/public/community-development/documents/projects/under-review/willow-village/final-eir/willow-village-master-plan-final-eir.pdf](https://menlopark.gov/files/sharedassets/public/community-development/documents/projects/under-review/willow-village/final-eir/willow-village-master-plan-final-eir.pdf)

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**PLANNING COMMISSION RESOLUTION NO. 2022-31**

**RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MENLO PARK RECOMMENDING CITY COUNCIL CERTIFY THE ENVIRONMENTAL IMPACT REPORT, MAKE CEQA FINDINGS OF FACT AND ADOPT A STATEMENT OF OVERRIDING CONSIDERATIONS, ADOPT THE MITIGATION MONITORING AND REPORTING PROGRAM, AND APPROVE A GENERAL PLAN AMENDMENT, ZONING MAP AMENDMENT, REZONE OF CERTAIN PROPERTIES TO ADD A CONDITIONAL DEVELOPMENT (“X”) COMBINING DISTRICT, AND APPROVE WITH RECOMMENDED MODIFICATIONS A CONDITIONAL DEVELOPMENT PERMIT, BELOW MARKET RATE HOUSING AGREEMENTS, VESTING TENTATIVE MAPS, AND DEVELOPMENT AGREEMENT FOR UP TO 1.6 MILLION SQUARE FEET OF OFFICE AND ACCESSORY USES, UP TO 1,730 MULTIFAMILY DWELLING UNITS, UP TO 200,000 SQUARE FEET OF RETAIL USES, AN UP TO 193 ROOM HOTEL, AND ASSOCIATED OPEN SPACE AND INFRASTRUCTURE**

**WHEREAS**, the City of Menlo Park (“City”) received an application requesting an amendment to the General Plan Circulation Element (“General Plan”), zoning map amendment, rezoning certain properties to add a Conditional Development (“X”) Combining District, a conditional development permit (“CDP”), below market rate (“BMR”) housing agreements, vesting tentative maps, and Development Agreement from Peninsula Innovation Partners, LLC (“Applicant”), to redevelop an approximately 59-acre industrial site (the “Main Project Site”) plus three parcels (within two sites) west of Willow Road (the “Hamilton Parcels” and collectively, with the Main Project Site, the “Project Site”) with a bonus level development project consisting of up to 1.6 million square feet of office and accessory uses (a maximum of 1,250,000 square feet for office uses and the balance accessory uses), up to 1,730 multifamily dwelling units, up to 200,000 square feet of retail uses, an up to 193-room hotel, and associated open space and infrastructure (“Project”); and

**WHEREAS**, the Project requires discretionary actions by the City, and therefore the California Environmental Quality Act (CEQA, Public Resources Code Section 21000 et seq.) and CEQA Guidelines (Cal. Code of Regulations, Title 14, Section 15000 et seq.) require analysis and a determination regarding the Project’s environmental impacts; and

**WHEREAS**, on November 29, 2016, in connection with an update to the Land Use and Circulation Elements of the City’s General Plan and related zoning changes, commonly referred to as the ConnectMenlo project, the City certified the ConnectMenlo Final EIR (ConnectMenlo EIR); and

**WHEREAS**, in connection with the certification of the ConnectMenlo EIR, the City entered into a settlement agreement with the City of East Palo Alto (“Settlement Agreement”), which requires project-specific environmental impact reports (EIR) for certain future projects. Pursuant to the Settlement Agreement: (i) a project-specific EIR may tier from the ConnectMenlo EIR, and the project-level EIR shall include a project-specific transportation impact analysis; and (ii) the City shall prepare a housing needs assessment (HNA) to inform the population and housing topic area of the project-level EIR; and

**WHEREAS**, the City is the lead agency for the Project, as defined in CEQA and the CEQA Guidelines, and therefore is responsible for the preparation, consideration, certification, and approval of environmental documents for the Project; and

**WHEREAS**, pursuant to the requirements of the Settlement Agreement and CEQA, the City prepared, or caused to be prepared, a project-level EIR (SCH: 2019090428), including a transportation impact analysis, and an HNA for the Project that informed the population and housing section of the Project EIR, and meets the requirements of the Settlement Agreement; and

**WHEREAS**, the City released a Notice of Preparation (“NOP”) of an Environmental Impact Report for the Project (“Project EIR” or “EIR”) to the Office of Planning and Research (“OPR”) State Clearinghouse and interested agencies and persons on September 18, 2019, for a 30-day review period, during which interested agencies and the public could submit comments about the Project; and

**WHEREAS**, the City held a public scoping meeting on the Project EIR on October 7, 2019; and

**WHEREAS**, comments on the NOP were received by the City and considered during preparation of the Draft Project EIR; and

**WHEREAS**, a Notice of Availability (“NOA”) was issued and the Draft Project EIR made available for public review on April 8, 2022, for a 45-day public review period through May 23, 2022; and

**WHEREAS**, the Draft Project EIR was filed with the California Office of Planning and Research and copies of the Draft Project EIR were made available on the City’s website and at the City Main Library and the Belle Haven Branch Library; and

**WHEREAS**, a public hearing was held before the Planning Commission of the City of Menlo Park (Planning Commission) on April 25, 2022, to receive public comments on the Draft Project EIR; and

**WHEREAS**, the analysis in the Draft Project EIR tiered from the ConnectMenlo EIR pursuant to Public Resource Code Sections 21166 and CEQA Guidelines Sections 15152, 15162, 15168, and 15183, as appropriate, and as further described in each environmental topic section in the Draft Project EIR; and

**WHEREAS**, on October 14, 2022, the City published a Response to Comments Document that contains all the comments received on the Draft Project EIR during the public comment period, including a transcript of the public hearing, and written responses to those comments, as well as text changes to the EIR, prepared in accordance with CEQA and the CEQA Guidelines. The Draft Project EIR and Response to Comments Document constitute the Final Project EIR; and

**WHEREAS**, all required public notices and public hearings were duly given and held according to law; and

**WHEREAS**, after notice having been lawfully given a duly noticed public hearing was held before the Planning Commission on October 24, 2022, at which all persons interested had the opportunity to appear and comment; and

**WHEREAS**, the Planning Commission reviewed the comments received and the responses thereto; and

**WHEREAS**, the Final Project EIR identified certain potentially significant adverse effects on the environment caused by the Project; and

**WHEREAS**, an amendment to the General Plan Circulation Map, as shown in Attachment A, attached hereto and incorporated herein by this reference, is necessary to modify the circulation plan with regard to the locations for new street connections to the surrounding roadway network as well as the locations of public rights-of-way and a proposed multi-use pathway within the Main Project Site; and

**WHEREAS**, the requested amendment would further the goals of the General Plan; and

**WHEREAS**, an amendment of the City zoning map is necessary to modify the circulation plan with regard to the locations for new street connections to the surrounding roadway network as well as the locations of public rights-of-way within the Main Project Site as shown in Exhibit A to Attachment B, attached hereto and incorporated herein by this reference;

**WHEREAS**, rezoning of the Main Project Site as shown in Exhibit A to Attachment B requires adding a conditional development (“X”) combining district, thereby allowing special regulations and conditions to be added at the Main Project Site (combined with the base O-B and R-MU-B regulations) as part of the proposed Project;

**WHEREAS**, the Applicant has specifically requested that the parcels identified in Exhibit B to Attachment B are rezoned to O-B-X to add an X combining district and the parcels identified in Exhibit C to Attachment B are rezoned to R-MU-B-X to add an X combining district.

**WHEREAS**, the Project is eligible for a CDP under Menlo Park Municipal Code section 16.82.055(1) in that the Main Project Site is more than one acre and is not located in the SP-ECR/D district;

**WHEREAS**, approving the CDP, a draft of which is attached hereto as Attachment C, is necessary to authorize development of the Project on the Main Project Site, including variants of the Project, including to authorize certain modifications to the requirements of the O and R-MU zoning districts for the Project in accordance with Municipal Code Section 16.82.050, authorize a master planned project in accordance with Municipal Code Sections 16.43.055 and 16.45.55, authorize bonus level development and require the provision of community amenities in accordance with Municipal Code Sections 16.43.060 through .070 and 16.45.60 through 70, approve uses identified in the Conditional Development Permit in accordance with Menlo Park Municipal Code sections 16.43.020 through .040, 16.45.020 through .040, and 16.78.030, approve waivers to Bird Friendly Design requirements pursuant to Municipal Code Sections 16.43.140(6) and 16.45.130(6), approve modifications to the City’s transportation demand management plans and trip reductions in accordance with Municipal Code Sections 16.43.100 and 16.45.90, establish a procedure for approval of a future master sign program that would establish signage standards and guidelines and also set maximum sign areas by parcel or building, establish protocols for events, outdoor seating, and sale of beer, wine, and alcohol, approve emergency diesel generators, establish construction hours and construction noise exceptions, and approve an exception to the unbundled parking requirement pursuant to Municipal Code Section 16.45.080(1);

**WHEREAS**, the proposed amendment of the City zoning map and rezoning of the Main Project Site, as shown in Exhibit A to Attachment B, and approval of the CDP, would promote a mixed-use live/work/play environment through the inclusion of multifamily housing, including affordable residential units, along with office, retail, hotel and recreational uses at the density and intensity envisioned in the General Plan;

**WHEREAS**, the proposed amendment of the City zoning map and rezoning of the Main Project Site, as shown in Exhibit A to Attachment B and the CDP are consistent with the General Plan, including the land use designations for the Main Project Site;

**WHEREAS**, General Plan Policy LU-4.7 requires proposed mixed-use and nonresidential development of a certain minimum scale to be evaluated for its fiscal impacts on the City and the community; and

**WHEREAS**, the City had its consultant, BAE Urban Economics, prepared a fiscal impact analysis pursuant to General Plan Policy LU-4.7 that the Community Development Director reviewed and determined was prepared pursuant to professional standards and based on correct data and assumptions and which showed that the Project would have a positive fiscal impact on the City and community; and

**WHEREAS**, General Plan Policy LU-4.4 and Program LU-4.C and Sections 16.43.060 and 16.45.060 of the City of Menlo Park Municipal Code requires that bonus level projects that are developed at a greater level of intensity with an increase in density, floor area ratio (FAR), and/or height shall provide one or more community amenities to address the needs that result from the effect of the increased development. The value of the community amenities to be provided shall be equal to 50 percent of the fair market value of the additional gross floor area of the bonus level development; and

**WHEREAS**, pursuant to the requirements of Sections 16.43.070 and 16.45.070 of the City of Menlo Park Municipal Code, the City commissioned Fabbro Moore & Associates, Inc. to perform an independent review of an appraisal produced by Valbridge Property Advisors and determine the value of the Project's community amenities contribution. In a report titled "Community Amenities Appraisal Report Review," Fabbro Moore & Associates determined the Project's community amenities obligation would amount to \$133,300,000. The Community Development Director determined that the appraisal was created pursuant to the City's guidelines and approved the appraisal; and

**WHEREAS**, in May and August 2022, the City Council held study sessions, received public comments, and provided feedback on the Applicant's community amenities proposal, and helped to shape the community amenities offered by the Applicant; and

**WHEREAS**, in August 2022, the Applicant submitted a community amenities proposal with the following features: grocery store space, two-year grocer space rent subsidy, pharmacy services, dining options, community entertainment offerings, bank or credit union, elevated park improvements, town square improvements, teacher housing and rent subsidies, excess public open space, open space operations and maintenance, funding for job training programs, Bayfront area shuttle, funding for Willow Road feasibility study, funding for additional affordable housing, and funding for the installation of air quality and noise monitors in Belle Haven. Some of these amenities are on a list of City Council-adopted community amenities and some are unique to the Project, as documented in the Development Agreement. These community amenities are valued at \$187,674,410

according to the City’s consultant, BAE Urban Economics, which would exceed the required amenities value of \$133,300,000; and

**WHEREAS**, pursuant to the requirements of Sections 16.45.060, 16.96.020, and 16.96.030 of the City of Menlo Park Municipal Code and the City’s Below Market Rate (“BMR”) Housing Program, the applicant submitted a BMR proposal that would provide 312 BMR units (15 percent of the allowed 1,730 units totaling 260 inclusionary units plus 52 units that satisfy the City’s commercial linkage/unit equivalency requirement for 1.6 million square feet of office space), where 82 units would be affordable to extremely low income households (age-restricted for seniors); 37 units would be affordable to very low income households (age-restricted for seniors), 76 units would be affordable to low income households (not age-restricted), and 117 units would be available to moderate income households (not age-restricted); and

**WHEREAS**, at a duly noticed public meeting on August 3, 2022, the Housing Commission considered the applicant’s BMR proposal, including a requested adjustment to BMR Housing Program Guidelines Section 5.1 regarding the size and dispersion of BMR units, and draft BMR Housing Agreement Term Sheet, and forwarded a recommendation of approval to the Planning Commission of the proposed BMR Term Sheet; and

**WHEREAS**, there is a deficit of affordable housing for seniors in the City, and concentrating senior housing in one designated building provides the most feasible option for affordability. In addition, the typical lifestyle needs of senior residents supports a higher percentage of senior affordable studio apartments as compared to the percentage of studio apartments in the Project as a whole. Constructing affordable senior housing serves the purpose of the BMR Housing Program, which is to increase the housing supply for households that have extremely low, very low, low- and moderate-incomes compared to the median income for San Mateo County; and

**WHEREAS**, the Planning Commission has read and considered those certain Below Market Rate Housing Agreements (“BMR Agreements”) between the City and Peninsula Innovation Partners and finds that those satisfy the requirements in Chapter 16.96 of the City’s Municipal Code and in the BMR Housing Program Guidelines, except as modified by the CDP, and would result in affordable housing that meets the City’s affordable housing goals and result in a BMR program for the Project with characteristics that are a reasonably equivalent alternative to a program that strictly complied with the BMR Housing Program Guidelines; and

**WHEREAS**, an “A” Vesting Tentative Parcel Map creating legal non-buildable parcels for financing and conveyancing purposes and the construction of project-serving infrastructure improvements is proposed for the Main Project Site; and

**WHEREAS**, a Vesting Tentative Subdivision Map for a subdivision is proposed for the Hamilton Avenue realignment proposed as part of the Project (“Hamilton VTM”); and

**WHEREAS**, the Project would be developed subject to a Development Agreement that provides the City certain benefits including certain community amenities and provides the Applicant certainty for developing the Project. Pursuant to Government Code section 65864 et seq. and City Resolution No. 4159, the Planning Commission has reviewed the Development Agreement; and

**WHEREAS**, all required public notices and public hearings were duly given and held according to law; and

**WHEREAS**, after notice having been lawfully given, a duly noticed public hearing was held before the City Planning Commission on October 24, 2022 and continued to November 3, 2022, at which all persons interested had the opportunity to appear and comment; and

**WHEREAS**, after closing the public hearing, the Planning Commission considered all public and written comments, pertinent information, documents and plans and all other evidence in the public record on the Project; and

**WHEREAS**, the Planning Commission fully reviewed, considered, evaluated, and recommended certification of the Final EIR, along with all public and written comments, pertinent information, documents and plans prior to recommending that the City Council approve an amendment to the General Plan, zoning map amendment, the rezoning of certain properties to add a Conditional Development (“X”) Combining District, a CDP, BMR housing agreements, vesting tentative maps, and Development Agreement, with the following recommended modifications:

1. Incorporate a guarantee of operation for the community amenities (e.g. grocery store, pharmacy, bank, air quality monitoring installation, etc.);
2. Evaluate and incorporate a longer duration for the grocery store rent subsidy beyond the currently proposed 24 months, potentially up to 60 months;
3. Clarify the minimum required development potential (e.g. number of dwelling units, size of grocery store, etc.);
4. Modify the timing for the delivery of the community amenities to be more concurrent with the completion of the office square footage;
5. Provide additional financial analysis of the cost and/or value of the senior standalone below market rate housing building;
6. Reduce daily trips from the main project site by 1,000 or reduce office parking spaces commensurately;
7. Increase funding of \$10 million for programs to increase transportation connectivity of the main project site and the surrounding area, including potential additional funding for the proposed Bayfront Area shuttle; and
8. Require the Bayfront Area shuttle to be fully electric.

**NOW, THEREFORE, BE IT RESOLVED** that the Planning Commission finds the foregoing recitals are true and correct, and they are hereby incorporated by reference into this Resolution.

**BE IT FURTHER RESOLVED** that the Planning Commission finds that the above recitals together with the staff report and the application materials, including without limitation, the EIR, and all other documents, reports, studies, memoranda, maps, oral and written testimony, and materials in the City’s file for the applications and the Project, and all adopted and applicable City planning documents related to the Project and the Project Site and all associated approved or certified environmental documents, have together served as an adequate and appropriate evidentiary basis for the recommendations set forth in this resolution.

**BE IT FURTHER RESOLVED** that the Planning Commission makes the following findings and recommendations:

1. *CEQA*. The Planning Commission, having fully reviewed, considered, and evaluated all the testimony and evidence submitted in this matter, finds:
  - a. The Final Project EIR was prepared in compliance with CEQA and provides adequate, good faith, and reasoned responses to the comments.
  - b. Pursuant to Public Resources Code section 21082.1(c)(3), the Final Project EIR reflects the City’s independent judgment as the lead agency for the Project and is supported by substantial evidence.
  - c. Where more than one reason for approving the Project and rejecting alternatives is given in its findings or in the record, and where more than one reason is given for adopting the Statement of Overriding Considerations, the Planning Commission would have made its recommendation on the basis of any one of those reasons.
  - d. Based on the findings in Attachment D, for the reasons stated therein and incorporated fully here, despite the potential for significant environmental effects that cannot be substantially lessened or avoided through the adoption of feasible mitigation measures or feasible alternatives, there exist certain overriding economic, social, and other considerations for approving the Project that justify the occurrence of those impacts.

Having fully reviewed, considered, and evaluated all the testimony and evidence submitted in this matter, the Planning Commission recommends that the City Council vote to certify the Final Project EIR, make the findings required by CEQA, adopt the Statement of Overriding Considerations and the Mitigation Monitoring and Reporting Program (“MMRP”) in a form substantially consistent with Attachment D to this resolution, and approve the Project.

2. *General Plan Amendment*. An amendment to the General Plan Circulation Map is necessary to modify the circulation plan with regard to the locations for new street connections to the surrounding roadway network, as well as the locations of public rights-of-way and a proposed multi-use pathway within the Main Project Site; and.

The proposed general plan amendment is consistent with the ConnectMenlo General Plan goals, policies, and programs, including Policy LU-1.2 which states, “Integrate regional land use planning efforts with development of an expanded transportation network focusing on mass transit rather than freeways, and encourage development that supports multimodal transportation. The proposed amendment is also consistent with the policies under Goal CIRC-2, which states, “Increase accessibility for and use of streets by pedestrian, bicyclists, and transit riders,” and Goal CIRC-4, which states, “Improve Menlo Park’s overall health, wellness, and quality of life through transportation enhancements.” The new roadway connections to the surrounding roadway network and the proposed paseos and multi-use pathways will provide new routes for bicyclists and pedestrians through the Main Project Site, encouraging the use of multimodal transportation. The paseos and multi-use pathways will increase accessibility and use of

the streets by pedestrians and bicycles, and the proposed roundabout connection will provide an additional to the Main Project Site for bicyclists, pedestrians, and vehicles.

The Planning Commission thus recommends that the City Council adopt a resolution approving the amendment to the General Plan Circulation Map.

3. *Zoning Map Amendment and Rezoning.* The zoning map amendment and proposed X Combining District is consistent with the General Plan, which allows the uses permitted in the combining district at the density and intensity proposed and encourages the type of live/work/play environment promoted by the X combining district in the Bayfront area. The Planning Commission thus recommends that the City Council adopt an ordinance approving the Zoning Map Amendment and X Combining District.
4. *CDP.* In accordance with Municipal Code Sections 16.82.030, 16.78.020, and 16.82.440, the CDP, including all uses permitted therein, would be consistent with the General Plan and would not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of the Project, would not be unreasonably incompatible with uses permitted in surrounding areas, and would not be injurious or detrimental to property and improvements in the neighborhood or the general welfare of the City. In addition, public convenience or necessity would be served by the issuance of licenses to sell alcohol contemplated by the CDP, and the outdoor seating contemplated by the CDP would maintain unimpeded pedestrian access on the public right-of-way. The Planning Commission thus recommends that the City Council adopt an ordinance approving the CDP with the recommended modifications to the TDM requirement and trip reduction.
5. *BMR Agreements.* The BMR Agreements satisfy the requirements in Chapter 16.96 of the City's Municipal Code and the applicable BMR Housing Program Guidelines, as amended by the CDP. The request to modify BMR Housing Program Guidelines Section 5.1 to allow affordable senior housing to be located in a single building rather than distributed through all residential buildings and to have a higher percentage of studio apartments than the Project as a whole supports the City's need for affordable senior housing. The Planning Commission finds that the deviations from BMR Housing Program Guidelines Section 5.1 meet the requirement of BMR Housing Program Guidelines Section 13, which allows the City Council to approve a BMR proposal and ensuing Agreement(s) that is not consistent with every section of the BMR Housing Program Guidelines where the deviation results in the proposal providing a reasonably equivalent alternative that is commensurate with the goals of the BMR Housing Program Guidelines. The Planning Commission recommends that the City Council waive the BMR Housing Program Guidelines' distribution and size requirements of Section 5.1, as well as adjust the preference criteria of Section 8.1, to allow for the senior affordable housing, consistent with the CDP, to promote the construction of needed affordable senior housing. The Planning Commission recommends that the City Council approve applicant's BMR proposal and the BMR regulatory Agreements, including an agreement for the non-age restricted BMR units, and an agreement for the age restricted (senior affordable housing) BMR units in a form substantially



consistent with the Agreements attached hereto as Attachment E to this resolution, and direct the City Manager to execute the BMR Agreements on behalf of the City.

6. “A” *Vesting Tentative Parcel Map*. Subject to final approval by the City Council of the above rezoning, approval of the “A” Vesting Tentative Parcel Map consistent with the requirements of the Subdivision Map Act and City of Menlo Park Municipal Code Section 15.20.050:
  - a. The proposed “A” Vesting Tentative Parcel Map for the Main Project Site is technically correct and in compliance with all applicable State regulations, City General Plan, Zoning and Subdivision Ordinances, and the State Subdivision Map Act.
  - b. The proposed “A” Vesting Tentative Parcel Map for the Main Project Site, including the contemplated design and improvements, is consistent with applicable General Plan goals and policies, in particular the goals for the Bayfront Area set forth in the General Plan. The Project is consistent with the land use designations described in the General Plan and would be consistent with City General Plan policies as well as City Zoning Ordinance requirements for master-planned projects at the proposed density and for the types of use.
  - c. The Project Site is physically suitable for the proposed master-planned development, including the proposed density of development, and the design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially injure fish or wildlife or their habitat. The Project is consistent with the density and uses for the site set forth in the General Plan. The Project Site is in a heavily urbanized area of the City currently occupied by developed/landscaped areas that include various urban uses and does not include any aquatic habitat. The Project would not cause substantial environmental damage to the already disturbed Project Site and would not substantially injure the limited wildlife that access the site or their habitat.
  - d. The design of the subdivision or types of improvements is not likely to cause serious public health or safety problems. The Project would comply with the General Plan’s goals and policies, City Zoning and Subdivision Ordinances, and other applicable regulations designed to prevent serious health or safety problems.
  - e. The design of the subdivision or the type of improvements does not conflict with easements, acquired by the public at large, for access through or use of property within the proposed subdivision because alternate easements for access or use will be provided that are substantially equivalent to ones previously acquired by the public.
  - f. The Project is subject to flood and inundation hazards and is not located within a slide area. The Project Site is located within the 100-year flood hazard zone. However, the contemplated Project design and improvements will be elevated so as to mitigate flood hazards, and the Project would comply with applicable requirements designed to mitigate flood hazards as well as address future sea level rise.

Based on the above findings, the Planning Commission recommends that the City Council approve the “A” Vesting Tentative Parcel Map in a form substantially consistent with Attachment F.

7. *Hamilton VTM*. The Hamilton VTM meets the requirements of the Subdivision Map Act and City of Menlo Park Municipal Code Section 15.20.050:
  - a. The Hamilton VTM is technically correct and in compliance with all applicable State regulations, City General Plan, Zoning and Subdivision Ordinances, and the State Subdivision Map Act.
  - b. The proposed Hamilton VTM, including the contemplated design and improvements, is consistent with applicable General Plan goals and policies, in particular the goals for the Bayfront Area set forth in the General Plan. The Project is consistent with the land use designations described in the General Plan and would be consistent with City General Plan policies as well as City Zoning Ordinance requirements for master-planned projects at the proposed density and for the types of use.
  - c. The Project Site is physically suitable for the proposed master-planned development, including the proposed density of development, and the design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially injure fish or wildlife or their habitat. The Project is consistent with the density and uses for the site set forth in the General Plan. The Project Site is in a heavily urbanized area of the City currently occupied by developed/landscaped areas that include various urban uses and does not include any aquatic habitat. The Project would not cause substantial environmental damage to the already disturbed Project Site and would not substantially injure the limited wildlife that access the site or their habitat.
  - d. The design of the subdivision or types of improvements is not likely to cause serious public health or safety problems. The Project would comply with the General Plan’s goals and policies, City Zoning and Subdivision Ordinances, and other applicable regulations designed to prevent serious health or safety problems.
  - e. The design of the subdivision or the type of improvements does not conflict with easements, acquired by the public at large, for access through or use of property within the proposed subdivision because alternate easements for access or use will be provided that are substantially equivalent to ones previously acquired by the public.
  - f. The Project is subject to flood and inundation hazards but is not located within a slide area. The Project Site is located within the 100-year flood hazard zone. However, the contemplated Project improvements will be designed to comply with applicable requirements that mitigate flood hazards as well as address future sea level rise.

Based on the above findings, the Planning Commission recommends that the City Council approve the Hamilton VTM in a form substantially consistent with Attachment G.

8. *Development Agreement.* The Planning Commission has reviewed and considered the draft Development Agreement, attached as Attachment G, as well as the analysis and facts set forth above, the staff report, EIR, other supporting documents, and public testimony and based on this information makes the following findings:
- a. The Development Agreement is consistent with the objectives, policies, general land uses and programs specified in the General Plan.
  - b. The Development Agreement is compatible with the uses authorized in and the regulations prescribed for the O-B-X, R-MU-B-X, and C-2-S districts in which the Project Site will be located.
  - c. The Development Agreement is in conformity with public convenience, general welfare and good land use practices.
  - d. The Development Agreement will not be detrimental to the health, safety and general welfare of the City or the region surrounding the City.
  - e. The Development Agreement will not adversely affect the orderly development of property or the preservation of property values within the City.
  - f. The Development Agreement will promote and encourage the development of the Project by providing a greater degree of certainty with respect thereto.
  - g. The Development Agreement will result in the provision of public benefits by the Applicant, including, but not limited to, financial commitments.

The Planning Commission thus recommends that the City Council approve the Development Agreement in a form substantially consistent with Attachment H to this resolution with recommended modifications to the operation of community amenities, timing for delivery of amenities, and overall uses and funding, and direct the City Manager to execute the Development Agreement on behalf of the City.

**SEVERABILITY**

If any term, provision, or portion of these findings or the application of these findings to a particular situation is held by a court to be invalid, void or unenforceable, the remaining provisions of these findings, or their application to other actions related to the Project, shall continue in full force and effect unless amended or modified by the City.

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I, Deanna Chow, Assistant Community Development Director of Menlo Park, do hereby certify that the above and foregoing Planning Commission Resolution was duly and regularly passed and adopted at a meeting by said Planning Commission on the 3<sup>rd</sup> day of November, 2022, by the following votes:

AYES: Barnes, DeCardy, Do, Harris, Riggs, Tate

NOES: None

ABSENT: Shindler

ABSTAIN: None

IN WITNESS THEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this \_\_ day of November, 2022.

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Deanna Chow  
Assistant Community Development Director  
City of Menlo Park

Attachments included as Hyperlink – [menlopark.gov/files/sharedassets/public/agendas-and-minutes/planning-commission/2022-meetings/agendas/20221103-continuance-of-20221024-public-hearing.pdf#page=47](https://menlopark.gov/files/sharedassets/public/agendas-and-minutes/planning-commission/2022-meetings/agendas/20221103-continuance-of-20221024-public-hearing.pdf#page=47)

- A. General Plan Amendment (Staff Report Attachment A4)
- B. Zoning Map Amendment and Rezoning (Staff Report Attachment A7)
- C. Conditional Development Permit (Staff Report Attachment A8)
- D. CEQA Findings and Statement of Overriding Considerations and MMRP (Staff Report Attachments A2 and A3)
- E. , Below Market Rate Housing Agreements (Staff Report Attachment A12 and A13)
- F. Vesting Tentative Map Main Project Site (Staff Report Attachment A5)
- G. Vesting Tentative Map Hamilton Avenue Parcels (Staff Report Attachment A6)
- H. Development Agreement Ordinance (Staff Report Attachments A9 and A10)

**RESOLUTION NO. XXXX****RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE WILLOW VILLAGE MASTER PLAN PROJECT AND ADOPTING FINDINGS, A STATEMENT OF OVERRIDING CONSIDERATIONS, AND A MITIGATION MONITORING AND REPORTING PROGRAM, ALL PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, FOR A MIXED USE PROJECT CONSISTING OF UP TO 1.6 MILLION SQUARE FEET OF OFFICE AND ACCESSORY USES, UP TO 1,730 MULTIFAMILY DWELLING UNITS, UP TO 200,000 SQUARE FEET OF RETAIL USES, AN UP TO 193 ROOM HOTEL, AND ASSOCIATED OPEN SPACE AND INFRASTRUCTURE**

WHEREAS, the City of Menlo Park (City) received an application requesting to redevelop an approximately 59-acre industrial site (main Project Site) plus three parcels (within two sites) west of Willow Road (Hamilton Parcels and, together with the main Project Site, Project Site) as a mixed-use development consisting of up to 1.6 million square feet of office and accessory uses, up to 1,730 multifamily dwelling units, up to 200,000 square feet of retail uses, an up to 193-room hotel, and associated open space and infrastructure (Proposed Project); and

WHEREAS, the Proposed Project requires discretionary actions by the City, and therefore the California Environmental Quality Act (CEQA, Public Resources Code Section 21000 et seq.) and CEQA Guidelines (Cal. Code of Regulations, Title 14, Section 15000 et seq.) require analysis and a determination regarding the Proposed Project's environmental impacts; and

WHEREAS, on November 29, 2016, in connection with an update to the Land Use and Circulation Elements of the City's General Plan and related zoning changes, commonly referred to as the ConnectMenlo project, the City certified the ConnectMenlo Final EIR (ConnectMenlo EIR); and

WHEREAS, in connection with the certification of the ConnectMenlo EIR, the City entered into a settlement agreement with the City of East Palo Alto (Settlement Agreement), which requires project-specific environmental impact reports (EIRs) for certain future projects. Pursuant to the Settlement Agreement: (i) a project-specific EIR may tier from the ConnectMenlo EIR, and the project-level EIR shall include a project-specific transportation impact analysis; and (ii) the City shall prepare a housing needs assessment (HNA) to inform the population and housing topic area of the project-level EIR; and

WHEREAS, the City is the lead agency for the Proposed Project, as defined in CEQA and the CEQA Guidelines, and therefore is responsible for the preparation, consideration, certification, and approval of environmental documents for the Proposed Project; and

WHEREAS, pursuant to the requirements of the Settlement Agreement and CEQA, the City prepared, or caused to be prepared, a project-level EIR, including a transportation impact analysis, and an HNA for the Proposed Project; and

WHEREAS, the City released a Notice of Preparation (NOP) of an Environmental Impact Report for the Proposed Project (Project EIR) to the Office of Planning and Research (OPR) State Clearinghouse and interested agencies and persons on September 18, 2019, for a 30-day review period, during which interested agencies and the public could submit comments about the Proposed Project; and

WHEREAS, the City held a public scoping meeting on the Proposed Project EIR on October 7, 2019; and

WHEREAS, comments on the NOP were received by the City and considered during preparation of the Draft Project EIR; and

WHEREAS, a Notice of Availability (NOA) was issued and the Draft Project EIR made available for public review on April 8, 2022, for a 45-day public review period through May 23, 2022; and

WHEREAS, the Draft Project EIR was filed with the California Office of Planning and Research and copies of the Draft Project EIR were made available at the Community Development Department, on the City's website, and at the City Main Library and the Belle Haven Branch Library; and

WHEREAS, a public hearing was held before the Planning Commission of the City of Menlo Park (Planning Commission) on April 25, 2022, to receive public comments on the Draft Project EIR; and

WHEREAS, the analysis in the Draft Project EIR tiered from the ConnectMenlo EIR pursuant to Public Resource Code Sections 21166 and CEQA Guidelines Sections 15152, 15162, 15168, and 15183, as appropriate, and as further described in each environmental topic section in the Draft Project EIR; and

WHEREAS, on October 14, 2022, the City published a Final Project EIR that includes the Draft Project EIR as well as all the comments received on the Draft Project EIR during the public comment period, including a transcript of the public hearing, written responses to those comments, and text revisions to the Draft Project EIR, all prepared in accordance with CEQA and the CEQA Guidelines; and

WHEREAS, all required public notices and public hearings were duly given and held according to law; and

WHEREAS, after notice having been lawfully given, a duly noticed public hearing was held before the Planning Commission on October 24, 2022, continued to November 3, 2022, at which all persons interested had the opportunity to appear and comment and at which the Planning Commission considered and made recommendations to the City Council of the City of Menlo Park (City Council) regarding the Final Project EIR and the merits of the Proposed Project; and

WHEREAS, the Planning Commission, having fully reviewed, considered, and evaluated all the testimony and evidence submitted in this matter, voted affirmatively to recommend to the City Council to certify the Final Project EIR pursuant to CEQA; and

WHEREAS, after notice having been lawfully given, a duly noticed public hearing was held before the City Council on \_\_\_\_\_, 2022, at which all persons interested had the opportunity to appear and comment and at which the City Council considered the Final Project EIR and the merits of the Proposed Project; and

WHEREAS, the City Council has reviewed and considered the Final Project EIR, all staff reports pertaining to the Final Project EIR, the Planning Commission hearing minutes and reports, and

all evidence received by the City, including at the Planning Commission and at the City Council hearings, and found that the Final Project EIR was prepared in compliance with CEQA; and

WHEREAS, after closing the public hearing, the City Council, acting on its independent judgment and analysis, voted affirmatively to certify the Final Project EIR pursuant to CEQA; and

WHEREAS, the City Council certifies that it has reviewed the comments received and the responses thereto and finds that the Final Project EIR provides adequate, good faith, and reasoned responses to the comments. Pursuant to Public Resources Code Section 21082.1(c)(3), the City also finds that the Final Project EIR reflects the City's independent judgment as the lead agency for the Proposed Project and is supported by substantial evidence; and

WHEREAS, the Final Project EIR identified certain potentially significant adverse effects on the environment caused by the Proposed Project; and

WHEREAS, the City Council specifically finds that where more than one reason for approving the Proposed Project and rejecting alternatives is given in its findings or in the record, and where more than one reason is given for adopting the Statement of Overriding Considerations, the City Council would have made its decision on the basis of any one of those reasons; and

WHEREAS, the City Council desires, in accordance with CEQA, to declare that, despite the potential for significant environmental effects that cannot be substantially lessened or avoided through the adoption of feasible mitigation measures or feasible alternatives, there exist certain overriding economic, social, and other considerations for approving the Proposed Project that the City Council believes justify the occurrence of those impacts; and

WHEREAS, the City Council, having fully reviewed, considered, and evaluated all the testimony and evidence submitted in this matter, voted affirmatively to certify the Final Project EIR, make the findings required by CEQA, adopt the Statement of Overriding Considerations, adopt the Mitigation Monitoring and Reporting Program (MMRP), and approve the Proposed Project.

NOW, THEREFORE, BE IT RESOLVED that the City Council finds the foregoing recitals are true and correct, and they are hereby incorporated by reference into this Resolution.

BE IT FURTHER RESOLVED THAT that the City Council of the City of Menlo Park hereby certifies the Final Project EIR, makes the following findings with respect to the Proposed Project's significant effects on the environment as identified in the Final Project EIR, as required under Sections 15091, 15092, and 15093 of the CEQA Guidelines, and adopts the Statement of Overriding Considerations and the MMRP as follows:

I. Project description

As fully described in Chapter 2 of the Draft Project EIR, Peninsula Innovation Partners, LLC (Project Sponsor), a subsidiary of Meta Platforms, Inc. (Meta), is proposing redevelopment of an approximately 59-acre industrial site (main Project Site) plus three parcels (within two sites) west of Willow Road (Hamilton Parcels and, collectively with the main Project Site, the Project Site) as a multi-phase, mixed-use development. The Willow Village Master Plan Project (Proposed Project) includes demolition of all buildings and landscaping on the 59-acre portion of the main Project Site and construction of new buildings, establishment of various open space areas (defined below), and installation of infrastructure within a new Residential/Shopping

District, Town Square District, and Campus District. In addition, the Proposed Project would alter three parcels (Hamilton Avenue Parcels North and South), totaling 3.1 acres, to accommodate realignment of Hamilton Avenue at Willow Road for Project Site access. The City of Menlo Park (City) is the Lead Agency for the Proposed Project.

At the main Project Site, the Proposed Project would demolish approximately 1 million square feet (sf) of existing nonresidential uses and construct approximately 1.8 million sf of nonresidential uses (excluding the proposed hotel), for a net increase of 800,000 sf in nonresidential square footage. The new nonresidential uses (excluding the hotel) would be composed of up to 1.6 million sf of office and accessory uses in the Campus District (with the office space not to exceed 1.25 million sf), up to approximately 200,000 sf of commercial/retail space, primarily in the Residential/Shopping District and Town Square District. Some of the commercial/retail sf would be located on the east side of Main Street, within the Campus District, and accessible by the public from Main Street. The Proposed Project would also include up to approximately 1,730 multi-family residential units, an up to 193-room hotel, and, assuming full buildout, approximately 20 acres of open spaces, which include approximately 8 acres of publicly accessible parks, bike paths, and trails. The Proposed Project would be developed using the bonus level allowances from the Zoning Ordinance. The Proposed Project would utilize these allowances for increased density, intensity, and height in exchange for the provision of community amenities.

The three proposed districts within the main Project Site would be situated as follows: the approximately 17.7-acre Residential/Shopping District in the southwestern portion of the main Project Site, the approximately 4.3-acre Town Square District in the northwestern portion of the main Project Site, and the approximately 32-acre Campus District in the eastern portion of the main Project Site. The Campus District would include office uses (including amenity space), accessory uses, publicly accessible retail space, and a publicly accessible elevated park (i.e., the Elevated Park) that would serve to connect the main Project Site to the adjacent Belle Haven neighborhood via an overpass at Willow Road. The Proposed Project could include an undercrossing (Willow Road Tunnel), which may be developed at the discretion of the Project Sponsor, to provide tram and pedestrian/bicyclist access to the neighboring Meta campuses from the Campus District. If constructed, the Willow Road Tunnel would be an approximately 18-foot-tall by 42-foot-wide tunnel, running under the existing Dumbarton Cutoff at Willow Road. To be conservative in the approach to environmental review, the Project EIR evaluated the potential environmental impacts associated with construction of the Willow Road Tunnel.

The main Project Site would be bisected by a new north–south street (Main Street) as well as an east–west street that would provide access to all three districts. The Proposed Project would include a circulation network for vehicles, bicycles, and pedestrians, inclusive of both public rights-of-way and private streets that would be generally aligned to an east-to-west and a north-to-south grid. The Proposed Project would also alter parcels west of the main Project Site, across Willow Road, on both the north and south sides of Hamilton Avenue (Hamilton Avenue Parcels North and South) to support realignment of the Hamilton Avenue right-of-way and provide access to the new Elevated Park. The realignment of Hamilton Avenue would require demolition and reconstruction of an existing Chevron gas station (with a potential increase in approximately 1,000 sf) at Hamilton Avenue Parcel South and enable the potential addition of up to 6,700 sf of retail uses at the existing neighborhood shopping center (Belle Haven Retail Center) on Hamilton Avenue Parcel North.

Offsite transportation and utility improvements would be constructed to serve the Proposed Project. These include various potential intersection improvements, which may be required to



bring intersection congestion back to pre-Project conditions per the City's transportation impact analysis guidelines, expansion of the Pacific Gas and Electric (PG&E) Ravenswood substation, and installation of a new conduit to connect the Ravenswood substation to the main Project Site. The Proposed Project also would result in the construction of a sanitary sewer force main and recycled water line in the same trench in Hamilton Avenue and an extension of the sanitary sewer line in Willow Road from O'Brien Drive to the proposed sanitary sewer pump station, should it be sited near the intersection of Willow Road and Park Street within the Community Park. In the event the pump station is sited within the Dog Park, the extension of the sanitary sewer line would divert flows from the existing sanitary sewer line within O'Brien Drive into either a new line located within Main Street, originating at the intersection of Main Street and O'Brien Drive, to Park Street, feeding into the sanitary sewer pump station or a new line that bisects the San Francisco Public Utilities Commission (SFPUC) Hetch Hetchy right-of-way and directly feeds into the proposed pump station.

## II. ConnectMenlo EIR

The Project Site is within the General Plan and M-2 Area Zoning Update (ConnectMenlo) study area. ConnectMenlo, which updated the City General Plan Land Use and Circulation Elements and rezoned land in the M-2 area, now referred to as the Bayfront Area, was approved on November 29, 2016. It serves as the City's comprehensive and long-range guide to land use and infrastructure development. Because the City General Plan is a long-range planning document, the ConnectMenlo EIR was prepared as a Program EIR, pursuant to CEQA Guidelines Section 15168. ConnectMenlo's Land Use Element identifies an allowable increase in net new development potential of up to 2.3 million square feet for nonresidential uses, up to 4,500 residential units, and up to 400 hotel rooms in the Bayfront Area.

Acting as the lead agency under CEQA, the City determined that the Proposed Project's location and development parameters are consistent with ConnectMenlo and that the Proposed Project is within the scope of the ConnectMenlo Program EIR. Thus, the Project EIR tiered from the ConnectMenlo EIR, pursuant to CEQA Guidelines Sections 15152, 15162, 15168, and 15183. The ConnectMenlo EIR is available on the City's website for public review at the following link: [menlopark.org/connectmenlo](http://menlopark.org/connectmenlo). The Proposed Project also would be required to comply with all applicable mitigation measures identified in the ConnectMenlo MMRP, as required for any proposed development in the City.

In many environmental topic areas, the impacts of the Proposed Project were found to be within the scope of the ConnectMenlo EIR, as determined in accordance with CEQA Guidelines Sections 15168 and 15162. In those cases, the Proposed Project would not have new or substantially more severe impacts than those identified in the ConnectMenlo EIR, and there are no new or considerably different mitigation measures or alternatives that would substantially reduce significant impacts that the applicant has declined to adopt. Likewise, in many topic areas, there are no impacts peculiar to the Proposed Project that were not addressed in the ConnectMenlo EIR or that would be substantially more severe than those identified in the ConnectMenlo EIR or that cannot be substantially mitigated by the imposition of uniformly applied development policies or standards, as determined in accordance with CEQA Guidelines Section 15183. Nonetheless, given the magnitude of the Proposed Project and the public interest, the City chose to prepare an EIR that discusses all CEQA impacts of the Proposed Project, including those that were adequately addressed in the ConnectMenlo EIR. Accordingly, although the EIR tiers from the ConnectMenlo EIR in accordance with CEQA, the EIR discusses all impacts for purposes of providing comprehensive information, even when not required by CEQA.

On December 29, 2016, the City of East Palo Alto filed suit to challenge certification of the ConnectMenlo Final EIR. The City of East Palo Alto alleged that the City did not comply with CEQA because the EIR underestimated the amount of new employment and failed to adequately analyze the traffic impacts that would result from development under ConnectMenlo. To resolve the litigation, the City of Menlo Park and the City of East Palo Alto entered into a settlement agreement. While the settlement agreement does not alter what is required for an EIR under CEQA, the Draft Project EIR was prepared in accordance with the settlement agreement, the key terms of which are as follows:

- *Reciprocal Environmental Review for Future Development Projects.* The City will prepare an EIR for any project located in the Office (O), Life Science (LS), or Residential Mixed-Use (R-MU) district that exceeds 250,000 net new square feet and requires a use permit, that proposes bonus-level development, that proposes a master plan project, or that may have a significant environmental impact. The City may, with the exception of housing and traffic (which were the focus of East Palo Alto's challenge), simplify the environmental review for future development projects by incorporating analysis and discussions from the ConnectMenlo Final EIR, pursuant to CEQA Guidelines Section 15168(d). East Palo Alto will prepare an Initial Study for future development projects to determine the appropriate level of environmental review and conduct that review, which can be simplified by incorporating by reference analysis and discussions from its general plan, referred to as Vista 2035.
- *Reciprocal Traffic Studies.* The City and East Palo Alto will work together to ensure that future development projects' potentially significant traffic impacts on the other jurisdiction are analyzed and mitigated.
- *Reciprocal Study of Multiplier Effect.* When the preparation of an EIR is required, as described above, the City or East Palo Alto, as applicable, will conduct a Housing Needs Assessment, which, to the extent possible, will include an analysis of the multiplier effect for indirect and induced employment.

### III. Environmental review process

Under CEQA, lead agencies are required to consult with public agencies having jurisdiction over a proposed project, and to provide the general public with an opportunity to comment on an EIR. A Notice of Preparation (NOP) for the Project EIR was issued by the City to the OPR State Clearinghouse and interested agencies and persons on September 18, 2019, for a 30-day review period, during which interested agencies and the public could submit comments about the Proposed Project. The City also held a public scoping meeting on October 7, 2019. Comments on the NOP were received by the City and considered during preparation of the Draft Project EIR.

A Notice of Availability (NOA) for the Draft Project EIR was issued on April 8, 2022, and the Draft Project EIR was made available for public review for a 45-day public review period through May 23, 2022. The Draft Project EIR was distributed to local, regional, and State agencies, and the general public was advised of the availability of the Draft Project EIR. The Draft Project EIR was made available online at [www.menlopark.org/willowvillage](http://www.menlopark.org/willowvillage). Printed copies of the Draft Project EIR were available for review at the City Main Library (800 Alma Street) and the Belle Haven Branch Library (413 Ivy Drive). A public hearing was held before the Planning Commission on April 25, 2022, to receive comments on the Draft Project EIR.

The Final Project EIR provides responses to the comments on significant environmental issues received during the comment period of the Draft Project EIR. The Draft Project EIR and the responses to comments, along with the revisions to the Draft Project EIR comprise the Final Project EIR. The Planning Commission considered the Final Project EIR at a duly noticed public

hearing held on October 24, 2022, and continued to November 3, 2022, at the conclusion of which the Planning Commission voted affirmatively to recommend the City Council certify the Final Project EIR pursuant to CEQA. On \_\_\_\_\_, 2022, the City Council held a duly noticed public hearing, at which the City Council independently considered the Final Project EIR and the Planning Commission's recommendation.

#### IV. Certification of the final project EIR

In accordance with CEQA Guidelines Section 15090, the City, acting by and through its City Council, hereby certifies that the Final Project EIR has been completed in compliance with CEQA and the CEQA Guidelines. The City further certifies that it has reviewed and considered the information contained in the Final Project EIR prior to approving the Proposed Project. The City further certifies that the Final Project EIR reflects its independent judgment and analysis.

#### V. Record Of Proceedings

For purposes of CEQA and these findings, the record of proceedings consists of the following documents and testimony:

- (a) The ConnectMenlo EIR;
- (b) The NOP and all other public notices issued by the City in conjunction with the Project;
- (c) The Draft Project EIR for the Proposed Project, dated April 2022;
- (d) All comments submitted by agencies or members of the public during the public comment period on the Draft Project EIR;
- (e) The Final Project EIR for the Proposed Project, including comments received on the Draft Project EIR, responses to those comments, and the technical appendices, as well as text changes to the Draft Project EIR, dated October 14, 2022;
- (f) The MMRP for the Project;
- (g) All reports, studies, memoranda, maps, staff reports, or other planning documents related to the Proposed Project prepared by the City or consultants to the City with respect to the City's compliance with the requirements of CEQA and with respect to the City's action on the Proposed Project, including as well all reports and other related documents prepared by the applicant and peer reviewed by the City and included in the Project EIR;
- (h) All documents submitted to the City (including the Planning Commission and City Council) by other public agencies or members of the public, including the applicant, in connection with the Project;
- (i) Any minutes and/or verbatim transcripts of all information sessions, public meetings, and public hearings held by the City in connection with the Proposed Project;
- (j) All matters of common knowledge to the Planning Commission and City Council, including, but not limited to:
  - (i) City's General Plan and other applicable policies;
  - (ii) City's Zoning Ordinance and other applicable ordinances;
  - (iii) Information regarding the City's fiscal status;
  - (iv) Applicable City policies and regulations; and
  - (v) Federal, state and local laws and regulations; and
- (k) Any other materials required for the record of proceedings by CEQA Section 21167.6(e).

The documents described above comprising the record of proceedings are located in the Community Development Department, City of Menlo Park, 701 Laurel Street, Menlo Park, California 94025. The custodian of these documents is the City's Community Development Director or his/her designee.

#### VI. Findings

The findings, recommendations, and statement of overriding considerations set forth below are made and adopted by the City Council of the City of Menlo Park as the City's findings under

CEQA and the CEQA Guidelines relating to the Proposed Project. These findings provide the written analysis and conclusions of the City Council regarding the Proposed Project's environmental impacts, mitigation measures, variants to the Proposed Project, alternatives to the Proposed Project, and the overriding considerations that support approval of the Proposed Project and Project variants despite any remaining environmental effects they may have.

In many environmental topic areas, the impacts of the Proposed Project were found to be within the scope of the ConnectMenlo EIR, as determined in accordance with CEQA Guidelines Sections 15168 and 15162. In those cases, the Proposed Project would not have new or substantially more severe impacts than those identified in the ConnectMenlo EIR, and there are no new or considerably different mitigation measures or alternatives that would substantially reduce significant impacts that the applicant has declined to adopt. Likewise, in many topic areas, there are no impacts peculiar to the Proposed Project that were not addressed in the ConnectMenlo EIR or that would be substantially more severe than those identified in the ConnectMenlo EIR or that cannot be substantially mitigated by the imposition of uniformly applied development policies or standards, as determined in accordance with CEQA Guidelines Section 15183. Nonetheless, given the magnitude of the Proposed Project and the public interest, the City chose to prepare an EIR that discusses all CEQA impacts of the Proposed Project, including those that were adequately addressed in the ConnectMenlo EIR. Accordingly, although the EIR tiers from the ConnectMenlo EIR, in accordance with CEQA, for purposes of providing comprehensive information, the EIR discusses all impacts, even when not required by CEQA.

The below findings summarize the environmental determinations of the Project EIR with regard to Project impacts before and after mitigation but do not attempt to repeat the full analysis of each impact contained in the Project EIR. Instead, these findings provide a summary description of and basis for each impact conclusion identified in the Project EIR, describe the applicable mitigation measures identified in the Project EIR, and state the City's findings and rationale about the significance of each impact following the adoption of mitigation measures. A full explanation of environmental findings and conclusions can be found in the Project EIR, and these below findings incorporate by reference the discussion and analysis in the Project EIR supporting the determinations regarding mitigation measures and the Proposed Project's impacts.

In adopting the mitigation measures, below, the City intends to adopt each of the mitigation measures identified in the Project EIR. Accordingly, in the event a mitigation measure identified in the Project EIR has been inadvertently omitted from these findings, such mitigation measure is hereby adopted and incorporated into the Project in the findings below by reference. In addition, in the event the language of a mitigation measure set forth below fails to accurately reflect the mitigation measure in the Project EIR due to a clerical error, the language of the mitigation measure as set forth in the Project EIR shall control unless the language of the mitigation measure specifically and expressly has been modified by these findings.

Sections VII and VIII, below, provide brief descriptions of the impacts that the Project EIR identifies as either significant and unavoidable or less than significant with adopted mitigation. These descriptions also reproduce the full text of the mitigation measures identified in the Project EIR for each significant impact.

#### VII. Findings for significant and unavoidable impacts

The Final Project EIR identified the following significant and unavoidable adverse environmental impacts associated with approval of the Proposed Project, some of which can be reduced,

although not to a less-than-significant level, through implementation of mitigation measures identified in the Project EIR. The City Council finds there are no additional feasible mitigation measures or alternatives that could be adopted at this time that would reduce these significant and unavoidable impacts to a less than significant level. For reasons set forth in Section XI, below, however, the City Council has determined that overriding economic, social, and other considerations outweigh the Project's significant and unavoidable effects. The findings in this section are based on the Project EIR, the discussion and analysis of which is hereby incorporated in full by this reference.

A. Impact AQ-1: The Proposed Project would conflict with or obstruct implementation of the applicable air quality plan.

Project Mitigation Measure AQ-1.1: The Project Sponsor shall either:

- Ensure all off-road construction equipment with greater than 25 horsepower and operating for more than 20 hours total over the entire duration of construction activities have engines that meet or exceed either EPA or ARB Tier 4 Final off-road emission standards. The exception to this requirement allows a cumulative total of 618,028 horsepower-hours over the duration of construction activities before residents move onsite and 34,716 horsepower-hours over the duration of construction activities after residents move onsite from the operation of off-road construction equipment that meets standards less than Tier 4 Final; or
- Prior to issuance of building permits, provide supplemental analysis prepared by a qualified air quality specialist to the City for approval that shows that emissions of ROG and NO<sub>x</sub>, the excess lifetime cancer risk, and the PM<sub>2.5</sub> concentration would not exceed the thresholds from the 2017 BAAQMD CEQA Air Quality Guidelines using the mix of equipment Proposed by the applicant.

Project Mitigation Measure AQ-1.2: The Project Sponsor shall use super-compliant architectural coatings during construction and operation for all buildings, which shall have VOC content that meet SCAQMD Rule 1113 Architectural Coatings as revised on February 5, 2016.

Finding: Implementation of Project Mitigation Measures AQ-1.1 and AQ-1.2, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts but not to a less-than-significant level. Specific considerations make further mitigation measures or alternatives infeasible; therefore, the impact would be significant and unavoidable.

Facts in Support of Finding: Impacts related to Clean Air Plan consistency were analyzed in the ConnectMenlo EIR as Impact AQ-1. It was determined that ConnectMenlo would be consistent with the goals and applicable control measures of the 2010 Bay Area Clean Air Plan. In addition, the ConnectMenlo Final EIR determined that implementation of the ConnectMenlo project would result in lower VMT per service population than under then-existing conditions. In addition, the ConnectMenlo Final EIR states that, pursuant to the City's Zoning Ordinance update, projects that require preparation of a transportation demand management (TDM) plan are required to reduce trip generation by 20 percent below standard use rates. For these reasons, the ConnectMenlo Final EIR found that implementation of ConnectMenlo would be consistent with air quality planning efforts of the San Francisco Bay Area Air Basin and would not hinder the Bay Area Air Quality Management District's (BAAQMD's) ability to attain the California Ambient Air Quality Standards (CAAQS) or National Ambient Air Quality Standards (NAAQS), and this impact would be less than significant. With implementation of Project Mitigation Measures AQ-1.1 and AQ-1.2 and ConnectMenlo Mitigation Measures AQ-2b1 and AQ-2b2, the Proposed Project would result in less-than-significant impacts related to Nitrogen Oxides (NO<sub>x</sub>) emissions and Toxic Air Contaminant (TAC) exposures. The Proposed Project

would also be consistent with the transportation control measures with implementation of Project Mitigation Measure TRA-2. However, as discussed under Clean Air Plan goals and further in Impact AQ-2, the Proposed Project's Reactive Organic Gas (ROG) emissions would remain above the BAAQMD ROG threshold after implementation of all mitigation measures. ROG emissions from consumer products constitute the majority of the operational ROG emissions associated with the Proposed Project, and the City and Project Sponsor have minimal control over what consumer products Project users would purchase. There are no additional mitigation measures to reduce ROG emissions from consumer products. Therefore, the Proposed Project would possibly disrupt or hinder implementation of the current Clean Air Plan, and this impact would be significant and unavoidable.

B. Impact AQ-2: The Proposed Project would result in a cumulative net increase in a criteria pollutant for which the Project region is classified as a nonattainment area under an applicable federal or ambient air quality standard.

Project Mitigation Measure AQ-1.1: Implement Project Mitigation Measure AQ-1.1, above.

Project Mitigation Measure AQ-1.2: Implement Project Mitigation Measure AQ-1.2, above.

ConnectMenlo Mitigation Measure AQ-2b1: Prior to building permit issuance, the City shall require applicants for all development projects in the city to comply with the current Bay Area Air Quality Management District's (BAAQMD) basic control measures for reducing construction emissions of PM10 (Table 8-1, Basic Construction Mitigation Measures Recommended for All Proposed Projects, of the BAAQMD CEQA Guidelines).

ConnectMenlo Mitigation Measure AQ-2b2: Prior to issuance of a building permit, development projects in the City that are subject to CEQA and exceed the screening sizes in the BAAQMD's CEQA Guidelines shall prepare and submit to the City of Menlo Park a technical assessment evaluating potential project construction-related air quality impacts. The evaluation shall be prepared in conformance with the BAAQMD methodology for assessing air quality impacts. If construction-related criteria air pollutants are determined to have the potential to exceed the BAAQMD thresholds of significance, as identified in the BAAQMD CEQA Guidelines, the project applicant is required to incorporate mitigation measures to reduce air pollutant emissions during construction activities to below these thresholds (e.g., Table 8-2, Additional Construction Mitigation Measures Recommended for projects with Construction Emissions Above the Threshold of the BAAQMD CEQA Guidelines, or applicable construction mitigation measures subsequently approved by BAAQMD). These identified measures shall be incorporated into all appropriate construction documents (e.g., construction management plans), subject to the review and approval of the Planning Division prior to building permit issuance. (The AQTR prepared and submitted for the Proposed Project fulfills the air quality technical assessment requirement.)

Finding: Implementation of Project Mitigation Measures AQ-1.1 and AQ-1.2 as well as ConnectMenlo Mitigation Measures AQ-2b1 and AQ-2b2, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts but not to a less-than-significant level. Specific considerations make further mitigation measures or alternatives infeasible; therefore, the impact would be significant and unavoidable.

Facts in Support of Finding: Impacts related to criteria air pollutant emissions were analyzed in the ConnectMenlo EIR as Impact AQ-2, which found that construction emissions associated

with individual development projects could generate emissions of criteria air pollutants and TACs. This would require subsequent environmental review of future development projects to assess potential impacts relate to BAAQMD-recommended project-level thresholds. The ConnectMenlo EIR found that construction-related impacts would be significant and identified ConnectMenlo Mitigation Measures AQ-2b1 and AQ-2b2 to reduce impacts to the extent feasible. Even with implementation of these measures, the ConnectMenlo Final EIR found that construction-related impacts associated with buildout would be significant and unavoidable. The Proposed Project would implement Project Mitigation Measures AQ-1.1 and AQ-1.2 and ConnectMenlo Mitigation Measures AQ-2b1 and AQ-2b2. However, ROG emissions from consumer products constitute most of the operational ROG emissions associated with the Proposed Project. The City and Project Sponsor would have minimal control over what consumer products Project users would purchase. There are no additional mitigation measures to reduce ROG from consumer products. Thus, although the Proposed Project would not result in a substantial change in the ConnectMenlo project and would not cause new or substantially more severe significant impacts than those analyzed in the ConnectMenlo EIR, net mitigated operational ROG emissions would still exceed BAAQMD's ROG threshold after implementation of all feasible mitigation measures. Impacts would be significant and unavoidable.

C. Impact C-AQ-1: Cumulative development would result in a significant and unavoidable cumulative impact on air quality; thus, the Proposed Project would be a cumulatively considerable contributor to a significant cumulative impact on air quality.

Project Mitigation Measure AQ-1.1: Implement Project Mitigation Measure AQ-1.1, above.

ConnectMenlo Mitigation Measure AQ-2b1: Implement ConnectMenlo Mitigation Measure AQ-2b1, above.

ConnectMenlo Mitigation Measure AQ-2b2: Implement ConnectMenlo Mitigation Measure AQ-2b2, above.

Finding: Implementation of Project Mitigation Measure AQ-1.1 as well as ConnectMenlo Mitigation Measures AQ-2b1 and AQ-2b2, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts but not to a less-than-significant level. Specific considerations make further mitigation measures or alternatives infeasible; therefore, the impact would be significant and unavoidable.

Facts in Support of Finding: Cumulative development in the San Francisco Bay Area Air Basin (SFBAAB) would result in a significant unavoidable cumulative impact with respect to air quality as a result of an exceedance of BAAQMD criteria pollutant thresholds, even with implementation of all feasible mitigation. The ConnectMenlo EIR determined criteria air pollutant emissions generated by cumulative development would exceed BAAQMD's project-level significance thresholds and that cumulative impacts related to criteria air pollutants under ConnectMenlo would be significant and unavoidable. The Proposed Project would not result in a substantial change in the ConnectMenlo project and would not cause new or substantially more severe significant impacts than those analyzed in the ConnectMenlo EIR. As a result of its operational ROG emissions, in excess of the BAAQMD ROG threshold, even after implementation of all feasible mitigation (see Impact AQ-2 above), the Proposed Project would be a cumulatively considerable contributor to a significant and unavoidable cumulative impact on air quality with respect to criteria pollutants.

D. Impact NOI-1a: Construction of the Proposed Project would generate a substantial temporary or permanent increase in ambient noise levels in the vicinity of the Project in excess of standards established in a local general plan or noise ordinance or applicable standards of other agencies.

Modified ConnectMenlo Mitigation Measure NOISE-1c: Project applicants for all development projects in the city shall minimize the exposure of nearby properties to excessive noise levels from construction-related activity through CEQA review, conditions of approval and/or enforcement of the City's Noise Ordinance. Prior to issuance of demolition, grading, and/or building permits for development projects, a note shall be provided on development plans indicating that during on-going grading, demolition, and construction, the property owner/developer shall be responsible for requiring contractors to implement the following measures to limit construction-related noise:

- All internal combustion engines on construction equipment and trucks are fitted with properly maintained mufflers, air intake silencers, and/or engine shrouds that are no less effective than as originally equipped by the manufacturer.
- Stationary equipment such as generators and air compressors shall be located as far as feasible from nearby noise-sensitive uses.
- Stockpiling is located as far as feasible from nearby noise-sensitive receptors.
- Limit unnecessary engine idling to the extent feasible.
- Limit the use of public address systems.
- Construction traffic shall be limited to the haul routes established by the City of Menlo Park.

Project Mitigation Measure NOI-1.1: The Project applicant and/or the contractor(s) shall obtain a permit to complete work outside the exempt/standard construction hours outlined in the City of Menlo Park Municipal Code, which may be incorporated into the conditional development permit for the Proposed Project. In addition, the applicant and/or contractor(s) shall develop a construction noise control plan to reduce noise levels and comply with Municipal Code daytime (during non-exempt hours) and nighttime noise standards to the extent feasible and practical, subject to review and determination by the Community Development Department. The plan shall also include measures to reduce noise levels such that a 10-dB increase over the ambient noise level does not occur at nearby noise-sensitive land uses, such as schools and residences to the extent feasible and practical (as determined by the City). Finally, the plan shall include measures to reduce pile driving noise such that noise from this equipment does not exceed 85 dBA Leq at a distance of 50 feet, as feasible.

The plan shall demonstrate that, to the extent feasible and practical, noise from construction activities that occur daily between 7:00 and 8:00 a.m. or between 6:00 p.m. and 10:00 p.m. will comply with the applicable City of Menlo Park noise limit of 60 dBA at the nearest existing residential or noise-sensitive land use, and construction activities that occur between 10:00 p.m. and 7:00 a.m. will comply with the applicable City noise limit of 50 dBA at the residential or noise-sensitive land use. The plan shall also demonstrate that, to the extent feasible and practical (as determined by the City), noise from construction activities during all hours will not result in a 10 dB increase over the ambient noise level at the nearest noise-sensitive land uses, and that pile driving noise would not exceed 85 dBA Leq at a distance of 50 feet. This Noise Control Plan shall be approved by the City prior to the issuance of building permits to confirm the precise noise minimization strategies that will be implemented and to document that strategies will be employed to the extent feasible and practical.



Measures to help reduce noise from construction activity to these levels shall be incorporated into this plan and may include, but are not limited to, the following:

- To the extent feasible and practical, plan for the noisiest construction activities to occur during daytime hours when the quantitative standards are less stringent, existing ambient noise levels are generally louder, and when people are less sensitive to noise.
- Require all construction equipment be equipped with mufflers and sound control devices (e.g., intake silencers and noise shrouds) that are in good condition (at least as effective as those originally provided by the manufacturer) and appropriate for the equipment.
- Maintain all construction equipment to minimize noise emissions.
- Locate construction equipment as far as feasible from adjacent or nearby noise-sensitive receptors.
- Require all stationary equipment be located to maintain the greatest possible distance to the nearby existing buildings, where feasible and practical.
- Require stationary noise sources associated with construction (e.g., generators and compressors) in proximity to noise-sensitive land uses to be muffled and/or enclosed within temporary enclosures and shielded by barriers, which can reduce construction noise by as much as 5 dB.
- Install noise-reducing sound walls or fencing (e.g. temporary fencing with sound blankets) around noise-generating equipment, to the extent feasible and practical, where no perimeter wall is provided pursuant to Mitigation Measure NOI-1.2.
- Prohibit idling of inactive construction equipment for prolonged periods during nighttime/non-standard hours (i.e., more than 2 minutes).
- Provide advance notification in the form of mailings/deliveries of notices to surrounding land uses regarding the construction schedule, including the various types of activities that would be occurring throughout the duration of the construction period.
- Provide the name and telephone number of an on-site construction liaison through on-site signage and on the notices mailed/delivered to surrounding land uses. If construction noise is found to be intrusive to the community (i.e., if complaints are received), the construction liaison shall take reasonable efforts to investigate the source of the noise and require that reasonable measures be implemented to correct the problem.
- Use electric motors rather than gasoline- or diesel-powered engines to avoid noise associated with compressed air exhaust from pneumatically powered tools during nighttime hours, to the extent feasible and practical (as determined by the City). Where the use of pneumatic tools is unavoidable, an exhaust muffler on the compressed air exhaust could be used; this muffler can lower noise levels from the exhaust by about 10 dB. External jackets on the tools themselves could be used, which could achieve a reduction of 5 dB.

Project Mitigation Measure NOI-1.2: The Project contractor(s) shall install an 8-foot-high temporary noise barrier along the complete length of the western and southern perimeter (e.g., areas near residential and school land uses), and along the southernmost 500 feet of the eastern perimeter of the main Project Site. As project buildout occurs, removal and/or adjustment in the location of the perimeter noise barrier may occur because either the construction of project buildings (completion of core and shell) or streets requires barrier realignment, or the perimeter barrier is not needed, as shown by preparation of an acoustical analysis that indicates the balance of the construction activities will not result in construction noise that exceeds the allowable limits.

Regarding the Hamilton Avenue Parcel South, a similar noise barrier shall be installed around the complete length of the southern, western and northern perimeters as well as the southernmost 100 feet of the eastern perimeter of the Hamilton Avenue Parcel South, unless the Project Sponsor can demonstrate, through an acoustical analysis, that construction noise at

this site would not exceed the allowable limits. The decision regarding the necessity of this barrier and location(s) shall be subject to review and approval of the City based on evidence and analyses providing by the applicant team.

Regarding the Hamilton Avenue Parcel North, a similar noise barrier shall also be constructed along the complete length of the southern and western perimeters, along with the eastern most 100 feet of the northern perimeter of the Hamilton Avenue Parcel North, unless the Project Sponsor can demonstrate, through an acoustical analysis, that construction noise at this site would not exceed the allowable limits. The decision regarding the necessity of this barrier and location(s) shall be subject to review and approval of the City based on evidence and analyses providing by the applicant team.

The barriers shall be constructed of material that has an acoustical rating of at least 26 STC (Sound Transmission Class). This can include a temporary barrier constructed with plywood supported on a wood frame, sound curtains supported on a frame, or other comparable material.

Finding: Implementation of Modified ConnectMenlo Mitigation Measure NOISE-1c and Project Mitigation Measures NOI-1.1 and NOI-1.2, which are hereby adopted and incorporated into the Project, would reduce the impacts but not to a less-than-significant level. Specific considerations make further mitigation measures or alternatives infeasible; therefore, the impact would be significant and unavoidable.

Facts in Support of Finding: Noise impacts related to construction during the day, construction during non-exempt daytime hours, construction during the night, potential intersection improvements, and construction of offsite improvements would be significant. The ConnectMenlo EIR determined that future projects in Menlo Park could result in construction-related noise levels that would exceed noise limits; however, with implementation of mitigation measures and compliance with the City Noise Ordinance, impacts would be less than significant. Since adopting ConnectMenlo, the City has implemented a construction noise threshold under CEQA that is more stringent than the threshold used to evaluate construction noise in the ConnectMenlo EIR. With respect to the Proposed Project, noise impacts on offsite uses (e.g., schools, residences) from construction, including the construction of certain offsite improvements, would remain significant, even after implementation of feasible mitigation measures. For example, while installation of a temporary construction noise barrier could reduce impacts, effective mitigation may not be feasible in all locations and may not reduce noise from all activities to a level of insignificance, even if noise is somewhat reduced. In addition, although not a CEQA impact, construction noise impacts on onsite Project land uses during morning and evening hours would be significant, even after implementation of feasible mitigation measures. Thus, the Proposed Project would cause a new or substantially more severe significant construction noise impact than that analyzed in the ConnectMenlo EIR.

E. Impact NOI-2: The Proposed Project would generate excessive groundborne vibration or groundborne noise levels.

ConnectMenlo Mitigation Measure NOISE-2a<sup>1-2</sup>: To prevent architectural damage citywide as a result of construction-generated vibration:

- Prior to the issuance of a building permit for any development project requiring pile driving or blasting, the project applicant/developer shall prepare a noise and vibration analysis to assess and mitigate potential noise and vibration impacts related to these activities. The maximum levels shall not exceed 0.2 in/sec, which is the level that can cause architectural damage for typical residential construction. If maximum levels would exceed the thresholds, alternative methods, such as static rollers, non-explosive blasting, and pile drilling, as opposed to pile driving, shall be used to the extent feasible and practical, subject to review and determination by the Community Development Department.

To prevent vibration-induced annoyance as a result of construction-generated vibration:

- Individual projects that involve vibration-intensive construction activities, such as blasting or the use of pile drivers, jack hammers, or vibratory rollers, within 200 feet of sensitive receptors shall be evaluated for potential vibration impacts. A vibration study shall be conducted for individual projects where vibration-intensive impacts may occur. The study shall be prepared by an acoustical or vibration engineer holding a degree in engineering, physics, or an allied discipline who is able to demonstrate a minimum of 2 years of experience in preparing technical assessments regarding acoustics and/or ground-borne vibration. The study is subject to review and approval of the Community Development Department.

Vibration impacts on nearby receptors shall not exceed the vibration annoyance levels (in RMS inches per second), as follows:

- Workshop = 0.126
- Office = 0.063
- Residence, daytime (7:00 a.m.-10:00 p.m.) = 0.032
- Residence, nighttime (10:00 p.m. to 7:00 a.m.) = 0.016

If construction-related vibration is determined to be perceptible at vibration-sensitive uses, additional requirements, such as less vibration-intensive equipment or construction techniques, shall be implemented during construction (e.g., non-explosive blasting, pile drilling, as opposed to pile driving, preclusion for vibratory roller use, use of small or medium-sized bulldozers) to the extent feasible and practical. Vibration reduction measures shall be incorporated into the site development plan as a component of the Project and applicable building plans, subject to the review and approval of the Community Development Department.

Project Mitigation Measure NOI-2.1: During daytime hours, pile driving activity shall take place no closer than 335 feet from residential land uses, 210 feet from office or school land uses, and 130 feet from workshops or retail land uses, to the extent feasible and practical. When pile driving work must take place closer than these distances from the aforementioned land uses, reduction measures shall be incorporated to the extent feasible and practical, such as the use of alternative pile installation methods that do not require impact or vibratory pile driving. Examples of alternative pile installation methods include auger cast pressure grouted displacement

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<sup>1</sup> This noise and vibration study for the Proposed Project has been prepared in accordance with ConnectMenlo Mitigation Measure NOISE-2a.

<sup>2</sup> ConnectMenlo Mitigation Measure NOISE-2a has been modified to allow for compliance “to the extent feasible and practical,” which would be subject to review and determination by the Community Development Department.

(APGD) piles, stone columns, cast-in-drilled-hole (CIDH) piles, or press-in piles. These measures will be subject to review and approval of the Community Development Department.

In addition, the construction contractor shall appoint a Project vibration coordinator who will serve as the point of contact for vibration-related complaints during project construction. Contact information for the Project vibration coordinator will be posted at the Project Site and on a publicly available Project website. Should complaints be received, the Project vibration coordinator shall work with the construction team to adjust activities (e.g., drilling instead of driving piles in closer proximity to certain land uses) to the extent feasible and practical to reduce vibration or to reschedule activities for a less sensitive time. The Project vibration coordinator shall notify the Community Development Department of all vibration-related complaints and actions taken to address the complaints.

Project Mitigation Measure NOI-2.2: During daytime hours, construction activity involving a vibratory roller shall take place no closer than 90 feet from residential land uses, 60 feet from office or school land uses, and 35 feet from workshops or retail land uses, to the extent feasible and practical, subject to review and approval by the Community Development Department. In addition, equipment that generates vibration levels similar to a large bulldozer shall take place no closer than 50 feet from residential land uses, 35 feet from office or school land uses, and 20 feet from workshops or retail land uses, to the extent feasible and practical, subject to review and approval by the Community Development Department. Maintaining these distances between equipment and the nearest residential, school/office, or workshop land uses would ensure vibration levels would be below 0.032 PPV in/sec at the nearest residences, 0.063 PPV in/sec at the nearest school or office, and 0.126 PPV in/sec at the nearest workshop, per the requirements in ConnectMenlo Mitigation Measure NOISE-2a.

When construction would require the use of these equipment types at distances closer than these to nearby sensitive uses, reduction measures shall be incorporated to the extent feasible and practical, such as the use of smaller or less vibration-intensive equipment. For example, the vibration level from a large bulldozer at 10 feet would be approximately 0.352 PPV in/sec, whereas the vibration level from a large bulldozer at the same distance would be approximately 0.012 PPV in/sec. The vibration level from a small bulldozer at 10 feet would be below all daytime vibration thresholds from ConnectMenlo Mitigation Measure Noise-2a. The feasibility of reduction measures shall be subject to review and determination by the Community Development Department.

In addition, the construction contractor shall appoint a Project vibration coordinator who will serve as the point of contact for vibration-related complaints during Project construction. Contact information for the Project vibration coordinator will be posted at the Project Site and on a publicly available Project website. Should complaints be received, the Project vibration coordinator shall work with the construction team to adjust activities (e.g., drilling instead of driving piles in closer proximity to certain land uses) to the extent feasible and practical to reduce vibration or to reschedule activities for a less sensitive time. The Project vibration coordinator shall notify the Community Development Department of all vibration-related complaints and actions taken to address the complaints.

Project Mitigation Measure NOI-2.3: During the nighttime hours of 10:00 p.m. to 7:00 a.m., pile driving activity shall take place no closer than 540 feet from residential land uses to the extent feasible and practical. When pile installation work must take place closer than this distance to residences, alternative pile installation methods that do not require impact or vibratory pile driving shall be employed to the extent feasible and practical. Examples of alternative pile

installation methods include auger cast pressure grouted displacement (APGD) piles, stone columns, cast-in-drilled hole (CIDH) piles, or press-in piles. The feasibility of these alternative measures shall be subject to review and determination of the Community Development Department.

In addition, the construction contractor shall appoint a Project vibration coordinator who will serve as the point of contact for vibration-related complaints during Project construction. Contact information for the Project vibration coordinator will be posted at the Project Site and on a publicly available Project website. Should complaints be received, the Project vibration coordinator shall work with the construction team to adjust activities (e.g., drilling instead of driving piles in closer proximity to certain land uses) to the extent feasible and practical to reduce vibration or to reschedule activities for a less sensitive time. The Project vibration coordinator shall notify the Community Development Department of all vibration-related complaints and actions taken to address the complaints.

Finding: Implementation of ConnectMenlo Mitigation Measure NOISE-2a and Project Mitigation Measures NOI-2.1, NOI-2.2, and NOI-2.3, which are hereby adopted and incorporated into the Proposed Project, would reduce vibration-related damage impacts from Project construction to nearby residential, school, and commercial/industrial buildings and vibration-related annoyance during nighttime to less than significant, but would not reduce daytime vibration-related annoyance impacts to a less than significant level. Specific considerations make further mitigation measures or alternatives for daytime vibration-related annoyance impacts infeasible; therefore, the impact would be significant and unavoidable.

Facts in Support of Finding: Construction vibration impacts were analyzed in the ConnectMenlo EIR and determined to be potentially significant. With implementation of ConnectMenlo Mitigation Measure NOISE-2a, this impact was determined to be reduced to a less-than-significant level. Both daytime and nighttime onsite and offsite construction activities would result in less than significant vibration-related damage impacts because vibration would be less than the damage threshold. Offsite vibration levels from the Proposed Project may exceed applicable vibration-related annoyance thresholds at nearby sensitive uses during daytime and nighttime construction. The impacts would be significant, even after implementation of feasible mitigation. Implementation of Project Mitigation Measure NOI-2.1, for instance, would reduce daytime vibration-related annoyance effects from pile driving to nearby sensitive uses. However, because pile installation can be vibration-intensive, it is not known if at all times and in all locations vibration levels would be reduced to below the applicable annoyance criteria. In addition, Project Mitigation Measure NOI-2.2 would reduce vibration levels from non-pile driving activity. However, it might not be possible to ensure that vibration levels at all times and in all locations would be reduced to below the applicable annoyance thresholds. Likewise, vibration from construction of offsite improvements would exceed annoyance thresholds. Project Mitigation Measure NOI-2.3 would implement vibration control measures for annoyance from nighttime pile driving, would limit nighttime pile driving, and would ensure that nighttime pile driving would take place at least 540 feet from the nearest residential land uses, as feasible. If pile installation must take place closer than this distance from occupied residences, alternative pile installation methods would be used to the extent feasible and practical to reduce vibration levels to below the applicable significance thresholds. However, it may not be possible to ensure that vibration levels at all times and in all locations would be reduced to below the applicable annoyance thresholds if pile driving work must occur closer than 540 feet from residences, making the impact significant and unavoidable. The ConnectMenlo EIR determined that future projects in Menlo Park could expose people to or generate excessive ground-borne vibration or ground-borne noise levels, but that with implementation of mitigation measures,

impacts would be less than significant. Thus, the Proposed Project would cause a new or substantially more severe significant construction vibration impact than that analyzed in the ConnectMenlo EIR.

F. Impact C-NOI-1: Cumulative development would result in a significant and unavoidable cumulative noise impact; thus, the Proposed Project would be a cumulatively considerable contributor to a significant cumulative noise impact.

ConnectMenlo Mitigation Measure NOISE-1c: Implement ConnectMenlo Mitigation Measure NOISE-1c, above.

Project Mitigation Measure NOI-1.1: Implement Project Mitigation Measure NOI-1.1, above.

Project Mitigation Measure NOI-1.2: Implement Project Mitigation Measure NOI-1.2, above.

Project Mitigation Measure NOI-1.3: Implement Project Mitigation Measure NOI-1.3, below.

Finding: Implementation of ConnectMenlo Mitigation Measure NOISE-1c and Project Mitigation Measures NOI-1.1, NOI-1.2, and NOI-1.3, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts but not to a less than significant level. Specific considerations make further mitigation measures or alternatives infeasible; therefore, the impact would be significant and unavoidable.

Facts in Support of Finding: Because there might be future or approved projects located in close proximity to the Project Site that could undergo construction at the same time, cumulative construction noise impacts would be significant. Although mitigation is applied to the Project to reduce construction noise impacts (see ConnectMenlo Mitigation Measure Noise-1c, and Project Mitigation Measures NOI-1.1 and NOI-1.2), including implementation of best practices and construction of temporary construction noise barriers, construction noise impacts for the Proposed Project were determined to be significant and unavoidable. Therefore, consistent with the conclusion in the ConnectMenlo EIR, the Proposed Project in combination with other past, present, and reasonably foreseeable future projects would result in a significant cumulative impact with respect to construction noise. Unlike the conclusion in the ConnectMenlo EIR, however, the Proposed Project's contribution to the cumulative impact would be cumulatively considerable, and cumulative noise impacts would be significant and unavoidable with mitigation. The Proposed Project's contribution to significant cumulative operational traffic noise impacts would be less than cumulatively considerable on all roadway segments. With the implementation of mitigation, the Proposed Project's contribution to significant cumulative operational equipment noise impacts would be less than cumulatively considerable. Specifically, with implementation of Project Mitigation Measure NOI-1.3: Mechanical Equipment Noise Reduction Plan, Project-related impacts would be reduced to less-than-significant levels; similar mitigation would be required for other projects in the project vicinity in order to ensure equipment noise complies with the applicable local noise standards. Cumulative noise impacts related to emergency generator testing would be less than significant. It is unlikely that emergency generators associated with the Proposed Project and nearby future projects would be tested at the same time or would be close enough to one another for noise to combine at a given individual receptor to create a new significant cumulative noise impact. Cumulative vibration impacts would be less than significant. Operational sources of vibration that may operate simultaneously would not be expected to combine to raise the overall peak vibration

level experienced at a nearby sensitive use. Construction vibration from multiple construction projects near one another would generally not combine to increase vibration levels.

VIII. Findings for significant impacts reduced to a less-than-significant level by mitigation measures

The Project EIR identifies the following significant impacts associated with the Proposed Project and mitigation measures for those impacts. It is hereby determined that the impacts addressed by the following described mitigation measures will be mitigated to a less than significant level or avoided by adopting and incorporating these mitigation measures as conditions into the Project. The findings in this section are based on the Project EIR, the discussion and analysis of which is hereby incorporated in full by this reference.

A. Impact C-LU-1: Cumulative development would not result in a significant cumulative impact to land use, and the Proposed Project would not be a cumulatively considerable contributor to such cumulative impact.

ConnectMenlo Mitigation Measure LU-2: Prior to project approval, as part of the project application process, future development in Menlo Park is required to demonstrate consistency with the applicable goals, policies, and programs in the General Plan and the supporting Zoning standards to the satisfaction of the City of Menlo Park's Community Development Department. A future project is consistent with the General Plan and Zoning standards if, considering all its aspects, it will further the goals, policies and programs of the General Plan and supporting Zoning standards and not obstruct their attainment.

Finding: ConnectMenlo Mitigation Measure LU-2 has been implemented through the Project EIR, which analyzes the Proposed Project's consistency with General Plan goals and policies. Because the Proposed Project is consistent with General Plan goals and policies, the Proposed Project would not result in a substantial change in the ConnectMenlo project and would not cause a new or substantially more severe significant land use impact than that analyzed in the ConnectMenlo EIR. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: The ConnectMenlo EIR determined that implementation of ConnectMenlo would not divide an established community or conflict with established plans, policies, and regulations and that implementation of ConnectMenlo Mitigation Measure LU-2 (requiring projects to demonstrate consistency with the City General Plan and zoning standards prior to approval) would ensure that future projects in Menlo Park would be consistent with City General Plan policies. The ConnectMenlo EIR also determined that ConnectMenlo would be consistent with existing and proposed changes in other local and regional plans and that development in surrounding cities and the San Mateo County region is taking place in already-urbanized areas and therefore would not require significant land use changes that would create land use conflicts, nor would development contemplated by ConnectMenlo divide communities. Therefore, cumulative impacts related to land use changes would be less than significant with mitigation. As required by ConnectMenlo Mitigation Measure LU-2, the Project EIR analyzed the Proposed Project's consistency with ConnectMenlo's goals and policies. The analysis in the Project EIR, including in Table 3.1-4, shows that the Proposed Project will be consistent with ConnectMenlo's goals and policies. Accordingly, the Proposed Project would not result in a substantial change in the ConnectMenlo project and would not cause a new or substantially more severe significant land use impact than that analyzed in the ConnectMenlo EIR. Consistent with the conclusions in the ConnectMenlo EIR, the Proposed Project in combination with other cumulative development in Menlo Park, which also must implement ConnectMenlo

Mitigation Measure LU-2, as well as other foreseeable cumulative development in the area, would result in a less-than-significant cumulative impact with respect to land use. No additional mitigation measures are required.

B. Impact TRA-2: The Proposed Project would exceed the applicable VMT threshold of significance for the residential land use and could result in a significant impact.

Project Mitigation Measure TRA-2: The residential land use of the Project Site will be required to implement a TDM Plan achieving a 36% reduction from gross ITE trip generation rates (for the Proposed Project, this reduction equals 6,023 daily trips). Should a different number of residential units be built, the total daily trips will be adjusted accordingly. The required residential TDM Plan will include annual monitoring and reporting requirements on the effectiveness of the TDM program. The Project applicant will be required to work with City staff to identify the details of the TDM Plan. If the annual monitoring finds that the TDM reduction is not met (i.e., the Proposed Project exceeds 6,023 daily trips from the residential land use), the TDM coordinator will be required to work with City staff to detail next steps to achieve the TDM reduction.

Finding: Implementation of Project Mitigation Measure TRA-2, which is hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: While the ConnectMenlo EIR included an evaluation of VMT impacts for information purposes, the VMT standards applied in the ConnectMenlo EIR differ from those adopted by the City under the updated TIA Guidelines. The ConnectMenlo EIR found that implementation of ConnectMenlo would not exceed the VMT threshold of significance used in that EIR and would result in less-than-significant impacts with respect to VMT. The Proposed Project would exceed the applicable VMT threshold of significance for the residential land use. Residential land use VMT is estimated to be 13.3 daily miles per capita, which would exceed the VMT threshold and result in a VMT impact. The Proposed Project's residential land use would require a 36% reduction in VMT from gross Institute of Transportation Engineers (ITE) rates to mitigate the significant VMT impact. Therefore, mitigation of the VMT impact would require implementing a TDM Plan for the residential component that achieves at least a 36% reduction from gross ITE rates (for the Proposed Project, this reduction equals 6,023 daily trips). According to the Proposed Project's proposed TDM Plan, the proposed TDM measures for the residential component could achieve the required reduction. The City incorporates monitoring requirements for TDM plans into project conditions and would monitor annually the effectiveness of the TDM plan to ensure that total daily trips achieve the required reduction. Therefore, Project Mitigation Measure TRA-2 is feasible and would fully mitigate this impact.

C. Impact TRA-3: The Proposed Project includes a design feature that could increase hazards and could result in a significant impact.

Project Mitigation Measure TRA-3: Revise the North Garage access design to provide adequate sight distance for the eastern driveway or incorporate other design solutions to reduce hazards to the satisfaction of the Public Works Director. Potential solutions that would reduce hazards to a less than significant level include restricting the eastern driveway to inbound vehicles only or prohibiting exiting left turns, modifying landscaping or relocating the driveway to the west to allow for adequate sight distance for exiting vehicles, or installing an all-way stop or signal.



Finding: Implementation of Project Mitigation Measure TRA-3, which is hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: The ConnectMenlo EIR found that future developments and roadway improvements would be designed according to City standards and subject to existing regulations that are aimed at reducing hazardous conditions with respect to circulation. Additionally, future development would be concentrated on sites that are already developed where impacts related to incompatible traffic related land uses would not likely occur. Therefore, the adoption of ConnectMenlo would result in less-than-significant impacts for hazards due to design features or incompatible uses. The Proposed Project includes a design feature that could increase hazards. While the driveway designs generally comply with applicable standards and would not present hazards, the Proposed Project's proposed eastern driveway at the "North Garage" would be directly adjacent to a sharp roadway curve. The roadway curve would restrict sight distance to approximately 50 feet, which would provide inadequate sight distance for vehicles exiting the garage. Project Mitigation Measure TRA-3, which requires revisions to the North Garage access design to provide adequate sight distance for the eastern driveway or other design solutions to reduce hazards, would mitigate this impact to a less-than-significant level.

D. Impact C-TRA-2: The Proposed Project would exceed the applicable VMT threshold of significance for the residential land use and could result in a significant impact.

Project Mitigation Measure TRA-2: Implement Project Mitigation Measure TRA-2, above.

Finding: Implementation of Project Mitigation Measure TRA-2, which is hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: The ConnectMenlo EIR found that cumulative impacts to the transportation network would be the same as identified for each respective environmental topic area. The Proposed Project would be consistent with the development assumptions included in ConnectMenlo. Implementation of the land use and transportation changes described in ConnectMenlo would create a built environment that supports a live/work/play environment with increased density and diversity of uses and a street network that supports safe and sustainable travel and is expected to reduce VMT per capita and VMT per employee within the study area where the Project Site is located. Consistent with the findings of the ConnectMenlo Final EIR, the Proposed Project, in combination with cumulative projects, would have a less-than-significant cumulative impact with implementation of Project Mitigation Measure TRA-2 with respect to VMT.

E. Impact C-TRA-3: The Proposed Project includes a design feature that could increase hazards and could result in a significant impact.

Project Mitigation Measure TRA-3: Implement Project Mitigation Measure TRA-3, above.

Finding: Implementation of Project Mitigation Measure TRA-3, which is hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: The ConnectMenlo EIR found that cumulative impacts to the transportation network would be the same as identified for each respective environmental topic area. Cumulative land use development and transportation projects would promote accessibility for people walking to and through the site by conforming to General Plan policies and zoning regulations, and by adhering to planning principles that emphasize providing convenient connections and safe routes for people walking, bicycling, driving, and taking transit. Additionally, as with current practice, projects would be designed and reviewed in accordance with the City's Public Works Department Transportation Program and the department would provide oversight engineering review to ensure that the project is constructed according to City specifications. With implementation of Project Mitigation Measure TRA-3, this Proposed Project, in combination with cumulative projects, consistent with the findings of the ConnectMenlo Final EIR, would have a less than significant cumulative impact with respect to hazards or incompatible uses.

F. Impact AQ-3: The Proposed Project would expose sensitive receptors to substantial pollutant concentrations.

Project Mitigation Measure AQ-1.1: Implement Project Mitigation Measure AQ-1.1, above.

ConnectMenlo Mitigation Measure AQ-2b1: Implement ConnectMenlo Mitigation Measure AQ-2b1, above.

ConnectMenlo Mitigation Measure AQ-2b2: Implement ConnectMenlo Mitigation Measure AQ-2b2, above.

Finding: Implementation of Project Mitigation Measure AQ-1.1 as well as ConnectMenlo Mitigation Measures AQ-2b1 and AQ-2b2, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts related to the exposure of sensitive receptors to pollutant concentrations were analyzed in the ConnectMenlo EIR as Impact AQ-3. It was determined that the increase in traffic associated with buildout would not result in, or contribute to, localized concentrations of CO that would exceed applicable federal and state ambient air quality standards. The ConnectMenlo EIR found that new land uses in the City that involve trucks and truck idling and the use of off-road equipment at warehousing operations could generate substantial DPM emissions. The ConnectMenlo Final EIR identified ConnectMenlo Mitigation Measure AQ-3b to ensure that air pollution levels at sensitive receptors meet the incremental risk thresholds established by BAAQMD. With implementation of ConnectMenlo Mitigation Measure AQ-3b, the ConnectMenlo Final EIR concluded that impacts would be less than significant. The Proposed Project's unmitigated health risk results would not exceed BAAQMD's recommended health risk thresholds for the non-cancer hazard index; however, the Proposed Project would exceed BAAQMD's cancer risk and annual PM<sub>2.5</sub> concentration thresholds. Project Mitigation Measure AQ-1.1 and ConnectMenlo Mitigation Measures AQ-2b1 and AQ-2b2 would be implemented to mitigate cancer risk and PM<sub>2.5</sub> concentration exceedances. The Proposed Project triggered the requirement for ConnectMenlo Mitigation Measure AQ-3b and complied with the measure by submitting a health risk assessment (HRA) to the City's Planning Division prepared in accordance with the policies and procedures of the State Office of Environmental health hazard Assessment and the Bay Area Air Quality Management District. ConnectMenlo Mitigation Measure AQ-3b also requires a project to identify and demonstrate that mitigation measures are capable of reducing health risks to below the BAAQMD thresholds

and incorporate those measures into the project. Based on the HRA and EIR analysis, ConnectMenlo Mitigation Measures AQ-2b1 and AQ-2b2, together with Mitigation Measure AQ-1.1 would reduce health risks to below BAAQMD's thresholds and the Mitigation Monitoring and Reporting Program requires the applicant to implement these mitigation measures. ConnectMenlo Mitigation Measure AQ-3a would not apply to the Proposed Project. With implementation of Project Mitigation Measure AQ-1.1 and ConnectMenlo Mitigation Measures AQ-2b1 and AQ-2b2 from the ConnectMenlo EIR, the incremental increase in health risks from all sensitive receptor types would be less than all BAAQMD-recommended health risk thresholds. Therefore, mitigated construction and operational emissions would not expose sensitive receptors to substantial pollutant concentrations and associated health risks. Impacts would be less than significant with mitigation.

G. Impact AQ-4: The Proposed Project would result in other emissions (such as those leading to odors) that would adversely affect a substantial number of people.

Project Mitigation Measure AQ-4.1: The Project Sponsor and West Bay Sanitary District shall install a molecular neutralizer at the proposed sanitary sewer pump station to convert hydrogen sulfide gas into a biodegradable effluent during sewer pump operations. The molecular neutralizer shall be installed prior to the commencement of sewer pump operations.

Finding: Implementation of Project Mitigation Measure AQ-4.1, which is hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Odors from the Proposed Project's sewer pump station could adversely affect a substantial number of people, which could be considered a significant impact. BAAQMD Regulation 7 contains requirements on the discharge of odorous substances after the Air Pollution Control Officer receives odor complaints from ten or more complainants within a 90-day period, alleging that a person has caused odors perceived at or beyond the property line of such person and deemed to be objectionable by the complainants in the normal course of their work, travel or residence [BAAQMD 7-102]. The operations within the Proposed Project would be subject to this regulation and would comply with the requirements if the regulation becomes applicable via BAAQMD 7-102, which is not expected. Therefore, the Proposed Project would be in compliance with BAAQMD Regulation 7. The Proposed Project also would implement Project Mitigation Measure AQ-4.1, which requires the sewer pump station to be equipped with a molecular neutralizer, which would convert hydrogen sulfide gas into a biodegradable effluent during sewer pump operations. With implementation of this Project Mitigation Measure and compliance with BAAQMD Regulation 7, this impact would be less than significant with mitigation.

H. Impact GHG-1b: Operation of the Proposed Project could generate GHG emissions that may have a significant impact on the environment.

Project Mitigation Measure TRA-2: Implement Project Mitigation Measure TRA-2, above.  
Finding: Implementation of Project Mitigation Measure TRA-2, which is hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: The ConnectMenlo EIR included an emissions inventory for ConnectMenlo scenarios in 2020 and 2040. The EIR found that policies identified in the City General Plan, as well as the TDM program, other green building sustainability measures in the City Zoning Ordinance, and ConnectMenlo Mitigation Measure GHG-1 (which required the City

to update the Climate Action Plan) would reduce GHG emissions to the extent feasible. However, additional state and federal actions would be necessary to ensure that regulated state and federal sources (i.e., sources outside the City's jurisdiction) would achieve the deep reductions needed to meet a 2050 target. Therefore, the ConnectMenlo Final EIR considered GHG emissions to be significant and unavoidable. The Proposed Project would develop and implement TDM programs with trip reduction measures to reduce vehicle traffic in and around the Project Site. Because the Proposed Project would implement TDM measures and Project Mitigation Measure TRA-2 (which would ensure that operation of the Proposed Project would achieve the City's VMT thresholds) to meet the City's trip and VMT reduction targets, implementation of the Proposed Project would not contribute a significant amount of operational mobile-source GHG emissions to existing significant cumulative emissions. Accordingly, the Project's contribution to this significant cumulative impact would be less than cumulatively considerable with mitigation. In addition, because the Proposed Project would not result in an increase in operational non-mobile-source GHG emissions, the Proposed Project's operational GHG emissions would not constitute a cumulatively considerable contribution to significant cumulative climate change impacts. Therefore, the Project's contribution to this significant cumulative impact would be less than cumulatively considerable with mitigation.

- I. Impact GHG-2: The Proposed Project would conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing emissions or GHGs.

Project Mitigation Measure TRA-2: Implement Project Mitigation Measure TRA-2, above.

Finding: Implementation of Project Mitigation Measure TRA-2, which is hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts related to consistency with GHG plans, policies, or regulations were analyzed in the ConnectMenlo EIR as Impact GHG-2, which found that it could not be demonstrated that the City would achieve sufficient GHG emissions reductions. Therefore, the ConnectMenlo Final EIR determined that the level of GHG emissions associated with implementation of ConnectMenlo would be significant and unavoidable. The Proposed Project would achieve net-zero non-mobile-source operational emissions without mitigation. Implementation of Project Mitigation Measure TRA-2 would ensure that operation of the Proposed Project would achieve the City's VMT thresholds, thereby reducing associated operational mobile-source GHG emissions. Construction and operation of the buildings associated with the Proposed Project would be consistent with all applicable plans, policies, and regulations adopted for the purpose of reducing GHG emissions. The buildings would meet a net-zero operational GHG threshold. Implementation of Project Mitigation Measure TRA-2 would ensure that operation of the Proposed Project would result in a level of VMT that would meet the City's VMT thresholds. For these reasons, implementation of Project Mitigation Measure TRA-2 would result in the Proposed Project being consistent with all applicable plans, policies, and regulations adopted for the purpose of reducing GHG emissions, thereby reducing the Project's contribution to this significant cumulative impact to less than cumulatively considerable with mitigation.

- J. Impact NOI-1b: Operation of the Proposed Project would generate a substantial temporary or permanent increase in ambient noise levels in the vicinity of the Project in excess of standards established in a local general plan or noise ordinance or applicable standards of other agencies.

ConnectMenlo Mitigation Measure NOISE-1b: Stationary noise sources and landscaping and maintenance activities citywide shall comply with Chapter 8.06, Noise, of the Menlo Park Municipal Code.

Project Mitigation Measure NOI-1.3: To reduce potential noise impacts resulting from Project mechanical equipment, including heating, cooling, and ventilation equipment, the Project applicant shall conduct a noise analysis to estimate noise levels of Project-specific mechanical equipment based on the final selected equipment models and design features. In addition to the analysis, a Mechanical Equipment Noise Reduction Plan shall be created to ensure noise levels of equipment, once installed, are below the applicable criteria described below. The Noise Reduction Plan shall include any necessary noise reduction measures required to reduce Project-specific mechanical equipment noise to a less-than-significant levels. The plan shall also demonstrate that with the inclusion of selected measures, noise from equipment would be below the significance thresholds. Feasible noise reduction measures to reduce noise below the significance thresholds include, but are not limited to, selecting quieter equipment, utilizing silencers and acoustical equipment at vent openings, siting equipment farther from the roofline, and/or enclosing all equipment in a mechanical equipment room designed to reduce noise. This analysis shall be conducted and the results and final Noise Reduction Plan shall be provided to the City prior to the issuance of building permits for each building.

The noise analysis and Noise Reduction Plan shall be prepared by persons qualified in acoustical analysis and/or engineering. The Noise Reduction Plan shall demonstrate with reasonable certainty that noise from mechanical equipment selected for the Project, including the attenuation features incorporated into the Project design, will not exceed the City of Menlo Park's property plane threshold of 60 dBA during daytime hours or 50 dBA during nighttime hours at nearby noise-sensitive land uses, as well as the 50 dBA at 50 feet threshold that applies to rooftop equipment in the City.

The Project applicant shall incorporate all feasible methods to reduce noise identified above and other feasible recommendations from the acoustical analysis and Noise Reduction Plan into the building design and operations as necessary to ensure that noise sources meet applicable requirements of the respective noise ordinances at receiving properties.

Project Mitigation Measure NOI-1.4: Prior to approval of a building permit for each building, the Project applicant shall conduct a noise analysis to estimate noise levels from the testing of Project specific emergency generators, based on the actual generator makes and models Proposed and the actual selected attenuation features. Based on the results of the analysis, a Noise Reduction Plan shall be created to ensure noise levels of generator testing are below the applicable Code requirements. The results, methods, and final Noise Reduction Plan shall be provided to the City prior to the issuance of building permits. The analysis shall account for proposed noise attenuation features, such as specific acoustical enclosures and mufflers or silences, and the final Noise Reduction Plan shall demonstrate with reasonable certainty that proposed generator(s) will not exceed the City of Menlo Park noise thresholds of 60 dBA at the nearest noise-sensitive use during daytime hours, and/or 85 dBA at 50 feet for powered equipment, whichever is lower. Acoustical treatments may include, but are not limited to:

- Enclosing generator(s);
- Installing relatively quiet model generator(s);
- Orienting or shielding generator(s) to protect noise-sensitive receptors to the greatest extent feasible;
- Installing exhaust mufflers or silencers;

- Increasing the distance between generator(s) and noise-sensitive receptors; and/or
- Placing barriers around generator(s) to facilitate the attenuation of noise.

In addition, all Project generator(s) shall be tested only between the hours of 7:00 a.m. and 10:00 p.m. Because no nighttime testing of generators will be allowed, compliance with the 50-dB nighttime noise threshold in the City need not be demonstrated.

The Project applicant shall incorporate sufficient recommendations from the acoustical analysis into the building design and operations to ensure that noise sources meet applicable requirements of the noise ordinance.

Finding: Implementation of ConnectMenlo Mitigation Measure NOISE-1b and Project Mitigation Measures NOI-1.3 and NOI-1.4, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less than significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Construction and operational noise effects were analyzed in the ConnectMenlo EIR as Impact NOISE-1. Impacts were determined to be less than significant with application of mitigation measures as well as compliance with City General Plan goals and policies. Mechanical equipment noise from the Proposed Project's South Garage central energy plant, the North Garage central energy plant, and the Proposed Project's mixed-use parcels may exceed the daytime and nighttime thresholds outlined in the City Municipal Code, as well as the rooftop equipment noise threshold. Impacts from mechanical equipment noise at these locations would be considered significant. Mitigation Measure NOISE-1b from the ConnectMenlo EIR in combination with Project Mitigation Measure NOI-1.3, which requires acoustical analysis and preparation of a Mechanical Equipment Noise Reduction Plan, would reduce noise from Project mechanical equipment to comply with the noise limits outlined in Chapter 8.06 of the Menlo Park Municipal Code. Therefore, impacts from mechanical equipment noise would be less than significant with mitigation. In addition, generator noise from multiple Project generators would have the potential to exceed the allowable limits in the City. Because all final generator makes and models, as well as generator noise attenuation features and actual locations, have not been finalized, actual noise levels also could be louder, or quieter, than the estimated levels at the nearest sensitive land uses. Because generator noise during testing likely would be in excess of the applicable City noise limits, noise impacts from emergency generator testing would be considered significant. ConnectMenlo Mitigation Measure NOISE-1b in combination with Project Mitigation Measure NOI-1.4, which requires preparation of an Emergency Generator Noise Reduction Plan that includes effective attenuation features, would ensure noise from emergency generators during testing would comply with the noise limits outlined in Chapter 8.06 of the Menlo Park Municipal Code. Therefore, noise impacts from Project emergency generator testing would be less-than-significant with mitigation.

K. Impact CR-1: The Proposed Project would cause a substantial adverse change in the significance of a historical resource, pursuant to Section 15064.5.

Project Mitigation Measure CR-1.1: The Project Sponsor shall remove the Dumbarton Cutoff Line tracks, store them during construction of the Proposed Project, and reinstall them in their historic location without irreparable damage to their character-defining historic fabric. The Project Sponsor will prepare a preservation plan that specifies the practices to be employed to preserve the historical integrity of the tracks during their removal, storage, and reinstallation. These methods may include the following: using straps to lift rails rather than chains or other "metal on metal" methods, marking or numbering the track components so they can be replaced

in their original sequence, and ensuring secure storage onsite or in a lay-down area. Following tunnel construction, the rail segments will be returned to their preconstruction location in Willow Road on new ballast and ties or other appropriate material for the rail crossing. The preservation plan shall be reviewed and approved by the City and the San Mateo County Transit District (Samtrans) prior to the issuance of demolition permits related to construction activities within Willow Road, and the Project Sponsor will incorporate the recommended protective measures into construction specifications.

Finding: Implementation of Project Mitigation Measure CR-1.1, which is hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts related to historical resources were analyzed in the ConnectMenlo EIR as Impact CULT-1. The ConnectMenlo EIR did not identify any historical resources within the vicinity of the Project Site. However, as a result of the Proposed Project's temporary removal of a segment of track from the Dumbarton Cutoff Line (which currently crosses Willow Road) in connection with the construction of the Willow Road Tunnel, the now identified historical resource could lose a portion of the historic material that expresses the significant historic character of the Dumbarton Cutoff Linear Historic District if the material is damaged or not properly returned to its original location. This activity could discernibly alter the resource's historical integrity and the public's ability to understand its historic character, as observed from Willow Road. Therefore, the Proposed Project could constitute material impairment of the significance of the Dumbarton Cutoff Line. Implementation of Project Mitigation Measure CR-1.1 would require the Project Sponsor to remove the tracks belonging to the Dumbarton Cutoff Line in a sensitive manner, store them during construction, and reinstall them in their historic location following completion of Project construction. This measure would ensure that the resource's overall physical characteristics and extant alignment would remain intact; following the Proposed Project, the Dumbarton Cutoff Line and the historic district to which it contributes would retain all aspects of historical integrity as well as the physical characteristics that support inclusion in the National Register and California Register. With implementation of Project Mitigation Measure CR-1.1, the Dumbarton Cutoff Line and the Dumbarton Cutoff Linear Historic District would still convey their historical significance and continue to qualify as historical resources for purposes of CEQA. Impacts therefore would be less than significant with mitigation

L. Impact CR-2: The Proposed Project would cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5.

Modified ConnectMenlo Mitigation Measure CULT-2a:

- If a potentially significant subsurface cultural resource is encountered during ground-disturbing activities on any parcel in the city, all construction activities within a 100-foot radius of the find shall cease until a qualified archeologist determines whether the resource requires further study. In addition, if a potentially significant subsurface cultural resource is encountered during ground-disturbing activities within the California Department of Transportation (Caltrans) right-of-way, the Caltrans District 4 Office of Cultural shall be immediately contacted at (510) 847-1977. All developers in the Study Area shall include a standard inadvertent discovery clause in every construction contract to inform contractors of these requirements. Any previously undiscovered resources found during construction activities shall be recorded on appropriate DPR forms and evaluated for significance in terms of CEQA criteria by a qualified archeologist in accordance with Project Mitigation Measure TCR-1.2.

Project Mitigation Measure TCR-1.1: Implement Project Mitigation Measure TCR-1.1, below.

Project Mitigation Measure TCR-1.2: Implement Project Mitigation Measure TCR-1.2, below.

Finding: Implementation of Project Mitigation Measures TCR-1.1 and TCR-1.2 as well as Modified ConnectMenlo Mitigation Measure CULT-2a, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less than significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts related to archeological resources were analyzed in the ConnectMenlo EIR as Impact CULT-2. It was determined that impacts would be less than significant with implementation of ConnectMenlo Mitigation Measures CULT-2a and CULT-2b. Project-related ground disturbance would have the potential to disturb both known and as-yet undocumented archaeological deposits associated with CA-SMA-160/H and other archeological resources. Compliance with federal, state, and local laws and regulations, including applicable ConnectMenlo EIR mitigation measures, City General Plan goals and policies, and Project-specific mitigation measures, would protect significant archaeological resources within the Project Site by providing archaeological resources sensitivity training to workers; ensuring preservation in place or, if infeasible, archaeological data recovery when significant archaeological resources are encountered and cannot be avoided; and allowing early detection of potential conflicts between development and resources. The Proposed Project has implemented ConnectMenlo Mitigation Measure CULT-1 by completing the site-specific historical and archeological resource studies referenced in the Draft Project EIR. The Proposed Project would implement ConnectMenlo Mitigation Measure CULT-2a, as modified to avoid redundancy with Project-specific mitigation, if a potentially significant subsurface cultural resource is encountered during ground-disturbing activities. In addition, the Project Sponsor would implement Project Mitigation Measures TCR-1.1 and TCR-1.2, which would reduce impacts on CA-SMA-160/H and unknown archeological resources to a less than significant level. These measures would be implemented on the main Project Site. ConnectMenlo Mitigation Measure CULT-2a (as modified) and Project Mitigation Measure TCR-1.2 apply to Hamilton Avenue Parcels North and South and the Willow Road Tunnel site, areas where Project-related ground disturbance would have the potential to affect elements of CA-SMA-160/H and unknown archaeological resources. Impacts on archaeological resources would be less than significant with mitigation.

M. Impact CR-3: The Proposed Project could disturb human remains, including those interred outside of dedicated cemeteries.

Project Mitigation Measure TCR-1.1: Implement Project Mitigation Measure TCR-1.1, below.

Project Mitigation Measure TCR-1.2: Implement Project Mitigation Measure TCR-1.2, below.

Project Mitigation Measure TCR-2.1: Implement Project Mitigation Measure TCR-2.1, below.

ConnectMenlo Mitigation Measure CULT-4: Implement ConnectMenlo Mitigation Measure CULT-4, below. Finding: Implementation of Project Mitigation Measures TCR-1.1, TCR-1.2, and TCR-2.1 as well as Modified ConnectMenlo Mitigation Measure CULT-4, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less than significant level. (CEQA Guidelines Section 15091(a)(1).)



Facts in Support of Finding: Impacts related to human remains were analyzed in the ConnectMenlo EIR as Impact CULT-4, which found that impacts would be less than significant with implementation of ConnectMenlo Mitigation Measure CULT-4. Here, Native American human remains could be exposed and disturbed during ground-disturbing activities at the Project Site. An archaeological and tribal cultural resource was identified within the main Project Site. This resource has the potential to contain human remains interred outside of dedicated cemeteries. Excavation activities associated with the Proposed Project would not affect any known reburial locations; however, previously undocumented Native American burials could be affected by ground-disturbing construction due to their location within areas proposed for subsurface improvements. This impact could be potentially significant. The Proposed Project would implement ConnectMenlo Mitigation Measure CULT-4, as modified, based on the Project's cultural resources assessment report, if human remains are encountered at the Project Site during ground-disturbing activities. The Project Sponsor also would implement Project Mitigation Measures TCR 1.1 and TCR 1.2 within the main Project Site, given the presence of CA-SMA-160/H. Project Mitigation Measures TCR 1.1 and TCR 1.2 include measures to avoid or minimize ground-disturbing excavation near CA-SMA-160/H, to the extent feasible, and preparation of a monitoring and treatment plan that details the appropriate procedure if remains are encountered. Project Mitigation Measure TCR-2.1 requires avoidance and preservation in place of existing known reburials. With implementation of mitigation, the Proposed Project's impact on human remains would be less than significant.

N. Impact BIO-2: The Proposed Project would result in substantial predation among special-status bird and mammal species that breed in the nearby brackish marshes and may forage, in the case of special-status birds, in the Project area.

Project Mitigation Measure BIO-2.1: The Project Sponsor shall implement a feral cat management program, similar to the program developed in conjunction with the Peninsula Humane Society and the Society for the Prevention of Cruelty to Animals for the East Campus in 2013. Prior to the program being implemented, the program developer shall coordinate with local humane societies and animal service centers to identify facilities able to take cats. The program coordinator shall coordinate with facilities receiving cats to ensure that efforts are made to attempt to reunite any inadvertently trapped pet with its owners.

For one week every 3 months (i.e., each quarter), three live trap cages, designed to trap domestic cats, shall be placed around the perimeter of the main Project Site in locations where feral cats are likely to prey upon native wildlife species. The traps shall be deployed and maintained by a qualified trapping professional (such as an animal management company or other trained and experienced animal or wildlife professional). The duration of traps shall be coordinated with the specified intake facility so that the facility is prepared and open to receive trapped cats.

Each trap cage shall be closely monitored and maintained on a daily basis during the week when traps have been set to determine whether a feral cat has been caught and whether the trap has inadvertently captured a non-target species (e.g., pet cat or wildlife). Traps shall not be deployed during extreme weather (e.g., heat, cold, rain). Traps shall contain water and be at least partially covered where feasible to attempt to reduce stress of trapped animals.

If a cat is caught, the qualified professional shall transport the trapped cat as soon as practicable to the local humane society or animal service center that accepts trapped cats. If an animal other than a feral cat is caught in one of the traps, such as a suspected pet cat (e.g., cat with a collar) or wildlife, it shall be released immediately at the trap location.

Because there are residences within and adjacent to the Project Site and the area where the Feral Cat Management Program will take place, efforts will be taken to ensure that residences are aware of the program to avoid inadvertent trapping and removal of pet cats. Visible signage shall be installed a week in advance of trapping and shall remain installed for the duration of trapping. The signs will have contact information should residents have questions or concerns.

Finding: Implementation of Project Mitigation Measure BIO-2.1, which is hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts related to special-status species or the inadvertent loss of bird nests in active use were analyzed in the ConnectMenlo EIR as Impact BIO-1 and found to be less-than-significant with mitigation. The impact could be potentially significant because special-status species have the potential for occurrence in the remaining undeveloped lands in the Bayfront Area and, much more infrequently, in the semi-natural portions of the City where construction with future development allowed under the General Plan could occur.

Feral cat populations have been observed at the main Project Site, which increases predation of local animal populations, including special-status species. Implementation of the Proposed Project has the potential to result in an increase in the feral cat population. The influx of residents and their pets, or the establishment of new feral cat feeding stations by residents and workers, would also increase the feral cat population on the main Project Site. In addition, Willow Road Tunnel would provide direct access to the West Campus and a connection to the undercrossing below Bayfront Expressway that links the Bay Trail and the Meta Campuses, both East and West. Willow Road Tunnel could increase feral cat movement in the Project area; it could also increase access to the Baylands north of the Project Site where special-status species are known to be present. Offsite improvements at the PG&E Ravenswood substation, other utility improvements, and intersection roadway improvements would not facilitate increased predation of special-status species. Feral cats could access the main Project Site via the new Elevated Park or Willow Road Tunnel, allowing them to cross Willow Road and the Dumbarton Rail Corridor. Migration is most conceivable at night when traffic is reduced and mammalian predators are less likely to be injured or killed by cars; however, predators can already cross this area at street level. Therefore, indirect impacts on special-status species would be potentially significant. Implementation of Project Mitigation Measure BIO-2.1, which would require implementation of a feral cat management program, would reduce impacts to less than significant with mitigation.

O. Impact BIO-3: Project demolition and construction would affect riparian and other sensitive natural communities.

Project Mitigation Measure BIO-3.1: To the extent feasible, construction activities should avoid or minimize the removal of wetland vegetation or the placement of fill in the wetlands immediately north and northeast of the Project Site. If all direct impacts on wetlands (i.e., vegetation removal, loss, and fill) are avoided, Mitigation Measures BIO-3.2 and BIO-3.3 would not need to be implemented. However, if any wetland vegetation needs to be removed from the wetlands, or any fill needs to be placed in the wetlands, or post-construction conditions result in vegetation loss, Mitigation Measure BIO-3.2 (and Mitigation Measure BIO-3.3 if permanent impacts would occur) shall be implemented.

Project Mitigation Measure BIO-3.2: If impacts on the wetlands immediately north of the Project Site are temporary, resulting in vegetation removal or temporary fill within the wetland but no

permanent fill, then the wetland area shall be restored by the Project Sponsor following construction. The herbaceous seasonal wetlands are likely to become recolonized easily without the need for seeding and planting as long as their existing hydrology and topography are restored following temporary impacts. There is some potential for the arroyo willow clumps in the isolated forested wetland to regrow from cut stumps. In such a case, the in-situ restoration shall involve simply protecting the area with exclusion fencing following construction to allow for regrowth of vegetation.

For temporary impacts involving removed willow root masses where in situ restoration is still an option, a more detailed restoration plan shall be developed. The mitigation shall, at a minimum, achieve no net loss of wetland acreage (i.e., jurisdictional wetlands lost to fill shall be replaced through the creation or restoration of wetland habitat of the same type as the affected habitat [either forested or herbaceous seasonal] at a minimum ratio of 1:1 on an acreage basis or as otherwise required by any state or federal permitting agencies) or ecological functions and values through the restoration and enhancement of the affected wetlands to a level equal to or greater than the baseline condition of the existing wetlands. An in-situ restoration approach could involve salvaging wetland plant material prior to construction (e.g., willow cuttings or willow clumps, in the case of the isolated forested wetland) and then replanting the material if the seasonal timing of construction is appropriate. USACE and/or RWQCB approvals may be required to authorize temporary impacts on these features.

Project Mitigation Measure BIO-3.3: If any permanent fill or permanent loss of the isolated forested wetland or the herbaceous seasonal wetlands occurs, the Project Sponsor shall provide new wetland habitat of the same type (either forested or herbaceous seasonal) to offset this impact, either through the creation, enhancement, or restoration of wetlands in an appropriate location or through the purchase of mitigation credits from a USACE- or RWQCB-approved wetland mitigation bank. The purchase of such credits shall serve as full mitigation for impacts on these wetland features.<sup>3</sup> If Project-specific creation, enhancement, or restoration of wetland habitat is implemented, habitat shall be restored or created at a minimum ratio of 2:1 (compensation: impact) on an acreage basis or as otherwise required by any state or federal permitting agencies. This ratio is not higher because of the relatively low quality of the wetlands on the Project Site relative to the more extensive, less fragmented wetlands elsewhere in the region, and it is not lower because of the temporal loss of wetland functions and values that would result from the lag between impacts on the wetlands and maturation of the mitigation habitat. USACE and/or RWQCB approvals may be required to authorize permanent impacts on this feature.

To the extent that compensatory mitigation is not provided by purchasing mitigation credits from a USACE- or RWQCB approved wetland mitigation bank, then, if feasible, compensation shall be provided by creating, enhancing, or restoring wetland habitat so as to achieve the 2:1 ratio somewhere in San Mateo County or as otherwise required by any state or federal permitting agencies. A qualified biologist shall develop a wetland mitigation and monitoring plan that describes the mitigation, including the following components (or as otherwise modified by regulatory agency permitting conditions):

- Summary of habitat impacts and Proposed mitigation ratios;
- Goal of the restoration to achieve no net loss of habitat functions and values;
- Location of mitigation site(s) and description of existing site conditions;

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<sup>3</sup> Refer to U.S. Army Corps of Engineers 33 CFR Part 325 and State Water Resources Control Board's *State Wetland Definition and Procedures for Discharges of Dredged or Fill Material to Waters of the State* (April 2, 2019), pages 28 and 29.

- Mitigation design:
  - Existing and Proposed site hydrology;
  - Grading plan, if appropriate, including bank stabilization or other site stabilization features;
  - Soil amendments and other site preparation elements, as appropriate;
  - Planting plan;
  - Irrigation and maintenance plan;
  - Remedial measures and adaptive management; and
  - Monitoring plan, including final and performance criteria, monitoring methods, data analysis, reporting requirements, and monitoring schedule. Success criteria shall include quantifiable measurements of wetland vegetation type (e.g., dominance by natives), the appropriate extent for the restoration location, and the provision of ecological functions and values equal to or exceeding those in the affected wetland habitat. At a minimum, success criteria shall include following:
    - At Year 5 post-mitigation, at least 75 percent of the mitigation site shall be dominated by native hydrophytic vegetation.

The wetland mitigation and monitoring plan must be approved by the City and other applicable agencies prior to the wetland impacts and must be implemented within 1 year after the discharge of fill into wetland features. Alternately, offsite mitigation could be provided through the purchase of mitigation credits at an agency-approved mitigation bank, as noted above.

Finding: Implementation of Project Mitigation Measures BIO-3.1, BIO-3.2, and BIO-3.3, which are hereby adopted and incorporated into the Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts related to the loss of coastal salt marsh vegetation in the Baylands and possibly areas of riparian scrub and woodland along San Francisquito Creek and other drainages in the area were analyzed in the ConnectMenlo EIR as Impact BIO-2 and found to be less than significant with mitigation incorporated. There are wetlands outside the boundary of the main Project Site and Hamilton Avenue Parcels North and South, and it is possible that these features may be affected, either temporarily or permanently, during Project grading. Construction of a bicycle/pedestrian path along the northern edge of the main Project Site would require soil excavated from basement construction to be brought in to elevate the site. Although a retaining wall, ranging from 2 to 7 feet in height, is proposed to support the path, some vegetation clearing, as well as fill, within the wetlands (or portions of the wetlands) may occur. As a result, it is possible that the entire 0.07-acre isolated forested wetland (as well as an additional 0.13-acre area where the canopy of willows extends outside the 0.07-acre forested wetland footprint within which the willows are rooted) and the 0.07-acre herbaceous seasonal wetlands may be lost because of fill. Even if the wetlands are not permanently affected, temporary impacts on wetlands may occur because of construction access, potentially resulting in degradation of wetland vegetation or hydrology. Owing to the scarcity of forested wetlands along the edge of the Bay and the decline in seasonal wetlands in the region, this impact would be potentially significant. Implementation of Project Mitigation Measures BIO-3.1, BIO-3.2, and BIO-3.3, which provide for avoidance and minimization of impacts, as possible, as well as restoration and compensatory mitigation, as needed, would reduce this impact to less than significant with mitigation.

P. Impact BIO-4: Project demolition and construction could affect state and/or federally protected wetlands.

Project Mitigation Measure BIO-3.1: Implement Project Mitigation Measure BIO-3.1, above.

Project Mitigation Measure BIO-3.2: Implement Project Mitigation Measure BIO-3.2, above.

Project Mitigation Measure BIO-3.3: Implement Project Mitigation Measure BIO-3.3, above.

Finding: Implementation of Project Mitigation Measures BIO-3.1, BIO-3.2, and BIO-3.3, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts related to the loss of wetland habitat in the area were analyzed in the ConnectMenlo EIR as Impact BIO-3 and found to be less than significant with mitigation. As discussed in Impact BIO-3, above, the Proposed Project could affect a portion of the isolated forested wetland and herbaceous seasonal wetland along the northern edge of the main Project Site and Hamilton Avenue Parcel North during grading. As discussed in Impact BIO-3, above, implementation of Project Mitigation Measures BIO-3.1, BIO-3.2, and BIO-3.3, outlined in Impact BIO-3, above, would reduce this impact to less than significant with mitigation.

Q. Impact BIO-5: The removal of buildings, trees, shrubs, or woody vegetation and the construction of new buildings and installation of lighting that could affect native migratory birds.

Project Mitigation Measure BIO-5.1: The Project Sponsor shall implement the following measures to reduce impacts on nesting migratory birds:

- To the extent feasible, construction activities shall be scheduled to avoid the nesting season. If construction activities are scheduled to take place outside the nesting season, all impacts on nesting birds protected under the MBTA and California Fish and Game Code will be avoided. The nesting season for most birds in San Mateo County extends from February 1 through August 31.
- If it is not possible to schedule construction activities between September 1 and January 31, then preconstruction surveys for nesting birds shall be conducted by a qualified ornithologist to ensure that no nests of migratory birds will be disturbed during Project implementation. Surveys shall be conducted no more than 7 days prior to the initiation of construction activities for each construction phase. During this survey, the ornithologist shall inspect all trees and other potential nesting habitats (e.g., trees, shrubs, California annual grasslands, buildings) in and immediately adjacent to the impact areas for migratory bird nests.
- If an active nest is found within trees or other potential nesting habitats that would be disturbed by construction activities, a construction-free buffer zone (typically 300 feet for raptors and 100 feet for other species) will be established around the nest to ensure that species that are protected under the MBTA and California Fish and Game Code will not be disturbed during Project implementation. The ornithologist shall determine the extent of the buffer.
- If construction activities will not be initiated until after the start of the nesting season, all potential nesting substrates (e.g., bushes, trees, grasses, and other vegetation) that are scheduled to be removed by the Proposed Project may be removed prior to the start of the nesting season (i.e., prior to February 1). This would preclude the initiation of nests in this vegetation and prevent any potential delay for the Proposed Project because of the presence of active nests in these substrates.

Project Mitigation Measure BIO-5.2: The Project Sponsor shall implement the following measures to reduce impacts on migratory birds due to construction of the atrium:

- The Project Sponsor shall treat 100 percent of the glazing on the dome-shaped portions of the atrium’s façades (i.e., all areas of the north façade and all areas of the south façade above the Elevated Park) with a bird-safe glazing treatment to reduce the frequency of collisions. This glazing shall have a Threat Factor of 15 or less.<sup>4</sup> Because a Threat Factor is a nonlinear index, its value is not equivalent to the percent reduction in collisions that a glazing product provides. However, products with lower Threat Factors result in fewer bird collisions.
- The Project Sponsor shall treat 100 percent of the glazing on the atrium’s east and west façades with a bird-safe glazing treatment to reduce the frequency of collisions. This glazing shall have a Threat Factor of 15 or less.
- Interior trees and woody shrubs shall be set back from the atrium’s east, west, and non-sloped (i.e., vertical/perpendicular to the ground) portions of the south façades by at least 50 feet to reduce the potential for collisions with these facades due to the visibility of interior trees. This 50-foot distance is greater than the distance used in the project design for the north and sloped portions of the south facades (e.g., 20-25 feet for the north façade) due to the vertical nature of the east, west, and non-sloped portion of the south façades, as opposed to the articulated nature of the north and sloped portions of the south façades (which is expected to reduce the visibility of internal vegetation to some extent), as well as the direct line-of-sight views between interior and exterior vegetation through the east, west, and non-sloped portions of the south façades compared to the north façade (where internal vegetation is elevated above exterior vegetation). Interior trees and shrubs that are not visible through the east, west, and south façades may be planted closer than 50 feet to glass façades.
- Because the glass production process can result in substantial variations in the effectiveness of bird-safe glazing, a qualified biologist will review physical samples of all glazing to be used on the atrium to confirm that the bird-safe frit will be visible to birds under various lighting conditions and expected to be effective.
- The Project Sponsor shall monitor bird collisions around the atrium for a minimum of 2 years following construction to identify any collision “hot spots” (i.e., areas where collisions occur repeatedly). A monitoring plan for the atrium shall be developed by a qualified biologist and shall include focused surveys for bird collisions from late April through May (spring migration), September through October (fall migration), and mid-November through mid-January (winter) to maximize the possibility of detecting bird collisions that might occur. Surveys of the atrium shall be conducted daily for 3 weeks during each of these periods (i.e., 21 consecutive days during each season, for a total of 63 surveys per year). In addition, for the 2-year monitoring period, surveys of the atrium shall be conducted the day following nighttime events during which temporary lighting exceed would typical levels (i.e., levels specified in the International Dark-Sky Association’s defined lighting zone, LZ-2 [Moderate Ambient], from dusk until 10:00 p.m., or 30 percent below these levels from 10:00 p.m. to midnight). The applicant can assign responsibility for tracking events and notifying the biologist when a survey is needed to a designated individual who is involved in the

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<sup>4</sup> A material’s Threat Factor, as assigned by the American Bird Conservancy, refers to the level of danger posed to birds, based on the birds’ ability to perceive the material as an obstruction, as tested using a “tunnel” protocol (a standardized test that uses wild birds to determine the relative effectiveness of various products at deterring bird collisions). The higher the Threat Factor, the greater the risk that collisions will occur. An opaque material will have a Threat Factor of 0, and a completely transparent material will have a Threat Factor of 100. Threat Factors for many commercially available façade materials can be found at <https://abcbirds.org/wp-content/uploads/2021/01/Masterspreadsheet-1-25-2021.xlsx>.

planning and scheduling of atrium events. The timing of the 63 seasonal surveys (e.g., morning or afternoon) shall vary on the different days to the extent feasible; surveys conducted specifically to follow nighttime events shall be conducted in the early morning.

- At a frequency of no less than every 6 months, a qualified biologist shall review the bird collision data for the atrium in consultation with the City to determine whether any potential hot spots are present (i.e., if collisions have occurred repeatedly at the same location). A “*potential hot spot*” is defined as a cluster of three or more collisions that occur within one of the 3-week monitoring periods described above at a given location on the atrium. The “*location*” shall be identified by the qualified biologist as makes sense for the observed collision pattern, and may consist of a single pane of glass, an area of glass adjacent to a landscape tree or light fixture, the 8,990-square-foot vertical façade beneath the Elevated Park, the façade adjacent to the vegetation at the Elevated Park, the atrium’s east façade, the atrium’s west façade, or another defined area where the collision pattern is observed. The definition of location shall be based on observations of collision patterns and the architectural, lighting, and/or landscape features that contributed to the collisions and not arbitrarily determined (e.g., by assigning random grids). If any such potential hot spots are found, the qualified biologist shall provide an opinion as to whether the potential hot spots will affect bird populations over the long term to the point that additional measures (e.g., light adjustments, planting of vegetation) will be needed to reduce the frequency of bird strikes at the hot spot location in order to reduce impacts to a less-than-significant level under CEQA (i.e., whether it constitutes an actual “hotspot”). This determination shall be based on the number of birds and the species of birds that collide with the atrium over the monitoring period. In addition, a “hotspot” is automatically defined if a cluster of five or more collisions are identified at a given “location” on the atrium within one of the three-week monitoring periods described above. If a hotspot is identified, additional measures will be implemented at the potential hotspot location at the atrium; these may include one or more of the following options in the area of the hotspot depending on the cause of the collisions:
  - Adding a visible bird-safe frit pattern, netting, exterior screens, art, printed sheets, interior shades, grilles, shutters, exterior shades, or other features to untreated glazing (i.e., on the façade below the Elevated Park) to help birds recognize the façade as a solid structure.
  - Installing interior or exterior blinds on buildings within the atrium to prevent light from spilling outward through glazed facades at night.
  - Reducing lighting by dimming fixtures, redirecting fixtures, turning lights off, and/or adjusting the programmed timing for dimming/shutoff.
  - Replacing certain light fixtures with new fixtures to increase shielding or redirect lighting.
  - Adjusting or reducing lighting during events.
  - Adjusting the timing of events to reduce the frequency during certain times of year (e.g., spring and/or fall migration) when relatively high numbers of collisions occur.
  - Adjusting landscape vegetation by removing, trimming, or relocating trees or other plants (e.g., moving them farther from glass) or blocking birds’ views of vegetation through glazing (e.g., using a screen or other opaque feature).
  - If modifications to the atrium are implemented to reduce collisions at a hot spot, 1 year of subsequent focused monitoring of the hot-spot location shall be performed to confirm that the modifications effectively reduced bird collisions to a less-than-significant level under CEQA. In the event that a hot-spot is detected at a time when there is less than one year remaining of the initial 2-year monitoring period, then this one year of subsequent monitoring of that hot-spot would extend beyond the 2-year monitoring period described above.

Project Mitigation Measure BIO-5.3: The Project Sponsor shall prepare a lighting design plan that incorporates and implements the following measures to reduce lighting impacts on migratory birds. Prior to implementation of the lighting design plan, a qualified biologist shall review the final lighting design plan to confirm that the required measures are incorporated:

- To the maximum extent feasible, up-lighting (i.e., lighting that projects upward above the fixture) shall be avoided in the Project design. All lighting shall be fully shielded to prevent illumination from shining upward above the fixture. If up-lighting cannot be avoided in the Project design, up-lights shall be shielded and/or directed such that no luminance projects above/beyond the objects at which they are directed (e.g., trees and buildings) and no light shines directly into the eyes of a bird flying above the object. If the objects themselves can be used to shield the lights from the sky beyond, no substantial adverse effects on migrating birds are anticipated.
- All lighting shall be fully shielded to prevent it from shining outward and toward Bay habitats to the north. No light trespass shall be permitted more than 80 feet beyond the Project Site's northern property line (i.e., beyond the Dumbarton Rail Corridor).
- With respect to exterior lighting in the northern portion of the Project Site (i.e., areas north of Main Street and Office Buildings 03 and 05 surrounding the hotel, Town Square retail pavilion, Office Building 04, event building, and North Garage), and with respect to interior portions of the atrium, exterior lighting shall be minimized (i.e., outdoor lumens shall be reduced by at least 30 percent, or extinguished, consistent with recommendations from the International Dark-Sky Association [2011]) from 10:00 p.m. until sunrise, except as needed for safety and compliance with Menlo Park Municipal Code. With respect to Office Buildings 01, 02, 03, 05, and 06, South Garage, and the residential/mixed-use buildings, exterior lighting shall be minimized (i.e., total outdoor lighting lumens shall be reduced by at least 30 percent or extinguished, consistent with recommendations from the International Dark-Sky Association [2011]) from midnight until sunrise, except as needed for safety and City code compliance.
- Temporary lighting that exceeds minimal site lighting requirements may be used for nighttime social events. This lighting shall be switched off no later than midnight. No exterior up-lighting (i.e., lighting that projects upward above the fixture, including spotlights) shall be used during events.
- Lights shall be shielded and directed so as not to spill outward from the elevator/stair towers and into adjacent areas.
- Interior or exterior blinds shall be programmed to close on north-facing windows of buildings within the atrium from 10:00 p.m. to sunrise to prevent light from spilling outward.
- Accent lighting with the atrium shall not be used to illuminate trees or vegetation. Alternatively, the applicant shall provide documentation to the satisfaction of a qualified biologist that the illumination of vegetation and/or structures within the atrium by accent lighting and/or up-lighting will not make these features more conspicuous to the human eye from any elevation outside the atrium compared to ambient conditions within the atrium. The biologist shall submit a report to the City following completion of the lighting design, documenting compliance with this requirement.

Finding: Implementation of Project Mitigation Measures BIO-5.1, BIO-5.2, and BIO-5.3, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts related to the movement of fish and wildlife, wildlife corridors, or wildlife nursery sites in the area were analyzed in the ConnectMenlo EIR as Impact BIO-4 and found to be less than significant with mitigation incorporated. The Proposed Project



would incorporate trees, shrubs, and forbs into the landscape design, which would provide some food and structural resources for the common, urban-adapted birds of the area as well as migrants that may use the area during spring and fall migration. If the Proposed Project is implemented during the nesting season (February 1 to September 14), tree and shrub removal could result in the direct mortality of adult or young birds, the destruction of active nests, or disturbance of nesting adults, causing nest abandonment and/or loss of reproductive effort. Any disturbance of nesting birds that results in the abandonment of active nests or the loss of active nests through vegetation or structure removal would be a potentially significant impact. In addition, the proposed buildings at the main Project Site could result in avian collision risks, as discussed in the Willow Village Master Plan Bird-Safe Design Assessment prepared by H.T. Harvey & Associates. Birds at the main Project Site could also be affected by new buildings and other structures with significant glass façades. The Proposed Project would also be required to comply with the City's bird-safe design requirements, which would further reduce the risk of avian collisions on the main Project Site. Through incorporation of bird-friendly Project features, compliance with City requirements, and preparation of final architectural control plans, as required by the Conditional Development Permit (CDP) for the Proposed Project, impacts related to bird collisions with buildings and other structures would be less than significant. The only exception to this would be at the atrium. Because of the unique design of the atrium, bird-friendly Project features and compliance with City bird-safe design requirements required by the CDP would not reduce collision risks enough to avoid significant impacts under CEQA. Therefore, impacts would be potentially significant. Construction of the Proposed Project also would create new sources of light, which would emanate from fixtures for illuminating buildings, building architectural lighting, pedestrian lighting, and artistic lighting. Light from the Project Site has some potential to attract and/or disorient birds, especially during inclement weather when nocturnally migrating birds descend to lower altitudes. As a result, some birds flying along the Bay at night may be attracted to the site and/or disoriented by the light, potentially causing them to collide with buildings. Certain migrant birds that use structures for roosting and foraging (e.g., swifts and swallows) could be vulnerable to collisions if they perceive illuminated building interiors as potential roosting habitat and attempt to enter the buildings through glass walls. Similarly, migrant and resident birds would be vulnerable to collisions if they perceive illuminated vegetation within buildings as potential habitat and attempt to enter through glass walls. Impacts on birds within the Project Vicinity due to artificial lights would be potentially significant. Implementation of Project Mitigation Measures BIO-5.1, BIO-5.2, and BIO-5.3, which address impacts to nesting migratory birds and lighting impacts on migratory birds, would ensure that Project impacts on migratory birds would be less than significant with mitigation.

R. Impact BIO-6: The Project would result in conflicts with the Menlo Park Municipal Code.

Project Mitigation Measure BIO-2.1: Implement Project Mitigation Measure BIO-2.1, above.

Project Mitigation Measure BIO-3.1: Implement Project Mitigation Measure BIO-3.1, above.

Project Mitigation Measure BIO-3.2: Implement Project Mitigation Measure BIO-3.2, above.

Project Mitigation Measure BIO-3.3: Implement Project Mitigation Measure BIO-3.3, above.

Project Mitigation Measure BIO-5.2: Implement Project Mitigation Measure BIO-5.2, above.

Finding: Implementation of Project Mitigation Measures BIO-2.1, BIO-3.1, BIO-3.2, BIO-3.3, and BIO-5.2, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less than significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts related to conflicts with local policies and ordinances for the area were analyzed in the ConnectMenlo EIR as Impact BIO-5 and found to be less than significant because the General Plan is the overriding planning document for the City and the proposed amendments analyzed under the ConnectMenlo EIR would ensure internal consistency between the General Plan and the Zoning Ordinance. Furthermore, with adherence to General Plan goals, policies, and programs in the Land Use and Open Space/Conservation, Noise, and Safety Elements and the City's Tree Preservation Ordinance, in combination with Municipal Code Chapters 12.44, Water-Efficient Landscaping, and 13.24, Heritage Trees, as well as federal and state laws, no conflicts with local plans and policies were anticipated, and impacts were determined to be less than significant.

Compliance with the bird-friendly design requirements of the Menlo Park Municipal Code, with appropriate waivers, would reduce the number of bird collisions with proposed buildings. However, because of the unique design of the atrium, bird-friendly Project features and compliance with City bird-safe design requirements required by the CDP would not reduce collision risks enough to avoid significant impacts under CEQA. However, with implementation of Project Mitigation Measure BIO-5.2, which sets forth atrium bird-safe design requirements, Project impacts due to bird collisions at the atrium would be less than significant with mitigation. Provided that the Proposed Project incorporates the mitigation measures described in the EIR, the Proposed Project would not conflict with City General Plan Policy OSC1.3, which sets forth certain requirements relating to sensitive habitats, including preparation of baseline biological resources reports, consultation with appropriate regulatory and resource agencies, incorporation of avoidance and minimization measures, and receipt of needed permits/authorizations. The Master Plan Biological Resources Assessment (Master Plan BRA) and the Tunnel Biological Resources Assessment (Tunnel BRA) represent compliance with ConnectMenlo Mitigation Measure BIO-1 by providing all information required by that mitigation measure for a biological resources assessment. Therefore, impacts would be less than significant with mitigation.

S. Impact C-BIO-1: Cumulative development would not result in a significant cumulative impact on biological resources, and the Proposed Project would not be a cumulatively considerable contributor to such a cumulative impact.

ConnectMenlo Mitigation Measure BIO-1: As part of the discretionary review process for development projects, new construction and building additions, regardless of size, in addition to appropriate CEQA review, the City shall require all project applicants to prepare and submit project-specific baseline biological resources assessments (BRA) if the project would occur on or adjacent to a parcel containing natural habitat with features such as mature and native trees, unused structures that could support special-status species, other sensitive biological resources, and/or active nests of common birds protected under Migratory Bird Treaty Act (MBTA). Sensitive biological resources triggering the need for the baseline BRA shall include: wetlands, occurrences or suitable habitat for special-status species, sensitive natural communities, and important movement corridors for wildlife such as creek corridors and shorelines.

The baseline BRA shall be prepared by a qualified biologist.

The baseline BRA shall provide a determination on whether any sensitive biological resources are present on the site, including jurisdictional wetlands and waters, essential habitat for special-status species, and sensitive natural communities. If jurisdictional wetlands and/or waters are suspected to be present on the site, a jurisdictional delineation confirmed by the U.S. Army Corps of Engineers (USACE) will be provided as part of the baseline BRA.

The baseline BRA shall also include consideration of possible sensitive biological resources on any adjacent undeveloped lands that could be affected by the project and lands of the Don Edwards San Francisco Bay National Wildlife Refuge (Refuge).

The baseline BRA shall incorporate guidance from relevant regional conservation plans, including, but not limited to, the then current Don Edwards San Francisco Bay National Wildlife Refuge Comprehensive Conservation Plan, South Bay Salt Pond Restoration Project, Tidal Marsh Recovery Plan and the USFWS Recovery Plan for the Pacific Coast Population of the Western Snowy Plover, for determining the potential presence or absence of sensitive biological resources, however, the presence or absence of sensitive biological resources will be determined by on-site surveys. If the adjacent property is the Refuge, Refuge staff shall be contacted regarding the presence or absence of sensitive biological resources.

If sensitive biological resources are determined to be present on the site or may be present on any adjacent parcel containing natural habitat, coordination with the appropriate regulatory and resource agencies must occur. Appropriate measures, such as preconstruction surveys, establishing no-disturbance zones and restrictive time periods during construction, protective development setbacks and restrictions, and applying bird-safe building design practices and materials, shall be developed by the qualified biologist in consultations with the regulatory and resource agencies to provide adequate avoidance, or provide compensatory mitigation if avoidance is infeasible. With respect to fully protected species, if the BRA for any development project determines that any of the following Fully Protected Species are present, then neither take of such species will be permitted nor will mitigation measures including species collection or relocation. The Fully Protected Species include American Peregrine Falcon (*Falco peregrinus anatum*), California Black Rail (*Laterallus jamaicensis coturniculus*), California Clapper Rail – Ridgway's Rail (*Rallus longirostris obsoletus*), California Least Tern (*Sterna albifrons browni*), White-tail Kite (*Elanus leucurus*), Saltmarsh harvest mouse (*Reithrodontomys raviventris*), and San Francisco garter snake (*Thamnophis sirtalis tetrataenia*).

The qualified biologist shall consult with the Refuge management and, where appropriate, the Endangered Species Office of the U.S. Fish and Wildlife Service (USFWS), the National Marine Fisheries Service (NMFS), and California Department of Fish and Wildlife (CDFW) for determining the potential presence or absence of sensitive biological resources and appropriate avoidance or compensatory mitigation measures, if required.

Where jurisdictional waters or federally and/or State-listed special-status species would be affected, appropriate authorizations, i.e. the USACE, San Francisco Bay Regional Water Quality Control Board (RWQCB), San Francisco Bay Conservation and Development Commission (BCDC), USFWS, NMFS, Refuge and CDFW, shall be obtained by the project applicant, and evidence of such authorization provided to the City prior to issuance of grading or other construction permits.

For sites that are adjacent to undeveloped lands with federally and/or State-listed special status species, or sensitive habitats, or lands of the Refuge, the BRA shall include evaluation of the potential effects of:

- additional light,
- glare,
- shading (i.e. shadow analysis),
- noise,
- urban runoff,

- water flow disruption,
- water quality degradation/sedimentation,
- attraction of nuisance species/predators (e.g. attraction of refuse) and their abatement (e.g. adverse impacts of rodenticides), and
- pesticides

generated by the project, as well as the possibility for increased activity from humans and/or domesticated pets and their effects on the nearby natural habitats. The BRA shall include proposed avoidance, minimization and mitigation of these adverse impacts.

The City of Menlo Park Planning Division may require an independent peer review of the adequacy of the baseline BRA as part of the review of the project to confirm its adequacy. Mitigation measures identified in the project-specific BRA shall be incorporated as a component of a proposed project and subsequent building permit, subject to the review and approval of the Community Development Department and the appropriate regulatory and resource agencies.

The following zoning regulations enacted by ordinances (including, but not limited to, 16.43 O-Office District, 16.43.080 Corporate housing, 16.43.140 Green and sustainable building; 16.44 LS-Life Science District, 16.44.130 Green and sustainable building) to minimize impacts to biological resources are incorporated by reference into this mitigation measure and shall be a component of the project building permits:

1. Setbacks (A) Minimum of two hundred (200) feet from the waterfront; waterfront is defined as the top of the levee.
2. Waterfront and Environmental Considerations. The following provisions are applicable when the property is adjacent to the waterfront or other sensitive habitat.
  - a. Non-emergency lighting shall be limited to the minimum necessary to meet safety requirements and shall provide shielding and reflectors to minimize light spill and glare and shall not directly illuminate sensitive habitat areas. Incorporate timing devices and sensors to ensure night lighting is used only when necessary.
  - b. Landscaping and its maintenance shall not negatively impact the water quality, native habitats, or natural resources.
  - c. Pets shall not be allowed within the corporate housing due to their impacts on water quality, native habitats, and natural resources.
3. Bird-friendly design.
  - a. No more than ten percent (10%) of façade surface area shall have non-bird- friendly glazing.
  - b. Bird- friendly glazing includes, but is not limited to opaque glass, covering the outside surface of clear glass with patterns, paned glass with fenestration, frit or etching patterns, and external screens over non-reflective glass. Highly reflective glass is not permitted.
  - c. Occupancy sensors or other switch control devices shall be installed on non-emergency lights and shall be programmed to shut off during non-work hours and between 10 PM and sunrise.
  - d. Placement of buildings shall avoid the potential funneling of flight paths towards a building façade.
  - e. Glass skyways or walkways, freestanding (see-through) glass walls and handrails, and transparent building corners shall not be allowed.

- f. Transparent glass shall not be allowed at the rooflines of buildings, including in conjunction with roof decks, patios and green roofs.
- g. Use of rodenticides shall not be allowed.

If it is determined through the BRA or CEQA review that further assessment/monitoring/reporting is required by appropriate regulatory or resource agencies, it shall be the responsibility of the City to ensure all project requirements are implemented.

Finding: ConnectMenlo Mitigation Measure BIO-1 has been implemented by the Proposed Project's design features, Project-specific BRA, analysis in the Project EIR, and Project-specific biological mitigation measures, which would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: The ConnectMenlo EIR determined cumulative impacts to biological resources to be less than significant with implementation of ConnectMenlo Mitigation Measure BIO-1. This mitigation measure requires that as part of the discretionary review process for development projects, the City require project applicants to prepare and submit project-specific baseline biological resources assessments (BRA) prepared by a qualified biologist. This mitigation measure was implemented for the Proposed Project through preparation of the Master Plan BRA and Tunnel BRA by H.T. Harvey & Associates. The Master Plan BRA and Tunnel BRA, as well as the Bird-Safe Design Assessment, all prepared by H.T. Harvey & Associates, outline mitigation measures to reduce Project impacts on biological resources. As described above, Project Mitigation Measures BIO-2.1, BIO-3.1 through BIO-3.3, and BIO-5.1 through BIO-5.3 would mitigate Project impacts on sensitive regulated habitats, minimize impacts on nesting birds, and reduce bird collisions. In addition, the City General Plan contains conservation measures that would benefit biological resources as well as measures to avoid, minimize, or mitigate impacts on such resources. All other projects within the Bayfront Area of Menlo Park also would be required to implement General Plan measures, including ConnectMenlo Mitigation Measure BIO-1. The Proposed Project would not result in a substantial change in the ConnectMenlo project and would not cause new or substantially more severe significant biological resources impacts than those analyzed in the ConnectMenlo EIR. Therefore, consistent with the conclusions in the ConnectMenlo EIR, with respect to biological resources, the Proposed Project in combination with past, present, and reasonably foreseeable future projects would result in cumulative impacts that would be less than significant with mitigation. No further mitigation measures are required.

T. Impact GS-5: The Proposed Project could destroy a unique paleontological resource or site.

ConnectMenlo Mitigation Measure CULT-3: In the event that fossils or fossil-bearing deposits are discovered during ground-disturbing activities anywhere in the City, excavations within a 50-foot radius of the find shall be temporarily halted or diverted. Ground disturbance work shall cease until a City-approved, qualified paleontologist determines whether the resource requires further study. The paleontologist shall document the discovery as needed (in accordance with Society of Vertebrate Paleontology standards [Society of Vertebrate Paleontology 1995]), evaluate the potential resource, and assess the significance of the find under the criteria set forth in CEQA Guidelines Section 15064.5. The paleontologist shall notify the appropriate agencies to determine the procedures that would be followed before construction activities would be allowed to resume at the location of the find. If avoidance is not feasible, the paleontologist shall prepare an excavation plan for mitigating the effect of construction activities on the discovery. The excavation plan shall be submitted to the City of Menlo Park for review

and approval prior to implementation, and all construction activity shall adhere to the recommendations in the excavation plan.

Project Mitigation Measure PALEO-1: Before the start of any excavation or grading activities, the construction contractor will retain a qualified paleontologist, as defined by the SVP, who is experienced in teaching non-specialists. The qualified paleontologist will train all construction personnel who are involved with earthmoving activities, including the site superintendent, regarding the possibility of encountering fossils, the appearance and types of fossils that are likely to be seen during construction, and proper notification procedures should fossils be encountered. Procedures to be conveyed to workers include halting construction within 50 feet of any potential fossil find and notifying a qualified paleontologist, who will evaluate the significance.

The qualified paleontologist will also make periodic visits during earthmoving in high sensitivity sites to verify that workers are following the established procedures.

Finding: Implementation of ConnectMenlo Mitigation Measure CULT-3 and Project Mitigation Measure PALEO-1, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: The ConnectMenlo EIR found that impacts on paleontological resources would be less than significant with mitigation incorporated, in particular implementation of ConnectMenlo Mitigation Measure CULT-3. In the event that fossils or fossil-bearing deposits are discovered during ground-disturbing activities, ConnectMenlo Mitigation Measure CULT-3 would require excavations within a 50-foot radius of the find to be temporarily halted or diverted until a City-approved paleontologist can assess the significance of the find under the criteria set forth in CEQA Guidelines Section 15064.5. If the find meets the criteria set forth in CEQA Guidelines Section 15064.5 and avoidance is not feasible, the paleontologist would prepare an excavation plan to mitigate the effect of construction activities on the discovery. Project site preparation would involve earthwork, such as excavation, grading, trenching, cut-and-cover work, and potentially the installation of foundation piles, all of which would encounter artificial fill and could encounter native deposits. Activities at ground surface that disturb Quaternary fine-grained alluvium (Qaf), Quaternary alluvial fan deposits, fine facies (Qhff), and Quaternary floodplain deposits (Qhfp), as well as activities below the ground surface that disturb these geologic units and Quaternary older alluvium, could expose undisturbed deposits that contain fossils. These activities could damage or destroy fossils. This is considered a potentially significant impact. ConnectMenlo Mitigation Measure CULT-3 would ensure that construction personnel would follow proper notification procedures in the event that paleontological resources are uncovered during construction. In addition, Project Mitigation Measure PALEO-1 would ensure that construction personnel would recognize fossil materials. Implementation of ConnectMenlo Mitigation Measure CULT-3 and Project Mitigation Measure PALEO-1 would reduce potentially significant impacts on paleontological resources to less than significant with mitigation, consistent with the ConnectMenlo EIR.

U. Impact C-GS-1: Cumulative development would result in a less than significant cumulative impact to geology, soils, and seismicity, and thus the Proposed Project would not be a cumulatively considerable contributor to any significant cumulative impact to geology, soils, and seismicity. Cumulative development would result in a less-than-significant cumulative impact with mitigation to paleontological resources and the Proposed Project would not be a cumulatively considerable contributor to any significant cumulative impact.

ConnectMenlo Mitigation Measure CULT-3: Implement ConnectMenlo Mitigation Measure CULT-3, above.

Finding: Implementation of ConnectMenlo Mitigation Measure CULT-3, which is hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: The ConnectMenlo EIR determined that cumulative impacts on geology, soils, and seismicity would be less than significant and that implementation of ConnectMenlo would not significantly contribute to cumulative impacts related to geology, soils, and seismicity. Therefore, ConnectMenlo determined that impacts related to geology, soils, and seismicity under ConnectMenlo would be less than significant. With respect to paleontological resources, new development would be required to comply with existing federal, state, and local laws and regulations enacted to protect paleontological resources. In addition, development within the ConnectMenlo study area would be subject to general plan policies adopted to protect unrecorded paleontological resources. ConnectMenlo Mitigation Measure CULT-3 would require avoidance of paleontological resources or, if avoidance is not possible, preparation of an excavation plan to protect the resources. Impacts on paleontological resources would be less than significant with mitigation. The Proposed Project would not result in a substantial change in the ConnectMenlo project and therefore would not be a cumulatively considerable contributor to any significant cumulative impact on geology, soils, and seismicity and would not cause new or substantially more severe significant impacts related to geology, soils, seismicity, or paleontological resources than those analyzed in the ConnectMenlo EIR. Consistent with the conclusions in the ConnectMenlo EIR, the Proposed Project would result in a less-than-significant cumulative impact with respect to geology, soils, and seismicity. Impacts to paleontological resources would be less than significant with implementation of ConnectMenlo Mitigation Measure CULT-3.

V. Impact HY-1: The Proposed Project could violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface water or groundwater quality.

Project Mitigation Measure HY-1.1: If dewatering is needed to complete the Proposed Project, and if water from dewatering is discharged to a storm drain or surface water body, dewatering treatment may be necessary if groundwater exceeding water quality standards is encountered during excavation. Because there is potential for groundwater to be contaminated with VOCs or fuel products at the Project Site, the Project Sponsor would be required to comply with the San Francisco Bay Regional Water Board's VOC and Fuel General Permit (Order No. R2-2018-0050) if groundwater exceeding water quality standards is encountered.

If dewatering requires discharges to the storm drain system or other water bodies, the water shall be pumped to a tank and tested using grab samples and sent to a certified laboratory for analysis. If it is found that the water does not meet water quality standards, it shall be treated as necessary prior to discharge so that all applicable water quality objectives (as noted in Table 3.11-2) are met or it shall be hauled offsite instead for treatment and disposed of at an appropriate waste treatment facility that is permitted to receive such water. The water treatment methods selected shall remove contaminants in the groundwater to meet discharge permit requirements while achieving local and state requirements, subject to approval by the San Francisco Bay Regional Water Board. Methods may include retaining dewatering effluent until particulate matter has settled before discharging it or using infiltration areas, filtration techniques, or other means. The contractor shall perform routine inspections of the construction

area to verify that water quality control measures are properly implemented and maintained, observe the water (i.e., check for discoloration or an oily sheen), and perform other sampling and reporting activities prior to discharge. The final selection of water quality control measures shall be submitted in a report to the San Francisco Bay Regional Water Board for approval prior to construction. If the results from the groundwater laboratory do not meet water quality standards and the identified water treatment measures cannot ensure that treatment meets all standards for receiving water quality, then the water shall be hauled offsite instead for treatment and disposal at an appropriate waste treatment facility that is permitted to receive such water.

Finding: Implementation of Project Mitigation Measure HY-1.1, which is hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts related to water quality were analyzed in the ConnectMenlo EIR as Impact HYDRO-1 and determined to be less than significant through compliance with existing federal, state, and local regulations, including General Plan goals, policies, and design standards. No mitigation measures were recommended. This topic also was analyzed in the ConnectMenlo EIR as Impact HYDRO-6, which likewise found that impacts on water quality would be less than significant through compliance with existing federal, state, and local regulations as well as General Plan policies to minimize impacts related to water supply. No mitigation measures were recommended in the ConnectMenlo EIR. However, construction dewatering for the Proposed Project could be required in areas with shallow groundwater during excavation and trenching for foundation work and utility improvements. The main Project Site has historical soil and groundwater contamination (EnviroStor ID 60002595). In addition, construction of the Willow Road Tunnel would require cut-and-cover work during construction and possibly dewatering. Compliance with waste discharge requirements and dewatering regulations would ensure that dewatering activities would be monitored as required and that no violations of water quality standards or waste discharge requirements would occur. Dewatering of potentially contaminated groundwater may result in a potentially significant impact on groundwater quality. Implementation of Project Mitigation Measure HY-1.1 would reduce the potentially significant impact on groundwater quality during construction to a less-than-significant level by requiring groundwater monitoring and treatment during dewatering activities. Therefore, Project impacts on groundwater quality during construction would be less than significant with mitigation.

W. Impact HY-5: The Proposed Project could conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan.

Project Mitigation Measure HY-1.1: Implement Project Mitigation Measure HY-1.1, above.

Finding: Implementation of Project Mitigation Measure HY-1.1, which is hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: The ConnectMenlo EIR did not analyze whether a project would conflict with or obstruct implementation of a water quality control plan because this topic was added to CEQA Guidelines Appendix G after completion of the ConnectMenlo EIR. However, the ConnectMenlo EIR concluded that, through compliance with existing federal, state, and local regulations and implementation of the site design, source control, and treatment control measures, impacts on water quality would be less than significant. The Connect Menlo EIR also did not analyze whether a project would conflict with or obstruct implementation of a sustainable



groundwater management plan because this topic was added to CEQA Guidelines Appendix G after completion of the ConnectMenlo EIR. However, the ConnectMenlo EIR concluded that development under the General Plan would result in less-than-significant impacts with respect to depleting groundwater supplies or interfering with groundwater recharge.

Dewatering for the Proposed Project would be conducted temporarily during the construction phase. Implementation of Project Mitigation Measure HY-1.1 would reduce the potentially significant impact on groundwater quality during construction to a less-than-significant level by requiring groundwater monitoring and treatment during dewatering activities. Further, groundwater supplies would not be used during operation. The amount of impervious area within the Project Site would decrease upon Project completion. New landscaping, pervious paving, stormwater gardens, bioretention areas, flow-through planters, and other features would be integrated into the design of streets and parks; they would also treat runoff and allow groundwater infiltration. In addition, implementation of the appropriate City General Plan policies would require the protection of groundwater recharge areas and groundwater resources, in accordance with the applicable sustainable groundwater management plan. The Project Site overlies the San Mateo subbasin, which is designated as a very low-priority basin and not subject to the Sustainable Groundwater Management Act of 2014 (SGMA); thus, no sustainable groundwater management plan is applicable. Construction and operation of the Proposed Project would not conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan. Therefore, Project impacts on groundwater quality during construction would not conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan. The impact would be less than significant with mitigation.

- X. Impact HAZ-2: The Proposed Project could create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment.

ConnectMenlo Mitigation Measure HAZ-4a: Construction of any site in the City with known contamination shall be conducted under a Project-specific Environmental Site Management Plan (ESMP) prepared in consultation with the Regional Water Quality Control Board (RWQCB) or the Department of Toxic Substances Control (DTSC), as appropriate. The purpose of the ESMP is to protect construction workers, the general public, the environment, and future site occupants from subsurface hazardous materials previously identified at the site and address the possibility of encountering unknown contamination or hazards in the subsurface. The ESMP shall summarize soil and groundwater analytical data collected on the site during past investigations; identify management options for excavated soil and groundwater, if contaminated media are encountered during deep excavations; and identify monitoring, irrigation, or wells that require proper abandonment in compliance with local, state, and federal laws, policies, and regulations.

The ESMP shall include measures for identifying, testing, and managing soil and groundwater suspected of or known to contain hazardous materials. The ESMP shall 1) provide procedures for evaluating, handling, storing, testing, and disposing of soil and groundwater during excavation and dewatering activities, respectively; 2) describe required worker health and safety provisions for all workers who could be exposed to hazardous materials, in accordance with state and federal worker safety regulations; and 3) designate the personnel responsible for implementation of the ESMP.

Project Mitigation Measure HAZ-2.1: For the offsite improvement in the area where the Willow Road Tunnel passes under the Dumbarton Rail Corridor and Willow Road, a Phase I ESA shall be performed by a licensed environmental professional. The Phase I ESA shall identify RECs at the site and indicate whether a Phase II ESA is required in order to evaluate contamination at the site.

Finding: Implementation of ConnectMenlo Mitigation Measure HAZ-4a and Project Mitigation Measure HAZ-2.1, which are hereby adopted and incorporated into the Project, would reduce the impacts to a less than significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts as a result of reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment were analyzed in the ConnectMenlo EIR as impact HAZ-2. Future development under ConnectMenlo, as part of the City's approval process, would be required to comply with existing federal, state, regional, and local laws. In addition, General Plan goals, policies, and programs would minimize potential hazardous materials impacts that could result from reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment. Impacts from ConnectMenlo were determined to be less than significant, and no mitigation was required. However, implementation of ConnectMenlo Mitigation Measures HAZ-4a and 4b would further reduce impacts from sites with known hazardous material contamination. Mitigation Measure HAZ-4b applies to projects on sites with potential residual contamination in soil, gas, or groundwater, rather than sites with known contamination, such as the Project site, which are addressed by ConnectMenlo Mitigation Measure HAZ-4a.

Ground-disturbing activities associated with construction could expose construction workers to contaminated groundwater at the main Project Site and Willow Road Tunnel site. A Phase I ESA has been prepared for the main Project Site and the Willow Road Tunnel site where the tunnel would emerge on the West Campus. The impact on construction workers and the environment at these locations would be less than significant. However, groundwater contamination in the Dumbarton Rail Corridor and within the Willow Road right-of-way has not been characterized by a Phase I ESA. Therefore, the impact on construction workers and the environment at these locations would be potentially significant. Implementation of ConnectMenlo Mitigation Measure HAZ-4a and Project Mitigation Measure HAZ-2.1 would characterize soil contamination where the Willow Road Tunnel would go under the Dumbarton Rail Corridor and Willow Road. In addition, ConnectMenlo Mitigation Measure HAZ-4a would require development and implementation of a Project-specific ESMP, which would provide procedures for evaluating, handling, storing, testing, and disposing of soil and groundwater during excavation and dewatering activities; describe required worker health and safety provisions for all workers who could be exposed to hazardous materials; and designate the personnel responsible for implementation of the ESMP. With implementation of ConnectMenlo Mitigation Measure HAZ-4a and Project Mitigation Measure HAZ-2.1, the impact at the Willow Village Tunnel site within the Dumbarton Rail Corridor would be less than significant with mitigation.

Y. Impact HAZ-3: The Proposed Project would not emit hazardous emissions or involve handling hazardous or acutely hazardous materials, substances, or waste within 0.25 mile of an existing or proposed school.

Project Mitigation Measure HAZ-2.1: Implement Project Mitigation Measure HAZ-2.1, above.

ConnectMenlo Mitigation Measure HAZ-4a: Implement ConnectMenlo Mitigation Measure HAZ-4a, above.

Finding: Implementation of Project Mitigation Measure HAZ-2.1 and ConnectMenlo Mitigation Measure HAZ-4a, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less than significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts related to hazardous emissions or the handling of hazardous or acutely hazardous materials near schools were analyzed in the ConnectMenlo EIR as Impact HAZ-3. Impacts were found to be less than significant because hazardous materials would be stored, used, and handled according to existing federal, state, and local regulations. Similarly, hazardous materials emissions would be subject to existing federal, state, and local regulations. For any future public schools that would receive state funding for acquisition or construction, DTSC's School Property Evaluation and Cleanup Division would assess, investigate, and clean up the proposed school sites. General Plan policies and Zoning Ordinance requirements would minimize potential hazardous materials impacts that could result from storing, using, or handling hazardous materials or from generating emissions from hazardous materials. No mitigation was required, although implementation of ConnectMenlo Mitigation Measures HAZ-4a and 4-b would further reduce impacts from sites with known hazardous material contamination. Mitigation Measure HAZ-4b applies to projects on sites with potential residual contamination in soil, gas, or groundwater, rather than sites with known contamination, such as the Project site, which are addressed by ConnectMenlo Mitigation Measure HAZ-4a.

Offsite construction work could occur within 0.25 mile of Costaño Elementary School in East Palo Alto as well as the Belle Haven School and Beechwood School in Menlo Park. The upsizing and placement of utility lines within existing rights-of-way and improvements within intersections would result in temporary construction impacts. No federally or state-listed cleanup sites or known subsurface hazardous materials are identified within 0.25 mile of proposed offsite improvements in hazardous materials databases. However, contamination has been documented at the Willow Road Tunnel site. Accordingly, offsite utility work could encounter hazardous materials or contaminated groundwater. Therefore, impacts on schools would be potentially significant. Implementation of ConnectMenlo Mitigation Measure HAZ-4a and Project Mitigation Measure HAZ-2.1 would characterize soil contamination where the Willow Road Tunnel would go under the Dumbarton Rail Corridor and Willow Road. In addition, ConnectMenlo Mitigation Measure HAZ-4a would require development and implementation of a Project-specific ESMP, which would provide procedures for evaluating, handling, storing, testing, and disposing of soil and groundwater during excavation and dewatering activities; describe required worker health and safety provisions for all workers who could be exposed to hazardous materials; and designate the personnel responsible for implementation of the ESMP. With implementation of ConnectMenlo Mitigation Measure HAZ-4a and Project Mitigation Measure HAZ-2.1, the impact at the Willow Village Tunnel site within the Dumbarton Rail Corridor would be less than significant with mitigation.

- Z. Impact C-HAZ-1: Cumulative development would not result in a significant cumulative impact from hazards and hazardous materials, and the Proposed Project would not be a cumulatively considerable contributor to such a cumulative impact.

ConnectMenlo Mitigation Measure HAZ-4a: Implement ConnectMenlo Mitigation Measure HAZ-4a, above.

Finding: Implementation of ConnectMenlo Mitigation Measure HAZ-4a, which is hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less than significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: As with the Proposed Project, cumulative projects in the Project vicinity would be required to comply with existing local, regional, state, and federal regulations as well as safety plans. Hazardous materials would be managed in accordance with existing regulatory requirements, which would reduce the risk of hazardous materials emissions and/or accidental releases that could affect receptors outside work areas. In addition, all projects in the Bayfront area in Menlo Park with known hazardous materials would be required to comply with ConnectMenlo Mitigation Measure HAZ-4a, thereby reducing impacts to less than significant. The Proposed Project would not result in a substantial change in the ConnectMenlo project and would not cause new or substantially more severe significant impacts related to hazards and hazardous materials. Therefore, the Proposed Project would not be a cumulatively considerable contributor to a significant cumulative impact regarding hazards and hazardous materials. Consistent with the conclusions in the ConnectMenlo EIR, the cumulative impact of the Proposed Project and other past, present, and reasonably foreseeable future projects with respect to hazards and hazardous materials would be less than significant with mitigation. No additional mitigation measures are required.

AA.Impact TCR-1: The Proposed Project could cause a substantial adverse change in the significance of a tribal cultural resource, as defined in PRC Section 21074.

Modified ConnectMenlo Mitigation Measure CULT-2a: Implement Modified ConnectMenlo Mitigation Measure CULT-2a, above.

Project Mitigation Measure TCR-1.1:

Plan Check

Prior to issuance of grading permits, the Project Sponsor shall ensure and the City shall verify that the applicable grading plans that require ground-disturbing excavation clearly indicate:

- that there is potential for exposing buried cultural resources, including tribal cultural resources ("TCRs") and Native American burials; and
- that excavations associated with soil remediation, removal of below grade utilities, and initial mass grading at the main Project site and all ground disturbing activities within the Core and Perimeter (including the High Sensitivity Area) require the presence of an archaeological monitor and tribal monitor in accordance with the Archaeological and Tribal Cultural Resources Monitoring and Treatment Protocol and Plan ("ATMTPP"), as defined in Mitigation Measure TCR-1.2; and
- that all ground disturbing activities require compliance with the ATMTPP.

All archaeological site information supplied to the contractor shall be considered and marked confidential. Any no-disturbance zones shall be labelled as environmentally sensitive areas. Prior to issuance of grading permits for the Project, the Project Sponsor and City shall, with input from the tribes that engaged in consultation with the City on the Proposed Project pursuant to Assembly Bill 52 ("Consulting Tribes"), develop a non-confidential field manual summarizing the approved TCR mitigation measures and the approved ATMTPP requirements. This list shall be provided to all relevant personnel implementing TCR mitigation measures.

Archeological and tribal monitors shall be invited to attend all Tailgate Safety meetings at which safety concerns and other pertinent information regarding current construction activities are presented.

### Measures for the Core

The Project Sponsor shall avoid or mitigate ground-disturbing excavation in the Core as detailed below.

- Ground disturbance into the existing culturally affected soil of the Core is prohibited. The following performance standards for capping, minimizing construction loading, and preservation in place of the Core shall apply.

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### Capping of Core

- The Project Sponsor shall install a culturally sterile engineered cap of four to seven feet to cover the cultural deposits within the Core and preserve the Core in place. Tribal monitoring shall be required during the installation of the fill cap on the Core.
- Onsite soil material is suitable as fill material provided that it is processed to remove concentrations of organic material, debris, and particles greater than six inches in maximum dimension; oversized particles shall either be removed from the fill or broken down to meet the requirement. Imported fill material shall meet the above requirements and have a plasticity index of less than 20. Material used for engineered fill shall not contain or introduce contaminants in excess of applicable Department of Toxic Substances Control (“DTSC”) Environmental Screening Levels (“ESLs”). Any TCR materials within the soil matrix that are identified as TCRs by a tribal monitor shall be treated in accordance with the ATMTTPP and shall not be broken down or used in fill.
- Construction activities shall be conducted in a manner that protects against penetration of the culturally affected soil within the Core and reduces the potential for disturbance from concentrated surface loads. The following measures shall be implemented within the Core during fill placement and any subsequent construction to reduce potential impacts on subsurface archaeological and cultural materials.
  - An elevation contour plan shall be created to guide the surface preparation necessary to place the fill cap within the Core boundaries. The plan shall show the top of the culturally affected soil elevation to establish a six-inch-thick protection layer above the culturally affected soil layer, below which soil excavation or penetration shall not be permitted.
  - Tree root balls from trees removed within the Core boundary that have roots extending within an area 24 inches from the culturally affected soil layer shall be left in place. Stumps may be ground flat with the existing grade.
  - Clearing of surface vegetation within the Core boundary shall be performed through hand grubbing.
  - Ground surface preparation prior to fill placement within the Core boundary shall use relatively light equipment (3,000 to 5,000 pounds), such as a walk-behind roller, to densify the six-inch-thick protection material. The use of relatively light equipment reduces potential for densification below the buffer zone.
  - A layer of geogrid reinforcement shall be placed over the prepared ground surface within the Core boundary. Geogrid shall consist of a triaxial grid (e.g., TX140 or approved equivalent). A second layer of geogrid shall be placed to reinforce the engineered fill approximately 24 inches above the base geogrid layer. Geogrid shall be installed in accordance with the manufacturer’s specifications. After placement of the geogrid, there shall be no soil disturbance in the Core below the top layer of geogrid.
  - Once the six-inch-thick protection layer has been prepared and the base reinforcement grid placed within the Core boundary, engineered fill may be placed in eight-inch lifts and

compacted using a single-drum ride-on sheepsfoot roller. The roller shall not be parked or left stationary on the Core overnight. If yielding subgrade is encountered in the base protection layer, the geotechnical consultant may recommend placement of additional layers of reinforcement within the engineered fill. This determination will be based on field observations during preparation of the ground surface.

- To protect the culturally affected soil in the Core, construction and other transitory vehicle traffic (with the exception of the equipment necessary to place and compact the engineered fill) shall not be permitted over the Core until after engineered fill placement is complete to provide a buffer between mound material and concentrated vehicle loads. Once fill placement is complete, the culturally affected soil will be protected, but construction vehicles and construction equipment directly on the Core nonetheless shall continue to be limited to the minimum number necessary to complete construction of the Proposed Project. Vehicles shall not be left stationary or parked on the Core overnight. The contractor shall ensure that vehicles and equipment will not leak fuel or other liquids when operating on the Core. Leaking vehicles and equipment shall be promptly removed from the Core area and repaired before use is resumed on the Core.

#### Temporary Construction Loading at Core

The following measures shall be implemented within the Core during scaffold erection to reduce potential impacts on subsurface cultural materials:

- Scaffolds placed on the Core shall be installed no earlier than three months after the engineered fill placement related to sea-level rise.
- Scaffolds shall use 16-foot square bases on top of the engineered fill cap. Minor leveling of the fill cap shall be allowed at each scaffold installation, but excavation or other penetrations into the fill surface shall not be permitted except for equipment or the temporary auxiliary structures needed to install the atrium frame and associated glass. There shall be no soil disturbance in the Core below the top layer of geogrid.
- Scaffolds shall be removed promptly after installation and inspection of the framework and glass within the atrium to remove pressure from the engineered fill over the Core.

#### Post-Construction Preservation in Place at the Core

- Post-construction, there shall be no soil disturbance in the Core below the top layer of geogrid. Any surface structural elements, irrigation, utilities, and infrastructure shall be located only upon/within the engineered fill and shall not penetrate the top layer of geogrid.
- Comply with Mitigation Measure TCR-1.3, *Post-Construction Preservation in Place*.

#### Measures for the Perimeter

The Project Sponsor shall avoid or mitigate ground-disturbing excavation in the Perimeter Area as follows:

- The Project Sponsor shall install a culturally sterile engineered cap of four to seven feet to cover the cultural deposits within the Perimeter.
- Excavation through the cap shall follow the procedures in Mitigation Measure TCR-1.2.
- Tribal monitoring shall be required during all ground disturbing site work in the Perimeter; provided that, once culturally affected soil has been removed, stockpiled, and treated in accordance with the ATMTTPP, no additional tribal monitoring of ground disturbance is required in the area where such soil was removed.

#### Measures for the High Sensitivity Area

The Project Sponsor shall avoid or mitigate ground-disturbing excavation in the High Sensitivity Area as follows:

- For portions of the High Sensitivity Area located within the Core, the Project Sponsor shall comply with the mitigation measures for the Core identified above, including but not limited to the tribal monitoring provisions.
- For portions of the High Sensitivity Area located within the Perimeter, the Project Sponsor shall comply with the mitigation measures for the Perimeter identified above, including but not limited to the tribal monitoring provisions.

#### Measures for Existing Known Reburials

- Existing known reburials shall be preserved in place.
- Existing known reburials will be protected by a layer of geogrid prior to the placement of engineered fill.
- Tribal monitoring in the vicinity of existing known reburials shall be required in accordance with the ATMTTP.

#### Project Mitigation Measure TCR-1.2:

The Project Sponsor and archaeological consultant, in consultation with the Consulting Tribes, shall develop an Archaeological and Tribal Cultural Resource Monitoring and Treatment Protocol and Plan (“ATMTTP”) to guide archaeological and tribal cultural resource monitoring of ground-disturbing site work and provide for appropriate treatment of any archeological materials and tribal cultural resources exposed during construction, as described below. The ATMTTP will apply to the entire Project Site and all off-site Project improvements. In addition, specific protocols that pertain to the Core, Perimeter, and High Sensitivity Area will be distinguished from general unanticipated discovery response procedures that apply in other areas. Tribal monitoring refers to the controlled observation and regulation of construction operations on or in the vicinity of a known or potentially significant tribal cultural resource to avoid, preserve in place, or mitigate impacts on the resource. The ATMTTP shall be developed in consultation with the Consulting Tribes and submitted to the City for review and approval prior to issuance of the first grading permit and any physical ground disturbing site work being allowed on the Project Site or for off-site Project improvements. The ATMTTP shall include, at a minimum:

- Background information and context data on the Project Site, archeological resources, and tribal cultural resources.
- Tribal monitoring requirements, including worker awareness training as specified below; a discussion of specific locations and the intensity of the monitoring effort for areas with potential for the discovery of archeological and tribal cultural materials; and anticipated personnel, including retention of California Native American tribal representative(s) from Consulting Tribes.
- A requirement that tribal monitors from each Consulting Tribe be afforded the opportunity to be present at each location of ground disturbing site work that requires tribal monitoring pursuant to the Project mitigation measures and the ATMTTP, for the duration of such work, unless a Consulting Tribe agrees in writing that tribal monitoring is not needed by that tribe in that instance, or unless a Consulting Tribe fails to provide a monitor at the scheduled time, provided that adequate notice of the schedule was provided and documented.
- Specific parameters for tribal monitoring, including the number of monitors from each Consulting Tribe based on number of simultaneous excavation locations, activities subject to monitoring (consisting of all excavations associated with soil remediation, removal of below grade utilities, and initial mass grading at the main Project Site and all ground disturbing activities within the Core), and activities not subject to monitoring (including all grading outside the Core subsequent to initial mass grading in areas that have been monitored by the Consulting Tribes and found to no longer contain tribal cultural resources, all foundation and building demolition, and all above ground or vertical build construction).

- Identification of a tribal monitoring coordinator, whose responsibility is to ensure that communication between the construction team and monitors is clear, that schedules for monitoring are conveyed, and that monitoring tribes have a single point of contact, prior to the commencement of ground disturbing activities.
- Protocols for discoveries during construction, consistent with modified ConnectMenlo Mitigation Measure CULT-2a (see Section 3.8, Cultural Resources), including a requirement that any DPR forms required pursuant to ConnectMenlo Mitigation Measure CULT-2a to be submitted to the Northwest Information Center to document a find of TCR, cultural resources, historical resources, or archaeological resources shall be completed and submitted no later than 120 days after completion of the Project.
- Prehistoric era research design, including sampling level, study method documentation, and provisions, such as staffing and scheduling, for bringing the proposed research to fruition.
- Detailed procedures regarding how to address significant discoveries made during construction, including a discussion of field and artifact analysis methods to be used.
- Treatment of Native American human remains consistent with state law and recommendations of the NAHC-appointed Most Likely Descendant (“MLD”) and Modified ConnectMenlo Mitigation Measure CULT-4.
- Laboratory methods, including artifact cataloging and special analyses.
- Thresholds for decision making if there is a conflict among tribal or archeological monitors regarding the identification or treatment of TCRs. Specifically, if there is a conflict between the archeological monitor and the tribal monitors, deference shall be given to the preferences of the tribal monitors, subject to applicable law in the event of the discovery of Native American human remains, provided that those preferences do not require Project redesign or result in unreasonable construction delay. If there is a conflict among the tribal monitors, the soil containing the potential TCR will be evaluated in accordance with applicable law and, if appropriate, shall be stockpiled in accordance with the soil protocol in the ATMTTPP while the disagreement is being resolved.
- Provisions for reporting (e.g., Tribal Monitoring Closure Report) and artifact treatment in consultation with the Consulting Tribes in the event of significant finds.
- Pre-designated confidential reburial area(s) that will serve to reinter any Native American human remains encountered during construction (excluding existing, known reburial sites, which shall be preserved in place pursuant to Mitigation Measure TCR-1.1) with appropriate level of privacy for visitation by the Consulting Tribes, in an area not open to the public.
- Treatment protocols that detail the appropriate procedures, methods, and reports to be completed if significant archaeological or tribal cultural materials, including Native American burials, are encountered. The archeological significance of a resource shall not be determinative of whether the resource is a TCR, the level of impact to a TCR, or the significance of a TCR.
- Soil treatment protocols that preserve cultural soil onsite where feasible, including:
  - Subject to the requirements of DTSC or other agencies with jurisdiction and the reasonable preferences of the MLD in accordance with applicable law, prohibiting the removal of cultural soil from the main Project site. The determination of which soils are cultural soils shall be made by the tribal monitors.
  - Requiring only clean, engineered fill to be used on the main Project site. Under no circumstances should soil from another culturally significant area be used on this Project site.
  - The tribal monitors shall have the right to request that any cultural soils excavated from native soil on the main Project site be relocated to an area on the main Project site located away from the construction zone, where the tribal monitors shall be given the opportunity during active construction work hours to sift the cultural soil to identify and



remove any tribal cultural items and Native American human remains, which tribal cultural items and Native American human remains shall be treated in accordance with the ATMTTPP. Any tribal cultural resources obtained from sifting shall be reburied in the reburial area, subject to the reasonable preferences of the MLD in accordance with Public Resources Code Section 5097.98 and other applicable law. Any tribal monitors performing this work (1) must have the requisite training or experience to do so, including training or experience with regard to work in environmentally impacted soil (which shall include at a minimum HAZWOPR certification), and (2) shall be paid at the rate specified for this work in the applicable Tribal Monitoring Agreement. Following sifting and removal of TCRs, the soil can be reused at the same or a different location within the main Project Site.

- Specifications for archeological and tribal cultural resources sensitivity training for construction workers and superintendents that meet the following standards:
  - Occurs prior to the start of any ground-disturbing activity or site work on the Project Site or for off-site improvements.
  - Training shall be required for all construction personnel participating in ground-disturbing construction to alert them to the archaeological and tribal cultural sensitivity of the area and provide protocols to follow in the event of a discovery of archaeological materials or tribal cultural resources. Training shall be provided en masse to such personnel at the start of construction of the Project, and training shall be repeated when new personnel participating in ground-disturbing site work start work.
  - Includes, for job site posting, a document (“ALERT SHEET”) that summarizes the potential finds that could be exposed, the protocols to be followed, and the points of contact to alert in the event of a discovery that is presented as part of the training.
  - Requires the contractor to ensure that all workers requiring training are in attendance.
  - Requires training for all contractors and sub-contractors that is documented for each permit and/or phase of a permit that requires ground-disturbing activities onsite.
  - For work in the Core and the existing known reburial area, additional worker training shall also be required for workers who will work on the surface or who will drive directly over the Core or work in the existing known reburial area.
- Work plan for the use of ground penetrating radar (GPR) and forensic canine detection (FCD) that meets the following standards:
  - Upon conclusion of building demolition and the removal of surface improvements within the Perimeter, the Project Sponsor shall retain a qualified team of FCD survey providers and a GPR operator to perform a survey of the Perimeter before grading, trenching, or other earthwork commences.
  - A minimum of seven calendar days prior to the FCD or GPR survey, the Project Sponsor or their designee shall notify the Consulting Tribes of the schedule to afford sufficient time to be present during the survey. Should the Consulting Tribe(s) choose not to attend, the FCD or GPR survey may continue as scheduled. Where the FCD or GPR survey will occur within 100 feet of known burials or reburials (which know reburials shall remain in place in accordance with Mitigation Measure TCR-1.1), use of the FCD or GPR and presence of tribal monitors shall be dictated by the MLD for those prior discoveries.
  - The results of the FCD and GPR surveys shall be provided to the Consulting Tribes within fourteen calendar days after completion of the survey reports. Measures to protect TCRs identified as a result of the surveys shall be implemented in accordance with the Project mitigation measures and ATMTTPP.

- In the event of the discovery of Native American human remains other than known reburials, the procedures in Modified ConnectMenlo Mitigation Measure CULT-4 will apply.
- Procedures for the event of an inadvertent discovery during construction, which require the archaeological and tribal monitors to review, identify, and evaluate TCRs to determine if a discovery is a historical resource and/or unique archaeological resource, or a TCR, under CEQA. These procedures shall include, at a minimum:
  - Criteria for identifying cultural soils.
  - Impose a stop work radius of 100 feet around the discovery; work can continue outside of the stop-work radius while the discovery is being addressed. If the archaeological and tribal monitors agree that the find does not constitute a TCR, work can resume immediately, and no notifications are required.
  - Notify the City, Consulting Tribes, and Project Sponsor within 24 hours of the discovery.
  - Complete a discovery form to document the location, nature, and condition of the discovery.
  - Consult on the discovery to determine appropriate treatment, which may include any combination of avoidance, preservation in place, rapid recovery and reburial, and/or documentation. In no circumstance other than the express written recommendation of the MLD shall Native American human remains be removed from the Project site. Curation and data recovery shall not be allowed, unless curation or data recovery is (i) in compliance with the recommendation of the MLD for Native American human remains in accordance with Public Resources Code Section 5097.98 and other applicable law or, (ii) agreed upon by the tribal monitors per the protocols in the ATMTTPP for TCRs that are not Native American human remains.

Project Mitigation Measure TCR-1.3:

Prior to the issuance of the first certificate of occupancy for any occupied building within the Campus District, the Project Sponsor shall record deed restrictions over the Core, confidential locations of existing known reburials, and the pre-designated reburial area (“Project Reburial Area”) to restrict development or other activities identified in the deed restrictions that would disturb TCRs or Native American human remains in the future. The area included in the deed restrictions shall be described by a licensed surveyor prior to recording. Because archaeological and tribal cultural resource site locations are restricted from public distribution, the deed restrictions shall cite an “environmentally sensitive area.” A copy of the recorded deed restrictions that include the Core and any pre-designated reburial site shall be provided to the City for retention in a confidential project file. A copy of the deed restrictions shall be provided to the Northwest Information Center of the California Historical Resources Information System.

The restriction on the deed for the Core and Project Reburial Area shall prohibit the following activities directly on the Core or Project Reburial Area (excluding activities in cantilevered or spanned structural elements) after completion of construction of the Proposed Project, subject to applicable building code and life safety access requirements and necessary facilities maintenance, service, and repairs:

- Active recreational activities and structures, including, but not limited to, sports, field games, running, biking, and play equipment.
- Domesticated animals other than security/service animals.
- Vehicles.
- Surface penetrations below the upper geogrid.

- Altering the surface or general topography of the Core or Project Reburial Area except for maintenance of the engineered soil cap, landscaping, facilities, circulation, and utilities included within the cap.
- In the unlikely event that any activity needs to occur below the area of the upper geogrid in the event of an emergency, the Consulting Tribes will be immediately notified and given a reasonable opportunity (consistent with the nature of the emergency) to have a tribal monitor present.

Project Mitigation Measure TCR-1.4:

Within 30 days after the recording of the deed restrictions over the dedicated reburial area(s), the Project Proponent shall extend a written offer to the Consulting Tribes to execute a tribal access agreement to allow for permitted access to the Project Reburial Area for the purposes of tribal visitation, subject to the parameters below. The Project Proponent shall provide a copy of the offer letter and if accepted by the Consulting Tribe(s), the executed agreement(s), to the City for retention in a confidential Project file. This mitigation measures shall be considered satisfied upon delivery of the offer letter to the Consulting Tribes, even if the Consulting Tribe(s) declined to enter into the agreement. The owners' association shall manage the Project Reburial Area in accordance with the terms and conditions of the deed restrictions, access agreements, Project mitigation measures, and Project conditions of approval, subject to applicable building code and life safety access requirements and necessary facilities maintenance, service, and repairs.

Access to the reburial area established for the Project will be controlled. The following conditions apply:

- Access to the Project Reburial Area will be available following completion of construction of the Proposed Project, including the Project Reburial Area, subject to notification and access requirements to be specified in an access agreement.
- Visitation shall comply with all rules applicable to publicly accessible open space within the Proposed Project except as otherwise specified in an access agreement.
- Visitation shall not obstruct or otherwise interfere with the passage of vehicles or the operation of the facility.
- Parking shall be limited to public parking spaces.
- Visitation shall not include activities or uses that conflict with the deed restriction or reasonable preferences of the Most Likely Descendent; provided that the Project Proponent shall work in good faith to ensure that all Consulting Tribes are provided access to the Project Reburial Area in accordance with the terms of the access agreement.
- Visitation shall not present a risk to human life or safety.
- Visitation shall not include abandonment of materials or objects other than ceremonial, religious, or funerary offerings specified in an access agreement.
- Visitation shall be subject to restriction as necessary to respond to any security threat, pandemic or similar health risk, or emergency condition. Visitation shall not be unreasonably restricted.

Modified ConnectMenlo Mitigation Measure CULT-4: Procedures of conduct following the discovery of human remains citywide have been mandated by Health and Safety Code Section 7050.5, Public Resources Code Section 5097.98, and the California Code of Regulations Section 15064.5(e) (CEQA). According to the provisions in CEQA, if human remains are encountered at the site, all work in the immediate vicinity of the discovery shall cease and necessary steps to ensure the integrity of the immediate area shall be taken. The San Mateo County Coroner shall be notified immediately. The coroner shall then determine whether the remains are Native American. If the coroner determines the remains are Native American, the

coroner shall notify the NAHC within 24 hours, which will, in turn, notify the person the NAHC identifies as the Most Likely Descendant (MLD) in connection with any human remains. Further actions shall be determined, in part, by the desires of the MLD. The Project Sponsor, the Project archaeologist, and the MLD shall make all reasonable efforts to develop an agreement for the treatment, with appropriate dignity, of human remains and associated or unassociated funerary objects, including those associated with known and unknown Native American burial locations (CEQA Guidelines Section 15064.5[d]). The agreement should address appropriate actions for when remains are discovered, including excavation, removal, recordation, analysis, custodianship, and final disposition of the remains and associated or unassociated funerary objects. The MLD will have 48 hours to make recommendations regarding the disposition of the remains following notification from the NAHC of the discovery. If the MLD does not make recommendations within 48 hours, or the owner does not accept the recommendation of the MLD in accordance with Public Resources Code 5097.98(e), the owner shall, with appropriate dignity, reinter the remains in an area of the property secure from further disturbance. Alternatively, if the owner does not accept the MLD's recommendations, the owner or the descendent may request mediation by the NAHC.

Finding: Implementation of Project Mitigation Measures TCR-1.1, TCR-1.2, TCR-1.3, and TCR-1.4 as well as Modified ConnectMenlo Mitigation Measures CULT-2a and CULT-4, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts related to tribal cultural resources were analyzed in the ConnectMenlo EIR as Impact CULT-5. The ConnectMenlo EIR found that compliance with existing federal, state, and local laws and regulations, as well as General Plan goals and policies listed under Impact CULT-2, would protect tribal cultural resources by providing for the early detection of potential conflicts between development and resource protection and by preventing or minimizing the material impairment of the ability of archeological deposits to convey their significance through excavation or preservation. The ConnectMenlo EIR further found that implementation of ConnectMenlo Mitigation Measures CULT-2a, CULT-2b, and CULT-4 would reduce any impacts to tribal cultural resources in the City as a result of future development under buildout of the General Plan to a less-than-significant level.

The Proposed Project would avoid and minimize known archaeological expressions of the Hiller Mound, a tribal cultural resource, through a combination of avoidance through design strategies, preservation in place, capping to protect the resource, planning greenspace to incorporate the resource with culturally appropriate protection and management criteria, and specifications of the contractor's means and methods. Collectively, these Proposed Project features and measures would be consistent with the appropriate treatment measures established by CEQA Sections 20183.2 and 21084.3. Nonetheless, given the relatively shallow depth of the archaeological deposits associated with the Hiller Mound, as well as the dispersal of deposits from past disturbance associated with natural drainage, agriculture, and construction, the Proposed Project could encounter culturally affected soil in the Hiller Mound during construction activities, such as grading, demolition, construction of underground improvements, and placement of construction equipment. Project-related ground disturbance would have the potential to disturb both known and as-yet undocumented cultural deposits associated with the tribal cultural resource.

Pursuant to ConnectMenlo Mitigation Measure CULT-2b, which requires the City to request tribal consultation for projects that involve General Plan amendments and land use policy changes, AB 52, and SB 18, the City contacted the Native American Heritage Commission for a

list of tribes to be contacted about the Proposed Project and sent the required requests for consultation. In its consultation with the City, the Tamien Nation has asserted that the entire site of Hiller Mound is a tribal cultural resource and sacred site that the Tamien Nation uses to this day, even though legal access does not currently extend to tribal members. The Tamien Nation has stated that building around a sacred site is not avoidance because the use of the site would be impacted, and that construction within a tribal cultural landscape is an impact on a larger county-wide tribal cultural landscape. However, the avoidance and preservation in place of the Core and existing, known reburials, coupled with the modification of construction means and methods in the Hiller Mound, would ensure that tribal cultural resources, if encountered, are treated with care and in a culturally appropriate manner. In addition, permanent use restrictions with respect to the Core, existing known reburial area, and future reburial area, and access agreement with respect to the future reburial area, would preserve and protect the tribal cultural resource. After numerous meetings and discussions, the Tamien Nation sent a letter to the City dated October 24, 2022, stating that the City and proponent responded to the Tamien Nation's concerns, thanking the City and proponent, and withdrawing any previous objections to the Project. The Muwekma Ohlone Indian Tribe also identified the Hiller Mound as a tribal cultural resource and indicated its support of the proposed mitigation measures.

The Proposed Project would implement ConnectMenlo Modified Mitigation Measures CULT-2a and CULT-4 if potentially significant subsurface cultural resources or human remains are encountered during ground-disturbing activities. In addition to these mitigation measures, the Project Sponsor would implement Project Mitigation Measures TCR-1.1 through -1.4. These measures require preservation in place of known tribal cultural resources (the Core and existing reburials), worker training prior to construction to allow early identification of discoveries, and tribal monitoring, thereby reducing impacts on tribal cultural resources. These mitigation measures also require consultation on the appropriate response when a tribal cultural resource is encountered. Implementation of these enforceable mitigation measures is sufficient to reduce impacts to tribal cultural resources to less than significant with mitigation.

BB.Impact TCR-2: The Proposed Project could disturb human remains, including those interred outside of dedicated cemeteries.

Modified ConnectMenlo Mitigation Measure CULT-4: Implement Modified ConnectMenlo Mitigation Measure CULT-4, above.

Project Mitigation Measure TCR-1.1: Implement Project Mitigation Measure TCR-1.1, above.

Project Mitigation Measure TCR-1.2: Implement Project Mitigation Measure TCR-1.2, above.

Project Mitigation Measure TCR-2.1:

The locations of known previous reburials of Native American human remains shall be restricted from future ground disturbance, as required by Project Mitigation Measure TCR-1.3.

Finding: Implementation of Project Mitigation Measures TCR-1.1, TCR-1.2, and TCR-2.1 as well as Modified ConnectMenlo Mitigation Measure CULT-4, which are hereby adopted and incorporated into the Proposed Project, would reduce the impacts to a less-than-significant level. (CEQA Guidelines Section 15091(a)(1).)

Facts in Support of Finding: Impacts related to tribal cultural resources were analyzed in the ConnectMenlo EIR as Impact CULT-5. The ConnectMenlo EIR found that compliance with existing federal, state, and local laws and regulations, as well as General Plan goals and

policies listed under Impact CULT-2, would protect tribal cultural resources by providing for the early detection of potential conflicts between development and resource protection and by preventing or minimizing the material impairment of the ability of archeological deposits to convey their significance through excavation or preservation. The ConnectMenlo EIR further found that implementation of ConnectMenlo Mitigation Measures CULT-2a, CULT-2b, and CULT-4 would reduce any impacts to tribal cultural resources in the City as a result of future development under buildout of the General Plan to a less-than-significant level.

Here, Native American human remains could be exposed and disturbed during ground-disturbing activities at the Project Site. A tribal cultural resource was identified within the main Project Site. This resource has the potential to contain human remains interred outside of dedicated cemeteries. Excavation activities associated with the Proposed Project would not affect any known reburial locations; however, previously undocumented Native American burials could be affected by ground-disturbing construction due to their location within areas proposed for subsurface improvements. This impact would be potentially significant. The City implemented ConnectMenlo Mitigation Measure CULT-2b when it sent consultation requests to tribes asking to be notified about projects in the area of the Proposed Project. The Proposed Project would implement ConnectMenlo Mitigation Measure CULT-4, as modified, based on the Project's cultural resources assessment report, if human remains are encountered at the Project Site during ground-disturbing activities. The Project Sponsor would also implement Project Mitigation Measures TCR-1.1 and -1.2 within the main Project Site, given the presence of CA-SMA-160/H. Project Mitigation Measures TCR-1.1 and -1.2 include measures to avoid or mitigate ground-disturbing excavation near CA-SMA-160/H, to the extent feasible, and preparation of a monitoring and treatment plan that details the appropriate procedure if remains are encountered. Project Mitigation Measure TCR-2.1 requires avoidance and preservation in place of existing known reburials. Therefore, the Project's impact on human remains would be less than significant with mitigation.

#### IX. Findings regarding variants to the proposed project

The Draft EIR included an environmental analysis of certain "variants" to the Proposed Project in Chapter 5 of the Project EIR, the analysis is hereby incorporated. Variants are variations of the Proposed Project at the Project Site, with the same objectives, background, and development controls but with a specific variation. With the exception of the Increased Residential Density Variant (which was studied for policy purposes in the event the City desires to consider it), the variants are slightly different versions of the Proposed Project that could occur, based on the action or inaction of agencies other than the City, property owners outside the Project Site, or an applicant's decision not to build certain components (e.g., the Willow Road Tunnel). Because the variants could increase or reduce environmental impacts, the Draft EIR described and analyzed associated environmental impacts for the following four variants to the Proposed Project:

- Variant 1: No Willow Road Tunnel Variant. This variant considers a scenario where the Willow Road Tunnel would not be constructed as part of the Proposed Project and Meta trams would continue to use the public street network, Bayfront Expressway, and Willow Road to access the proposed Campus District. Without the Willow Road Tunnel, cyclists and pedestrians traveling between the main Project Site and the West/East Campus would need to use at-grade crossings. All other development components of the Proposed Project would continue to be proposed under this variant. This variant was analyzed to disclose environmental impacts that would occur if agencies other than the City with jurisdiction over the Willow Road Tunnel do not approve the Willow Road Tunnel or if the applicant elects not to build it. In addition, because this option would avoid significant noise impacts associated with constructing the Willow Road Tunnel, this option was included as an alternative to the

Project that could be selected by the City Council; thus, it is fully analyzed in Chapter 6, Alternatives, of the Draft EIR.

- Variant 2: Increased Residential Density Variant. This variant would increase the number of residential dwelling units by approximately 200, for a total of 1,930 residential units at the main Project Site. All other components of the Proposed Project would remain. This variant was analyzed to disclose environmental impacts that would occur in the event that the City Council desires to increase the number of residential units under the Proposed Project.
- Variant 3: No Hamilton Avenue Realignment Variant. This variant would alter the proposed circulation network east of Willow Road to accommodate retaining the Willow Road/Hamilton Avenue intersection in its current alignment. The overall development program for the Proposed Project would remain unchanged. This variant was analyzed to disclose environmental impacts that would occur if affected property owners and/or agencies other than the City with jurisdiction over the Hamilton Avenue Realignment do not approve the Hamilton Avenue Realignment.
- Variant 4: Onsite Recycled Water Variant. This variant would provide recycled water to the main Project Site through onsite treatment of wastewater. The onsite treatment and production of recycled water would involve capturing wastewater, including blackwater (e.g., water from toilet flushing, food preparation drains), from all proposed buildings. All other proposed features of the Project would remain the same. This variant was analyzed to disclose environmental impacts that would occur if the West Bay Sanitary District does not construct its project to provide recycled water to the main Project Site in time to serve the Proposed Project and the applicant instead constructs onsite treatment facilities.

Overall, these variants would modify limited “features” or aspects of the Proposed Project. By contrast, the various “alternatives” to the Proposed Project (as described and analyzed in Chapter 6 of the Draft EIR) were designed to meet the requirements of CEQA Guidelines Section 15162.6. As required by CEQA, alternatives must meet most of the basic Project objectives and avoid or lessen one or more of the significant environmental impacts of the Proposed Project. The proposed variants would not change the basic characteristics of the Proposed Project. Rather, each variant would change the design of the Project in a discrete way. Each variant was analyzed at the same level of detail as the Proposed Project, as warranted, and is available for selection by the Project Sponsor and decision-makers as part of an approval action.

The Project EIR’s analysis considered the environmental impacts associated with each variant in Chapter 5, Variants. For some environmental topics, the impacts under a specific variant would be the same as those of the Proposed Project. For those topics, further analysis was not needed. In some cases, the impacts under a particular variant would differ from the impacts identified for the Proposed Project in Chapter 3, Environmental Impact Analysis, of the Project EIR. The differences between the Proposed Project and the variants were analyzed quantitatively in the Project EIR. Unless otherwise stated, all mitigation measures required to reduce impacts associated with the Proposed Project also would be applicable to each of the variants.

As described in Chapter 5 of the Draft Project EIR, the No Willow Road Tunnel Variant, the Increased Residential Density Variant, the No Hamilton Avenue Realignment Variant, and the Onsite Recycled Water Variant all would remain within the overall scope of impacts as evaluated for the Proposed Project and would not result in any new significant impacts. All impacts identified above as being significant and unavoidable would remain significant and unavoidable under each of the No Willow Road Tunnel Variant, the Increased Residential Density Variant, the No Hamilton Avenue Realignment Variant, and the Onsite Recycled Water

Variant, even with implementation of all feasible mitigation, and the same findings set forth apply. Likewise, significant impacts identified above as being reduced to less-than-significant levels with implementation of mitigation also would remain the same for each of the No Willow Road Tunnel Variant, the Increased Residential Density Variant, the No Hamilton Avenue Realignment Variant, and the Onsite Recycled Water Variant, and the same findings set forth above apply. No additional mitigation measures were identified or otherwise are required for the No Willow Road Tunnel Variant, the Increased Residential Density Variant, the No Hamilton Avenue Realignment Variant, or the Onsite Recycled Water Variant. The City's CEQA findings as set forth above, therefore, likewise apply to the No Willow Road Tunnel Variant, the Increased Residential Density Variant, the No Hamilton Avenue Realignment Variant, and the Onsite Recycled Water Variant, and the City thus can authorize these variants based on the same above findings for the Proposed Project.

#### X. Findings regarding alternatives to the proposed project

As required under CEQA, the Project EIR analyzed a reasonable range of alternatives to the Proposed Project and evaluated the environmental impacts and feasibility of each alternative, as well as the ability of the alternatives to meet Project objectives. The Proposed Project objectives are listed in Chapter 2 (Project Description) of the Draft Project EIR; the potentially significant environmental effects of the Proposed Project, including feasible mitigation measures identified to avoid significant environmental impacts, are analyzed in Chapter 3 (Environmental Impact Analysis) of the Draft Project EIR, as further reflected in Chapter 5 (Variants); the alternatives are described in detail in Chapter 6 (Alternatives Analysis) of the Draft Project EIR.

Brief summaries of the alternatives are provided below. The findings in this section are based on the Project EIR, the discussion and analysis of which is hereby incorporated in full by this reference. The reasons stated in the EIR for rejecting certain alternatives likewise are hereby adopted and incorporated herein by reference. Each individual reason constitutes a separate and independent basis to reject the alternative and, when the reasons are viewed collectively, provide an overall basis for rejecting the alternative.

#### A. The No Project Alternative

CEQA requires evaluation of the "no project" alternative. Under the No Project Alternative, no additional construction would occur at the Project Site. The existing buildings and landscaping on the Project Site would not be demolished and would instead remain in place and be used and maintained the same as current site conditions. The Project Sponsor would not construct the new buildings, establish open space area, provide community amenities, or install infrastructure. There would be no realignment of Hamilton Avenue at Willow Road and no additional streets within the Project Site. None of the Project variants would be implemented.

Compared to the Proposed Project, the No Project Alternative would result in fewer environmental impacts. As discussed in the EIR, however, the No Project Alternative would not satisfy the basic project objectives, including the underlying purpose of the Proposed Project and the objectives identified by the Project Sponsor. The current uses on the Project Site include offices, offices/labs, warehouses, warehouses/offices, retail, and a service station. The No Project Alternative would preserve these uses and not meet any objectives related to creating a mixed-use community or residential uses. The No Project Alternative also would not be required to have a TDM program or provide the bicycle and pedestrian friendly environment that enhances the Project Site's connectivity to surrounding areas. No changes to land use would occur and existing space would remain the same, not meeting several objectives related to design and use of buildings and the land. Development would not respond to market



demands. Accordingly, for the foregoing reasons, the No Project Alternative is hereby rejected as infeasible.

#### B. No Willow Road Tunnel Alternative

The No Willow Road Tunnel Alternative would consist of the Proposed Project but without the Willow Road Tunnel. The trams would use the public street network, Bayfront Expressway, and Willow Road to access the proposed Campus District. Historically, three tram routes have served the Willow Village campus. Without the Willow Road Tunnel, the trams would continue to operate as they do under baseline conditions. Most pedestrians and bicyclists accessing the Willow Village Campus District would use the on-street bike lanes and sidewalk improvements to move along the Willow Road corridor and would cross at the Willow Road and Main Street/Hamilton Avenue intersection. Pedestrians and bicyclists desiring to access the Bay Trail or the other Meta campuses would use (i) the bike/pedestrian trail within the City public utility easement located adjacent to and immediately west of Willow Road or (ii) the Elevated Park. Pedestrians and bicyclists would access the Elevated Park using publicly accessible stairs and elevators located within or adjacent to Hamilton Avenue Parcel North and within Town Square.

Compared to the Proposed Project, the No Willow Road Tunnel Alternative would result in reduced impacts related to aesthetics (Impacts AES-3 and C-AES-1), air quality (Impact AQ-1, AQ-2, and C-AQ-1), energy (Impact C-EN-1), greenhouse gas emissions (Impact GHG-1a), noise (Impact NOI-1, NOI-2, and C-NOI-1), cultural resources (Impact CR-1, CR-2, CR-3, and C-CR-1), biological resources (Impact BIO-1), geology and soils (Impact GS-2, GS-5, and C-GS-1), hydrology and water quality (Impact HY-1, HY-5, and C-HY-1), hazards and hazardous materials (Impact HAZ-1, HAZ-2, HAZ-3, and C-HAZ-1), and tribal cultural resources (Impact TCR-2 and C-TCR-1). However, while impacts related to air quality (Impact AQ-1, AQ-2, and C-AQ-1) and noise (Impact NOI-1, NOI-2, and C-NOI-1) would be slightly reduced because there would be less overall construction under the No Willow Road Tunnel Alternative, these impacts would still remain significant and unavoidable under this alternative. Thus, this alternative would not appreciably reduce any significant and unavoidable impact of the Proposed Project.

Overall, the No Willow Road Tunnel Alternative would meet many of the Project objectives. It would still, for example, contain the land uses proposed under the Proposed Project. Thus, it would meet objectives related to creating a mixed-use community and residential uses and other specified building and land uses. For the objective that contains new bicycle and pedestrian connections, the No Willow Road Tunnel Alternative also would meet this objective, albeit to a lesser degree than the Proposed Project because the Willow Road Tunnel would provide a pedestrian and bicycle connection. Similar to the Project, the alternative also would generate revenue for the City and other public entities. Because the No Willow Road Tunnel Alternative would not reduce avoid or substantially lessen any of the Proposed Project's significant and unavoidable environmental impacts, however, it is hereby rejected as an alternative, although it may still be authorized by the City as a permissible variant to the Proposed Project. As stated in the EIR, the No Willow Road Tunnel Alternative also is considered a variant to the Proposed Project. The City Council could choose to select the No Willow Road Tunnel Alternative to reduce construction noise impacts, and the Willow Road Tunnel would thus not proceed. If the City Council does not select the No Willow Road Tunnel Alternative, then the No Willow Road Tunnel Variant could be approved as part of the Project to address the potential that Caltrans does not provide the requisite right of way for the Willow Road Tunnel or the Applicant elects not to construct the Willow Road Tunnel.

### C. Base Level Development Alternative

The Base Level Development Alternative would consist of the Proposed Project but developed to be consistent with the “base-level” development standards in the R-MU and O zoning districts. The base-level development standards for the R-MU district allow for a maximum density of up to 30 dwelling units per acre (du/acre) and a maximum height of up to 40 feet. For the O zoning district, the base-level development standards allow for a floor area ratio (FAR) of 0.45 (plus 10 percent for non-office commercial uses and 175 percent for hotels) and a maximum height of 35 feet (110 feet for hotels). The Proposed Project proposes “bonus-level” development in exchange for providing community amenities acceptable to the City Council; the Base Level Development Alternative would not involve this exchange and no community amenities would be provided. Construction also would not be phased.

Compared to the Proposed Project, the Base Level Development Alternative would result in reduced impacts related to aesthetics (Impact AES-1, AES-3, and C-AES-1), air quality (Impact AQ-1, AQ-2, C-AQ-1), energy (Impact EN-1, C-EN-1), greenhouse gas emissions (Impact GHG-1a, GHG-1b), noise (Impact NOI-1, C-NOI-1), cultural resources (Impact CR-1, CR-2, CR-3, and C-CR-1), biological resources (Impact BIO-1, BIO-5, BIO-6), geology and soils (Impact GS-5, C-GS-1), hydrology and water quality (Impact C-HY-1), hazards and hazardous materials (Impact HAZ-1, HAZ-2, HAZ-3, C-HAZ-1), population and housing (Impact POP-1, C-POP-1), public services (Impact PS-1, PS-2, PS-3, PS-4, PS-5, and C-PS-1), utilities and service systems (Impact UT-1, UT-2, UT-3, UT-4, UT-5, C-UT-1, C-UT-2, C-UT-3, C-UT-4, C-UT-5, C-UT-6), and tribal cultural resources (Impact TCR-2 and C-TCR-1). Impacts related to noise (Impact NOI-1, NOI-2, and C-NOI-1) would remain significant and unavoidable. Project-level and cumulative operational air quality impacts related to ROG emissions (Impact AQ-1, AQ-2, and C-AQ-1), however, would be reduced to a less-than-significant level with mitigation.

The Base Level Development Alternative would not meet many of the Project Objectives to the same degree as the Proposed Project. It would still contain the proposed land uses. Therefore, it would meet objectives related to creating a mixed-use community, residential uses, and other specified building and land uses but to a considerably lesser degree than the Proposed Project because there would be a reduction in office, non-office commercial/retail, and residential square footage and residential density as compared to the Proposed Project. The Base Level Development Alternative could still include a pharmacy (although it would not be a required community amenity); an interconnected office campus; a meeting and collaboration space; and a secure, safe, and private work environment. But because the Base Level Development would result in less office space than currently exists on the Project Site, it is reasonable to conclude that the Project Sponsor likely would not proceed with the Base Level Development Alternative and that this alternative would not provide a mix of uses at densities to achieve a financially feasible project. The Base Level Development Alternative likely would respect the surrounding community through appropriate building siting, massing, density, and height, but it would not meet the objective to be consistent with the standards prescribed for bonus-level development. Open space would be reduced in the Base Level Development Alternative compared to the Proposed Project, which means the Base Level Development Alternative would meet open space related objectives to a lesser degree than the Proposed Project. The Base Level Alternative also would not generate as much revenue for the City and other public entities in part because it would reduce the level of development and the Zoning Ordinance would not require the Base Level Alternative to provide community amenities. These amenities would provide much needed benefits to the Bayfront area, including grocery store space, two-year grocery store space rent subsidy, pharmacy services, dining options, community entertainment offerings, bank or credit union, elevated park improvements, town square improvements, teacher housing and rent subsidies, excess public open space, open space operations and

maintenance, and funding for job training programs. It is important to the City to be able to provide such amenities to its constituents and absent bonus-level development, the City would be unable to require such amenities. The Base Level Development Alternative would not be phased, so it would not meet the objective regarding phasing to meet market demands. Accordingly, for the foregoing reasons, the Base Level Development Alternative is hereby rejected as infeasible.

#### D. Reduced Intensity Alternative

The Reduced Intensity Alternative would consist of the Proposed Project but developed at a lesser intensity (albeit still at a bonus level of development, unlike the Base Level Development Alternative). Both the total residential and non-residential square footage would be reduced compared to the Proposed Project. Construction of this alternative would be conducted in one phase rather than in the two phases planned for the Proposed Project. The Reduced Intensity Alternative would meet many of the basic Project Objectives, although it may not meet some objectives to the same degree as the Project.

Compared to the Proposed Project, the Reduced Intensity Alternative would result in reduced impacts related to aesthetics (Impact AES-1, AES-3, and C-AES-1), air quality (Impact AQ-1, AQ-2, C-AQ-1), energy (Impact EN-1, C-EN-1), greenhouse gas emissions (Impact GHG-1a, GHG-1b), noise (Impact NOI-1, C-NOI-1), cultural resources (Impact CR-1, CR-2, CR-3, and C-CR-1), biological resources (Impact BIO-1, BIO-5, BIO-6), geology and soils (Impact GS-5, C-GS-1), hydrology and water quality (Impact C-HY-1), hazards and hazardous materials (Impact HAZ-1, HAZ-2, HAZ-3, C-HAZ-1), population and housing (Impact POP-1, C-POP-1), public services (Impact PS-1, PS-2, PS-3, PS-4, PS-5, and C-PS-1), utilities and service systems (Impact UT-1, UT-2, UT-3, UT-4, UT-5, C-UT-1, C-UT-2, C-UT-3, C-UT-4, C-UT-5, C-UT-6), and tribal cultural resources (Impact TCR-2 and C-TCR-1). Impacts related to noise (Impact NOI-1, NOI-2, and C-NOI-1) would remain significant and unavoidable. Project-level and cumulative operational air quality impacts related to ROG emissions (Impact AQ-1, AQ-2, and C-AQ-1), however, would be reduced to a less-than-significant level with mitigation.

The Reduced Intensity Alternative would not meet many of the Project Objectives to the same degree as the Proposed Project. It would still contain the land uses proposed under the Proposed Project. Therefore, it would meet objectives related to creating a mixed-use community, residential uses, and other specified building and land uses. However, there would be a reduction in office, non-office commercial/retail, and residential square footage and residential density. Due to the lower residential density, the Reduced Intensity Alternative also would provide less affordable housing than the Proposed Project. In addition, the Reduced Intensity Alternative would provide only approximately 225,000 square feet more office than currently existing on the Project Site and may not result in densities that achieve a financially feasible project. The Reduced Intensity Alternative thus would meet objectives related to land use to a considerably lesser degree than the Proposed Project. Community amenities also would be reduced commensurate with the reduction in bonus level development under the Reduced Intensity Alternative. The Reduced Intensity Alternative could still include a pharmacy; an interconnected office campus; a meeting and collaboration space; and a secure, safe, and private work environment. The community amenities provided by the Proposed Project meet important City needs, including the desire for more parks and neighborhood-serving retail and entertainment, and lesser amenities would not aid the City to the same extent. The Reduced Intensity Alternative would meet the objective related to building siting, massing, density, and height because it would be within the standards prescribed for bonus-level development. Open space would be reduced in the Reduced Intensity Alternative compared to the Proposed Project, which means the Reduced Intensity Alternative would meet open space related

objectives to a lesser degree than the Proposed Project. The Reduced Intensity Alternative also would not be phased, so it would not meet the objective regarding phasing to meet market demands. Accordingly, for the foregoing reasons, the Reduced Intensity Alternative is hereby rejected as infeasible.

#### E. Environmentally Superior Alternative

In addition to the discussion and comparison of impacts of the Proposed Project and the alternatives, Section 15126.6 of the CEQA Guidelines requires that an “environmentally superior” alternative be selected and the reasons for such a selection be disclosed. In general, the environmentally superior alternative is the alternative that would be expected to generate the least amount of significant impacts. Identification of the environmentally superior alternative is an informational procedure, and the alternative selected as environmentally superior may not be an alternative that is feasible and substantially lessens the significant environmental effects of the project.

As set forth in the EIR, the No Project Alternative would be the environmentally superior alternative. CEQA Guidelines section 15126.6(e)(2) states that when the no project alternative is identified as the environmentally superior alternative, the EIR must also identify an environmentally superior alternative from among the other alternatives. Selection of an environmentally superior alternative necessitates weighing of numerous environmental considerations. No other alternative is environmentally superior for all resource areas, as shown in Table 6-12 of the Project EIR, and so the City must balance environmental aspects in determining which alternative is the environmentally superior alternative.

Whereas the No Willow Road Tunnel Alternative largely reduces impacts that are temporary as a result of construction and excavation, the Base Level Development Alternative and Reduced Intensity Alternative result in reductions in impacts during both construction and operation.

The No Willow Road Tunnel Alternative reduces noise and vibration impacts during construction, as well as the criteria air pollutant emissions, energy consumption, and greenhouse gas emissions from construction activities such as heavy equipment operation and excavation. It reduces the potential for damage of cultural resources and reduces hydrology and hazardous materials impacts during construction of the Willow Road Tunnel.

The Base Level Alternative and Reduced Intensity Alternative also reduce construction impacts because the development would have smaller buildings under those alternatives. The No Willow Road Tunnel Alternative also would reduce construction impacts because tunnel construction would not occur. However, over the long term, the Base Level Alternative and Reduced Intensity Alternative also would reduce impacts associated with operation of the buildings, such as criteria air pollutant emissions, energy consumption, noise, and greenhouse gas emissions, which the No Willow Road Tunnel Alternative would not.

Menlo Park’s 2030 Climate Action Plan (Menlo Park 2021) sets a goal for the City of Menlo Park to reduce its VMT by 25 percent or an amount recommended by the Complete Streets Commission as one of six actions to eventually reach carbon neutrality. This emphasizes the importance of reducing VMT in Menlo Park. A reduction in VMT is also expressed in the objectives of the Proposed Project, through objectives such as to reduce VMT by locating residential, commercial, and office uses adjacent to each other; provide multiple transportation options and a robust TDM to reduce traffic congestion, air quality impacts, and greenhouse impacts; and develop an integrated, highly connected office campus that accommodates

anticipated worker space demands and provides flexible workspace at densities that support various transportation options.

Based on the latest citywide travel demand model, the regional average office VMT is 15.9 and the regional average residential VMT is 13.1. Office VMT for the Proposed Project would be 13.6, while residential VMT would be subject to mitigation to meet the significance threshold of 11.2. Mitigation Measure TRA-1 would require that residential land uses on the Project site reduce trips through a TDM Plan achieving a 36 percent trip reduction from gross ITE trip generation rates.

The Proposed Project and all three alternatives would generate similar VMT per capita. However, there would be differences in total VMT. The No Willow Road Tunnel Alternative would generate similar total VMT at the Project Site to the Proposed Project because it would have the same square footage of nonresidential and residential development. The Reduced Intensity Alternative would generate less VMT than the Proposed Project at the Project Site because there would be fewer total residents and employees. The Base Level Development Alternative would generate even less VMT at the Project Site because there would be even fewer total residents and employees. However, the Proposed Project is designed to reduce VMT to below the regional average, such that if office uses and residential uses were developed elsewhere, the VMT reduction benefits at the Project Site would not be realized. The Base Level and Reduced Intensity Alternatives would also reduce VMT to below the regional average. The No Willow Road Tunnel Alternative, with the maximum residential and non-residential buildout at the Project Site among the alternatives, would maximize development and total VMT reduction at the Project Site over the long term while also reducing several construction impacts. However, the No Willow Road Tunnel Alternative would not reduce any of the Proposed Project's significant and unavoidable impacts to a less-than-significant level. Therefore, the No Willow Road Tunnel Alternative is not the environmentally superior alternative.

None of the other alternatives would reduce the Proposed Project's significant and unavoidable construction noise and vibration impacts to a less-than-significant level. The Base Level Development Alternative and the Reduced Intensity Alternative would reduce the Proposed Project's project-level and cumulative operational air quality impacts related to ROG emissions to a less-than-significant level with mitigation. The Base Level Development Alternative would result in the greatest reduction (19 net lbs/day of ROG compared to 53.6 net lbs/day under the Reduced Intensity Alternative). Therefore, the Base Level Development Alternative is the environmentally superior alternative.

#### XI. Statement of overriding considerations

As set forth above, the City has found that the Proposed Project will result in project and cumulative significant adverse environmental impacts related to air quality and noise that cannot be avoided following adoption, incorporation into the Project, and implementation of mitigation measures described in the EIR. In addition, there are no feasible project alternatives that would mitigate or avoid all of the Project's significant environmental impacts. Section 15093(b) of the State CEQA Guidelines provides that when the decision of the public agency results in the occurrence of significant impacts that are not avoided or substantially lessened, the agency must state in writing the reasons to support its actions. See also Public Resources Code Section 21081(b). Having balanced the economic, legal, social, technological or other benefits of the Project, including region-wide or statewide environmental benefits, against its significant and unavoidable environmental impacts, the City finds that the Proposed Project's benefits outweigh its unavoidable adverse environmental effects, and that the adverse environmental effects are therefore acceptable.

The following statement identifies the reasons why, in the City's judgment, specific benefits of the Proposed Project outweigh the significant and unavoidable effects. The City finds that each of the Proposed Project's benefits discussed below is a separate and independent basis for these findings. The reasons set forth below are based on the Final Project EIR and other information contained in the administrative record for the Proposed Project.

#### Economic Benefits

1. The Proposed Project would redevelop an underutilized property with a master-planned, mixed-use neighborhood in further of the goals for the Bayfront Area set forth in ConnectMenlo.
2. The Proposed Project would develop an integrated, connected office campus that accommodates anticipated worker space demands and provides flexible workspace at densities that support various transportation options.
3. The Proposed Project would have positive net fiscal impact on the City's annual General Fund operating budget. The Proposed Project also would both generate a net positive fiscal impact for the Menlo Park Fire Protection District, Sequoia Union High School District, and the Ravenswood City Elementary School District. The Proposed Project also would be required to pay various impact fees to the City and the two school districts.

#### Environmental Benefits

1. The Proposed Project would reduce vehicle miles traveled by locating residential, commercial, and office uses adjacent to each other.
2. The Proposed Project would provide multiple transportation options and a transportation demand management program to reduce traffic congestion, air quality impacts, and greenhouse gas emissions.
3. The Proposed Project would create a bicycle- and pedestrian-friendly environment that enhances connectivity between the Project Site and surrounding areas with minimal traffic conflicts.
4. The Proposed Project would use sustainable design techniques to promote energy and water efficiency.
5. The Proposed Project would respect the surrounding community through appropriate building siting, massing, density, and height, consistent with the standards prescribed for bonus-level development in the City's General Plan and zoning policies.

#### Social Benefits

1. The Proposed Project would create a master-planned, mixed-use neighborhood with up to 1,730 residential units, a grocery store/supermarket, neighborhood-serving retail uses, office space, a hotel, new bicycle and pedestrian connections, and open space.
2. The Proposed Project would promote General Plan goals of providing office, R&D, residential, and commercial uses and a hotel in proximity to or integrated with one another.
3. The Proposed Project would provide market rate and below market rate housing, including affordable senior housing, in Menlo Park.
4. The Proposed Project would provide a pharmacy to serve the community within the main Project Site or on Hamilton Avenue Parcel North, as well as other community amenities.
5. The Proposed Project would provide publicly accessible open space in the area.
6. The Proposed Project would foster knowledge, partnerships, and innovation by creating a "meeting and collaboration space" where workers can convene to share ideas and goals, ~~visitors can understand the company's background and products,~~ business partners can learn about technology, and new product demonstrations can occur.
7. The Proposed Project would provide a variety of community benefits, including but not limited to a grocery store ~~space~~, two-year grocery storespace rent subsidy, pharmacy

services, dining options, community entertainment offerings, bank or credit union, elevated park improvements, town square improvements, teacher housing and rent subsidies, excess public open space, open space operations and maintenance, and funding for job training programs.

XII. Adoption of the MMRP

The City Council hereby adopts the MMRP attached hereto as Exhibit A and incorporated herein by this reference.

XIII. Severability

If any term, provision, or portion of these findings or the application of these findings to a particular situation is held by a court to be invalid, void or unenforceable, the remaining provisions of these findings, or their application to other actions related to the Project, shall continue in full force and effect unless amended or modified by the City.

I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the ~~sixth~~ ~~fifteenth~~ day of ~~November~~ ~~December~~, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this \_\_ day of ~~November~~ ~~December~~, 2022.

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Judi A. Herren, City Clerk

Exhibits:

A. MMRP

# Mitigation Monitoring and Reporting Program

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## Introduction

The California Environmental Quality Act (CEQA) requires the adoption of feasible mitigation measures to reduce the severity and magnitude of significant environmental impacts associated with project development. The Environmental Impact Report (EIR) prepared and certified for the proposed Willow Village Master Plan Project (Proposed Project) includes all feasible mitigation measures to reduce the potential environmental effects of the Proposed Project.

CEQA also requires reporting on and monitoring of mitigation measures adopted as part of the environmental review process (Public Resources Code Section 21081.6). This Mitigation Monitoring and Reporting Program (MMRP) is designed to aid the City of Menlo Park in its implementation and monitoring of measures adopted from the certified EIR.

The mitigation measures in this MMRP are assigned the same number they had in the EIR. The MMRP, presented in table format, describes the actions that must take place to implement each mitigation measure, the timing of those actions, the entities responsible for implementing and monitoring the actions, and verification of compliance. Additional information is provided in the certified EIR for the Project.



<b>WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM</b>				
<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<b>Transportation</b>				
<b>IMPACT BEING ADDRESSED: The Proposed Project would exceed an applicable VMT threshold of significance. The Proposed Project would exceed the applicable VMT threshold of significance for the residential land use and would result in a significant impact. (Impact TRA-2)</b>				
<i>Project Mitigation Measure TRA-2:</i> The residential land use of the Project Site will be required to implement a TDM Plan achieving a 36% reduction from gross ITE trip generation rates (for the Proposed Project, this reduction equals 6,023 daily trips). Should a different number of residential units be built, the total daily trips will be adjusted accordingly. The required residential TDM Plan will include annual monitoring and reporting requirements on the effectiveness of the TDM program. The Project applicant will be required to work with City staff to identify the details of the TDM plan. If the annual monitoring finds that the TDM reduction is not met (i.e. the Proposed Project exceeds 6,023 daily trips from the residential land use), the TDM coordinator will be required to work with City staff to detail next steps to achieve the TDM reduction.	Finalize Transportation Demand Management (TDM) Plan details with the City.  Implement TDM Plan during occupancy of the Proposed Project.	Finalization of TDM Plan with City prior to occupancy of the first building  Annual monitoring and reporting every year the Project is operational with timing to be determined by the City	Project Sponsor	City of Menlo Park Community Development Department (CDD), Planning Division  City of Menlo Park Public Works Department (PW), Transportation Division
<b>IMPACT BEING ADDRESSED: The Proposed Project would substantially increase hazards due to a design feature or incompatible uses. The Proposed Project includes a design feature that could increase hazards and would result in a significant impact. (Impact: TRA-3)</b>				
<i>Project Mitigation Measure TRA-3:</i> Revise the North Garage access design to provide adequate sight distance for the eastern driveway or incorporate other design solutions to reduce hazards to the satisfaction of the Public Works Director. Potential solutions that would reduce hazards to a less than significant level include restricting the eastern driveway to inbound vehicles only or prohibiting exiting left turns, modifying landscaping or relocating the driveway to the west to allow for adequate sight distance for exiting vehicles, or installing an all-way stop or signal.	Revise the North Garage access design for adequate visibility and hazard reduction.	During the building permit and site development review process and prior to issuance of building permits.	Project Sponsor/ Project architect	PW, Transportation Division
<b>IMPACT BEING ADDRESSED: Vehicle Miles Traveled. (Impact C-TRA-2)</b>				
Implement <i>Mitigation Measure TRA-2</i> above.	See above.	See above.	See above.	See above.
<b>IMPACT BEING ADDRESSED: Hazards or Incompatible Uses. (Impact C-TRA-3)</b>				

<b>WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM</b>				
<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
Implement <i>Mitigation Measure TRA-3</i> , above.	See above.	See above.	See above.	See above.
<b><i>Air Quality</i></b>				
<b><i>IMPACT BEING ADDRESSED: Conflict with or Obstruct Implementation of the Applicable Air Quality Plan. The Proposed Project would conflict with or obstruct implementation of the applicable air quality plan. (Impact AQ-1)</i></b>				
<p><i>Project Mitigation Measure AQ-1.1: Use Clean Diesel-powered Equipment during Construction to Control Construction-related Emissions.</i> The Project Sponsor shall either:</p> <ul style="list-style-type: none"> <li>• Ensure all off-road construction equipment with greater than 25 horsepower and operating for more than 20 hours total over the entire duration of construction activities have engines that meet or exceed either EPA or ARB Tier 4 Final off-road emission standards. The exception to this requirement allows a cumulative total of 618,028 horsepower-hours over the duration of construction activities before residents move onsite and 34,716 horsepower-hours over the duration of construction activities after residents move onsite from the operation of off-road construction equipment that meets standards less than Tier 4 Final; or</li> <li>• Prior to issuance of building permits, provide supplemental analysis prepared by a qualified air quality specialist to the City for approval that shows that emissions of ROG and NO<sub>x</sub>, the excess lifetime cancer risk, and the PM<sub>2.5</sub> concentration would not exceed the thresholds from the 2017 BAAQMD CEQA Air Quality Guidelines using the mix of equipment proposed by the applicant.</li> </ul>	Use clean diesel-powered equipment during construction or provide supplemental air quality analysis.	<p>Prior to the issuance of building permits</p> <p>During construction (if clean diesel-powered equipment is used)</p>	Project Sponsor	CDD
<p><i>Project Mitigation Measure AQ-1.2: Architectural Coatings.</i> The Project Sponsor shall use super-compliant architectural coatings during construction and operation for all buildings, which shall have VOC content that meet SCAQMD Rule 1113 Architectural Coatings as revised on February 5, 2016.</p>	Apply architectural coatings to meet South Coast Air Quality	<p>Prior to the issuance of building permits</p> <p>During construction</p>	Project Sponsor	CDD

WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM				
Mitigation Measures	Action	Timing	Implementing Party	Monitoring Party
	Management District Rule 1113.	Ongoing during operation of Project		
<b>IMPACT BEING ADDRESSED: Cumulatively Considerable Net Increase in Criteria Pollutants. The Proposed Project would result in a cumulative net increase in a criteria pollutant for which the Project region is classified as a nonattainment area under an applicable federal or ambient air quality standard. (Impact AQ-2)</b>				
Implement Project Mitigation Measures AQ-1.1 and AQ-1.2	See above	See above	See above	See above
<i>ConnectMenlo Mitigation Measure AQ-2b1:</i> Prior to building permit issuance, the City shall require applicants for all development projects in the city to comply with the current Bay Area Air Quality Management District’s (BAAQMD) basic control measures for reducing construction emissions of PM <sub>10</sub> (Table 8-1, Basic Construction Mitigation Measures Recommended for All Proposed Projects, of the BAAQMD CEQA Guidelines).	Comply with BAAQMD basic control measures.	During the building permit and site development review process, prior to building permit issuance, and during construction	Project Sponsor	CDD
<i>ConnectMenlo Mitigation Measure AQ-2b2:</i> Prior to issuance of a building permit, development projects in the City that are subject to CEQA and exceed the screening sizes in the BAAQMD’s CEQA Guidelines shall prepare and submit to the City of Menlo Park a technical assessment evaluating potential project construction-related air quality impacts. The evaluation shall be prepared in conformance with the BAAQMD methodology for assessing air quality impacts. If construction-related criteria air pollutants are determined to have the potential to exceed the BAAQMD thresholds of significance, as identified in the BAAQMD CEQA Guidelines, the project applicant is required to incorporate mitigation measures to reduce air pollutant emissions during construction activities to below these thresholds (e.g., Table 8-2, Additional Construction Mitigation Measures Recommended for projects with Construction Emissions Above the Threshold of the BAAQMD CEQA Guidelines, or applicable construction mitigation measures subsequently	Prepare the construction-related air quality technical assessment.	During the building permit and site development review process and prior to permit issuance	Project Sponsor	CDD

<b>WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM</b>				
<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
approved by BAAQMD). These identified measures shall be incorporated into all appropriate construction documents (e.g., construction management plans), subject to the review and approval of the Planning Division prior to building permit issuance. (The AQTR prepared and submitted for the Proposed Project fulfills the air quality technical assessment requirement.)				
<b><i>IMPACT BEING ADDRESSED: Expose Sensitive Receptors to Substantial Pollutant Concentrations. The Proposed Project would expose sensitive receptors to substantial pollutant concentrations. (Impact AQ-3)</i></b>				
<i>Implement Project Mitigation Measure AQ-1.1 and ConnectMenlo Mitigation Measures AQ-2b1 and AQ-2b2, above.</i>	See above.	See above.	See above.	See above.
<b><i>IMPACT BEING ADDRESSED: Other Air Emissions. The Proposed Project would result in other emissions (such as those leading to odors) that would adversely affect a substantial number of people. (Impact AQ-4)</i></b>				
<i>Project Mitigation Measure AQ-4.1: Molecular Neutralizer for Odors. The Project Sponsor and West Bay Sanitary District shall install a molecular neutralizer at the proposed sanitary sewer pump station to convert hydrogen sulfide gas into a biodegradable effluent during sewer pump operations. The molecular neutralizer shall be installed prior to the commencement of sewer pump operations.</i>	Install molecular neutralizer at the proposed sanitary sewer pump station.	During the building permit and site development review process. Install prior to the commencement of sewer pump operations.	Project Sponsor/ West Bay Sanitary District	CDD/PW
<b><i>IMPACT BEING ADDRESSED: Cumulative Air Quality Impacts. Cumulative development would result in a significant and unavoidable cumulative impact on air quality; thus, the Proposed Project would be a cumulatively considerable contributor to a significant cumulative impact on air quality. (Impact C-AQ-1)</i></b>				
<i>Implement Project Mitigation Measure AQ-1.1 and ConnectMenlo Mitigation Measures AQ-2b1 and AQ-2b2.</i>	See above.	See above.	See above.	See above.
<b><i>Greenhouse Gas Emissions</i></b>				
<b><i>IMPACT BEING ADDRESSED: Generation of GHG Emissions during Construction. Construction of the Proposed Project would not generate GHG emissions that may have a significant impact on the environment. (Impact GHG-1b)</i></b>				
<i>Implement Mitigation Measure TRA-2, above.</i>	See above.	See above.	See above.	See above.

<b>WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM</b>				
<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<i><b>IMPACT BEING ADDRESSED: Conflicts with Applicable Plans and Policies. The Proposed Project would conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing emissions of GHGs. (Impact GHG-2)</b></i>				
Implement <i>Mitigation Measure TRA-2</i> , above.	See above.	See above.	See above.	See above.

WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM				
Mitigation Measures	Action	Timing	Implementing Party	Monitoring Party
<b>Noise</b>				
<b>IMPACT BEING ADDRESSED: Construction Noise. Construction of the Proposed Project would generate a substantial temporary or permanent increase in ambient noise levels in the vicinity of the Project in excess of standards established in a local general plan or noise ordinance or applicable standards of other agencies. (Impact NOI-1a)</b>				
<p><b>Modified ConnectMenlo Mitigation Measure NOISE-1c.</b> Project applicants for all development projects in the city shall minimize the exposure of nearby properties to excessive noise levels from construction-related activity through CEQA review, conditions of approval and/or enforcement of the City’s Noise Ordinance. Prior to issuance of demolition, grading, and/or building permits for development projects, a note shall be provided on development plans indicating that during on-going grading, demolition, and construction, the property owner/developer shall be responsible for requiring contractors to implement the following measures to limit construction-related noise:</p> <ul style="list-style-type: none"> <li>• All internal combustion engines on construction equipment and trucks are fitted with properly maintained mufflers, air intake silencers, and/or engine shrouds that are no less effective than as originally equipped by the manufacturer.</li> <li>• Stationary equipment such as generators and air compressors shall be located as far as feasible from nearby noise-sensitive uses.</li> <li>• Stockpiling is located as far as feasible from nearby noise-sensitive receptors.</li> <li>• Limit unnecessary engine idling to the extent feasible.</li> <li>• Limit the use of public address systems.</li> <li>• Construction traffic shall be limited to the haul routes established by the City of Menlo Park.</li> </ul>	Implement measures to limit construction-related noise.	Prior to the issuance of demolition, grading, and building permits and throughout the duration of construction activities	Project Sponsor/contractor(s)	CDD

<b>WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM</b>				
<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<p><i>Project Mitigation Measure NOI-1.1: Construction Noise Control Plan to Reduce Construction Noise.</i> The Project applicant and/or the contractor(s) shall obtain a permit to complete work outside the exempt/standard construction hours outlined in the City of Menlo Park Municipal Code, which may be incorporated into the conditional development permit for the Proposed Project. In addition, the applicant and/or contractor(s) shall develop a construction noise control plan to reduce noise levels and comply with Municipal Code daytime (during non-exempt hours) and nighttime noise standards to the extent feasible and practical, subject to review and determination by the Community Development Department. The plan shall also include measures to reduce noise levels such that a 10-dB increase over the ambient noise level does not occur at nearby noise-sensitive land uses, such as schools and residences to the extent feasible and practical (as determined by the City). Finally, the plan shall include measures to reduce pile driving noise such that noise from this equipment does not exceed 85 dBA <math>L_{eq}</math> at a distance of 50 feet, as feasible.</p> <p>The plan shall demonstrate that, to the extent feasible and practical, noise from construction activities that occur daily between 7:00 and 8:00 a.m. or between 6:00 p.m. and 10:00 p.m. will comply with the applicable City of Menlo Park noise limit of 60 dBA at the nearest existing residential or noise-sensitive land use, and construction activities that occur between 10:00 p.m. and 7:00 a.m. will comply with the applicable City noise limit of 50 dBA at the residential or noise-sensitive land use. The plan shall also demonstrate that, to the extent feasible and practical (as determined by the City), noise from construction activities during all hours will not result in a 10 dB increase over the ambient noise level at the nearest noise-sensitive land uses, and that pile driving noise would not exceed 85 dBA <math>L_{eq}</math> at a distance of 50 feet. This</p>	<p>Develop a Noise Control Plan and obtain a permit to complete work outside standard construction hours.</p>	<p>Submit noise control plan concurrently with the application for the first building permit for each building and implement plan during construction. Obtain permit prior to building permit application.</p>	<p>Project Sponsor/ contractor(s)</p>	<p>CDD</p>

<b>WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM</b>				
<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<p>Noise Control Plan shall be approved by the City prior to the issuance of building permits to confirm the precise noise minimization strategies that will be implemented and to document that strategies will be employed to the extent feasible and practical. Measures to help reduce noise from construction activity to these levels shall be incorporated into this plan and may include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <li>• To the extent feasible and practical, plan for the noisiest construction activities to occur during daytime hours when the quantitative standards are less stringent, existing ambient noise levels are generally louder, and when people are less sensitive to noise.</li> <li>• Require all construction equipment be equipped with mufflers and sound control devices (e.g., intake silencers and noise shrouds) that are in good condition (at least as effective as those originally provided by the manufacturer) and appropriate for the equipment.</li> <li>• Maintain all construction equipment to minimize noise emissions.</li> <li>• Locate construction equipment as far as feasible from adjacent or nearby noise-sensitive receptors.</li> <li>• Require all stationary equipment be located to maintain the greatest possible distance to the nearby existing buildings, where feasible and practical.</li> <li>• Require stationary noise sources associated with construction (e.g., generators and compressors) in proximity to noise-sensitive land uses to be muffled and/or enclosed within temporary enclosures and shielded by barriers, which can reduce construction noise by as much as 5 dB.</li> <li>• Install noise-reducing sound walls or fencing (e.g. temporary fencing with sound blankets) around noise-generating equipment, to the extent feasible and practical, where no perimeter wall is provided pursuant to Mitigation Measure NOI-1.2.</li> </ul>				



<b>WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM</b>				
<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<ul style="list-style-type: none"> <li>• Prohibit idling of inactive construction equipment for prolonged periods during nighttime/non-standard hours (i.e., more than 2 minutes).</li> <li>• Provide advance notification in the form of mailings/deliveries of notices to surrounding land uses regarding the construction schedule, including the various types of activities that would be occurring throughout the duration of the construction period.</li> <li>• Provide the name and telephone number of an on-site construction liaison through on-site signage and on the notices mailed/delivered to surrounding land uses. If construction noise is found to be intrusive to the community (i.e., if complaints are received), the construction liaison shall take reasonable efforts to investigate the source of the noise and require that reasonable measures be implemented to correct the problem.</li> <li>• Use electric motors rather than gasoline- or diesel-powered engines to avoid noise associated with compressed air exhaust from pneumatically powered tools during nighttime hours, to the extent feasible and practical (as determined by the City). Where the use of pneumatic tools is unavoidable, an exhaust muffler on the compressed air exhaust could be used; this muffler can lower noise levels from the exhaust by about 10 dB. External jackets on the tools themselves could be used, which could achieve a reduction of 5 dB.</li> </ul>				
<p><i>Project Mitigation Measure NOI-1.2: Construction of Temporary Noise Barrier along Project Perimeter.</i> The Project contractor(s) shall install an 8-foot-high temporary noise barrier along the complete length of the western and southern perimeter (e.g., areas near residential and school land uses), and along the southernmost 500 feet of the eastern perimeter of the main Project Site. As project buildout occurs, removal and/or adjustment in the location of the perimeter noise</p>	Install noise barriers.	Prior to issuance of building permit for each building and/or relevant area of site improvement plans/building construction and ongoing	Project Sponsor/contractor(s)	CDD

<b>WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM</b>				
<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<p>barrier may occur because either the construction of project buildings (completion of core and shell) or streets requires barrier realignment, or the perimeter barrier is not needed, as shown by preparation of an acoustical analysis that indicates the balance of the construction activities will not result in construction noise that exceeds the allowable limits.</p> <p>Regarding the Hamilton Avenue Parcel South, a similar noise barrier shall be installed around the complete length of the southern, western and northern perimeters as well as the southernmost 100 feet of the eastern perimeter of the Hamilton Avenue Parcel South, unless the Project Sponsor can demonstrate, through an acoustical analysis, that construction noise at this site would not exceed the allowable limits. The decision regarding the necessity of this barrier and location(s) shall be subject to review and approval of the City based on evidence and analyses providing by the applicant team.</p> <p>Regarding the Hamilton Avenue Parcel North, a similar noise barrier shall also be constructed along the complete length of the southern and western perimeters, along with the eastern most 100 feet of the northern perimeter of the Hamilton Avenue Parcel North, unless the Project Sponsor can demonstrate, through an acoustical analysis, that construction noise at this site would not exceed the allowable limits. The decision regarding the necessity of this barrier and location(s) shall be subject to review and approval of the City based on evidence and analyses providing by the applicant team.</p> <p>The barriers shall be constructed of material that has an acoustical rating of at least 26 STC (Sound Transmission Class). This can include a temporary barrier constructed with plywood supported on a wood frame, sound curtains supported on a frame, or other comparable material.</p>		removal/adjustment of noise barriers during construction		

WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM				
Mitigation Measures	Action	Timing	Implementing Party	Monitoring Party
<b><i>IMPACT BEING ADDRESSED: Operational Noise. Operation of the Proposed Project would generate a substantial temporary or permanent increase in ambient noise levels in the vicinity of the Project in excess of standards established in a local general plan or noise ordinance or applicable standards of other agencies. (Impact NOI-1b)</i></b>				
<i>ConnectMenlo Mitigation Measure NOISE-1b.</i> Stationary noise sources and landscaping and maintenance activities citywide shall comply with Chapter 8.06, Noise, of the Menlo Park Municipal Code.	Comply with Chapter 8.06 of the Menlo Park Municipal Code.	Prior to the issuance of construction permits and throughout the duration of construction activities	Project Sponsor	CDD
<i>Project Mitigation Measure NOI-1.3: Mechanical Equipment Noise Reduction Plan.</i> To reduce potential noise impacts resulting from Project mechanical equipment, including heating, cooling, and ventilation equipment, the Project applicant shall conduct a noise analysis to estimate noise levels of Project-specific mechanical equipment based on the final selected equipment models and design features. In addition to the analysis, a Mechanical Equipment Noise Reduction Plan shall be created to ensure noise levels of equipment, once installed, are below the applicable criteria described below. The Noise Reduction Plan shall include any necessary noise reduction measures required to reduce Project-specific mechanical equipment noise to a less-than-significant levels. The plan shall also demonstrate that with the inclusion of selected measures, noise from equipment would be below the significance thresholds. Feasible noise reduction measures to reduce noise below the significance thresholds include, but are not limited to, selecting quieter equipment, utilizing silencers and acoustical equipment at vent openings, siting equipment farther from the roofline, and/or enclosing all equipment in a mechanical equipment room designed to reduce noise. This analysis shall be conducted and the results and final Noise Reduction Plan shall be provided to the City prior to the issuance of building permits for each building.	Submit a Mechanical Equipment Noise Reduction Plan for each building and implement noise control measures to reduce noise during operation.	Submit noise reduction plan concurrently with the application for the first building permit for each building, and implement plan during operation.	Project Sponsor/ engineers(s)	CDD

<b>WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM</b>				
<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<p>The noise analysis and Noise Reduction Plan shall be prepared by persons qualified in acoustical analysis and/or engineering. The Noise Reduction Plan shall demonstrate with reasonable certainty that noise from mechanical equipment selected for the Project, including the attenuation features incorporated into the Project design, will not exceed the City of Menlo Park’s property plane threshold of 60 dBA during daytime hours or 50 dBA during nighttime hours at nearby noise-sensitive land uses, as well as the 50 dBA at 50 feet threshold that applies to rooftop equipment in the City.</p> <p>The Project applicant shall incorporate all feasible methods to reduce noise identified above and other feasible recommendations from the acoustical analysis and Noise Reduction Plan into the building design and operations as necessary to ensure that noise sources meet applicable requirements of the respective noise ordinances at receiving properties.</p>				
<p><i>Project Mitigation Measure NOI-1.4: Emergency Generator Noise Reduction Plan (All Parcels).</i> Prior to approval of a building permit for each building, the Project applicant shall conduct a noise analysis to estimate noise levels from the testing of Project-specific emergency generators, based on the actual generator makes and models proposed and the actual selected attenuation features. Based on the results of the analysis, a Noise Reduction Plan shall be created to ensure noise levels of generator testing are below the applicable Code requirements. The results, methods, and final Noise Reduction Plan shall be provided to the City prior to the issuance of building permits. The analysis shall account for proposed noise attenuation features, such as specific acoustical enclosures and mufflers or silences, and the final Noise Reduction Plan shall demonstrate with reasonable certainty that proposed generator(s) will not exceed the City of Menlo Park noise thresholds of 60 dBA at the nearest noise-sensitive</p>	<p>Submit an Emergency Generator Noise Reduction Plan and implement noise control measures to reduce noise during operation.</p>	<p>Submit plan concurrently with the application for the first building permit for each generator and implement plan during operation.</p>	<p>Project Sponsor/ engineers(s)</p>	<p>CDD</p>

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<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<p>use during daytime hours, and/or 85 dBA at 50 feet for powered equipment, whichever is lower. Acoustical treatments may include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Enclosing generator(s);</li> <li>• Installing relatively quiet model generator(s);</li> <li>• Orienting or shielding generator(s) to protect noise-sensitive receptors to the greatest extent feasible;</li> <li>• Installing exhaust mufflers or silencers;</li> <li>• Increasing the distance between generator(s) and noise-sensitive receptors; and/or</li> <li>• Placing barriers around generator(s) to facilitate the attenuation of noise.</li> </ul> <p>In addition, all Project generator(s) shall be tested only between the hours of 7:00 a.m. and 10:00 p.m. Because no nighttime testing of generators will be allowed, compliance with the 50-dB nighttime noise threshold in the City need not be demonstrated.</p> <p>The Project applicant shall incorporate sufficient recommendations from the acoustical analysis into the building design and operations to ensure that noise sources meet applicable requirements of the noise ordinance.</p>				
<p><b><i>IMPACT BEING ADDRESSED: Generation of excessive ground-borne vibration or ground-borne noise levels. The Proposed Project would generate excessive ground-borne vibration or noise levels. (Impact NOI-2)</i></b></p>				
<p><i>ConnectMenlo Mitigation Measure NOISE-2a.</i><sup>1,2</sup> To prevent architectural damage citywide as a result of construction-generated vibration:</p> <ul style="list-style-type: none"> <li>• Prior to the issuance of a building permit for any development project requiring pile driving or blasting, the</li> </ul>	Prepare a noise and vibration analysis.	Prior to the issuance of building permits	Project Sponsor/ engineer(s)	CDD

<sup>1</sup> This noise and vibration study for the Proposed Project has been prepared in accordance with ConnectMenlo Mitigation Measure NOISE-2a.

<sup>2</sup> ConnectMenlo Mitigation Measure NOISE-2a has been modified to allow for compliance “to the extent feasible and practical,” which would be subject to review and determination by the Community Development Department.

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<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<p>project applicant/developer shall prepare a noise and vibration analysis to assess and mitigate potential noise and vibration impacts related to these activities. The maximum levels shall not exceed 0.2 in/sec, which is the level that can cause architectural damage for typical residential construction. If maximum levels would exceed the thresholds, alternative methods, such static rollers, non-explosive blasting, and pile drilling, as opposed to pile driving, shall be used to the extent feasible and practical, subject to review and determination by the Community Development Department.</p> <p>To prevent vibration-induced annoyance as a result of construction-generated vibration:</p> <ul style="list-style-type: none"> <li>• Individual projects that involve vibration-intensive construction activities, such as blasting or the use of pile drivers, jack hammers, or vibratory rollers, within 200 feet of sensitive receptors shall be evaluated for potential vibration impacts. A vibration study shall be conducted for individual projects where vibration-intensive impacts may occur. The study shall be prepared by an acoustical or vibration engineer holding a degree in engineering, physics, or an allied discipline who is able to demonstrate a minimum of 2 years of experience in preparing technical assessments regarding acoustics and/or ground-borne vibration. The study is subject to review and approval of the Community Development Department.</li> </ul> <p>Vibration impacts on nearby receptors shall not exceed the vibration annoyance levels (in inches per second), as follows:</p> <ul style="list-style-type: none"> <li>• Workshop = 0.126</li> <li>• Office = 0.063</li> <li>• Residence, daytime (7:00 a.m.-10:00 p.m.) = 0.032</li> <li>• Residence, nighttime (10:00 p.m. to 7:00 a.m.) = 0.016</li> </ul> <p>If construction-related vibration is determined to be perceptible at vibration-sensitive uses, additional</p>				

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<p>requirements, such as less vibration-intensive equipment or construction techniques, shall be implemented during construction (e.g., non-explosive blasting, pile drilling, as opposed to pile driving, preclusion for vibratory roller use, use of small or medium-sized bulldozers) to the extent feasible and practical. Vibration reduction measures shall be incorporated into the site development plan as a component of the Project and applicable building plans, subject to the review and approval of the Community Development Department.</p>				
<p><i>Project Mitigation Measure NOI-2.1: Vibration Control Measures for Annoyance from Daytime Pile Driving Activity.</i> During daytime hours, pile driving activity shall take place no closer than 335 feet from residential land uses, 210 feet from office or school land uses, and 130 feet from workshops or retail land uses, to the extent feasible and practical. When pile driving work must take place closer than these distances from the aforementioned land uses, reduction measures shall be incorporated to the extent feasible and practical, such as the use of alternative pile installation methods that do not require impact or vibratory pile driving. Examples of alternative pile installation methods include auger cast pressure grouted displacement (APGD) piles, stone columns, cast-in-drilled-hole (CIDH) piles, or press-in piles. These measures will be subject to review and approval of the Community Development Department.</p> <p>In addition, the construction contractor shall appoint a Project vibration coordinator who will serve as the point of contact for vibration-related complaints during project construction. Contact information for the Project vibration coordinator will be posted at the Project Site and on a publicly available Project website. Should complaints be received, the Project vibration coordinator shall work with the construction team to adjust activities (e.g., drilling instead of driving piles in closer</p>	<p>Implement vibration control measures for daytime pile driving activity and limit daytime pile driving.</p>	<p>Ongoing during daytime construction hours; documentation provided to City prior to pile driving construction activities</p>	<p>Project Sponsor/ contractor(s)/ Project vibration coordinator</p>	<p>CDD</p>

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<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
proximity to certain land uses) to the extent feasible and practical to reduce vibration or to reschedule activities for a less sensitive time. The Project vibration coordinator shall notify the Community Development Department of all vibration-related complaints and actions taken to address the complaints.				
<i>Project Mitigation Measure NOI-2.2: Vibration Control Measures for Annoyance from Daytime Construction Activities Excluding Pile Driving.</i> During daytime hours, construction activity involving a vibratory roller shall take place no closer than 90 feet from residential land uses, 60 feet from office or school land uses, and 35 feet from workshops or retail land uses, to the extent feasible and practical, subject to review and approval by the Community Development Department. In addition, equipment that generates vibration levels similar to a large bulldozer shall take place no closer than 50 feet from residential land uses, 35 feet from office or school land uses, and 20 feet from workshops or retail land uses, to the extent feasible and practical, subject to review and approval by the Community Development Department. Maintaining these distances between equipment and the nearest residential, school/office, or workshop land uses would ensure vibration levels would be below 0.032 PPV in/sec at the nearest residences, 0.063 PPV in/sec at the nearest school or office, and 0.126 PPV in/sec at the nearest workshop, per the requirements in ConnectMenlo Mitigation Measure NOISE-2a. When construction would require the use of these equipment types at distances closer than these to nearby sensitive uses, reduction measures shall be incorporated to the extent feasible and practical, such as the use of smaller or less vibration-intensive equipment. For example, the vibration level from a large bulldozer at 10 feet would be approximately 0.352 PPV in/sec, whereas the vibration level from a large bulldozer at the same distance would be approximately 0.012	Implement vibration control measures for annoyance from daytime construction activity, excluding pile driving, and limit vibratory roller use during daytime hours.	Ongoing during daytime construction hours; documentation provided to City prior to vibration related construction activities	Project Sponsor/ contractor(s)/ Project vibration coordinator	CDD



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<p>PPV in/sec. The vibration level from a small bulldozer at 10 feet would be below all daytime vibration thresholds from ConnectMenlo Mitigation Measure Noise-2a. The feasibility of reduction measures shall be subject to review and determination by the Community Development Department. In addition, the construction contractor shall appoint a Project vibration coordinator who will serve as the point of contact for vibration-related complaints during Project construction. Contact information for the Project vibration coordinator will be posted at the Project Site and on a publicly available Project website. Should complaints be received, the Project vibration coordinator shall work with the construction team to adjust activities (e.g., drilling instead of driving piles in closer proximity to certain land uses) to the extent feasible and practical to reduce vibration or to reschedule activities for a less sensitive time. The Project vibration coordinator shall notify the Community Development Department of all vibration-related complaints and actions taken to address the complaints.</p>				
<p><i>Project Mitigation Measure NOI-2.3: Vibration Control Measures for Annoyance from Nighttime Pile Installation Activity.</i> During the nighttime hours of 10:00 p.m. to 7:00 a.m., pile driving activity shall take place no closer than 540 feet from residential land uses to the extent feasible and practical. When pile installation work must take place closer than this distance to residences, alternative pile installation methods that do not require impact or vibratory pile driving shall be employed to the extent feasible and practical. Examples of alternative pile installation methods include auger cast pressure grouted displacement (APGD) piles, stone columns, cast-in-drilled-hole (CIDH) piles, or press-in piles. The feasibility of these alternative measures shall be subject to review and determination of the Community Development Department. In addition, the construction contractor shall appoint a Project vibration coordinator who will serve as the point of contact for</p>	<p>Implement vibration control measures for annoyance from nighttime pile driving and limit nighttime pile driving.</p>	<p>Ongoing during nighttime construction hours; documentation provided to City in advance of nighttime pile installation activities.</p>	<p>Project Sponsor/ contractor(s)/ Project vibration coordinator</p>	<p>CDD</p>

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vibration-related complaints during Project construction. Contact information for the Project vibration coordinator will be posted at the Project Site and on a publicly available Project website. Should complaints be received, the Project vibration coordinator shall work with the construction team to adjust activities (e.g., drilling instead of driving piles in closer proximity to certain land uses) to the extent feasible and practical to reduce vibration or to reschedule activities for a less sensitive time. The Project vibration coordinator shall notify the Community Development Department of all vibration-related complaints and actions taken to address the complaints.				
<b><i>IMPACT BEING ADDRESSED: Cumulative Noise Impacts. Cumulative development would result in a significant and unavoidable cumulative noise impact; thus, the Proposed Project would be a cumulatively considerable contributor to a significant cumulative noise impact. (Impact C-NOI-1)</i></b>				
Implement <i>Project Mitigation Measure NOI-1.1, NOI-1.2, and NOI-1.3, and ConnectMenlo Mitigation Measure NOI-1c, above.</i>	See above.	See above.	See above.	See above.
<b><i>Cultural Resources</i></b>				
<b><i>IMPACT BEING ADDRESSED: Historical Resources. The Proposed Project would cause a substantial adverse change in the significance of a historical resource, pursuant to Section 15064.5. (Impact CR-1)</i></b>				
<i>Project Mitigation Measure CR-1.1. Remove, Store, and Reinstall Dumbarton Cutoff Line Tracks.</i> The Project Sponsor shall remove the Dumbarton Cutoff Line tracks, store them during construction of the Proposed Project, and reinstall them in their historic location without irreparable damage to their character-defining historic fabric. The Project Sponsor will prepare a preservation plan specifying the practices to be employed to preserve the historical integrity of the tracks during their removal, storage, and reinstallation. These methods may include the following: using straps to lift rails rather than chains or other “metal on metal” methods, marking or numbering the track components so they can be replaced in their original sequence, and ensuring secure storage onsite or in a lay-down area. Following tunnel	Remove, store, and reinstall Dumbarton Cutoff Line tracks and implement a preservation plan to preserve the historical integrity of the tracks.	Preparation of plan prior to the issuance of demolition permits related to Willow Road Tunnel construction activities as well as storage and reinstallation of tracks during construction	Project Sponsor/ contractor(s)	CDD and San Mateo County Transit District (SamTrans)

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construction, the rail segments will be returned to their preconstruction location in Willow Road on new ballast and ties or other appropriate material for the rail crossing. The preservation plan shall be reviewed and approved by the City and SamTrans prior to the issuance of demolition permits related to construction activities within Willow Road, and the Project Sponsor will incorporate the recommended protective measures into construction specifications.				
<b><i>IMPACT BEING ADDRESSED: Archaeological Resources. The Proposed Project would cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5. (Impact CR-2)</i></b>				
Implement <i>Project Mitigation Measures TCR-1.1 and TCR-1.2, below (see Tribal Cultural Resources)</i>	See below.	See below.	See below.	See below.
<i>ConnectMenlo Mitigation Measure CULT-2a (Modified) Stop Work if Archaeological Material or Features Are Encountered during Ground-Disturbing Activities.</i> If a potentially significant subsurface cultural resource is encountered during ground-disturbing activities on any parcel in the city, all construction activities within a 100-foot radius of the find shall cease until a qualified archeologist determines whether the resource requires further study. In addition, if a potentially significant subsurface cultural resource is encountered during ground-disturbing activities within the California Department of Transportation (Caltrans) right-of-way, the Caltrans District 4 Office of Cultural Studies shall be immediately contacted at [510] 847-1977). All developers in the Study Area shall include a standard inadvertent discovery clause in every construction contract to inform contractors of these requirements. Any previously undiscovered resources found during construction activities shall be recorded on appropriate DPR forms and evaluated for significance in terms of CEQA criteria by a qualified archeologist in accordance with Project Mitigation Measure TCR-1.2.	Stop work if archaeological materials and/or cultural resources are discovered and determine whether resource requires further study.	Initiated after a find is made during construction, with regularly scheduled site inspections thereafter	Project Sponsor/ qualified archaeologist approved by CDD	CDD

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Mitigation Measures	Action	Timing	Implementing Party	Monitoring Party
<b>IMPACT BEING ADDRESSED: Human Remains. The Proposed Project could disturb human remains, including those interred outside of dedicated cemeteries. (Impact CR-3)</b>				
Implement <i>Project Mitigation Measures TCR-1.1, TCR-1.2, TCR-2.1, and ConnectMenlo Mitigation Measure CULT-4 (Modified)</i> , below (see <i>Tribal Cultural Resources</i> )	See below.	See below.	See below.	See below.
<b>Biological Resources</b>				
<b>IMPACT BEING ADDRESSED: Indirect Impacts on Special-Status Species. The Proposed Project would result in substantial predation among special-status bird and mammal species that breed in the nearby brackish marshes and may forage, in the case of special-status birds, in the Project area. (Impact BIO-2)</b>				
<p><i>Project Mitigation Measure BIO-2.1: Feral Cat Management Program.</i> The Project Sponsor shall implement a feral cat management program, similar to the program developed in conjunction with the Peninsula Humane Society and the Society for the Prevention of Cruelty to Animals for the East Campus in 2013. Prior to the program being implemented, the program developer shall coordinate with local humane societies and animal service centers to identify facilities able to take cats. The program coordinator shall coordinate with facilities receiving cats to ensure that efforts are made to attempt to reunite any inadvertently trapped pet cat with its owners.</p> <p>For one week every 3 months (i.e., each quarter), three live trap cages, designed to trap domestic cats, shall be placed around the perimeter of the main Project Site in locations where feral cats are likely to prey upon native wildlife species. The traps shall be deployed and maintained by a qualified trapping professional (such as an animal management company or other trained and experienced animal or wildlife professional). The duration of traps shall be coordinated with the specified intake facility so that the facility is prepared and open to receive trapped cats.</p> <p>Each trap cage shall be monitored and maintained on a daily basis during the week when traps have been set to determine whether a cat has been caught and whether the trap has inadvertently captured a non-target species (e.g. pet cat or</p>	Implement a feral cat management program.	<p>Ongoing beginning with occupancy of the first building at a level of extensiveness commensurate with the level of development and based on reasonable data (e.g., nearby feral cat management efforts).</p> <p>Trap cages must be placed for 1 week every 3 months (i.e., each quarter) for the duration of Project operation.</p>	Project Sponsor/qualified trapping professional	CDD

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<p>wildlife). Traps shall not be deployed during extreme weather (e.g., heat, cold, rain). Traps shall contain water and be at least partially covered where feasible to attempt to reduce stress of trapped animals.</p> <p>If a cat is caught, the qualified professional shall transport the trapped cat as soon as practicable to the local humane society or animal service center that accepts trapped cats. If an animal other than a feral cat is caught in one of the traps, such as a suspected pet cat (e.g. cat with a collar) or wildlife, it shall be released immediately at the trap location.</p> <p>Because there are residences within and adjacent to the Project Site and the area where the Feral Cat Management Program will take place, efforts will be taken to ensure that residences are aware of the program to avoid inadvertent trapping and removal of pet cats. Visible signage shall be installed a week in advance of trapping and shall remain installed for the duration of trapping. The signs will have contact information should residents have questions or concerns.</p>				
<p><b><i>IMPACT BEING ADDRESSED: Impacts on Riparian Habitat and Other Sensitive Natural Communities. Project demolition and construction would affect riparian habitat and other sensitive natural communities. (Impact BIO-3)</i></b></p>				
<p><i>Project Mitigation Measure BIO-3.1: Avoid and Minimize Impacts on Riparian Habitat and Other Sensitive Natural Communities.</i> To the extent feasible, construction activities should avoid or minimize the removal of wetland vegetation or the placement of fill in the wetlands immediately north and northeast of the Project Site. If all direct impacts on wetlands (i.e., vegetation removal, loss, and fill) are avoided, Mitigation Measures BIO-3.2 and BIO-3.3 would not need to be implemented. However, if any wetland vegetation needs to be removed from the wetlands, or any fill needs to be placed in the wetlands, or post-construction conditions result in vegetation loss, Mitigation Measure BIO-3.2 (and Mitigation Measure BIO-3.3 if permanent impacts would occur) shall be implemented.</p>	<p>Avoid and minimize the removal of wetland vegetation or placement of fill in wetlands.</p>	<p>During construction</p>	<p>Project Sponsor/ contractor(s)</p>	<p>CDD</p>

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<p><i>Project Mitigation Measure BIO-3.2: In-Situ Restoration of Temporary Impacts.</i> If impacts on the wetlands immediately north of the Project Site are temporary, resulting in vegetation removal or temporary fill within the wetland but no permanent fill, then the wetland area shall be restored by the Project Sponsor following construction. The herbaceous seasonal wetlands are likely to become recolonized easily without the need for seeding and planting as long as their existing hydrology and topography are restored following temporary impacts. There is some potential for the arroyo willow clumps in the isolated forested wetland to regrow from cut stumps. In such a case, the in-situ restoration shall involve simply protecting the area with exclusion fencing following construction to allow for regrowth of vegetation.</p> <p>For temporary impacts involving removed willow root masses where in-situ restoration is still an option, a more detailed restoration plan shall be developed. The mitigation shall, at a minimum, achieve no net loss of wetland acreage (i.e., jurisdictional wetlands lost to fill shall be replaced through the creation or restoration of wetland habitat of the same type as the affected habitat [either forested or herbaceous seasonal] at a minimum ratio of 1:1 on an acreage basis or as otherwise required by any state or federal permitting agencies) or ecological functions and values through the restoration and enhancement of the affected wetlands to a level equal to or greater than the baseline condition of the existing wetlands. An in-situ restoration approach could involve salvaging wetland plant material prior to construction (e.g., willow cuttings or willow clumps, in the case of the isolated forested wetland) and then replanting the material if the seasonal timing of construction is appropriate. United States Army Corps of Engineers (USACE) and/or Regional Water Quality Control Boards (RWQCB) approvals may be required to authorize temporary impacts on these features.</p>	<p>If impacts on wetlands are temporary, restore wetlands to pre-construction conditions and prepare a restoration plan, if needed.</p>	<p>Immediately following construction (if applicable)</p>	<p>Project Sponsor</p>	<p>CDD/USACE/ RWQCB</p>

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<p><i>Project Mitigation Measure BIO-3.3: Provide Compensatory Mitigation.</i> If any permanent fill or permanent loss of the isolated forested wetland or the herbaceous seasonal wetlands occurs, the Project Sponsor shall provide new wetland habitat of the same type (either forested or herbaceous seasonal) to offset this impact, either through the creation, enhancement, or restoration of wetlands in an appropriate location or through the purchase of mitigation credits from a USACE- or RWQCB-approved wetland mitigation bank. The purchase of such credits shall serve as full mitigation for impacts on these wetland features.<sup>3</sup> If Project-specific creation, enhancement, or restoration of wetland habitat is implemented, habitat shall be restored or created at a minimum ratio of 2:1 (compensation: impact) on an acreage basis or as otherwise required by any state or federal permitting agencies. This ratio is not higher because of the relatively low quality of the wetlands on the Project Site relative to the more extensive, less fragmented wetlands elsewhere in the region, and it is not lower because of the temporal loss of wetland functions and values that would result from the lag between impacts on the wetlands and maturation of the mitigation habitat. USACE and/or RWQCB approvals may be required to authorize permanent impacts on this feature.</p> <p>To the extent that compensatory mitigation is not provided by purchasing mitigation credits from a USACE- or RWQCB-approved wetland mitigation bank, then, if feasible, compensation shall be provided by creating, enhancing, or restoring wetland habitat so as to achieve the 2:1 ratio somewhere in San Mateo County or as otherwise required by any state or federal permitting agencies. A qualified biologist</p>	<p>If impacts on wetlands are permanent, provide new wetland habitat of the same type or purchase mitigation credits to offset any impacts on wetlands and prepare a wetland mitigation and monitoring plan, if needed.</p>	<p>Immediately following construction (if applicable)</p>	<p>Project Sponsor/ qualified biologist</p>	<p>CDD/USACE/ RWQCB</p>

<sup>3</sup> Refer to U.S. Army Corps of Engineers 33 CFR Part 325 and State Water Resources Control Board’s *State Wetland Definition and Procedures for Discharges of Dredged or Fill Material to Waters of the State* (April 2, 2019), pages 28 and 29.

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<p>shall develop a wetland mitigation and monitoring plan that describes the mitigation, including the following components (or as otherwise modified by regulatory agency permitting conditions):</p> <ul style="list-style-type: none"> <li>• Summary of habitat impacts and proposed mitigation ratios;</li> <li>• Goal of the restoration to achieve no net loss of habitat functions and values;</li> <li>• Location of mitigation site(s) and description of existing site conditions;</li> <li>• Mitigation design;                             <ul style="list-style-type: none"> <li>○ Existing and proposed site hydrology;</li> <li>○ Grading plan, if appropriate, including bank stabilization or other site stabilization features;</li> <li>○ Soil amendments and other site preparation elements, as appropriate; Planting plan;</li> <li>○ Irrigation and maintenance plan;</li> <li>○ Remedial measures and adaptive management; and</li> </ul> </li> <li>• Monitoring plan, including final and performance criteria, monitoring methods, data analysis, reporting requirements, and monitoring schedule. Success criteria shall include quantifiable measurements of wetland vegetation type (e.g., dominance by natives), the appropriate extent for the restoration location, and the provision of ecological functions and values equal to or exceeding those in the affected wetland habitat. At a minimum, success criteria shall include following:                             <ul style="list-style-type: none"> <li>○ At Year 5 post-mitigation, at least 75 percent of the mitigation site shall be dominated by native hydrophytic vegetation.</li> </ul> </li> </ul> <p>The wetland mitigation and monitoring plan must be approved by the City and other applicable agencies prior to the wetland impacts and must be implemented within 1 year</p>				



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after the discharge of fill into wetland features. Alternately, offsite mitigation could be provided through the purchase of mitigation credits at an agency-approved mitigation bank, as noted above.				
<b><i>IMPACT BEING ADDRESSED: Impacts on State and/or Federally Protected Wetlands. Project demolition and construction could affect state and/or federally protected wetlands. (Impact BIO-4)</i></b>				
Implement Mitigation Measures BIO-3.1, BIO-3.2, and BIO-3.3, above.	See above.	See above.	See above.	See above.
<b><i>IMPACT BEING ADDRESSED: Impacts on Wildlife Movement and Native Wildlife Nursery Sites. The removal of buildings, trees, shrubs, or woody vegetation and the construction of new buildings and installation of lighting could affect native migratory birds. (Impact BIO-5)</i></b>				
<p><i>Project Mitigation Measure BIO-5.1: Avoidance and Pre-construction Surveys for Nesting Migratory Birds.</i> The Project Sponsor shall implement the following measures to reduce impacts on nesting migratory birds:</p> <ul style="list-style-type: none"> <li>To the extent feasible, construction activities shall be scheduled to avoid the nesting season. If construction activities are scheduled to take place outside the nesting season, all impacts on nesting birds protected under the MBTA and California Fish and Game Code will be avoided. The nesting season for most birds in San Mateo County extends from February 1 through August 31.</li> <li>If it is not possible to schedule construction activities between September 1 and January 31, then preconstruction surveys for nesting birds shall be conducted by a qualified ornithologist to ensure that no nests of migratory birds will be disturbed during Project implementation. Surveys shall be conducted no more than 7 days prior to the initiation of construction activities for each construction phase. During this survey, the ornithologist shall inspect all trees and other potential nesting habitats (e.g., trees, shrubs, California annual grasslands, buildings) in and immediately adjacent to the impact areas for migratory bird nests.</li> </ul>	<p>Avoid construction during the nesting season from February 1 through August 31; if not feasible, conduct pre-construction surveys for birds and potential nesting habitat.</p> <p>Establish a construction-free buffer zone if an active nest is found.</p>	<p>Ongoing during construction.</p> <p>In the event construction activities are initiated between February 1 through August 31, preconstruction nesting surveys of potential nesting habitat onsite shall be conducted no earlier than 7 days prior to start of construction activities for each applicable construction phase.</p>	Project Sponsor/ qualified ornithologist	CDD

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Mitigation Measures	Action	Timing	Implementing Party	Monitoring Party
<ul style="list-style-type: none"> <li>If an active nest is found within trees or other potential nesting habitats that would be disturbed by construction activities, a construction-free buffer zone (typically 300 feet for raptors and 100 feet for other species) will be established around the nest to ensure that species that are protected under the MBTA and California Fish and Game Code will not be disturbed during Project implementation. The ornithologist shall determine the extent of the buffer.</li> <li>If construction activities will not be initiated until after the start of the nesting season, all potential nesting substrates (e.g., bushes, trees, grasses, and other vegetation) that are scheduled to be removed by the Proposed Project may be removed prior to the start of the nesting season (i.e., prior to February 1). This would preclude the initiation of nests in this vegetation and prevent any potential delay for the Proposed Project because of the presence of active nests in these substrates.</li> </ul>				
<p><i>Project Mitigation Measure BIO-5.2: Atrium Bird-safe Design Requirements.</i> The Project Sponsor shall implement the following measures to reduce impacts on migratory birds due to construction of the atrium:</p> <ul style="list-style-type: none"> <li>The Project Sponsor shall treat 100 percent of the glazing on the dome-shaped portions of the atrium’s façades (i.e., all areas of the north façade and all areas of the south façade above the Elevated Park) with a bird-safe glazing treatment to reduce the frequency of collisions. This glazing shall have a Threat Factor of 15 or less.<sup>4</sup> Because a Threat Factor is a nonlinear index, its value is not</li> </ul>	<p>Implement bird-safe design standards for the proposed atrium.</p> <p>Monitor and survey bird collisions.</p> <p>Implement modifications to</p>	<p>Design standards for atrium prior to issuance of the building permit for the building shell and for the duration of use at the building</p>	<p>Project Sponsor/ architect/ qualified biologist</p>	<p>CDD</p>

<sup>4</sup> A material’s Threat Factor, as assigned by the American Bird Conservancy, refers to the level of danger posed to birds, based on the birds’ ability to perceive the material as an obstruction, as tested using a “tunnel” protocol (a standardized test that uses wild birds to determine the relative effectiveness of various products at deterring bird collisions). The higher the Threat Factor, the greater the risk that collisions will occur. An opaque material will have a Threat Factor of 0, and a completely transparent material will have a Threat Factor of 100. Threat Factors for many commercially available façade materials can be found at <https://abcbirds.org/wp-content/uploads/2021/01/Masterspreadsheet-1-25-2021.xlsx>.

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<p>equivalent to the percent reduction in collisions that a glazing product provides. However, products with lower Threat Factors result in fewer bird collisions.</p> <ul style="list-style-type: none"> <li>• The Project Sponsor shall treat 100 percent of the glazing on the atrium’s east and west façades with a bird-safe glazing treatment to reduce the frequency of collisions. This glazing shall have a Threat Factor of 15 or less.</li> <li>• Interior trees and woody shrubs shall be set back from the atrium’s east, west, and non-sloped (i.e., vertical/perpendicular to the ground) portions of the south façades by at least 50 feet to reduce the potential for collisions with these facades due to the visibility of interior trees. This 50-foot distance is greater than the distance used in the project design for the north and sloped portions of the south facades (e.g., 20-25 feet for the north façade) due to the vertical nature of the east, west, and non-sloped portion of the south façades, as opposed to the articulated nature of the north and sloped portions of the south façades (which is expected to reduce the visibility of internal vegetation to some extent), as well as the direct line-of-sight views between interior and exterior vegetation through the east, west, and non-sloped portions of the south façades compared to the north façade (where internal vegetation is elevated above exterior vegetation). Interior trees and shrubs that are not visible through the east, west, and south façades may be planted closer than 50 feet to glass façades.</li> <li>• Because the glass production process can result in substantial variations in the effectiveness of bird-safe glazing, a qualified biologist will review physical samples of all glazing to be used on the atrium to confirm that the bird-safe frit will be visible to birds under various lighting conditions and expected to be effective.</li> </ul>	<p>the atrium to reduce collisions if a hot spot is identified.</p>	<p>Survey bird collisions for a minimum of 2 years following construction.</p>		

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<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<ul style="list-style-type: none"> <li>• The Project Sponsor shall monitor bird collisions around the atrium for a minimum of 2 years following construction to identify any collision “hot spots” (i.e., areas where collisions occur repeatedly). A monitoring plan for the atrium shall be developed by a qualified biologist and shall include focused surveys for bird collisions from late April through May (spring migration), September through October (fall migration), and mid-November through mid-January (winter) to maximize the possibility of detecting bird collisions that might occur. Surveys of the atrium shall be conducted daily for 3 weeks during each of these periods (i.e., 21 consecutive days during each season, for a total of 63 surveys per year). In addition, for the 2-year monitoring period, surveys of the atrium shall be conducted the day following nighttime events during which temporary lighting exceed would typical levels (i.e., levels specified in the International Dark-Sky Association’s defined lighting zone, LZ-2 [Moderate Ambient], from dusk until 10:00 p.m., or 30 percent below these levels from 10:00 p.m. to midnight). The applicant can assign responsibility for tracking events and notifying the biologist when a survey is needed to a designated individual who is involved in the planning and scheduling of atrium events. The timing of the 63 seasonal surveys (e.g., morning or afternoon) shall vary on the different days to the extent feasible; surveys conducted specifically to follow nighttime events shall be conducted in the early morning.</li> <li>• At a frequency of no less than every 6 months, a qualified biologist shall review the bird collision data for the atrium in consultation with the City to determine whether any potential hot spots are present (i.e., if collisions have occurred repeatedly at the same location). A “<i>potential hot spot</i>” is defined as a cluster of three or more collisions that</li> </ul>				

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<p>occur within one of the 3-week monitoring periods described above at a given location on the atrium. The “location” shall be identified by the qualified biologist as makes sense for the observed collision pattern, and may consist of a single pane of glass, an area of glass adjacent to a landscape tree or light fixture, the 8,990-square-foot vertical façade beneath the Elevated Park, the façade adjacent to the vegetation at the Elevated Park, the atrium’s east façade, the atrium’s west façade, or another defined area where the collision pattern is observed. “Location” shall be defined based on observations of (1) collision patterns and (2) the architectural, lighting, and/or landscape features that contributed to the collisions and not arbitrarily determined (e.g., by assigning random grids). If any such potential hot spots are found, the qualified biologist shall provide an opinion as to whether the potential hot spots will affect bird populations over the long term to the point that additional measures (e.g., light adjustments, planting of vegetation) will be needed to reduce the frequency of bird strikes at the hot spot location in order to reduce impacts to a less-than-significant level under CEQA (i.e., whether it constitutes an actual “hotspot”). This determination shall be based on the number of birds and the species of birds that collide with the atrium over the monitoring period. In addition, a “hotspot” is automatically defined if a cluster of five or more collisions are identified at a given “location” on the atrium within one of the three-week monitoring periods described above. If a hotspot is identified, additional measures will be implemented at the potential hotspot location at the atrium; these may include one or more of the following options in the area of the hotspot depending on the cause of the collisions:</p>				

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<ul style="list-style-type: none"> <li>○ Adding a visible bird-safe frit pattern, netting, exterior screens, art, printed sheets, interior shades, grilles, shutters, exterior shades, or other features to untreated glazing (i.e., on the façade below the Elevated Park) to help birds recognize the façade as a solid structure.</li> <li>○ Installing interior or exterior blinds on buildings within the atrium to prevent light from spilling outward though glazed façades at night.</li> <li>○ Reducing lighting by dimming fixtures, redirecting fixtures, turning lights off, and/or adjusting the programmed timing for dimming/shutoff.</li> <li>○ Replacing certain light fixtures with new fixtures to increase shielding or redirect lighting.</li> <li>○ Adjusting or reducing lighting during events.</li> <li>○ Adjusting the timing of events to reduce the frequency during certain times of year (e.g., spring and/or fall migration) when relatively high numbers of collisions occur.</li> <li>○ Adjusting landscape vegetation by removing, trimming, or relocating trees or other plants (e.g., moving them farther from glass) or blocking birds' views of vegetation through glazing (e.g., using a screen or other opaque feature).</li> <li>● If modifications to the atrium are implemented to reduce collisions at a hot spot, 1 year of subsequent focused monitoring of the hot-spot location shall be performed to confirm that the modifications effectively reduced bird collisions to a less-than-significant level under CEQA. In the event that a hot-spot is detected at a time when there is less than one year remaining of the initial 2-year monitoring period, then this one year of subsequent monitoring of that hot-spot would extend beyond the 2-year monitoring period described above.</li> </ul>				

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<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<p><i>Project Mitigation Measure BIO-5.3: Lighting Design Requirements.</i> The Project Sponsor shall prepare a lighting design plan that incorporates and implements the following measures to reduce lighting impacts on migratory birds. Prior to implementation of the lighting design plan, a qualified biologist shall review the final lighting design plan to confirm that the required measures are incorporated:</p> <ul style="list-style-type: none"> <li>• To the maximum extent feasible, up-lighting (i.e., lighting that projects upward above the fixture) shall be avoided in the Project design. All lighting shall be fully shielded to prevent illumination from shining upward above the fixture. If up-lighting cannot be avoided in the Project design, up-lights shall be shielded and/or directed such that no luminance projects above/beyond the objects at which they are directed (e.g., trees and buildings) and no light shines directly into the eyes of a bird flying above the object. If the objects themselves can be used to shield the lights from the sky beyond, no substantial adverse effects on migrating birds are anticipated.</li> <li>• All lighting shall be fully shielded to prevent it from shining outward and toward Bay habitats to the north. No light trespass shall be permitted more than 80 feet beyond the Project Site’s northern property line (i.e., beyond the Dumbarton Rail Corridor).</li> <li>• With respect to exterior lighting in the northern portion of the Project Site (i.e., areas north of Main Street and Office Buildings 03 and 05 surrounding the hotel, Town Square retail pavilion, Office Building 04, event building, and North Garage), and with respect to interior portions of the atrium, exterior lighting shall be minimized (i.e., outdoor lumens shall be reduced by at least 30 percent, consistent with recommendations from the International Dark-Sky Association [2011]) from 10:00 p.m. until sunrise, except as needed for safety and compliance with Menlo Park</li> </ul>	<p>Implement lighting design measures to reduce lighting impacts on migratory birds.</p>	<p>Prior to issuance of building permit</p> <p>Ongoing during operation of Project</p>	<p>Project Sponsor/ architect</p>	<p>CDD/qualified biologist</p>

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<p>Municipal Code. With respect to Office Buildings 01, 02, 03, 05, and 06, South Garage, and the residential/mixed-use buildings, exterior lighting shall be minimized (i.e., total outdoor lighting lumens shall be reduced by at least 30 percent or extinguished, consistent with recommendations from the International Dark-Sky Association [2011]) from midnight until sunrise, except as needed for safety and City code compliance.</p> <ul style="list-style-type: none"> <li>• Temporary lighting that exceeds minimal site lighting requirements may be used for nighttime social events. This lighting shall be switched off no later than midnight. No exterior up-lighting (i.e., lighting that projects upward above the fixture, including spotlights) shall be used during events.</li> <li>• Lights shall be shielded and directed so as not to spill outward from the elevator/stair towers and into adjacent areas.</li> <li>• Interior or exterior blinds shall be programmed to close on north-facing windows of buildings within the atrium from 10:00 p.m. to sunrise to prevent light from spilling outward.</li> <li>• Accent lighting within the atrium shall not be used to illuminate trees or vegetation. Alternatively, the applicant shall provide documentation to the satisfaction of a qualified biologist that the illumination of vegetation and/or structures within the atrium by accent lighting and/or up-lighting will not make these features more conspicuous to the human eye from any elevation outside the atrium compared to ambient conditions within the atrium. The biologist shall submit a report to the City following completion of the lighting design, documenting compliance with this requirement.</li> </ul>				



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<b><i>IMPACT BEING ADDRESSED: Impact BIO-6: Conflicts with Any Local Policies or Ordinances that Protect Biological Resources. The Project would result in conflicts with the Menlo Park Municipal Code. (Impact BIO-6)</i></b>				
Implement Mitigation Measures BIO-2.1, BIO-3.1 through BIO-3.3, and BIO-5.2, above.	See above.	See above.	See above.	See above.
<b><i>Geology and Soils</i></b>				
<b><i>IMPACT BEING ADDRESSED: Paleontological Resources. The Proposed Project could destroy a unique paleontological resource or site. (Impact GS-5)</i></b>				
<i>ConnectMenlo Mitigation Measure CULT-3: Conduct Protocol and Procedures for Encountering Paleontological Resources.</i> In the event that fossils or fossil-bearing deposits are discovered during ground-disturbing activities anywhere in the City, excavations within a 50-foot radius of the find shall be temporarily halted or diverted. Ground disturbance work shall cease until a City-approved, qualified paleontologist determines whether the resource requires further study. The paleontologist shall document the discovery as needed (in accordance with Society of Vertebrate Paleontology standards [Society of Vertebrate Paleontology 1995]), evaluate the potential resource, and assess the significance of the find under the criteria set forth in CEQA Guidelines Section 15064.5. The paleontologist shall notify the appropriate agencies to determine the procedures that would be followed before construction activities would be allowed to resume at the location of the find. If avoidance is not feasible, the paleontologist shall prepare an excavation plan for mitigating the effect of construction activities on the discovery. The excavation plan shall be submitted to the City of Menlo Park for review and approval prior to implementation, and all construction activity shall adhere to the recommendations in the excavation plan.	Conduct protocol and procedures for encountering paleontological resources.	During construction, in the event that fossils or fossil-bearing deposits are discovered	Project Sponsor/qualified paleontologist approved by CDD	CDD
<i>Project Mitigation Measure PALEO-1: Conduct Worker Awareness Training.</i> Before the start of any excavation or grading activities, the construction contractor will retain a qualified paleontologist, as defined by the SVP, who is experienced in teaching non-specialists. The qualified	Conduct worker awareness training.	Prior to any excavation or grading activities	Project Sponsor/contractor(s)/qualified paleontologist	CDD

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<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<p>paleontologist will train all construction personnel who are involved with earthmoving activities, including the site superintendent, regarding the possibility of encountering fossils, the appearance and types of fossils that are likely to be seen during construction, and proper notification procedures should fossils be encountered. Procedures to be conveyed to workers include halting construction within 50 feet of any potential fossil find and notifying a qualified paleontologist, who will evaluate the significance.</p> <p>The qualified paleontologist will also make periodic visits during earthmoving in high sensitivity sites to verify that workers are following the established procedures.</p>				
<p><b><i>IMPACT BEING ADDRESSED: Cumulative Geology and Soil Impacts. Cumulative development would result in a less than significant cumulative impact to geology, soils, and seismicity, and thus the Proposed Project would not be a cumulatively considerable contributor to any significant cumulative impact to geology, soils, and seismicity. Cumulative development would result in a less-than-significant cumulative impact with mitigation to paleontological resources and the Proposed Project would not be a cumulatively considerable contributor to any significant cumulative impact. (Impact C-GS-1)</i></b></p>				
<p>Implement ConnectMenlo Mitigation Measure CULT-3, above.</p>	<p>See above.</p>	<p>See above.</p>	<p>See above.</p>	<p>See above.</p>
<p><b><i>Hydrology</i></b></p>				
<p><b><i>IMPACT BEING ADDRESSED: Water Quality. The Proposed Project could violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface water or groundwater quality. (Impact HY-1)</i></b></p>				
<p><i>Project Mitigation Measure HY-1.1: Implement Construction Dewatering Treatment (if necessary).</i> If dewatering is needed to complete the Proposed Project, and if water from dewatering is discharged to a storm drain or surface water body, dewatering treatment may be necessary if groundwater exceeding water quality standards is encountered during excavation. Because there is potential for groundwater to be contaminated with VOCs or fuel products at the Project Site, the Project Sponsor would be required to comply with the San Francisco Bay Regional Water Board’s VOC and Fuel General Permit (Order No. R2-2018-0050) if groundwater exceeding water quality standards is encountered.</p>	<p>Implement construction dewatering treatment if groundwater is encountered.</p>	<p>During construction (if necessary)</p>	<p>Project Sponsor/ contractor(s)</p>	<p>CDD</p>

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<p>If dewatering requires discharges to the storm drain system or other water bodies, the water shall be pumped to a tank and tested using grab samples and sent to a certified laboratory for analysis. If it is found that the water does not meet water quality standards, it shall be treated as necessary prior to discharge so that all applicable water quality objectives (as noted in Table 3.11-2) are met or it shall be hauled offsite instead for treatment and disposed of at an appropriate waste treatment facility that is permitted to receive such water. The water treatment methods selected shall remove contaminants in the groundwater to meet discharge permit requirements while achieving local and state requirements, subject to approval by the San Francisco Bay Regional Water Board. Methods may include retaining dewatering effluent until particulate matter has settled before discharging it or using infiltration areas, filtration techniques, or other means. The contractor shall perform routine inspections of the construction area to verify that water quality control measures are properly implemented and maintained, observe the water (i.e., check for discoloration or an oily sheen), and perform other sampling and reporting activities prior to discharge. The final selection of water quality control measures shall be submitted in a report to the San Francisco Bay Regional Water Board for approval prior to construction. If the results from the groundwater laboratory do not meet water quality standards and the identified water treatment measures cannot ensure that treatment meets all standards for receiving water quality, then the water shall be hauled offsite instead for treatment and disposal at an appropriate waste treatment facility that is permitted to receive such water.</p>				
<p><b><i>IMPACT BEING ADDRESSED: Conflict or Obstruct a Water Resource Management Plan. The Proposed Project could conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan. (Impact HY-5)</i></b></p>				
<p>Implement <i>Project Mitigation Measure HY-1.1</i>, above.</p>	<p>See above.</p>	<p>See above.</p>	<p>See above.</p>	<p>See above.</p>
<p><b><i>Hazards and Hazardous Materials</i></b></p>				

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<b><i>IMPACT BEING ADDRESSED: Upset and Accident Conditions Involving Hazardous Materials. The Proposed Project could create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment. (Impact HAZ-2)</i></b>				
<p><i>ConnectMenlo Mitigation Measure HAZ-4a: Environmental Site Management Plan.</i> Construction of any site in the City with known contamination shall be conducted under a Project-specific Environmental Site Management Plan (ESMP) prepared in consultation with the Regional Water Quality Control Board (RWQCB) or the Department of Toxic Substances Control (DTSC), as appropriate. The purpose of the ESMP is to protect construction workers, the general public, the environment, and future site occupants from subsurface hazardous materials previously identified at the site and address the possibility of encountering unknown contamination or hazards in the subsurface. The ESMP shall summarize soil and groundwater analytical data collected on the site during past investigations; identify management options for excavated soil and groundwater, if contaminated media are encountered during deep excavations; and identify monitoring, irrigation, or wells that require proper abandonment in compliance with local, state, and federal laws, policies, and regulations.</p> <p>The ESMP shall include measures for identifying, testing, and managing soil and groundwater suspected of or known to contain hazardous materials. The ESMP shall 1) provide procedures for evaluating, handling, storing, testing, and disposing of soil and groundwater during excavation and dewatering activities, respectively; 2) describe required worker health and safety provisions for all workers who could be exposed to hazardous materials, in accordance with state and federal worker safety regulations; and 3) designate the personnel responsible for implementation of the ESMP.</p>	Prepare an Environmental Site Management Plan.	During the building permit and site development review process and prior to permit issuance	Project Sponsor/ personnel designated in the ESMP	DTSC/ CDD

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<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<i>Project Mitigation Measure HAZ-2.1: Phase I Environmental Site Assessment for the Willow Road Tunnel under Dumbarton Rail Corridor and Willow Road. For the offsite improvement in the area where the Willow Road Tunnel passes under the Dumbarton Rail Corridor and Willow Road, a Phase I ESA shall be performed by a licensed environmental professional. The Phase I ESA shall identify RECs at the site and indicate whether a Phase II ESA is required in order to evaluate contamination at the site.</i>	Perform/obtain a Phase I Site Assessment for the Willow Road Tunnel.	Prior to construction of the Willow Road Tunnel	Project Sponsor/ licensed environmental professional	CDD
<b><i>IMPACT BEING ADDRESSED: Exposure to Schools. The Proposed Project would not emit hazardous emissions or involve handling hazardous or acutely hazardous materials, substances, or waste within 0.25 mile of an existing or proposed school. (Impact HAZ-3)</i></b>				
Implement Project Mitigation Measure HAZ-2.1 and ConnectMenlo Mitigation Measure HAZ-4a, above.	See above.	See above.	See above.	See above.
<b><i>IMPACT BEING ADDRESSED: Cumulative Hazards and Hazardous Materials Impacts. Cumulative development would not result in a significant cumulative impact from hazards and hazardous materials, and the Proposed Project would not be a cumulatively considerable contributor to such a cumulative impact. (Impact C-HAZ-1)</i></b>				
Implement ConnectMenlo Mitigation Measure HAZ-4a, above.	See above.	See above.	See above.	See above.
<b><i>Tribal Cultural Resources</i></b>				
<b><i>IMPACT BEING ADDRESSED: Tribal Cultural Resources. The Proposed Project could cause a substantial adverse change in the significance of a tribal cultural resource, as defined in PRC Section 21074. (Impact TCR-1)</i></b>				
<i>Project Mitigation Measure TCR-1.1: Avoidance and Mitigation of Impacts</i> <b><u>Plan Check</u></b> Prior to issuance of grading permits, the Project Sponsor shall ensure and the City shall verify that the applicable grading plans that require ground-disturbing excavation clearly indicate: <ul style="list-style-type: none"> <li>• That there is potential for exposing buried cultural resources, including tribal cultural resources (“TCRs”) and Native American burials; and</li> <li>• That excavations associated with soil remediation, removal of below grade utilities, and initial mass</li> </ul>	Preservation in place of known tribal cultural resources through plan check and measures for the Core, Perimeter, High Sensitivity Area, and existing known reburials.	Prior to the issuance of grading permits (plan check and field manual)  During construction (implement design measures and preservation)	Project Sponsor/ contractor(s)	CDD

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<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<p>grading at the main Project Site and all ground disturbing activities within the Core and Perimeter (including the High Sensitivity Area) require the presence of an archaeological monitor and tribal monitor in accordance with the Archaeological and Tribal Cultural Resources Monitoring and Treatment Protocol and Plan (“ATMTPP”), as defined in Mitigation Measure TCR-1.2; and</p> <ul style="list-style-type: none"> <li>• That all ground disturbing activities require compliance with the ATMTPP.</li> </ul> <p>All archaeological site information supplied to the contractor shall be considered and marked confidential. Any no-disturbance zones shall be labelled as environmentally sensitive areas.</p> <p>Prior to issuance of grading permits for the Project, the Project Sponsor and City shall, with input from the tribes that engaged in consultation with the City on the Proposed Project pursuant to Assembly Bill 52 (“Consulting Tribes”), develop a non-confidential field manual summarizing the approved TCR mitigation measures and the approved ATMTPP requirements. This list shall be provided to all relevant personnel implementing TCR mitigation measures. Archeological and tribal monitors shall be invited to attend all tailgate safety meetings at which safety concerns and other pertinent information regarding current construction activities are presented.</p> <p><b><u>Measures for the Core</u></b></p> <p>The Project Sponsor shall avoid or mitigate ground-disturbing excavation in the Core as detailed below.</p> <ul style="list-style-type: none"> <li>• Ground disturbance into the existing culturally affected soil of the Core is prohibited. The following performance standards for capping, minimizing</li> </ul>				

<b>WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM</b>				
<b>Mitigation Measures</b>	<b>Action</b>	<b>Timing</b>	<b>Implementing Party</b>	<b>Monitoring Party</b>
<p>construction loading, and preservation in place of the Core shall apply.</p> <p><b><u>Capping of Core</u></b></p> <ul style="list-style-type: none"> <li>• The Project Sponsor shall install a culturally sterile engineered cap of four to seven feet to cover the cultural deposits within the Core and preserve the Core in place. Tribal and archaeological monitoring shall be required during the installation of the fill cap on the Core.</li> <li>• Onsite soil material is suitable as fill material provided that it is processed to remove concentrations of organic material, debris, and particles greater than six inches in maximum dimension; oversized particles shall either be removed from the fill or broken down to meet the requirement. Imported fill material shall meet the above requirements and have a plasticity index of less than 20. Material used for engineered fill shall not contain or introduce contaminants in excess of applicable Department of Toxic Substances Control (“DTSC”) Environmental Screening Levels (“ESLs”). Any TCR materials within the soil matrix that are identified as TCRs by a tribal monitor shall be treated in accordance with the ATMTTP and shall not be broken down or used in fill.</li> <li>• Construction activities shall be conducted in a manner that protects against penetration of the culturally affected soil within the Core and reduces the potential for disturbance from concentrated surface loads. The following measures shall be implemented within the Core during fill placement and any subsequent construction to reduce potential impacts on subsurface archaeological and cultural materials.             <ul style="list-style-type: none"> <li>○ An elevation contour plan shall be created to guide the surface preparation necessary to place the fill cap</li> </ul> </li> </ul>				

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<p>within the Core boundaries. The plan shall show the top of the culturally affected soil elevation to establish a six-inch-thick protection layer above the culturally affected soil layer, below which soil excavation or penetration shall not be permitted.</p> <ul style="list-style-type: none"> <li>○ Tree root balls from trees removed within the Core boundary that have roots extending within an area 24 inches from the culturally affected soil layer shall be left in place. Stumps may be ground flat with the existing grade.</li> <li>○ Clearing of surface vegetation within the Core boundary shall be performed through hand grubbing.</li> <li>○ Ground surface preparation prior to fill placement within the Core boundary shall use relatively light equipment (3,000 to 5,000 pounds), such as a walk-behind roller, to densify the six-inch-thick protection material. The use of relatively light equipment reduces potential for densification below the buffer zone.</li> <li>○ A layer of geogrid reinforcement shall be placed over the prepared ground surface within the Core boundary. Geogrid shall consist of a triaxial grid (e.g., TX140 or approved equivalent). A second layer of geogrid shall be placed to reinforce the engineered fill approximately 24 inches above the base geogrid layer. Geogrid shall be installed in accordance with the manufacturer’s specifications. After placement of the geogrid, there shall be no soil disturbance in the Core below the top layer of geogrid.</li> <li>○ Once the six-inch-thick protection layer has been prepared and the base reinforcement grid placed within the Core boundary, engineered fill may be placed in eight-inch lifts and compacted using a single-drum ride-on sheepsfoot roller. The roller shall not be parked or left stationary on the Core</li> </ul>				



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<p>overnight. If yielding subgrade is encountered in the base protection layer, the geotechnical consultant may recommend placement of additional layers of reinforcement within the engineered fill. This determination will be based on field observations during preparation of the ground surface.</p> <ul style="list-style-type: none"> <li>○ To protect the culturally affected soil in the Core, construction and other transitory vehicle traffic (with the exception of the equipment necessary to place and compact the engineered fill) shall not be permitted over the Core until after engineered fill placement is complete to provide a buffer between mound material and concentrated vehicle loads. Once fill placement is complete, the culturally affected soil will be protected, but construction vehicles and construction equipment directly on the Core nonetheless shall continue to be limited to the minimum number necessary to complete construction of the Proposed Project. Vehicles shall not be left stationary or parked on the Core overnight. The contractor shall ensure that vehicles and equipment will not leak fuel or other liquids when operating on the Core. Leaking vehicles and equipment shall be promptly removed from the Core area and repaired before use is resumed on the Core.</li> </ul> <p><u>Temporary Construction Loading at Core</u> The following measures shall be implemented within the Core during scaffold erection to reduce potential impacts on subsurface cultural materials:</p> <ul style="list-style-type: none"> <li>• Scaffolds placed on the Core shall be installed no earlier than three months after the engineered fill placement related to sea-level rise.</li> </ul>				

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<ul style="list-style-type: none"> <li>• Scaffolds shall use 16-foot square bases on top of the engineered fill cap. Minor leveling of the fill cap shall be allowed at each scaffold installation, but excavation or other penetrations into the fill surface shall not be permitted except for equipment or the temporary auxiliary structures needed to install the atrium frame and associated glass. There shall be no soil disturbance in the Core below the top layer of geogrid.</li> <li>• Scaffolds shall be removed promptly after installation and inspection of the framework and glass within the atrium to remove pressure from the engineered fill over the Core.</li> </ul> <p><u>Post-Construction Preservation in Place at the Core</u></p> <ul style="list-style-type: none"> <li>• Post-construction, there shall be no soil disturbance in the Core below the top layer of geogrid. Any surface structural elements, irrigation, utilities, and infrastructure shall be located only upon/within the engineered fill and shall not penetrate the top layer of geogrid.</li> <li>• The Project Sponsor shall comply with Mitigation Measure TCR-1.3, <i>Post-Construction Preservation in Place</i>.</li> </ul> <p><b><u>Measures for the Perimeter</u></b></p> <p>The Project Sponsor shall avoid or mitigate ground-disturbing excavation in the Perimeter Area as follows:</p> <ul style="list-style-type: none"> <li>• The Project Sponsor shall install a culturally sterile engineered cap of four to seven feet to cover the cultural deposits within the Perimeter.</li> <li>• Excavation through the cap shall follow the procedures in <i>Mitigation Measure TCR-1.2</i>.</li> <li>• Tribal monitoring shall be required during all ground disturbing site work in the Perimeter; provided that, once culturally affected soil has been removed, stockpiled, and treated in accordance with the ATMTTPP, no additional tribal monitoring of ground disturbance is required in the area where such soil was removed.</li> </ul>				

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<p><b><u>Measures for the High Sensitivity Area</u></b></p> <p>The Project Sponsor shall avoid or mitigate ground-disturbing excavation in the High Sensitivity Area as follows:</p> <ul style="list-style-type: none"> <li>• For portions of the High Sensitivity Area located within the Core, the Project Sponsor shall comply with the mitigation measures for the Core identified above, including but not limited to the tribal monitoring provisions.</li> <li>• For portions of the High Sensitivity Area located within the Perimeter, the Project Sponsor shall comply with the mitigation measures for the Perimeter identified above, including but not limited to the tribal monitoring provisions.</li> </ul> <p><b><u>Measures for Existing Known Reburials</u></b></p> <ul style="list-style-type: none"> <li>• Existing known reburials shall be preserved in place.</li> <li>• Existing known reburials will be protected by a layer of geogrid prior to the placement of engineered fill.</li> <li>• Tribal monitoring in the vicinity of existing known reburials shall be required in accordance with the ATMTTPP.</li> </ul>				
<p><i>Project Mitigation Measure TCR-1.2: Archaeological and Tribal Cultural Resource Monitoring and Treatment Protocol and Plan.</i></p> <p>The Project Sponsor and archaeological consultant, in consultation with the Consulting Tribes, shall develop an Archaeological and Tribal Cultural Resource Monitoring and Treatment Protocol and Plan (“ATMTTPP”) to guide archaeological and tribal cultural resource monitoring of ground-disturbing site work and provide for appropriate treatment of any archeological materials and tribal cultural resources exposed during construction, as described below. The ATMTTPP will apply to the entire Project Site and all off-site Project improvements. In addition, specific protocols that pertain to the Core, Perimeter, and High Sensitivity Area will</p>	Develop an ATMTTPP to guide archaeological and tribal monitoring.	Prior to issuance of the first grading permit and any physical ground-disturbing activity	Project Sponsor/ approved archaeological consultant/ consulting tribe(s)	CDD

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<p>be distinguished from general unanticipated discovery response procedures that apply in other areas. Tribal monitoring refers to the controlled observation and regulation of construction operations on or in the vicinity of a known or potentially significant tribal cultural resource to avoid, preserve in place, or mitigate impacts on the resource. The ATMTTP shall be developed in consultation with the Consulting Tribes and submitted to the City for review and approval prior to issuance of the first grading permit and any physical ground disturbing site work being allowed on the Project Site or for off-site Project improvements. The ATMTTP shall include, at a minimum:</p> <ul style="list-style-type: none"> <li>• Background information and context data on the Project Site, archeological resources, and tribal cultural resources.</li> <li>• Tribal monitoring requirements, including worker awareness training as specified below; a discussion of specific locations and the intensity of the monitoring effort for areas with potential for the discovery of archeological and tribal cultural materials; and anticipated personnel, including retention of California Native American tribal representative(s) from Consulting Tribes.</li> <li>• A requirement that tribal monitors from each Consulting Tribe be afforded the opportunity to be present at each location of ground disturbing site work that requires tribal monitoring pursuant to the Project mitigation measures and the ATMTTP, for the duration of such work, unless a Consulting Tribe agrees in writing that tribal monitoring is not needed by that tribe in that instance, or unless a Consulting Tribe fails to provide a monitor at the scheduled time, provided that adequate notice of the schedule was provided and documented.</li> <li>• Specific parameters for tribal monitoring, including the number of monitors from each Consulting Tribe based on number of simultaneous excavation locations, activities</li> </ul>				

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<p>subject to monitoring (consisting of all excavations associated with soil remediation, removal of below grade utilities, and initial mass grading at the main Project Site and all ground disturbing activities within the Core), and activities not subject to monitoring (including all grading outside the Core subsequent to initial mass grading in areas that have been monitored by the Consulting Tribes and found to no longer contain tribal cultural resources, all foundation and building demolition, and all above ground or vertical build construction).</p> <ul style="list-style-type: none"> <li>• Identification of a tribal monitoring coordinator, whose responsibility is to ensure that communication between the construction team and monitors is clear, that schedules for monitoring are conveyed, and that monitoring tribes have a single point of contact, prior to the commencement of ground disturbing activities.</li> <li>• Protocols for discoveries during construction, consistent with modified ConnectMenlo EIR Mitigation Measure CULT-2a (see Section 3.8, Cultural Resources), including a requirement that any DPR forms required pursuant to ConnectMenlo EIR Mitigation Measure CULT-2a to be submitted to the Northwest Information Center to document a find of TCR, cultural resources, historical resources, or archaeological resources shall be completed and submitted no later than 120 days after completion of the Project.</li> <li>• Prehistoric era research design, including sampling level, study method documentation, and provisions, such as staffing and scheduling, for bringing the proposed research to fruition.</li> <li>• Detailed procedures regarding how to address significant discoveries made during construction, including a discussion of field and artifact analysis methods to be used.</li> </ul>				

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<ul style="list-style-type: none"> <li>• Treatment of Native American human remains consistent with state law and recommendations of the NAHC-appointed Most Likely Descendant (“MLD”) and Modified ConnectMenlo EIR Mitigation Measure CULT-4.</li> <li>• Laboratory methods, including artifact cataloging and special analyses.</li> <li>• Thresholds for decision making if there is a conflict among tribal or archeological monitors regarding the identification or treatment of TCRs. Specifically, if there is a conflict between the archeological monitor and the tribal monitors, deference shall be given to the preferences of the tribal monitors, subject to applicable law in the event of the discovery of Native American human remains, provided that those preferences do not require Project redesign or result in unreasonable construction delay. If there is a conflict among the tribal monitors, the soil containing the potential TCR will be evaluated in accordance with applicable law and, if appropriate, shall be stockpiled in accordance with the soil protocol in the ATMTTPP while the disagreement is being resolved.</li> <li>• Provisions for reporting (e.g., Tribal Monitoring Closure Report) and artifact treatment in consultation with the Consulting Tribes in the event of significant finds.</li> <li>• Pre-designated confidential reburial area(s) that will serve to reinter any Native American human remains encountered during construction (excluding existing, known reburial sites, which shall be preserved in place pursuant to Mitigation Measure TCR-1.1) with appropriate level of privacy for visitation by the Consulting Tribes, in an area not open to the public.</li> <li>• Treatment protocols that detail the appropriate procedures, methods, and reports to be completed if significant archaeological or tribal cultural materials,</li> </ul>				

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<p>including Native American burials, are encountered. The archeological significance of a resource shall not be determinative of whether the resource is a TCR, the level of impact to a TCR, or the significance of a TCR.</p> <ul style="list-style-type: none"> <li>• Soil treatment protocols that preserve cultural soil onsite where feasible, including:                             <ul style="list-style-type: none"> <li>○ Subject to the requirements of DTSC or other agencies with jurisdiction and the reasonable preferences of the MLD in accordance with applicable law, prohibiting the removal of cultural soil from the main Project Site. The determination of which soils are cultural soils shall be made by the tribal monitors.</li> <li>○ Requiring only clean, engineered fill to be used on the main Project Site. Under no circumstances should soil from another culturally significant area be used on this Project Site.</li> <li>○ The tribal monitors shall have the right to request that any cultural soils excavated from native soil on the main Project Site be relocated to an area on the main Project Site located away from the construction zone, where the tribal monitors shall be given the opportunity during active construction work hours to sift the cultural soil to identify and remove any tribal cultural items and Native American human remains, which tribal cultural items and Native American human remains shall be treated in accordance with the ATMTTPP. Any tribal cultural resources obtained from sifting shall be reburied in the reburial area, subject to the reasonable preferences of the MLD in accordance with Public Resources Code Section 5097.98 and other applicable law. Any tribal monitors performing this work (1) must have the requisite training or experience to do so, including training</li> </ul> </li> </ul>				

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<p>or experience with regard to work in environmentally impacted soil (which shall include at a minimum HAZWOPR certification), and (2) shall be paid at the rate specified for this work in the applicable Tribal Monitoring Agreement. Following sifting and removal of TCRs, the soil can be reused at the same or a different location within the main Project Site.</p> <ul style="list-style-type: none"> <li>• Specifications for archeological and tribal cultural resources sensitivity training for construction workers and superintendents that meet the following standards:                             <ul style="list-style-type: none"> <li>○ Occurs prior to the start of any ground-disturbing activity or site work on the Project Site or for off-site improvements.</li> <li>○ Training shall be required for all construction personnel participating in ground-disturbing construction to alert them to the archaeological and tribal cultural sensitivity of the area and provide protocols to follow in the event of a discovery of archaeological materials or tribal cultural resources. Training shall be provided en masse to such personnel at the start of construction of the Project, and training shall be repeated when new personnel participating in ground-disturbing site work start work.</li> <li>○ Includes, for job site posting, a document (“ALERT SHEET”) that summarizes the potential finds that could be exposed, the protocols to be followed, and the points of contact to alert in the event of a discovery that is presented as part of the training.</li> <li>○ Requires the contractor to ensure that all workers requiring training are in attendance.</li> <li>○ Requires training for all contractors and sub-contractors that is documented for each permit</li> </ul> </li> </ul>				



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<p>and/or phase of a permit that requires ground-disturbing activities onsite.</p> <ul style="list-style-type: none"> <li>○ For work in the Core and the existing known reburial area, additional worker training shall also be required for workers who will work on the surface or who will drive directly over the Core or work in the existing known reburial area.</li> <li>● Work plan for the use of ground penetrating radar (GPR) and forensic canine detection (FCD) that meets the following standards:                             <ul style="list-style-type: none"> <li>○ Upon conclusion of building demolition and the removal of surface improvements within the Perimeter, the Project Sponsor shall retain a qualified team of FCD survey providers and a GPR operator to perform a survey of the Perimeter before grading, trenching, or other earthwork commences.</li> <li>○ A minimum of seven calendar days prior to the FCD or GPR survey, the Project Sponsor or their designee shall notify the Consulting Tribes of the schedule to afford sufficient time to be present during the survey. Should the Consulting Tribe(s) choose not to attend, the FCD or GPR survey may continue as scheduled. Where the FCD or GPR survey will occur within 100 feet of known burials or reburials (which know reburials shall remain in place in accordance with Mitigation Measure TCR-1.1), use of the FCD or GPR and presence of tribal monitors shall be dictated by the MLD for those prior discoveries.</li> <li>○ The results of the FCD and GPR surveys shall be provided to the Consulting Tribes within fourteen calendar days after completion of the survey reports. Measures to protect TCRs identified as a result of the surveys shall be implemented in accordance with the Project mitigation measures and ATMTTPP.</li> </ul> </li> </ul>				

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<ul style="list-style-type: none"> <li>○ In the event of the discovery of Native American human remains other than known reburials, the procedures in Modified ConnectMenlo Mitigation Measure CULT-4 will apply.</li> <li>● Procedures for the event of an inadvertent discovery during construction, which require the archaeological and tribal monitors to review, identify, and evaluate TCRs to determine if a discovery is a historical resource and/or unique archaeological resource, or a TCR, under CEQA. These procedures shall include, at a minimum:                             <ul style="list-style-type: none"> <li>○ Criteria for identifying cultural soils.</li> <li>○ Impose a stop work radius of 100 feet around the discovery; work can continue outside of the stop-work radius while the discovery is being addressed. If the archaeological and tribal monitors agree that the find does not constitute a TCR, work can resume immediately, and no notifications are required.</li> <li>○ Notify the City, Consulting Tribes, and Project Sponsor within 24 hours of the discovery.</li> <li>○ Complete a discovery form to document the location, nature, and condition of the discovery.</li> <li>○ Consult on the discovery to determine appropriate treatment, which may include any combination of avoidance, preservation in place, rapid recovery and reburial, and/or documentation. In no circumstance other than the express written recommendation of the MLD shall Native American human remains be removed from the Project Site. Curation and data recovery shall not be allowed, unless curation or data recovery is (i) in compliance with the recommendation of the MLD for Native American human remains in accordance with Public Resources Code Section 5097.98 and other applicable law or, (ii) agreed upon by the tribal monitors per the protocols</li> </ul> </li> </ul>				

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in the ATMTTPP for TCRs that are not Native American human remains.				
<p><i>Project Mitigation Measure TCR-1.3: Post-Construction Preservation in Place of Tribal Cultural Resources.</i> Prior to the issuance of the first certificate of occupancy for any occupied building within the Campus District, the Project Sponsor shall record deed restrictions over the Core, confidential locations of existing known reburials, and the pre-designated reburial area (“Project Reburial Area”) to restrict development or other activities identified in the deed restrictions that would disturb TCRs or Native American human remains in the future. The area included in the deed restrictions shall be described by a licensed surveyor prior to recording. Because archaeological and tribal cultural resource site locations are restricted from public distribution, the deed restrictions shall cite an “environmentally sensitive area.” A copy of the recorded deed restrictions that include the Core and any pre-designated reburial site shall be provided to the City for retention in a confidential project file. A copy of the deed restrictions shall be provided to the Northwest Information Center of the California Historical Resources Information System.</p> <p>The restriction on the deed for the Core and Project Reburial Area shall prohibit the following activities directly on the Core or Project Reburial Area (excluding activities in cantilevered or spanned structural elements) after completion of construction of the Proposed Project, subject to applicable building code and life safety access requirements and necessary facilities maintenance, service, and repairs:</p> <ul style="list-style-type: none"> <li>• Active recreational activities and structures, including, but not limited to, sports, field games, running, biking, and play equipment.</li> <li>• Domesticated animals other than security/service animals.</li> <li>• Vehicles.</li> </ul>	Post-construction preservation and recording of deed restrictions over the Core, known reburials, and Project Reburial Area.	Prior to the issuance of the first certificate of occupancy for any occupied building within the Campus District	Project Sponsor / licensed surveyor	CDD

<b>WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM</b>				
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<ul style="list-style-type: none"> <li>• Surface penetrations below the upper geogrid.</li> <li>• Altering the surface or general topography of the Core or Project Reburial Area except for maintenance of the engineered soil cap, landscaping, facilities, circulation, and utilities included within the cap.</li> <li>• In the unlikely event that any activity needs to occur below the area of the upper geogrid in the event of an emergency, the Consulting Tribes will be immediately notified and given a reasonable opportunity (consistent with the nature of the emergency) to have a tribal monitor present.</li> </ul>				
<p><i>Project Mitigation Measure TCR-1.4: Project Reburial Area Access.</i> Within 30 days after the recording of the deed restrictions over the dedicated reburial area(s), the Project Proponent shall extend a written offer to the Consulting Tribes to execute a tribal access agreement to allow for permitted access to the Project Reburial Area for the purposes of tribal visitation, subject to the parameters below. The Project Proponent shall provide a copy of the offer letter and if accepted by the Consulting Tribe(s), the executed agreement(s), to the City for retention in a confidential Project file. This mitigation measures shall be considered satisfied upon delivery of the offer letter to the Consulting Tribes, even if the Consulting Tribe(s) declined to enter into the agreement. The owners’ association shall manage the Project Reburial Area in accordance with the terms and conditions of the deed restrictions, access agreements, Project mitigation measures, and Project conditions of approval, subject to applicable building code and life safety access requirements and necessary facilities maintenance, service, and repairs. Access to the reburial area established for the Project will be controlled. The following conditions apply:</p> <ul style="list-style-type: none"> <li>• Access to the Project Reburial Area will be available following completion of construction of the Proposed Project, including the Project Reburial Area, subject to</li> </ul>	Provide a written offer to execute a tribal access agreement for permitted access to the Project Reburial Area.	<p>Within 30 days after the recording of the deed restrictions</p> <p>Following completion of construction and ongoing during operation of the Project</p>	Project Sponsor/ owner’s association /consulting tribe(s)	CDD

<b>WILLOW VILLAGE MASTER PLAN PROJECT MITIGATION MONITORING AND REPORTING PROGRAM</b>				
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<p>notification and access requirements to be specified in an access agreement.</p> <ul style="list-style-type: none"> <li>• Visitation shall comply with all rules applicable to publicly accessible open space within the Proposed Project except as otherwise specified in an access agreement.</li> <li>• Visitation shall not obstruct or otherwise interfere with the passage of vehicles or the operation of the facility.</li> <li>• Parking shall be limited to public parking spaces.</li> <li>• Visitation shall not include activities or uses that conflict with the deed restriction or reasonable preferences of the Most Likely Descendent; provided that the Project Proponent shall work in good faith to ensure that all Consulting Tribes are provided access to the Project Reburial Area in accordance with the terms of the access agreement.</li> <li>• Visitation shall not present a risk to human life or safety.</li> <li>• Visitation shall not include abandonment of materials or objects other than ceremonial, religious, or funerary offerings specified in an access agreement.</li> <li>• Visitation shall be subject to restriction as necessary to respond to any security threat, pandemic or similar health risk, or emergency condition. Visitation shall not be unreasonably restricted.</li> </ul>				
<p><b><i>IMPACT BEING ADDRESSED: Human Remains. The Proposed Project could disturb human remains, including those interred outside of dedicated cemeteries. (Impact TCR-2)</i></b></p>				
<p><i>Project Mitigation Measure TCR-2.1. Avoid and Preserve in Place Known Reburials.</i> The locations of known previous reburials of Native American human remains shall be restricted from future ground disturbance, as required by Mitigation Measure TCR-1.3.</p>	<p>Avoid and preserve in place known reburials.</p>	<p>See above (Mitigation Measure TCR-1.3).</p>	<p>See above (Mitigation Measure TCR-1.3).</p>	<p>See above (Mitigation Measure TCR-1.3).</p>

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<p><i>Mitigation Measure CULT-4: (Modified ConnectMenlo EIR). Comply with State Regulations Regarding the Discovery of Human Remains at the Project Site.</i> Procedures of conduct following the discovery of human remains citywide have been mandated by Health and Safety Code Section 7050.5, Public Resources Code Section 5097.98, and the California Code of Regulations Section 15064.5(e) (CEQA). According to the provisions in CEQA, if human remains are encountered at the site, all work in the immediate vicinity of the discovery shall cease and necessary steps to ensure the integrity of the immediate area shall be taken. The San Mateo County Coroner shall be notified immediately. The coroner shall then determine whether the remains are Native American. If the coroner determines the remains are Native American, the coroner shall notify the NAHC within 24 hours, which will, in turn, notify the person the NAHC identifies as the Most Likely Descendant (MLD) in connection with any human remains. Further actions shall be determined, in part, by the desires of the MLD. The Project Sponsor, the Project archaeologist, and the MLD shall make all reasonable efforts to develop an agreement for the treatment, with appropriate dignity, of human remains and associated or unassociated funerary objects, including those associated with known and unknown Native American burial locations (CEQA Guidelines Section 15064.5[d]). The agreement should address appropriate actions for when remains are discovered, including excavation, removal, recordation, analysis, custodianship, and final disposition of the remains and associated or unassociated funerary objects. The MLD will have 48 hours to make recommendations regarding the disposition of the remains following notification from the NAHC of the discovery. If the MLD does not make recommendations within 48 hours, or the owner does not accept the recommendation of the MLD in accordance with Public Resources Code 5097.98(e), the owner</p>	<p>Comply with state regulations regarding the discovery of human remains at the Project Site.</p>	<p>Initiated after a find is made during construction, with regularly scheduled site inspections thereafter</p>	<p>Project Sponsor/ San Mateo County Coroner</p>	<p>CDD</p>

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shall, with appropriate dignity, reinter the remains in an area of the property secure from further disturbance. Alternatively, if the owner does not accept the MLD's recommendations, the owner or the descendent may request mediation by the NAHC.				

## RESOLUTION NO. XXXX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK  
APPROVING AN AMENDMENT TO THE CIRCULATION MAP OF THE MENLO  
PARK GENERAL PLAN**

WHEREAS, in 2016, the City of Menlo Park (“City”) updated its General Plan when it adopted ConnectMenlo, which contains the City’s new Land Use Element and Circulation Element; and

WHEREAS, when the City adopted the ConnectMenlo General Plan, the City also certified an Environmental Impact Report providing a program-level analysis of the development potential envisioned for the entire City, including the increased development potential in the Bayfront Area; and

WHEREAS, the City received an application requesting to redevelop an approximately 59-acre industrial site (the “Main Project Site”) plus three parcels (within two sites) west of Willow Road (the “Hamilton Parcels,” and, collectively with the Main Project Site, the “Project Site”) as a multi-phase, mixed-use development consisting of up to 1.6 million square feet of office and accessory uses (a maximum of 1,250,000 square feet for office use and the balance for accessory uses), up to 1,730 multifamily dwelling units, up to 200,000 square feet of retail uses, an up to 193-room hotel, and associated open space and infrastructure (the “Project”); and

WHEREAS, an amendment to the General Plan Circulation Map is necessary to modify the circulation plan with regard to the locations for new street connections to the surrounding roadway network, as well as the locations of public rights-of-way, paseos, and a proposed multi-use pathway within the Main Project Site; and

WHEREAS, the proposed project includes a variant in the event that approval by outside agencies with jurisdiction (Caltrans) and acquisition of necessary real property rights are ~~is not~~ obtained for the Hamilton Avenue realignment and therefore, an alternate General Plan Circulation Map amendment is necessary; and

WHEREAS, the proposed amendments to the General Plan Circulation Map are~~is~~ consistent with the General Plan goals, policies, and programs, including Policy LU-1.2 which states, “Integrate regional land use planning efforts with development of an expanded transportation network focusing on mass transit rather than freeways, and encourage development that supports multimodal transportation. The proposed amendments are~~is~~ also consistent with the policies under Goal CIRC-2, which states, “Increase accessibility for and use of streets by pedestrian, bicyclists, and transit riders,” and Goal CIRC-4, which states, “Improve Menlo Park’s overall health, wellness, and quality of life through transportation enhancements.” The new roadway connections to the surrounding roadway network and the proposed paseos and multi-use pathways will provide new routes for bicyclists and pedestrians through the Main Project Site, encouraging the use of multimodal transportation. The multi-use pathways and paseos will also increase accessibility and use of the streets by pedestrians and bicycles, and the proposed roundabout connection will provide an additional route to the Main Project Site for bicyclists, pedestrians, and vehicles; and

WHEREAS, all required public notices and public hearings were duly given and held according to law; and



WHEREAS, an Environmental Impact Report (EIR) was prepared for the Project (SCH: 2019090428), including an amendment to the General Plan Circulation Map and the Project Variants, and certified by the City Council on \_\_\_\_\_, 2022 in accordance with the provisions of the California Environmental Quality Act (CEQA) and the CEQA Guidelines. Findings and a statement of overriding considerations were adopted by the City Council on \_\_\_\_\_, 2022, by Resolution No. \_\_\_\_\_, and are incorporated herein by this reference; and

WHEREAS, the analysis in the Project EIR tiered from the ConnectMenlo Final EIR as appropriate and as further described in each environmental topic section in the EIR; and

WHEREAS, after notice having been lawfully given, a public hearing was scheduled and held before the Planning Commission of the City of Menlo Park on October 24, 2022 and continued to November 3, 2022, to review and consider the Project, including the proposed amendments to the General Plan Circulation Map, whereat all persons interested therein might appear and be heard; and

WHEREAS, the Planning Commission of the City of Menlo Park, having fully reviewed, considered, and evaluated all the testimony and evidence submitted in this matter, voted affirmatively to recommend to the City Council of the City of Menlo Park to approve the amendment to the General Plan Circulation Map; and

WHEREAS, after notice having been lawfully given, a public hearing was scheduled and held before the City Council of the City of Menlo Park on \_\_\_\_\_, 2022, to review and consider the Project, including the proposed amendments to the General Plan Circulation Map, whereat all persons interested therein might appear and be heard; and

WHEREAS, the City Council of the City of Menlo Park having fully reviewed, considered, and evaluated all the testimony and evidence submitted in this matter, including the recommendation of the Planning Commission, voted affirmatively to approve the amendments to the General Plan Circulation Map.

NOW, THEREFORE, BE IT RESOLVED that the City Council finds the foregoing recitals are true and correct, and they are hereby incorporated by reference into this Resolution.

BE IT FURTHER RESOLVED that the City Council of the City of Menlo Park hereby approves the amendments to the General Plan Circulation Map, as depicted by and attached hereto as Exhibit A and in the event that the Applicant does not receive approval of outside agencies for the Hamilton Avenue realignment, then the General Plan Circulation Map depicted in Exhibit B shall become effective. Exhibits A and B are, and incorporated herein by this reference.

I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the ~~fifteenth~~ sixth day of ~~November~~ December, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this \_\_\_ day of ~~November~~December, 2022.

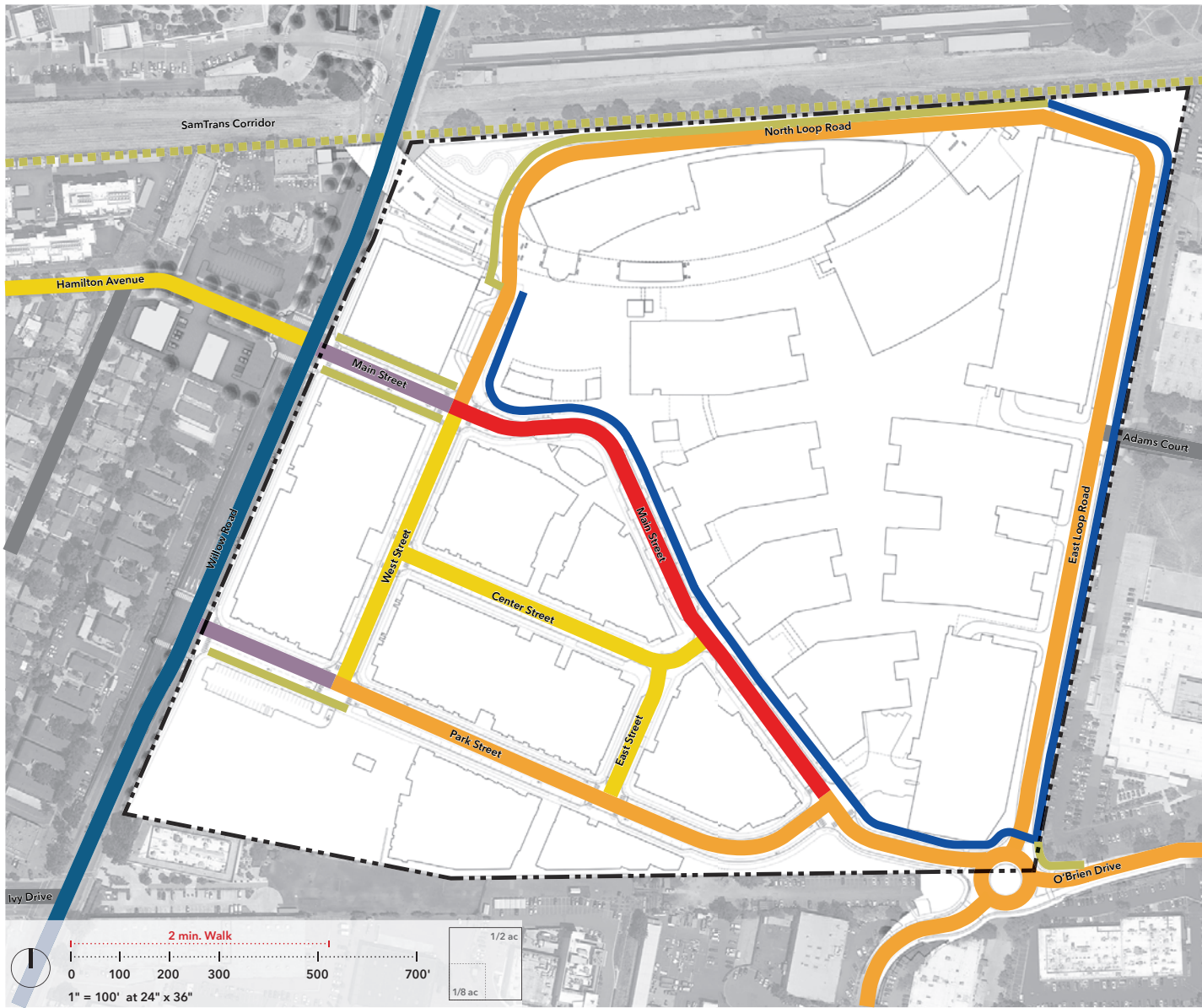
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Judi A. Herren, City Clerk

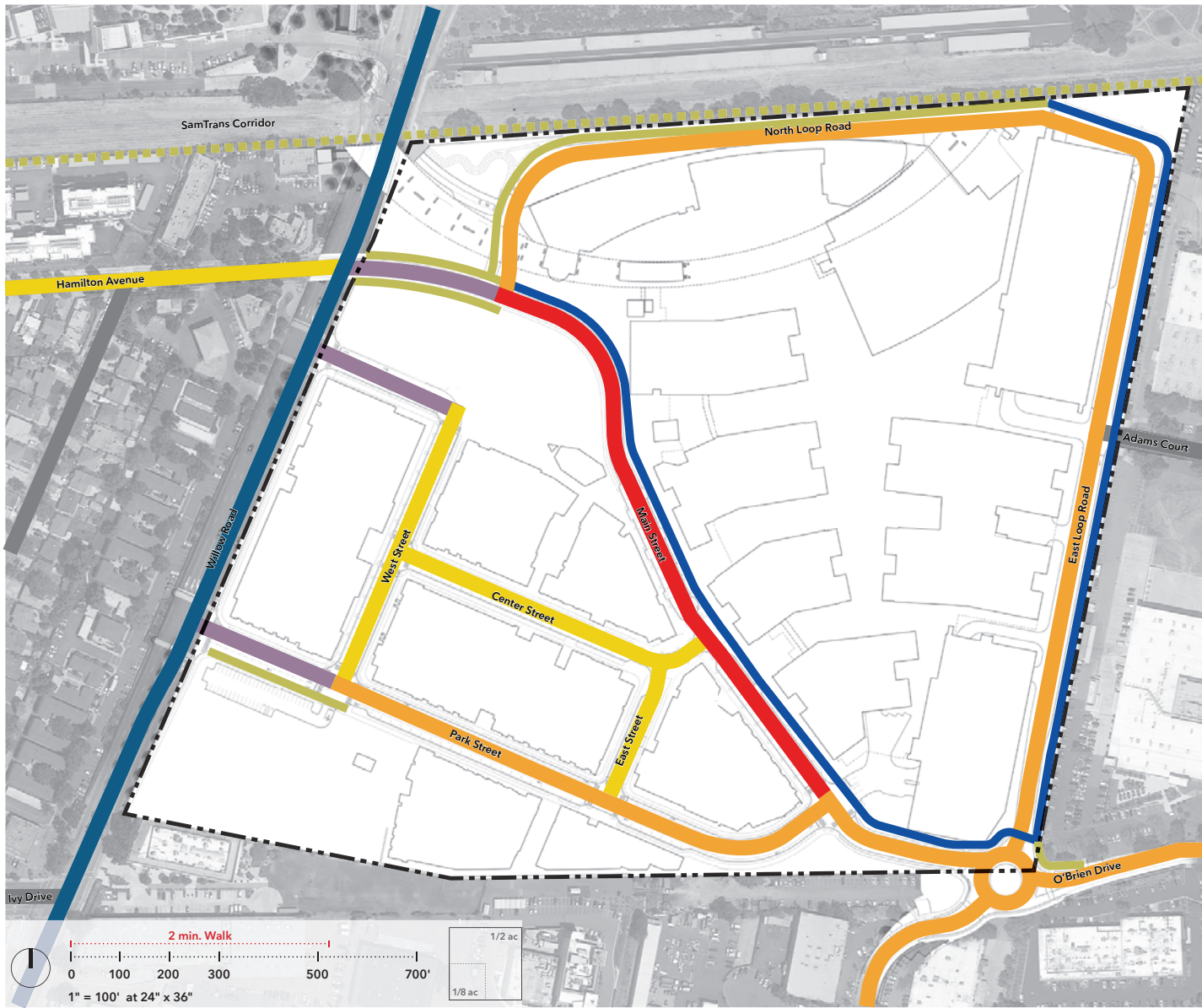
Exhibits:

A. General Plan circulation map

A.B. General Plan circulation map, no Hamilton Avenue realignment



LEGEND	
	Boulevard
	Main Street
	Avenue - Mixed Use
	Mixed Use Collector
	Neighborhood Collector
	Local Access
	Multi-use Pathway
	Multi-use Pathway - Future
	Paseo



LEGEND	
	Boulevard
	Main Street
	Avenue - Mixed Use
	Mixed Use Collector
	Neighborhood Collector
	Local Access
	Multi-use Pathway
	Multi-use Pathway - Future
	Paseo

Note:  
 The circulation configuration depicted on this General Plan Circulation Map: No Hamilton Realignment Variant shall apply instead of the configuration depicted on the General Plan Circulation Map in the event that all applicable agencies with jurisdiction over the proposed realignment of the intersection of Hamilton Avenue and Willow Road have not issued all necessary approvals or if the property owner is unable to obtain sufficient real property rights for the realignment.

## RESOLUTION NO. XXXX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK APPROVING FINDINGS AND CONDITIONS FOR AN “A” VESTING TENTATIVE PARCEL MAP FOR THE MAIN PROJECT SITE FOR THE WILLOW VILLAGE MASTER PLAN PROJECT CONSISTING OF UP TO 1.6 MILLION SQUARE FEET OF OFFICE AND ACCESSORY USES, UP TO 1,730 MULTIFAMILY DWELLING UNITS, UP TO 200,000 SQUARE FEET OF RETAIL USES, AN UP TO 193 ROOM HOTEL, AND ASSOCIATED OPEN SPACE AND INFRASTRUCTURE**

WHEREAS, the City received an application requesting to redevelop an approximately 59-acre industrial site (the “main Project Site”) plus three parcels (within two sites) west of Willow Road (the Hamilton Parcels, and collectively with the main Project Site, the “Project Site”) as a multi-phase, mixed-use development consisting of up to 1.6 million square feet of office and accessory uses (a maximum of 1,250,000 square feet for office uses and the balance for accessory uses), up to 1,730 multifamily dwelling units, up to 200,000 square feet of retail, an up to 193-room hotel, and associated open space and infrastructure (the “Project”); and

WHEREAS, an “A” Vesting Tentative Parcel Map creating legal non-buildable parcels for financing and conveyancing purposes and the construction of project-serving infrastructure improvements is proposed for the main Project Site; and

WHEREAS, all required public notices and public hearings were duly given and held according to law; and

WHEREAS, an Environmental Impact Report (EIR) was prepared for the Project and certified by the City Council on \_\_\_\_\_, 2022 (SCH: 2019090428), in accordance with the provisions of the California Environmental Quality Act (CEQA) and the CEQA Guidelines. Findings and a statement of overriding considerations were adopted by the City Council on \_\_\_\_\_, 2022, by Resolution No. \_\_\_\_\_, and are incorporated herein by this reference; and

WHEREAS, after notice having been lawfully given, a public hearing was scheduled and held before the Planning Commission of the City of Menlo Park (the “Planning Commission”) on October 24, 2022 and continued to November 3, 2022, to review and consider the Project, including the “A” Vesting Tentative Parcel Map for the main Project Site, whereat all persons interested therein might appear and be heard; and

WHEREAS, the Planning Commission, having fully reviewed, considered, and evaluated all the testimony and evidence submitted in this matter, voted affirmatively to recommend to the City Council of the City of Menlo Park (the “City Council”) to approve the “A” Vesting Tentative Parcel Map for the main Project Site; and

WHEREAS, after notice having been lawfully given, a public hearing was scheduled and held before the City Council on \_\_\_\_\_, 2022, to review and consider the Project, including the “A” Vesting Tentative Parcel Map for the main Project Site, whereat all persons interested therein might appear and be heard; and



WHEREAS, the City Council, having fully reviewed, considered, and evaluated all the testimony and evidence submitted in this matter, voted affirmatively to approve the “A” Vesting Tentative Parcel Map for the main Project Site.

NOW, THEREFORE, BE IT RESOLVED that the City Council finds the foregoing recitals are true and correct, and they are hereby incorporated by reference into this Resolution.

BE IT FURTHER RESOLVED that the City Council of the City of Menlo Park hereby approves the “A” Vesting Tentative Parcel Map for the main Project Site subject to conditions (Exhibit A), and subject to final approval of the rezoning for the Project. This approval is pursuant to the Subdivision Map Act and City of Menlo Park Municipal Code Section 15.20.050:

1. The proposed “A” Vesting Tentative Parcel Map for the main Project Site is technically correct and in compliance with all applicable State regulations, City General Plan, Zoning and Subdivision Ordinances, and the State Subdivision Map Act.
2. The proposed “A” Vesting Tentative Parcel Map for the main Project Site, including the contemplated design and improvements, is consistent with applicable General Plan goals and policies, in particular the goals for the Bayfront Area set forth in the General Plan Update (“ConnectMenlo”). The Project is consistent with the land use designations described in the General Plan and would be consistent with City General Plan policies as well as City Zoning Ordinance requirements for master-planned projects at the proposed density and for the types of use.
3. The Project Site is physically suitable for the proposed master-planned development, including the proposed density of development, and the design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially injure fish or wildlife or their habitat. The Project is consistent with the density and uses for the site set forth in the General Plan. The Project Site is in a heavily urbanized area of the City currently occupied by developed/landscaped areas that include various urban uses and does not include any aquatic habitat. The Project would not cause substantial environmental damage to the already disturbed Project Site and would not substantially injure the limited wildlife that access the site or their habitat.
4. The design of the subdivision or types of improvements is not likely to cause serious public health or safety problems. The Project would comply with General Plan goals and policies, City Zoning and Subdivision Ordinances, and other applicable regulations designed to prevent serious health or safety problems.
5. The design of the subdivision or the type of improvements does not conflict with easements, acquired by the public at large, for access through or use of property within the proposed subdivision because alternate easements for access or use will be provided that are substantially equivalent to ones previously acquired by the public.
6. The Project is not subject to flood and inundation hazards and is not located within a slide area. The Project Site is located within the 100-year flood hazard zone. However, the contemplated Project design and improvements will be elevated so as to mitigate flood hazards, and the Project would comply with applicable requirements designed to mitigate flood hazards and address future sea level rise.

#### SEVERABILITY

If any term, provision, or portion of these findings or the application of these findings to a particular situation is held by a court to be invalid, void, or unenforceable, the remaining provisions of these findings, or their application to other actions related to the Project, shall continue in full force and effect unless amended or modified by the City.

I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the ~~fifteenth~~sixth day of ~~November~~December, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this \_\_\_ day of ~~November~~December, 2022.

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Judi A. Herren, City Clerk

Exhibits:

A. Draft main project site vesting tentative map conditions

## Willow Village "A" Map

## Conditions of Approval

1. As used in these Conditions of Approval:
  - a. "Applicant" shall mean Peninsula Innovation Partners, LLC.
  - b. "Property Owner(s)" shall mean Peninsula Innovation Partners and its successors in interest to all or any part of the Project site.
  - c. "Project" shall mean the development of approximately 1.8 million sf of nonresidential uses, composed of up to 1.6 million sf of office and accessory uses in the Campus District (consisting of up to 1.25 million sf of office space, with the balance of space for accessory use [up to 350,000 sf if the office sf is maximized], in multiple buildings) and up to approximately 200,000 sf of commercial/retail space; up to approximately 1,730 multi-family residential units; an up to 193-room hotel; and up to approximately 20 acres of open space at full buildout, including approximately 8 acres of publicly accessible parks, paths, and trails.
2. The Applicant shall comply with the applicable mitigation measures identified in Mitigation Monitoring and Reporting Program for the Project.
3. Prior to Parcel Map approval, Applicant shall pay all Public Works fees. Refer to City of Menlo Park Master Fee Schedule.
4. Applicant shall complete all of the following **Temporary Improvements** prior to removal of existing distribution improvements:
  - a. Domestic Water lines – The existing water system within the Willow Village main Project Site ("**Main Project Site**") is comprised of 10" diameter mains with two points of connection off Willow Road and one point of connection each off Adams Court and O'Brien Drive. Prior to the removal of any of the above-described water distribution lines that provide service to off-site parcels, the Applicant shall design and construct a temporary 2,100 LF 16" diameter water main in a general alignment from Adams Court traversing north along the east side of Main Project Site, then along the northern boundary, then south generally aligned between existing Buildings MPK 47 and 48 to connect to the existing 10" main within existing Hamilton Avenue. Depending to the final alignment, sections of this distribution pipe, when designed and constructed to minimum City specifications, located within City public rights-of-way and City easements, and consistent with the Willow Village Hydraulic Evaluation shall be accepted as public improvements and as operatable components of the permanent domestic water distribution system.

Prior to the demolition of the existing domestic distribution water lines through the main Project site that serve development east of the Main Project site, Applicant shall design and construct a second temporary 12-inch domestic water



distribution pipeline generally parallel to the southern boundary of the Main Project Site, providing connectivity from Willow Road to O'Brien Drive near the southeasterly corner of the Main Project Site. This pipeline will connect to an existing pipeline in O'Brien and a 10" pipe entering the site along the southern boundary of the Main Project Site.

In the event any of the above temporary improvements are designed and constructed to the minimum specifications of the City, the City shall accept the temporary improvements within public rights-of-way and City easements as permanent public improvements.

All Domestic water distribution improvements shall conform to the recommendations contained within the West Yost Willow Village Hydraulic Evaluation dated February 3, 2022.

- b. Natural Gas Line – The Main Project Site contains an existing primary gas line that crosses through the Main Project Site from Willow Road to the east along Hamilton Avenue and Hamilton Court and continues to the east providing service to the properties east of the Main Project Site. Prior to the demolition and removal of said existing gas line, the Applicant shall construct and make operational a replacement gas main, subject to the approval of PG&E. Documentation of PG&E approval shall be provided to the Engineering Division prior to demolition of said existing gas line.

## **5. Demolition of Improvements**

Applicant shall prepare and submit Demolition Plans to the City prior to the approval of the Parcel Map; however, in the event that Applicant files multiple Parcel Maps, the Demolition Plans, at a minimum, shall depict the demolition of all existing improvements within the boundaries of each Parcel Map. Prior to recordation of each Parcel Map, all existing buildings within the boundaries of that Parcel Map shall be removed unless a building is completely within the confines of a created parcel boundary and is retained for temporary use during the construction of the project improvements. In the event any building is retained for temporary purposes, the Applicant shall provide utility services and vehicular access subject to the approval of the Public Works Director. Additionally, surety for the demolition of said building(s), in amount agreed upon by the Public Works Director shall be provided prior to recordation of the Parcel Map which boundaries include said building.

## **6. Site Improvement Work**

- a. Department of Toxic Substance Control (DTSC) Approval: Prior to the commencement of ground disturbance activities within the Residential/Shopping District, the Property Owner shall have received approval of the Willow Village Removal Action Work Plan (RAW), Site Management Plan (SMP) and Health and Safety Plan (HSP) for the Residential/Shopping District from DTSC. Prior to

commencement of ground disturbance activities within each the Campus District and the Town Square District, the Property Owner shall have received DTSC approval of the SMP and HSP for each the Campus District and the Town Square District, as applicable. Documentation of compliance shall be provided to the Building, Planning, and Engineering Divisions prior to commencement of ground disturbance activities.

b. Site Improvement Work

- i. Prior to the recordation of each Parcel Map, Applicant shall prepare and submit for City approval: Improvement Plans for all Main Project Site-serving improvements within that Parcel Map, which shall include Mass Grading, Utilities, On-site Circulation Improvements consisting of Roadways and Intersection Improvements and Public Realm Landscaping and Street Furnishings. Submittal of a Parcel Map is not a prerequisite for obtaining City approval of any of the above-mentioned plans.
- ii. Construction Agreement: In the event construction of site improvements commences in advance of approval of a Parcel Map that would require a Subdivision Improvement Agreement, prior to commencing construction of the site improvements, the Applicant shall enter into a Construction Agreement with the City. Approval shall not be unreasonably withheld or conditioned so long as the following is provided: adequate security in favor of the City for completion of construction of the site improvements, provisions for dedicating improvements to the City upon completion, and permits for the replacement with a Subdivision Improvement Agreement.
- iii. Imported Fill: The imported fill must meet the City of Menlo Park's requirements. Documentation demonstrating that the fill meets the City's requirements must be submitted to and approved by the Building Official or their designee prior to fill being brought on site. Fill requirements are outlined in CBC appendix J section J107 as adopted in MPMC Section 12.06.020.

c. Willow Road Improvements

- i. The Applicant shall coordinate with City staff on the design of the Willow Road Improvements prior to submittal of the first Parcel Map, and Applicant shall submit Willow Road Improvement Plans to the City for approval no later than concurrent with the submittal of the first Parcel Map. ~~The Applicant shall coordinate with City staff on the design of the Willow Road Improvements prior to submittal of the first Parcel Map.~~ The Willow Road Improvement Plans shall be comprised of the below listed **"Willow Road Improvements"** within Caltrans' right-of-way. Improvement Plans shall include surface improvements, traffic signals, bicycle lanes, utility improvements, striping and signage improvements and other frontage improvements addressing both sides of Willow Road.

The City shall cooperate with Applicant in its efforts to obtain encroachment permits and other applicable approvals from Caltrans.

1. Realigned Willow Road/Hamilton Avenue intersection
  2. New Willow Road/Park Street intersection
  3. Class IV bicycle lanes on Willow Road
  4. Bicycle and pedestrian connections across Willow Road (e.g. turning movements for bicyclists, crosswalks, pedestrian refuges)
  - 3-5. Wayfinding for bicyclists and pedestrians (e.g. signage, bicycle signals) to the Main Project Site
- ii. Prior to City authorization of Applicant submittal of the Willow Road Improvement Plans to Caltrans, City staff will provide an update on the design of the improvements to the City Council to allow for City Council input on the design of the Willow Road Improvements for consideration by Caltrans. The Applicant shall provide the City 30-day notice of the submittal of Willow Improvement Plans and the City staff shall endeavor to provide such update no later than 60 days following Applicant's submittal to the City of the proposed Willow Road Improvement Plans.
  - iii. Prior to the issuance of the first permit for the Site Improvement Work, the Applicant shall submit Willow Road Improvement Plans to Caltrans and apply for encroachment permit approvals no later than 30 days after City reviews and authorizes in writing the submittal to Caltrans.
  - iv. Applicant shall submit documentation of Caltrans' approval of the encroachment permit prior to the City approval of said Willow Road Improvement Plans.
  - v. Applicant shall complete Willow Road Improvements prior to the certificate of occupancy for the first building on the Main Project Site.
  - vi. In the event construction of the Willow Road Improvements is delayed due to circumstances outside of the Applicant's reasonable control, the Public Works Director may grant an extension based on substantial evidence from the Applicant that the delay is based on external circumstances, and the Applicant demonstrates a good faith effort to complete the improvements. Any extension would be based on an agreed upon timeline by the Public Works Director and the Applicant.
- d. SF PUC Approvals: Prior to issuance of the building permit for the first building on the Main Project Site, the Applicant shall obtain San Francisco Public Utilities Commission ("**SF PUC**") approval for a lease, license, easement agreement, or other authorization to permit the construction and operation of the following proposed public improvements concurrently with separate or combined applications. In pursuit of the necessary approvals the City shall be the applicant for public improvements that require approval and granting a lease, license, easement agreement, or other authorization from SF PUC.

- i. Main Street/O'Brien Drive roundabout intersection improvements within the SF PUC right of way.
    - ii. Installation of a 48-inch storm drain within the Menlo Park Storm Drain Channel and filling of said channel partially located within SF PUC right-of-way.
  - e. Prior to the construction of the O'Brien Drive/Main Street roundabout intersection improvements, Applicant shall acquire an easement for public right-of-way purposes from properties affected by the alignment of the proposed improvement.
  - f. Prior to certificate of occupancy for the first building on the Main Project Site, the applicant shall complete the Willow Road and SF PUC Improvements to satisfaction of the City Engineer and SF PUC.
  - g. In the event construction of the SF PUC Improvements is delayed due to circumstance outside of the Applicant's reasonable control, the Public Works Director may grant an extension based on substantial evidence from the Applicant that the delay is based on external circumstances, and the Applicant demonstrates a good faith effort to complete the improvements. Any extension would be based on an agreed upon timeline by the Public Works Director and the Applicant.
7. Prior to Parcel Map approval or the commencement of soil disturbing activities, whichever occurs first, Applicant shall prepare and submit plans for soil disturbance area for: 1) construction safety fences around the periphery of the construction area, 2) dust control, 3) air pollution control, 4) erosion and sedimentation control, 5) tree protection fencing, 6) traffic control plans shall provide accommodation for safe pedestrian and bicycle travel through the construction zone and 7) construction vehicle parking. The plans shall be subject to review and approval by the Building, Engineering, and Planning Divisions. The fences and erosion and sedimentation control measures shall be installed according to the approved plan prior to commencing soil disturbing activities.
8. Prior to each Parcel Map approval, the Applicant shall prepare and submit Improvement Plans for the applicable Parcel Map to the Engineering, Utilities, and Planning Divisions for approval. Improvement Plans are required for all project serving off-site infrastructure improvements, including Willow Road Improvements, and shall incorporate the following:
  - a. Improvement Plans shall include, at minimum, specifications, engineer's cost estimates, and all engineering calculations necessary to substantiate the design of the following improvements: proposed roadways, drainage improvements, utilities, traffic control devices, required retaining walls, sanitary sewers, storm water conveyance improvements, pump/lift stations, street lightings, landscaping and other project improvements. All public improvements shall be designed and constructed to the satisfaction of the Engineering Division. Submittal of a Parcel

Map is not a prerequisite of obtaining City approval of the any of the above-mentioned plans. Improvement Plans shall also provide the following:

- Existing Topography (NAVD 88')
  - Demolition Plan
  - Site Plan (including easement dedications, if applicable)
  - Construction Parking Plan
  - Grading and Drainage Plan
  - Utility Plan
  - Off-site Improvement Plan
  - Erosion Control Plan / Tree Protection Plan
  - Planting and Irrigation Plan
  - Construction Details (including references to City Standards)
- i. Grading and drainage plans shall demonstrate how post-construction runoff conveyed into storm drains shall not exceed existing site runoff levels. A Hydrology Report will be required to the satisfaction of the Engineering Division.
- ii. Landscape Screening: Landscaping shall screen all public utility equipment that is installed within the public rights-of-way and cannot be placed underground, subject, however, to the requirements of the Menlo Park Fire Protection District, the West Bay Sanitary District, PG&E, and any other applicable agencies regarding utility clearances and screening. The Improvement Plans shall depict new public utility installation's exact locations of any meters, back flow prevention devices, transformers, junction boxes, relay boxes and other equipment boxes installed within the public right of way or public easement area. The Improvement Plans shall also depict landscape screening. The screening shall be compatible and unobtrusive and subject to the review and approval of the Planning Division which approval will be required prior to the City's approval of the Improvement Plans.
- iii. Public Realm Landscape Plans: Improvement Plans shall include detailed landscape plans for the public realm areas of the Main Project Site, as shown on Exhibit G5.18 Conceptual Public Realm Tree Planting Plan of the Willow Village Master Plan including the size, species, and location including an irrigation plans for review and approval by the Planning, Engineering, Transportation Divisions and City Arborist. The Landscape Plan sheets shall include public realm onsite landscaping (including heritage tree replacements if applicable) for the respective area that the plans address. All Landscape Plans shall include measures addressing adequate sight distance visibility, screening for above grade utilities within the rights-of-way with labels

for the utility boxes sizes and heights, and documentation confirming compliance with the Water Efficient Landscaping Ordinance (Municipal Code Chapter 12.44) subject to review and approval by the Engineering Division. The Landscape Plans shall substantially comply with Sheets G5.18, G5.19, and G5.20 in the masterplan plan set. Heritage tree replacements (in accordance with section 10.7 of the CDP) shall be identified on the Landscape Plans and subject to review and approval by the City Arborist.

- iv. Truck Route Plan: The Applicant shall submit a truck route plan concurrent with the Improvement Plan set approval for the scope of construction as evidenced by said improvement plans and based on the City's Municipal Code requirements, for review and approval by the Transportation Division. The Applicant shall also submit a permit application and pay applicable fees relating to the truck route plan, to the satisfaction of the Public Works Director or designee.
- v. Construction and Demolition Debris: As applicable, the Applicant shall comply with the requirements of Chapter 12.48 (Salvaging and Recycling of Construction and Demolition Debris) of the City of Menlo Park Municipal Code, subject to review and approval by the Building Official or designee.
- vi. Erosion and Sedimentation Control: Concurrent with Improvement Plan submittal the Applicant shall submit a plan for construction of safety fences around the periphery of the construction area and a demolition Erosion and Sedimentation Control Plan. The fences and erosion and sedimentation control measures shall be installed according to the plan prior to commencing construction. The plans shall be reviewed and approved by the Engineering, Building, and Planning Divisions prior to issuance of a demolition permit.
- vii. Tree Protection: Trees in the vicinity of the construction project that are to remain shall be protected pursuant to the Heritage Tree Ordinance section 13.24.030.
  - i. The Project Arborist shall provide a tree protection verification letter to the City Arborist prior to the start of demolition/construction activities. The tree protection verification letter shall include photos of the installed tree protection measures as specified by the Project Arborist and identify that the Arborist will conduct monthly inspections of the protective measures. During the monthly inspection the Arborist shall assess and monitor

the effectiveness of the Tree Protection Plan and provide recommendations for additional care or treatment. The Project Arborist shall provide a monthly inspection report to the City Arborist and Planning Division to document compliance and for the City Arborist review and input on any recommendations for additional care.

- b. Green Infrastructure: The Improvement Plans shall include Green Infrastructure in the form of a stormwater treatment area to treat runoff from the public and private street rights-of-way. The treatment area shall be located within the landscape area between the curb and sidewalk. Sizing and design shall conform to San Mateo Countywide Water Pollution Prevention Program design templates and technical guidance and be approved by the Engineering Division.
  - c. Water Efficient Landscape Ordinance: The Applicant shall provide documentation indicating the amount of irrigated landscaping within the Improvement Plans for the area of Parcel Map within the Main Project Site. If the project proposes more than 500 square feet of irrigated landscaping, it is subject to the City's Water Efficient Landscaping Ordinance (Municipal Code Chapter 12.44). Submittal of a detailed landscape plan would be required concurrently with the submittal of Improvement Plan Set subject to review and approval by the Engineering Division.
9. Prior to approval of the Improvements Plans, all potential utility conflicts shall be potholed by Applicant with actual depths documented on the Improvement Plans submitted for City review and approval.
  10. For areas that have undergone site clearing and have remaining exposed soil by the start of the wet season (October 1 through April 30), the Applicant shall implement a winterization program to minimize the potential for erosion and sedimentation. As appropriate to the site and status of construction, winterization requirements shall include inspecting/maintaining/cleaning all soil erosion and sedimentation controls prior to, during, and immediately after each storm event; stabilizing disturbed soils through temporary or permanent seeding, mulching, matting, tarping or other physical means; rocking unpaved vehicle access to limit dispersion of mulch onto public right-of-way; and covering/tarping stored construction materials, fuels, and other chemicals. Plans to include proposed measures to prevent erosion and polluted runoff from all site conditions shall be submitted for review and approval of the Engineering Division prior to beginning site clearing activities.
  11. The Applicant shall retain a civil engineer to prepare "as-built" or "record" drawings of public improvements, and the drawings shall be submitted in AutoCAD and Adobe PDF formats to the Engineering Division prior to dedication and acceptance of improvements.
  12. All public right-of-way improvements, including frontage improvements and the dedication of easements and public right-of-way, shall be completed to the satisfaction of

the Engineering Division prior acceptance of such public improvements. Frontage improvements, limited to sidewalks, landscape and urban furnishing, on a fronting parcel can be deferred until completion of construction on the adjacent parcel, provided that such improvements are secured under a separate Improvement Agreement and commensurate surety for completion of said improvements has been provided, subject to review and approval of the Public Works Director. Project serving private improvements depicted within the Improvement Plan set, consisting of frontage improvements, streets, utilities, landscape improvements and dedication of easements shall be completed to the satisfaction of the Engineering Division prior to the issuance of the first building occupancy. Upon Applicant's/Property Owner's completion of these improvements, Applicant/Property Owner shall offer for dedication to City such improvements as completed and City shall promptly accept the completed improvements and release to the Applicant/Property Owner any surety bonds or other security posted in connection with performance thereof in accordance with the terms of such bonds.

13. Prior to Parcel Map approval, the Applicant shall enter into a Subdivision Improvement Agreement and provide performance bonds for the completion of the improvements as shown on the approved project Improvement Plans. The Applicant shall obtain an encroachment permit from the appropriate reviewing and permitting jurisdiction prior to commencing any work within the public right-of-way or public easements.
14. Heritage Tree Replacements: The Applicant is permitted to remove up to 276 heritage trees on the Project Site and 16 heritage trees for construction of the new O'Brien intersection, as determined by the Project Arborist in the *Tree Survey Report* dated August 16, 2022 and shown on Sheets G1.06-1.09 and Appendix 9 of the Project Plans. A minimum of value of \$3,413,400 in heritage tree replacements are required for the Project Site. Heritage tree replacements shall be a minimum of 24-inch box size and are required to be planted at grade. The number of heritage tree replacements shall be tracked by the City and Applicant in accordance with the compliance matrix, dated June 23, 2022 and on file with the City.
15. Any Final Map/Parcel Map that includes an irrevocable offer of dedication for rights-of-way or other public facilities, shall be approved by and dedication accepted by the City Council.
16. Each Final Map/Parcel Map shall contain the final street names for the proposed streets that are offered for dedication or otherwise established on said map. The street names shown in the Vesting Tentative Map shall be considered "placeholders."
17. Prior to the Final Map/Parcel Map action by the City Council, the applicant shall provide the Public Works Department with preferred and alternate street names for review by the City Council.
18. The City has approved this Map in conjunction with a Development Agreement. During the term of the Development Agreement, this Map shall be subject to the terms and



conditions of the Development Agreement and, in the event of a conflict, the terms and conditions of the Development Agreement shall prevail.

19. Bicycle infrastructure and connections shall be substantially consistent with the Conceptual Plans from the Willow Village Masterplan plan set (dated October 19, 2022) and shall include signage, bicycle facilities, and striping per best practice complete streets design guidance that emphasizes designing for all ages and abilities and City standards.

a. Multi-use paths that connect the Main Project Site to the Willow Road Improvements shall include striping and signage to minimize conflicts between bicyclists and pedestrians, per best practice complete streets design guidance that emphasizes designing for all ages and abilities and City standards, subject to review and approval of the Public Works Director or their designee.

b. The transition from multi-use paths to other bicycle infrastructure (e.g. Class II or Class III facilities) within the Main Project Site shall include appropriate signage, striping, and/or bicycle signals, per best practice complete streets design guidance that emphasizes designing for all ages and abilities and City standards, subject to review and approval by the Public Works Director or their designee.

~~18-20.~~ If the No-Hamilton Avenue Realignment Variant takes effect in accordance with the Project's Conditional Development Permit and Development Agreement, the Willow Village "A" Map shall be revised generally consistent with Sheet G4.08 of the Willow Village Masterplan plan set.

## RESOLUTION NO. XXXX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK APPROVING FINDINGS AND CONDITIONS FOR A VESTING TENTATIVE SUBDIVISION MAP FOR THE HAMILTON AVENUE REALIGNMENT PORTION OF THE WILLOW VILLAGE MASTER PLAN PROJECT CONSISTING OF UP TO 1.6 MILLION SQUARE FEET OF OFFICE AND ACCESSORY USES, UP TO 1,730 MULTIFAMILY DWELLING UNITS, UP TO 200,000 SQUARE FEET OF RETAIL USES, AN UP TO 193 ROOM HOTEL, AND ASSOCIATED OPEN SPACE AND INFRASTRUCTURE**

WHEREAS, the City received an application requesting to redevelop an approximately 59-acre industrial site (the “main Project Site”) plus three parcels (within two sites) west of Willow Road (the “Hamilton Parcels,” and collectively with the main Project Site, the “Project Site”) as a multi-phase, mixed-use development consisting of up to 1.6 million square feet of office and accessory uses (a maximum of 1,250,000 square feet of office uses and the balance for accessory uses), up to 1,730 multifamily dwelling units, up to 200,000 square feet of retail, an up to 193-room hotel, and associated open space and infrastructure (the “Project”); and

WHEREAS, a Vesting Tentative Subdivision Map for a subdivision is proposed for the Hamilton Avenue realignment proposed as part of the Project (“Hamilton VTM”); and

WHEREAS, all required public notices and public hearings were duly given and held according to law; and

WHEREAS, an Environmental Impact Report (EIR) was prepared for the Project and certified by the City Council on \_\_\_\_\_, 2022 (SCH: 2019090428), in accordance with the provisions of the California Environmental Quality Act (CEQA) and the CEQA Guidelines. Findings and a statement of overriding considerations were adopted by the City Council on \_\_\_\_\_, 2022, by Resolution No. \_\_\_\_\_, and are incorporated herein by this reference; and

WHEREAS, after notice having been lawfully given, a public hearing was scheduled and held before the Planning Commission of the City of Menlo Park (the “Planning Commission”) on October 24, 2022 and continued to November 3, 2022, to review and consider the Project, including the Hamilton VTM, whereat all persons interested therein might appear and be heard; and

WHEREAS, the Planning Commission, having fully reviewed, considered, and evaluated all the testimony and evidence submitted in this matter, voted affirmatively to recommend to the City Council of the City of Menlo Park (the “City Council”) to approve the Hamilton VTM; and

WHEREAS, after notice having been lawfully given, a public hearing was scheduled and held before the City Council on \_\_\_\_\_, 2022, to review and consider the Project, including the Hamilton VTM, whereat all persons interested therein might appear and be heard; and

WHEREAS, the City Council, having fully reviewed, considered, and evaluated all the testimony and evidence submitted in this matter, voted affirmatively to approve the Hamilton VTM.

NOW, THEREFORE, BE IT RESOLVED that the City Council finds the foregoing recitals are true and correct, and they are hereby incorporated by reference into this Resolution.

BE IT FURTHER RESOLVED that the City Council of the City of Menlo Park hereby approves the Hamilton VTM subject to conditions (Exhibit A) for the Project. This approval is pursuant to the Subdivision Map Act and City of Menlo Park Municipal Code Section 15.20.050:

1. The Hamilton VTM is technically correct and in compliance with all applicable State regulations, City General Plan, Zoning and Subdivision Ordinances, and the State Subdivision Map Act.
2. The proposed Hamilton VTM, including the contemplated design and improvements, is consistent with applicable General Plan goals and policies, in particular the goals for the Bayfront Area set forth in the General Plan Update (“ConnectMenlo”). The Project is consistent with the land use designations described in the General Plan and would be consistent with City General Plan policies as well as City Zoning Ordinance requirements for master-planned projects at the proposed density and for the types of use.
3. The Project Site is physically suitable for the proposed master-planned development, including the proposed density of development, and the design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially injure fish or wildlife or their habitat. The Project is consistent with the density and uses for the site set forth in the General Plan. The Project Site is in a heavily urbanized area of the City currently occupied by developed/landscaped areas that include various urban uses and does not include any aquatic habitat. The Project would not cause substantial environmental damage to the already disturbed Project Site and would not substantially injure the limited wildlife that access the site or their habitat.
4. The design of the subdivision or types of improvements is not likely to cause serious public health or safety problems. The Project would comply with General Plan goals and policies, City Zoning and Subdivision Ordinances, and other applicable regulations designed to prevent serious health or safety problems.
5. The design of the subdivision or the type of improvements does not conflict with easements, acquired by the public at large, for access through or use of property within the proposed subdivision because alternate easements for access or use will be provided that are substantially equivalent to ones previously acquired by the public.
6. The Project is subject to flood and inundation hazards but is not located within a slide area. The Project Site is located within the 100-year flood hazard zone. However, the contemplated Project improvements will be designed so as to mitigate flood hazards, and the Project would comply with applicable requirements designed to mitigate flood hazards and address future sea level rise.

SEVERABILITY

If any term, provision, or portion of these findings or the application of these findings to a particular situation is held by a court to be invalid, void, or unenforceable, the remaining provisions of these findings, or their application to other actions related to the Project, shall continue in full force and effect unless amended or modified by the City.

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I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the ~~fifteenth~~sixth day of ~~November~~December, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this \_\_\_ day of ~~November~~December, 2022.

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Judi A. Herren, City Clerk

Exhibits:

A. Draft Hamilton Avenue parcels vesting tentative map conditions

**Conditions of Approval – Parcels west of Willow Road**

## Standard Conditions

Prior to Parcel Map Approval

1. Prior to approval of the Parcel Map the Applicant shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
2. Applicant shall prepare and submit Demolition Plans to the City prior to the approval of the Parcel Map. The Demolition Plans, at a minimum, shall depict the demolition of all existing improvements within Parcel 1 that would conflict with the proposed reconfigured Parcel 1.
3. Prior to recordation of the Parcel Map, any existing buildings/structures that conflict with future proposed parcel boundaries of the Parcel Map shall be demolished subject to City approved Demolition Plans and Permit.
4. Prior to Parcel Map approval, Applicant shall submit plans for: 1) construction safety fences around the periphery of the construction area on private property, 2) dust control, 3) air pollution control, 4) erosion and sedimentation control, 5) tree protection fencing, and 6) construction vehicle parking. The plans shall be subject to review and approval by the Building, Engineering, and Planning Divisions. The fences and erosion and sedimentation control measures shall be installed according to the approved plan prior to commencing construction.
5. Prior to Parcel Map approval, Applicant shall submit a Grading and Drainage Plan which may be included in the Improvement Plan set for review and approval. Post-construction runoff into the storm drain shall not exceed preconstruction runoff levels. A Hydrology Report calculating post construction performance will be required to the satisfaction of the Engineering Division.
6. Prior to Parcel Map approval, the Applicant shall submit engineered Off-Site Improvement Plans (including plans, specifications & engineer's cost estimates), for approval by the Engineering Division, showing the infrastructure necessary to serve the Project. The Off-Site Improvement Plans shall include, but are not limited to, all engineering calculations necessary to substantiate the design of proposed realigned Hamilton Avenue improvements and associated relocation of utilities, traffic control devices, street lighting, and streetscape landscaping improvements, and shall incorporate the following:
  - a. The Off-Site Improvement Plans shall depict a realigned Menlo Park Utilities 12 inch domestic water mainline in an alignment within Willow Road.
  - b. The Applicant shall extend the existing 10 foot shared bicycle/pedestrian path within Parcel 2 along Willow Road to the realigned Willow Road/Hamilton Avenue intersection improvements.

- c. The relocated Bus Stop on Willow Road shall accommodate the proposed Class IV bicycle lanes on Willow Road and necessary ADA accommodations, including a bus shelter.
  - d. Off-Site Improvement Plans shall include, but are not limited to:
    - Existing Topography (NAVD 88')
    - Demolition Plan
    - Site Plan (including easement dedications, if applicable)
    - Construction Parking Plan
    - Grading and Drainage Plan
    - Utility Plan
    - Off-site Improvement Plan
    - Erosion Control Plan / Tree Protection Plan
    - Planting and Irrigation Plan
    - Construction Details (including references to City Standards)
  - e. All public improvements shall be designed and constructed to the satisfaction of the Engineering Division.
7. Green Infrastructure: The Off-Site Improvement Plans shall include Green Infrastructure in the form of a stormwater treatment area along the project's frontage to treat runoff from the public right-of-way. The treatment area shall be located within the landscape area between the curb and sidewalk. Sizing and design shall conform to San Mateo Countywide Water Pollution Prevention Program design templates and technical guidance and be approved by the Engineering Division.
8. Landscape Screening: Landscaping shall screen all public utility equipment that is installed within the public rights-of-way and cannot be placed underground, subject, however, to the requirements of the Menlo Park Fire Protection District, the West Bay Sanitary District, PG&E, and any other applicable agencies regarding utility clearances and screening. The Off-Site Improvement Plans shall depict new utility installations, exact locations of any meters, back flow prevention devices, transformers, junction boxes, relay boxes and other equipment boxes installed within the public right of way or public easement area. The Off-Site Improvement Plans shall also depict the landscape screening. The screening shall be compatible and unobtrusive and subject to the review and approval of the Engineering and Planning Divisions; which approval will be required prior to the City's approval of the Off-Site Improvement Plans.
9. Stormwater Management Report: Prior to Parcel Map approval, the applicant shall submit a Storm Water Management Report for the public right-of-way that meets the requirements of the San Mateo County's C.3 Stormwater Technical Guidance Manual.
10. Prior to Parcel Map approval, Applicant shall provide documentation indicating the amount of irrigated landscaping within the public right-of-way. If the project proposes more than 500 square feet of irrigated landscaping, it is subject to the City's Water Efficient Landscaping Ordinance (Municipal Code Chapter 12.44). A detailed landscape plan shall be included in the Off-Site Improvement Plans and shall be subject to review and approval by the Engineering Division.

11. Prior to Parcel Map approval, Applicant shall submit a plan for any new utility installations or upgrades for review and approval of the Planning, Engineering and Building Divisions. The plan shall show locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
12. Prior to Parcel Map approval, Applicant shall pay all Public Works fees. Refer to City of Menlo Park Master Fee Schedule.
13. Prior to Parcel Map approval, the Applicant shall enter into a Subdivision Improvement Agreement and provide a performance bond for the completion of the off-site improvements as shown on the approved Off-Site Improvement plans. The Applicant shall obtain an encroachment permit, from the appropriate reviewing jurisdiction, prior to commencing any work within the right-of-way or public easements.
14. Prior to Parcel Map approval, Applicant shall submit draft updates to the recorded February 25, 1999, Covenants, Conditions and Restrictions (CC&Rs) to the City for review and approval by the Engineering Division, Planning Division and City Attorney. The CC&Rs shall include amendments for the maintenance of storm water treatment improvements either within and/or adjacent to the Project site or constructed to serve the Project.

Prior to Construction

15. Prior to the commencement of the construction of public improvements, the Applicant shall obtain approval of the Willow Road Improvements encroachment permit from Caltrans as follows:
  - a. Submit a substantially complete set of Willow Road Improvement Plans to the City concurrent with the approval of the Willow Village Phase I Improvement Plans. The "Willow Road Improvement Plans" shall be comprised of the following improvements within Caltrans' right-of-way:
    1. Realigned Willow Road/Hamilton Avenue intersection;
    2. New Willow Road/Park Street intersection; and
    3. Class IV bicycle lanes on Willow Road.

Willow Road Improvement Plans shall include surface improvements, traffic signals, bicycle lanes, utility improvements, striping and signage improvements and other frontage improvements addressing both sides of Willow Road. The City shall cooperate with Applicant in its efforts to obtain an encroachment permit and other applicable approvals from Caltrans.
  - b. Caltrans Approval: Applicant shall submit applications to Caltrans no later than 30 days after City approval of the Willow Road Improvement Plans, and diligently pursue approvals.

16. Truck Route Plan: The Applicant shall submit a truck route plan concurrent with the approval of the Off-Site Improvement Plan set based on the City's municipal code requirements, for review and approval by the Transportation Division. The Applicant shall also submit a permit application and pay fees, if applicable, relating to the truck route plan, to the satisfaction of the Public Works Director.

During Construction

17. Salvaging and Recycling of Construction and Demolition Debris: For demolition of the existing improvements and the segment of Hamilton Avenue that is to be demolished, the Applicant shall comply with the requirements of Chapter 12.48 (Salvaging and Recycling of Construction and Demolition Debris) of the City of Menlo Park Municipal Code, which compliance shall be subject to review and approval by the Building Official or designee.
18. For areas that have undergone site clearing and have exposed soil by the start of the wet season (October 1 through April 30), the Applicant shall implement a winterization program to minimize the potential for erosion and sedimentation. As appropriate to the site and status of construction, winterization requirements shall include inspecting/maintaining/cleaning all soil erosion and sedimentation controls prior to, during, and immediately after each storm event; stabilizing disturbed soils through temporary or permanent seeding, mulching, matting, tarping or other physical means; rocking unpaved vehicle access to limit dispersion of much onto public right-of-way; and covering/tarping stored construction materials, fuels, and other chemicals. Erosion Plans shall include proposed measures to prevent erosion and polluted runoff occurring from site conditions shall be submitted for review and approval of the Engineering Division prior to beginning site clearing activities.
19. Stormwater Pollution Prevention Program Best Management Practices (BMPs) for construction shall be implemented to protect water quality, in accordance with the approved Stormwater Pollution Prevention Plan (SWPPP). BMP plan sheets are available electronically for inserting into Project plans.

Additional General Conditions

20. Within two years from the date of approval of the tentative parcel map, the Applicant shall submit a Parcel Map for City approval and recordation or apply for an extension of time consistent with section 66463.5(a) of the Subdivision Map Act.
21. The Applicant shall adhere to the Subdivision Map Act and Chapter 15 of the City's Municipal Code.
22. West Bay Sanitary District Requirements: The Property Owner shall comply with all regulations of the West Bay Sanitary District that are directly applicable to the Project.



23. Menlo Park Fire Protection District Requirements: The Property Owner shall comply with all Menlo Park Fire Protection District regulations governing site improvements, Fire Code compliance, and access verification that are directly applicable to the Project.
24. During the design phase of the construction drawings, all potential utility conflicts shall be potholed with actual depths recorded on the improvement plans submitted for City review and approval.
25. The Applicant shall retain a civil engineer to prepare "as-built" or "record" drawings of public improvements, and the drawings shall be submitted in AutoCAD and Adobe PDF formats to the Engineering Division prior to Final Occupancy.

#### Project-Specific Conditions

1. The Parcel Map shall indicate and provide irrevocable offers of right-of-way dedication and public easements, as shown on tentative map dated October 7, 2022.
2. "No Objection" letters shall be provided to the City from all utilities companies prior to abandonment of public right of ways and public utility easements.
3. The existing Hamilton Avenue roadway shall remain operational until the cutover to the new alignment.

## ORDINANCE NO. XXXX

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MENLO PARK  
AMENDING THE CITY ZONING MAP, REZONING CERTAIN PROPERTIES TO  
ADD A CONDITIONAL DEVELOPMENT (“X”) COMBINING DISTRICT, AND  
APPROVING A CONDITIONAL DEVELOPMENT PERMIT FOR THE WILLOW  
VILLAGE MASTER PLAN PROJECT**

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

**SECTION 1.**

The City Council of the City of Menlo Park hereby finds and declares as follows:

- A. The City received an application requesting to redevelop an approximately 59-acre industrial site (the “main Project Site”) plus three parcels (within two sites) west of Willow Road (the “Hamilton Parcels” and collectively, with the main Project Site, the “Project Site”) as a mixed-use development consisting of up to 1.6 million square feet of office and accessory uses (a maximum of 1,250,000 square feet for office uses and the balance for accessory uses), up to 1,730 multifamily dwelling units, up to 200,000 square feet of retail uses, an up to 193-room hotel, and associated open space and infrastructure (the “Project”).
- B. Amendment of the City zoning map is necessary to modify the circulation plan with regard to the locations for new street connections to the surrounding roadway network as well as the locations of public rights-of-way and paseos and the inclusion of multi-use pathways within the main Project Site as shown in Exhibit A, attached hereto and incorporated herein by this reference.
- C. Rezoning of the main Project Site as shown in Exhibit A is necessary to add a conditional development (“X”) combining district, thereby allowing special regulations and conditions to be added at the main Project Site (combined with the base O-B and R-MU-B regulations) as part of the proposed Project.
- D. The Project is eligible for a Conditional Development Permit under Menlo Park Municipal Code section 16.82.055(1) in that the main Project Site is more than one acre and is not located in the SP-ECR/D district.
- E. Approving the Conditional Development Permit is necessary to authorize development of the Project on the main Project Site, including variants of the Project, including to authorize certain modifications to the requirements of the O and R-MU zoning districts for the Project in accordance with Municipal Code Section 16.82.050, authorize a master planned project in accordance with Municipal Code Sections 16.43.055 and 16.45.55, authorize bonus level development and require the provision of community amenities in accordance with Municipal Code Sections 16.43.060 through .070 and 16.45.60 through 70, approve uses identified in the Conditional Development Permit in accordance with Menlo Park Municipal Code sections 16.43.020 through .040, 16.45.020 through .040, and 16.78.030, approve waivers to Bird Friendly Design requirements pursuant to Municipal Code Sections 16.43.140(6) and 16.45.130(6), approve transportation demand management plans in accordance with Municipal Code Sections 16.43.100 and 16.45.90, establish a procedure for future consideration and approval of a Master Sign Program to establish signage standards and guidelines, and approve an exception to the unbundled parking requirement pursuant to Municipal Code Section 16.45.080(1).
- F. The proposed amendment to the City zoning map and rezoning of the main Project Site, as shown in Exhibit A, as well as the approval of the Conditional Development Permit, would promote a mixed-use live/work/play environment through the inclusion of multifamily housing, including affordable residential units, along with office, retail, hotel and recreational uses at the density and intensity envisioned in the ConnectMenlo General Plan (“General Plan”).

G. The proposed amendment of the City zoning map and rezoning of the main Project Site, as shown in Exhibit A, as well as the Conditional Development Permit are consistent with the General Plan, including the land use designations for the main Project Site.

#### SECTION 2.

An Environmental Impact Report (EIR) was prepared for the Project and certified by the City Council on \_\_\_\_\_, 2022 (SCH# 2019090428), in accordance with the provisions of the California Environmental Quality Act (CEQA) and the CEQA Guidelines. Findings and a statement of overriding considerations were adopted by the City Council on \_\_\_\_\_, 2022, by Resolution No. \_\_\_\_\_, and are incorporated herein by this reference. The analysis in the Project EIR tiered from the ConnectMenlo Final EIR, as appropriate and as further described in each environmental topic section in the EIR.

#### SECTION 3.

The Planning Commission of the City of Menlo Park (the "Planning Commission") held a duly noticed public hearing on October 24, 2022 and continued to November 3, 2022, to review and consider the Project, including the proposed amendment to the zoning map and the rezoning of the main Project Site, as shown on Exhibit A, and the Conditional Development Permit, whereat all interested persons had the opportunity to appear and comment.

#### SECTION 4.

The Planning Commission, having fully reviewed, considered, and evaluated all the testimony and evidence submitted in this matter, voted affirmatively to recommend to the City Council of the City of Menlo Park (the "City Council") to approve the Project with recommended modifications, including the proposed amendment to the zoning map and the rezoning of the main Project Site, as shown on Exhibit A, as well as the Conditional Development Permit. In considering the Project, the Planning Commission considered and gave due regard to the nature and condition of all adjacent uses and structures and the impact of the Project thereon, and in relation to the effect upon the immediate neighborhood and the City. In accordance with Municipal Code Sections 16.82.030, 16.78.020, and 16.82.440, the Planning Commission found that approval of the Conditional Development Permit, including all uses permitted therein, would be consistent with the ConnectMenlo General Plan and would not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of the Project, would not be unreasonably incompatible with uses permitted in surrounding areas, and would not be injurious or detrimental to property and improvements in the neighborhood or the general welfare of the City. The diesel emergency generators would meet the requirements of all reviewing and permitting agencies. The expanded construction hours include requirements to limit noise generating activities outside of the typical construction hours unless determined by the Building and Planning Divisions that an exception for specific activities is necessary (e.g. offsite evening/night work or other on-site activities that cannot occur during the typical construction hours). The Planning Commission further found that the public convenience or necessity would be served by the issuance of licenses to sell alcohol contemplated by the Conditional Development Permit and that the outdoor seating contemplated by the Conditional Development Permit would maintain unimpeded pedestrian access on the public right-of-way.

#### SECTION 5.

The City Council held a duly noticed public hearing on \_\_\_\_\_, 2022, to review and consider the Project, including the proposed amendment to the zoning map and the rezoning of the main Project Site, as shown in Exhibit A, as well as the Conditional Development Permit, whereat all interested persons had the opportunity to appear and comment.

#### SECTION 6.

After due consideration of the proposed amendment to the zoning map and the rezoning of the main Project Site, as shown in Exhibit A, the Conditional Development Permit, public comments, the Planning Commission's recommendation, the staff report, and other substantial evidence in the record, the City Council finds that the proposed amendment of the zoning map and rezoning of properties and the Conditional Development Permit as identified herein are consistent with the ConnectMenlo General Plan and are appropriate. In considering the Project, the City Council considered and gave due regard to the nature and condition of all adjacent uses and structures and the impact of the Project thereon, and in relation to the effect upon the immediate neighborhood and the City. In accordance with Municipal Code Sections 16.82.030, 16.78.020, and 16.82.440, the City Council further finds that approval of the Conditional Development Permit, including all uses permitted therein, would not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of the Project, would not be unreasonably incompatible with uses permitted in surrounding areas, and would not be injurious or detrimental to property and improvements in the neighborhood or the general welfare of the City. The City Council further finds that the public convenience or necessity would be served by the issuance of licenses to sell alcohol contemplated by the Conditional Development Permit, and that the outdoor seating contemplated by the Conditional Development Permit would maintain unimpeded pedestrian access on the public right-of-way.

#### SECTION 7.

The zoning map of the City of Menlo Park is hereby amended to modify the circulation plan with regard to the locations for new street connections to the surrounding roadway network as well as the location of public rights-of-way and paseos, and the inclusion of multi-use pathways, within the main Project Site, as shown in Exhibit A.

#### SECTION 8.

The zoning map of the City of Menlo Park is hereby amended such that certain real properties shown in Exhibit A are rezoned to add a conditional development ("X") combining district. Specifically, the parcels identified in Exhibit B are rezoned to O-B-X to add an X combining district; the parcels identified in Exhibit C are rezoned to R-MU-B-X to add an X combining district. This X combining district is consistent with the General Plan, which allows the uses permitted in the combining district at the density and intensity proposed and encourages the type of live/work/play environment promoted by the X combining district in the Bayfront Area.

#### SECTION 9.

The Conditional Development Permit (Exhibit D) is hereby approved, authorizing development of the Project on the main Project Site. The Conditional Development Permit is consistent with the General Plan, which allows the uses permitted in the O-B-X and R-MU-B-X districts at the density and intensity proposed and encourages the type of live/work/play environment promoted by the X combining districts in the Bayfront area. Pursuant to Menlo Park Municipal Code section 16.56.030, the Conditional Development Permit establishes development regulations for the main Project Site, and the number of dwelling units, floor area ratio, and floor area limit authorized thereunder do not exceed the development regulations set forth in the O-B and R-MU-B districts. The Conditional Development Permit, including all uses permitted therein, would not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of the Project, would not be unreasonably incompatible with uses permitted in surrounding areas, and would not be injurious or detrimental to property and improvements in the neighborhood or the general welfare of the City

SECTION 10. The Conditional Development Permit (Exhibit D) approves:

- 1) a master planned development that allows residential density, floor area ratio, and open space requirements at the bonus level to be calculated in the aggregate across the site but at levels which do not exceed what would be permitted if the site were developed in accordance with the O-B-X and R-MU-B-X districts, pursuant to Menlo Park Municipal Code sections 16.43.055 and 16.45.055;
- 2) bonus level development on the main Project Site and community amenities in accordance with the Development Agreement between City and Applicant, as well as Menlo Park Municipal Code sections 16.43.060, 16.45.060, 16.43.070, and 16.45.070;
- 3) all uses identified in the Conditional Development Permit in accordance with the terms thereunder and Menlo Park Municipal Code sections 16.43.020 through .040, 16.45.020 through .040, and 16.78.030;
- 4) waivers to Bird Safe Design requirements pursuant to Menlo Park Municipal Code sections 16.43.140(6)(H) and 16.45.130(6)(H) as provided in the Conditional Development Permit;
- 5) modifications to the requirements of the O-B and R-MU districts identified in the Conditional Development Permit to secure special benefits possible through comprehensive planning of large development, to allow relief from the monotony of standard development, and to permit the application of new and desirable development techniques, pursuant to Menlo Park Municipal Code section 16.82.050;
- 6) the transportation demand management plans identified in the Conditional Development Permit pursuant to Menlo Park Municipal Code sections 16.43.100 and 16.45.090;
- 7) all variants of the Project as identified in the Conditional Development Permit, including the No Willow Road Tunnel Variant, No Hamilton Avenue Realignment Variant, and Onsite Recycled Water Variant, which modify certain features or aspects of the Project based upon the election of the applicant or upon the potential action or inaction of agencies other than the City or of property owners outside the main Project Site;
- 8) establishment of a procedure for future consideration and approval of a Master Sign Program by the Planning Commission to establish signage standards and guidelines; and
- 9) an exception to the unbundled parking requirement pursuant to Municipal Code Section 16.45.080(1) for the Project's affordable units.
- 10) allowance for expanded construction work hours, provided the construction activities comply with the noise limitations set forth in Chapter 8.06 (Noise) of the Municipal Code and mitigation measures Modified ConnectMenlo NOISE-1c, NOI-1.1 and NOI-1.2, unless determined by the Building and Planning Divisions that an exception for specific activities is necessary (e.g. offsite evening/night work or other on-site activities that cannot occur during the typical construction hours). Noise is allowed to exceed the City's 85 decibel at 50 foot for any one piece of equipment requirement for construction equipment such as pile drivers, subject to compliance with Modified ConnectMenlo NOISE-1c, NOI-1.1 and NOI-1.2 in the EIR.

#### SECTION 11.

This ordinance shall become effective thirty (30) days after the date of its adoption. Within fifteen (15) days of its adoption, the ordinance shall be posted in three (3) public places within the City of Menlo Park, and the ordinance, or a summary of the ordinance prepared by the City Attorney, shall be published in a local newspaper used to publish official notices for the City of Menlo Park prior to the effective date.

#### SEVERABILITY

If any term, provision, or portion of these findings or the application of these findings to a particular situation is held by a court to be invalid, void, or unenforceable, the remaining provisions of these findings, or their application to other actions related to the Project, shall continue in full force and effect unless amended or modified by the City.

INTRODUCED on the ~~fifteenth~~sixth day of ~~November~~December, 2022.

PASSED AND ADOPTED as an ordinance of the City of Menlo Park at a regular meeting of said City Council on the \_\_\_ day of ~~November~~December, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

\_\_\_\_\_  
Betsy Nash, Mayor

ATTEST:

\_\_\_\_\_  
Judi A. Herren, City Clerk

Exhibits:

- A. Plat and legal – site
- B. Plat and legal – office
- C. Plat and legal – R-MU
- D. Conditional development permit

**LEGAL DESCRIPTION  
WILLOW VILLAGE SITE  
MENLO PARK, CALIFORNIA**

The land referred to is situated in the City of Menlo Park, County of San Mateo, State of California and is described as follows:

**BEGINNING** at the southwesterly corner of Parcel S; as shown on that certain map entitled "Menlo Industrial Center, City of Menlo Park, San Mateo County, California" filed in the office of the County Recorder of San Mateo County, State of California, on October 1, 1979, in Volume 99 of Maps at Pages 81-83, thence,

North 22°05'00" East, 120.17 feet; thence,

North 24°45'44" East, 143.14 feet; thence,

Along a tangent curve to the left, having a radius of 1,536.52 feet, length of 74.34 feet, and a delta angle of 02°46'19"; thence,

North 22°05'00" East, 864.41 feet; thence,

Along a tangent curve to the left, having a radius of 1,032.50 feet, length of 55.72 feet, and a delta angle of 03°05'31"; thence,

North 25°35'47" East, 2.12 feet; thence,

North 19°19'09" East, 144.98 feet; thence,

North 22°05'00" East, 71.06 feet; thence,

North 84°59'41" East, 1,324.41 feet; thence,

Along a tangent curve to the left, having a radius of 1,1509.17 feet, length of 251.79 feet, and a delta angle of 01°15'13"; thence,

South 10°08'21" West, 1,612.25 feet; thence,

South 88°08'54" West, 1,612.25 feet; thence,

North 79°51'49" West, 668.96 feet to the **POINT OF BEGINNING**.

Containing 2,577,434.20 square feet (59.17 acres), more or less.



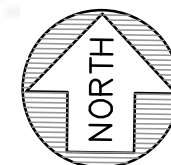
September 30, 2022





Line Table		
Line #	Length	Direction
L1	120.17	N22° 05' 00"E
L2	143.14	N24° 45' 44"E
L3	864.41	N22° 05' 00"E
L4	144.98	N19° 19' 09"E
L5	71.06	N22° 05' 00"E
L6	1324.41	N84° 59' 41"E
L7	1612.25	S10° 08' 21"W
L8	1182.95	S88° 08' 54"W
L9	668.96	N79° 51' 49"W
L10	2.12	N25° 35' 47"E
L11	1324.41	N84° 59' 45"E
L12	1612.25	S10° 07' 20"W
L13	1182.46	S88° 07' 50"W
L14	669.55	N79° 55' 00"W

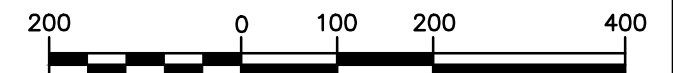
Curve Table			
Curve #	Length	Radius	Delta
C1	251.79	11509.17	1°15'13"
C2	74.34	1536.52	2°46'19"
C3	55.72	1032.50	3°05'31"



**NOTES**

(L11) RECORD DATA FROM 99 M 82-83

**GRAPHIC SCALE**



( IN FEET )  
1 inch = 200 ft.

DATE: 9/30/2022  
SCALE: AS SHOWN  
DESIGNED:  
DRAWN: RJL  
CHECKED: DCF  
PROJ. ENGR:

**FREYER & LAURETA, INC.**  
CIVIL ENGINEERS • SURVEYORS • CONSTRUCTION MANAGERS  
150 Executive Blvd • Suite 4200 • San Francisco, CA 94134  
(415)534-7070 • www.freyerlaureta.com

DESCRIPTION	DATE

**EXHIBIT B**  
**PROJECT SITE PLAT**  
**WILLOW VILLAGE**  
**MENLO PARK, CALIFORNIA**

SHEET  
1  
OF 1 SHEETS  
JOB NO.  
**300001**

**LEGAL DESCRIPTION  
OFFICE (O)  
MENLO PARK, CALIFORNIA**

The land referred to is situated in the City of Menlo Park, County of San Mateo, State of California and is described as follows:

**BEGINNING** at the southwesterly corner of Parcel S; as shown on that certain map entitled "Menlo Industrial Center, City of Menlo Park, San Mateo County, California" filed in the office of the County Recorder of San Mateo County, State of California, on October 1, 1979, in Volume 99 of Maps at Pages 81-83, thence,

North 22°05'00" East, 120.17 feet; thence,

North 24°45'44" East, 143.14 feet; thence,

Along a tangent curve to the left, having a radius of 1,536.52 feet, length of 74.34 feet, and a delta angle of 02°46'19"; thence,

North 22°05'00" East, 864.41 feet; thence,

Along a tangent curve to the left, having a radius of 1,032.50 feet, length of 55.72 feet, and a delta angle of 03°05'31" to the **TRUE POINT OF BEGINNING**, thence clockwise the following courses and distances:

North 25°35'47" East, 2.12 feet; thence,

North 19°19'09" East, 144.98 feet; thence,

North 22°05'00" East, 71.06 feet; thence,

North 84°59'41" East, 1,324.41 feet; thence,

Along a tangent curve to the left, having a radius of 11,509.17 feet, length of 251.79 feet, and a delta angle of 01°15'13"; thence,

South 10°08'21" West, 1,612.25 feet; thence,

South 88°08'54" West, 899.78 feet; thence,

North 10°08'21" East, 391.79 feet; thence,

North 36°24'32" West, 124.47 feet; thence,

Along a curve to the left, having a radius of 60.00 feet, length of 93.25 feet, a delta angle of 89°02'37", and a radial bearing of North 36°24'32" West; thence,

Along a tangent curve to the right, having a radius of 40.00 feet, length of 31.82 feet, and a delta angle of 45°34'23"; thence,

North 10°07'14" East, 176.74 feet; thence,

Along a tangent curve to the right, having a radius of 30.00 feet, length of 47.12 feet, and a delta angle of 90°00'00"; thence,

South 79°52'46" East, 664.42 feet; thence,

Along a tangent curve to the right, having a radius of 40.00 feet, length of 31.82 feet, and a delta angle of 45°34'23"; thence,

Along a tangent curve to the left, having a radius of 60.00 feet, length of 283.94 feet, and a delta angle of 271°08'46"; thence,

Along a tangent curve to the right, having a radius of 40.00 feet, length of 31.82 feet, and a delta angle of 45°34'23"; thence,

North 79°52'46" West, 664.42 feet; thence,

Along a tangent curve to the right, having a radius of 30.00 feet, length of 47.12 feet, and a delta angle of 90°00'00"; thence,

North 10°07'14" East, 104.42 feet; thence,

Along a tangent curve to the left, having a radius of 140.00 feet, length of 190.68 feet, and a delta angle of 78°02'17"; thence,

North 67°55'03" West, 133.87 feet; thence,

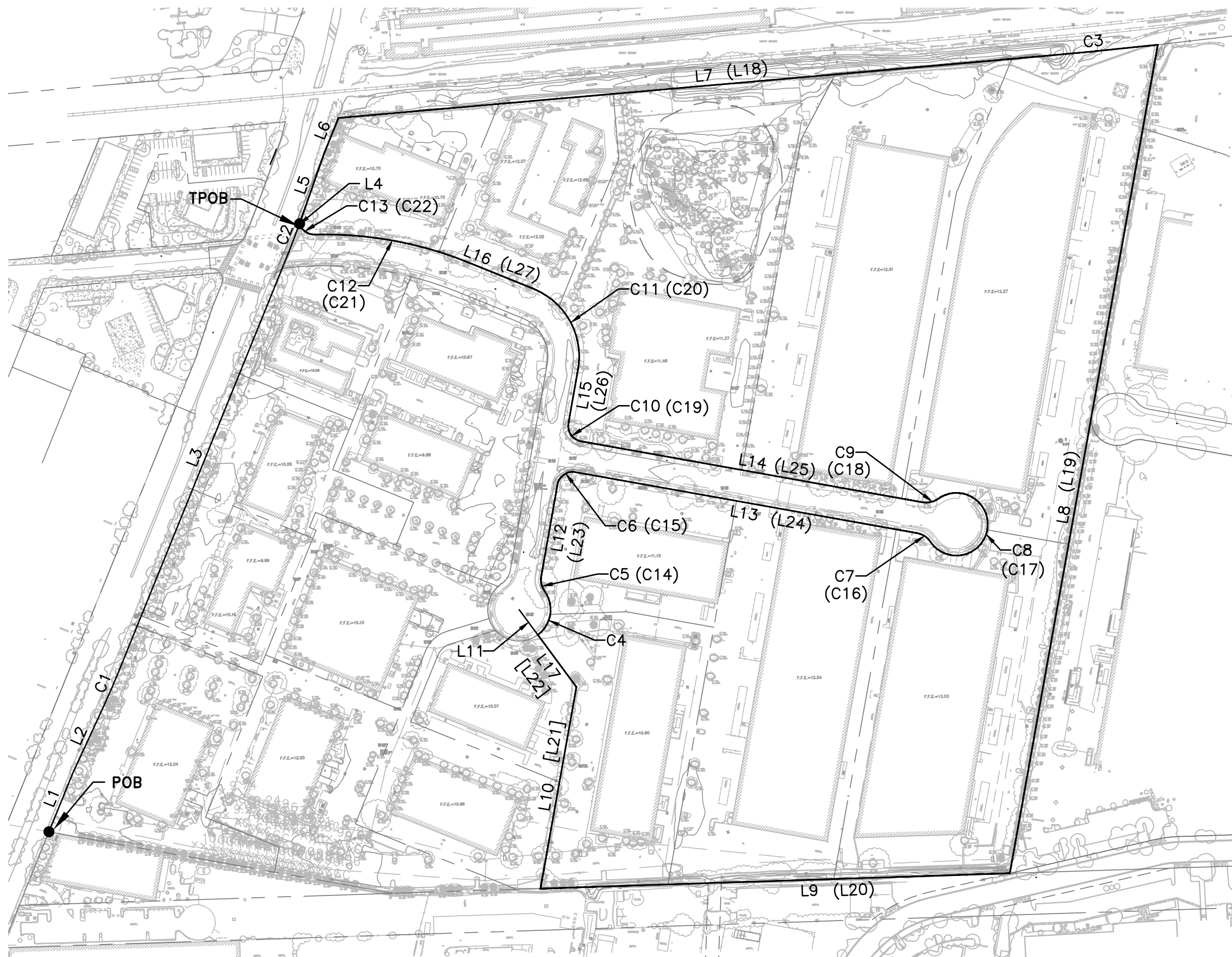
Along a tangent curve to the left, having a radius of 735.00 feet, length of 301.93 feet, and a delta angle of 23°32'13"; thence,

Along a tangent curve to the right, having a radius of 30.00 feet, length of 38.55 feet, and a delta angle of 73°37'09" to the **TRUE POINT OF BEGINNING**.

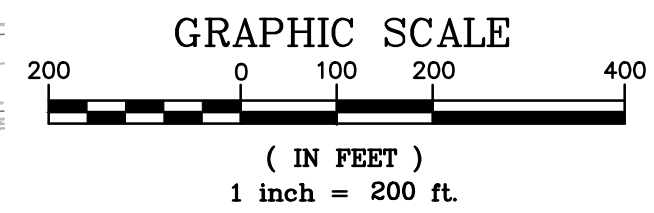
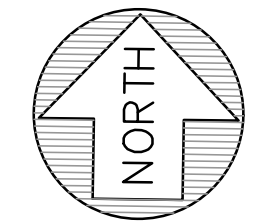
Containing 1,624,516.57 square feet (37.29 acres), more or less.

October 17, 2022





**NOTES**  
 (L11) RECORD DATA FROM 99 M 82-83  
 [L15] RECORD DATA FROM 52 M 82



DATE: 10/17/2022  
 SCALE: AS SHOWN  
 DESIGNED:  
 DRAWN: RJL  
 CHECKED: DCF  
 PROJ. ENGR:

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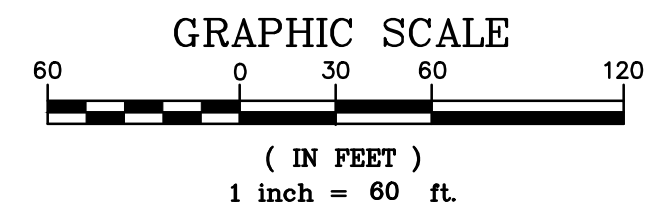
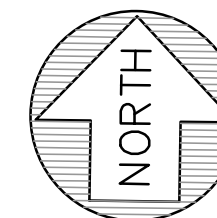
DESCRIPTION	DATE

**EXHIBIT B**  
**OFFICE (O)**  
**WILLOW VILLAGE**  
**MENLO PARK, CALIFORNIA**

SHEET 1 OF 2 SHEETS  
 JOB NO. 300001

Line Table		
Line #	Length	Direction
L1	120.17	N22° 05' 00"E
L2	143.14	N24° 45' 44"E
L3	864.41	N22° 05' 00"E
L4	2.12	N25° 35' 47"E
L5	144.98	N19° 19' 09"E
L6	71.06	N22° 05' 00"E
L7	1324.41	N84° 59' 41"E
L8	1612.25	S10° 08' 21"W
L9	899.78	S88° 08' 54"W
L10	391.79	N10° 08' 21"E
L11	60.00	N36° 24' 32"W
L12	176.74	N10° 07' 14"E
L13	664.42	S79° 52' 46"E
L14	664.42	N79° 52' 46"W
L15	104.42	N10° 07' 14"E
L16	133.87	N67° 55' 03"W
L17	124.47	N36° 24' 32"W
(L18)	1324.41	N84° 59' 45"E
(L19)	1612.25	S10° 07' 20"W
(L20)	899.63(c)	S88° 07' 50"W
[L21]	391.79	N10° 07' 20"E
[L22]	124.71	N36° 23' 11"W
(L23)	176.74	N10° 07' 20"E
(L24)	664.59	S79° 52' 40"E
(L25)	664.59	N79° 52' 40"W
(L26)	104.42	N10° 07' 20"E
(L27)	134.10	N67° 55' 00"W

Curve Table			
Curve #	Length	Radius	Delta
C1	74.34	1536.52	2°46'19"
C2	55.72	1032.50	3°05'31"
C3	251.79	11509.17	1°15'13"
C4	93.25	60.00	89°02'37"
C5	31.82	40.00	45°34'23"
C6	47.12	30.00	90°00'00"
C7	31.82	40.00	45°34'23"
C8	283.94	60.00	271°08'46"
C9	31.82	40.00	45°34'23"
C10	47.12	30.00	90°00'00"
C11	190.68	140.00	78°02'17"
C12	301.93	735.00	23°32'13"
C13	38.55	30.00	73°37'09"
(C14)	31.82	40.00	45° 34'22"
(C15)	47.12	30.00	90° 00'00"
(C16)	31.82	40.00	45° 34'22"
(C17)	283.94	60.00	271° 08'44"
(C18)	31.82	40.00	45° 34'22"
(C19)	47.12	30.00	90° 00'00"
(C20)	190.68	140.00	53° 39'10"
(C21)	301.52	735.00	-
(C22)	-	30.00	-



DATE: 10/17/2022  
SCALE: AS SHOWN  
DESIGNED:  
DRAWN: RJL  
CHECKED: DCF  
PROJ. ENGR:

**FL FREYER & LAURETA, INC.**  
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150 Executive Blvd • Suite 4200 • San Francisco, CA 94134  
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DESCRIPTION	DATE

**EXHIBIT B**  
**OFFICE (O)**  
**WILLOW VILLAGE**  
**MENLO PARK, CALIFORNIA**

SHEET  
2  
OF 2 SHEETS  
JOB NO.  
**300001**

**LEGAL DESCRIPTION  
RESIDENTIAL MIXED USE (R-MU)  
MENLO PARK, CALIFORNIA**

The land referred to is situated in the City of Menlo Park, County of San Mateo, State of California and is described as follows:

**BEGINNING** at the southwesterly corner of Parcel S; as shown on that certain map entitled "Menlo Industrial Center, City of Menlo Park, San Mateo County, California" filed in the office of the County Recorder of San Mateo County, State of California, on October 1, 1979, in Volume 99 of Maps at Pages 81-83, thence,

North 22°05'00" East, 120.17 feet; thence,

North 24°45'44" East, 143.14 feet; thence,

Along a tangent curve to the left, having a radius of 1,536.52 feet, length of 74.34 feet, and a delta angle of 02°46'19"; thence,

North 22°05'00" East, 829.11 feet; thence,

Along a curve to the left, having a radius of 30.00 feet, length of 9.98 feet, a delta angle of 19°03'50", and a radial bearing of South 24°04'08" East; thence,

North 84°59'42" East, 13.25 feet; thence,

Along a tangent curve to the right, having a radius of 675.00 feet, length of 319.12 feet, and a delta angle of 27°05'15"; thence,

South 67°55'03" East, 133.87 feet; thence,

Along a tangent curve to the right, having a radius of 80.00 feet, length of 108.96 feet, and a delta angle of 78°02'17"; thence,

South 10°07'14" West, 401.15 feet; thence,

Along a tangent curve to the right, having a radius of 40.00 feet, length of 31.82 feet, and a delta angle of 45°34'23"; thence,

Along a tangent curve to the left, having a radius of 60.00 feet, length of 190.70 feet, and a delta angle of 182°06'08"; thence,

South 36°24'32" East, 124.47 feet; thence,

South 10°08'21" West, 391.79 feet; thence,

South 88°08'54" West, 283.17 feet; thence,

North 79°51'49" West, 668.96 feet to the **POINT OF BEGINNING**.

Containing 824,596.48 square feet (18.93 acres), more or less.

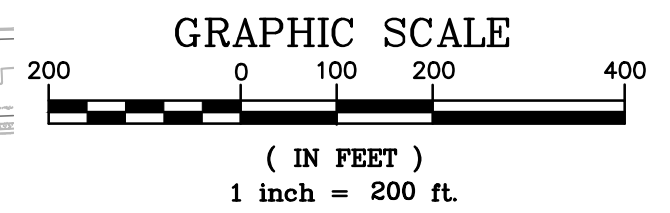
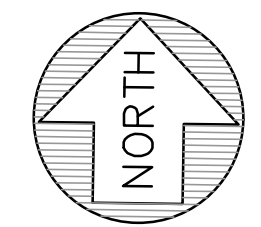


October 17, 2022





**NOTES**  
 (L11) RECORD DATA FROM  
 99 M 82-83  
 [L15] RECORD DATA FROM  
 52 M 82



DATE: 10/17/2022  
 SCALE: AS SHOWN  
 DESIGNED:  
 DRAWN: RJL  
 CHECKED: DCF  
 PROJ. ENGR:

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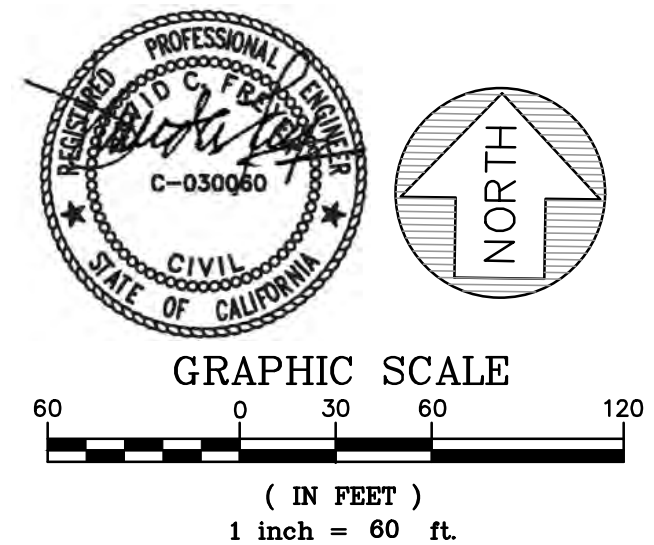
DESCRIPTION	DATE

**EXHIBIT B**  
**RESIDENTIAL MIXED USE (R-MU)**  
**WILLOW VILLAGE**  
**MENLO PARK, CALIFORNIA**

SHEET  
 1  
 OF 2 SHEETS  
 JOB NO.  
**300001**

Line Table		
Line #	Length	Direction
L1	120.17	N22° 05' 00"E
L2	143.14	N24° 45' 44"E
L3	829.11	N22° 05' 00"E
L4	30.00	S24° 04' 08"E
L5	13.25	N84° 59' 42"E
L6	133.87	S67° 55' 03"E
L7	401.15	S10° 07' 14"W
L8	124.47	S36° 24' 32"E
L9	391.79	S10° 08' 21"W
L10	283.17	S88° 08' 54"W
L11	668.96	N79° 51' 49"W
(L12)	12.80	N84° 59' 45"E
(L13)	134.10	N67° 55' 00"W
(L14)	401.16	N10° 07' 20"E
[L15]	124.71	N36° 23' 11"W
[L16]	391.79	N10° 07' 20"E
(L17)	669.55	N79° 55' 00"W

Curve Table			
Curve #	Length	Radius	Delta
C1	74.34	1536.52	2°46'19"
C2	9.98	30.00	19°03'50"
C3	319.12	675.00	27°05'15"
C4	108.96	80.00	78°02'17"
C5	31.82	40.00	45°34'23"
C6	190.70	60.00	182°06'08"
(C7)	108.96	80.00	78° 02'20"
(C8)	31.82	40.00	45° 34'22"



DATE: 10/17/2022  
SCALE: AS SHOWN  
DESIGNED:  
DRAWN: RJL  
CHECKED: DCF  
PROJ. ENGR:

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DESCRIPTION	DATE

**EXHIBIT B**  
**RESIDENTIAL MIXED USE (R-MU)**  
**WILLOW VILLAGE**  
**MENLO PARK, CALIFORNIA**

SHEET  
2  
OF 2 SHEETS  
JOB NO.  
**300001**



**DRAFT CONDITIONAL DEVELOPMENT PERMIT (“CDP”)  
WILLOW VILLAGE MASTER PLAN PROJECT**

**1. GENERAL INFORMATION**

- 1.1. Applicant: Peninsula Innovation Partners, LLC (“**Applicant**”) or its successors or assigns
- 1.2. Project Description: General Plan Circulation Map Amendment, Zoning Ordinance Map Amendment, Rezoning, Development Agreement, Conditional Development Permit, Architectural Control, Vesting Tentative Subdivision Maps, Heritage Tree Removal Permits, Zoning Ordinance Modifications, Bird-Friendly Design Waivers, Willow Village Transportation Demand Management (TDM) Plan, and Below Market Rate Housing Agreements, to demolish approximately 1 million square feet (sf) of existing nonresidential uses and construct:
1. Approximately 1.8 million sf of nonresidential uses, composed of up to 1.6 million sf of office and accessory uses in the Campus District (consisting of up to 1.25 million sf of office space, with the balance of space for accessory uses [up to 350,000 sf if the office sf is maximized], in multiple buildings) and up to 200,000 sf of commercial/retail space;
  2. Up to approximately 1,730 multi-family residential units, inclusive of 312 below market rate units;
  3. An up to 193-room hotel; and
  4. Minimum of 857,000 sf of open space at full buildout, including a minimum of 360,000 sf of publicly accessible parks, paths, and trails.

The above elements are collectively referred to as “**Project**”.

- 1.3. Project Site: The project site consists of approximately 59 acres identified by the Assessor’s Parcel Numbers listed in Section 1.4 herein, and generally is bounded by the currently inactive Dumbarton Rail Corridor to the north, an existing life science complex to the east (Menlo Park Labs Campus), the San Francisco Public Utilities Commission (SFPUC) Hetch Hetchy right-of-way to the south, and Willow Road to the west (“**Project Site**”). The existing project site parcels are shown on Exhibit A attached hereto and are more particularly described in Exhibit B attached hereto.

The Project also includes three parcels on two sites west of Willow Road. Hamilton Avenue Parcel North includes the existing Belle Haven Shopping Center (1401 Willow Road and 871-883 Hamilton Avenue) and Hamilton Avenue Parcel South includes the existing Chevron service station (1399 Willow Road). These parcels are not subject to this CDP; however, these parcels would be subject to and affected by specific off-site improvements and project actions (e.g. realignment of Hamilton Avenue).

- 1.4. Assessor’s Parcel Numbers: 055-440-010; 055-440-020; 055-440-030; 055-440-040; 055-440-090; 055-440-110; 055-440-130; 055-440-190; 055-440-210; 055-440-230;

055-440-260; 055-440-300; 055-440-310; 055-440-320; 055-440-330; 055-440-050;  
055-440-340; 055-440-350

- 1.5. Property Owner(s): Peninsula Innovation Partners and its successors in interest to all or any part of the Project Site (“**Property Owner**”)
- 1.6. Zoning: O-B-X (Office-Bonus, Conditional Development), R-MU-B-X (Residential Mixed-Use-Bonus, Conditional Development)

1.7. Conditions Precedent:

1.7.1. Property Owner’s obligations set forth herein are expressly conditioned on the resolution of all legal challenges, if any, to the Project’s entitlements. Notwithstanding any legal challenges, Property Owner’s obligations as set forth herein are expressly conditioned on Property’s Owner’s election, in its sole discretion, to commence construction of the Project.

1.7.2. Development of the Project, and all references in this CDP to the City’s Municipal Code, Zoning Ordinance, and future conditions of approval and fees, shall be subject to vested rights pursuant to common law, the Subdivision Map Act, and the Development Agreement.

## 2. PROJECT PLANS AND DEVELOPMENT STANDARDS

2.1. Project Plans:

2.1.1. Development of the Project shall substantially conform with the Willow Village Master Plan plans submitted by Applicant dated October 19, 2022, consisting of 66 plan sheets and Appendices 1 through 10, recommended for approval by the Planning Commission on [date], and approved by the City Council on [date] (“**Project Plans**”), except as modified by the conditions contained herein and/or in accordance with Section 8 (Changes) of this CDP.

2.1.2. Attached as Exhibit D is a glossary of technical reports and documents supporting implementation of this CDP.

2.1.3. Prior to the issuance of building permits for each building in the Project, and in accordance with Section 12.2, below, Property Owner shall submit architectural control plans (ACPs) for the building/site for review and approval by the Planning Commission in accordance with Municipal Code Section 16.68.020. As part of the architectural control review, the Community Development Department shall track compliance with the Development Standards set forth in Section 2.3 below through a compliance matrix, dated 6/23/22 and on file with the

City that may be updated from time to time to ensure compliance with this CDP and Municipal Code requirements.

2.2. Definitions: As used in this CDP and the Project Plans:

2.2.1. **“Standards”**. Standards are objective measures with which all architectural control plans (ACPs) must substantially conform, subject to Changes to the CDP granted in accordance with and defined in Section 8 herein. Standards may be minimum or maximum development parameters that development must fall within, or may be prescriptive requirements for objective Project design features.

2.2.2. **“Conceptual Plans”**. Items labeled as Conceptual Plans are intended to convey the general vision and design intent of the Project, while allowing flexibility in interpretation and implementation. Conceptual Plans serve as guidelines for general orientation and organization of land uses and transportation and open space networks, general scale and massing of development, and overall architectural themes. All ACPs should be materially consistent with the vision and design intent conveyed by Conceptual Plans but need not comply with the specific details.

2.2.3. **“Illustrative Plans and Renderings”**. Items labeled as Illustrative Plans and Renderings depict one possible example of development that would substantially conform with the Standards and be materially consistent with the vision and design intent conveyed by the Conceptual Plans. Illustrative Plans and Renderings are not determinative of the ultimate configuration, building orientation, massing, architectural and landscaping details, parking design, etc. ACPs may vary from these depictions.

2.2.4. **“Architectural Control Plan” (“ACP”)**. ACPs provide architectural drawings of the proposed building or structure, proposed landscaping or other treatment of grounds around such building or structure, and proposed design of, and access to, required parking facilities, in accordance with Municipal Code Section 16.68.020. ACPs should generally include site plans, floor plans, elevations, square footage diagrams, height calculations, color and materials, etc. The ACPs shall comply with the City’s Application Submittal Guidelines. All ACPs shall substantially conform to the Standards and be materially consistent with the vision and design intent conveyed by the Conceptual Plans, subject to Modifications granted in accordance with Section 4 and/or Changes granted in accordance with Section 8 herein.

2.2.5. **“Phase 1”**. Project Site improvements under Phase 1 encompass structure demolition, surface improvements, and utility

improvements within the Phase 1 and Phase 2 areas on the main Project Site. Specifically, Phase 1 would include:

- a. Demolition of structures on the parcels south of Hamilton Avenue to support the realignment of Hamilton Avenue west of Willow Road and the new intersection at Willow Road.
- b. Street improvements including realignment of the Hamilton Avenue and Willow Road intersection, Park Street, West Street, Main Street from O'Brien Drive to Hamilton Avenue, North Loop Road, and East Loop Road, each with a full complement of utilities to serve the Project and Willow Road Tunnel.
- c. Grading and construction of primary circulation improvements (i.e., the streets and infrastructure necessary to serve Phase 1) to raise the Project Site above the flood hazard designation and ensure sea-level rise resiliency.
- d. Construction of components associated with the Town Square District and the Campus District in the northern portion of the Project Site, including approximately 172,000 sf of hotel space (up to approximately 193 rooms); construction of the entirety of the office and accessory uses, the Elevated Park, and up to 200,000 sf of retail uses, including the grocery store; construction of the Town Square and the Town Square parking garage; construction of the North Garage and South Garage as part of the Campus District; and construction within the Residential/Shopping District of 1,044 residential units, the Publicly Accessible Park, and the Dog Park.

2.2.6. **“Phase 2”**. Phase 2 construction would encompass the construction of the balance of the Residential/Shopping District, provide 686 residential units, and construct Willow Road Tunnel, if Applicant so elects. Phase 2 site improvements would also include construction of Center Street and East Street, along with the installation of the infrastructure necessary to serve Phase 2.

2.2.7. **“Square footage” or “sf”** shall have the same meaning as the definition of Gross Floor Area (16.04.325) of the Zoning Ordinance.

### 2.3. Development Standards

2.3.1. Dwelling Units shall not exceed 100 dwelling units per acre for a not to exceed total of 1,730 units.

2.3.2. Maximum building square footage shall be calculated in accordance with Municipal Code Section 16.04.325 (Gross floor area) and shall not exceed:

2.3.2.1. Office and accessory uses: 1,600,000 square feet in accordance with Sheet G3.03 of the Project Plans (consisting of a maximum of up to 1,250,000 square feet of office space, with the balance of space for accessory uses, in multiple buildings)

2.3.2.2. Retail uses: 200,000 square feet in accordance with Sheet G3.03 of the Project Plans

2.3.2.3. Residential uses: 1,696,406 square feet for 1,730 dwelling units in accordance with Sheet G3.03 of the Project Plans.

2.3.3. Hotel: 193 rooms in accordance with Sheet G3.03 of the Project Plans

2.3.4. Areas of private rights-of-way shall be included in the calculation of the maximum density and intensity (gross floor area) as shown on Sheet G3.02 of the Project Plans.

2.3.5. Building heights shall not exceed the maximum heights provided on Sheet G3.04 of the Project Plans.

2.3.6. Development standards identified in the Project Plans as CDP standards are incorporated by reference herein.

2.3.6.1. The calculation of height (average) and maximum height shall comply with Zoning Ordinance Sections 16.43.050 and 16.45.050.

2.3.7. Parking shall be provided in accordance with the standards set forth on Sheet G4.01 of the Project Plans and in compliance with Zoning Ordinance Sections 16.43.090 and 16.45.080, subject to the Modification for senior parking (below). This CDP grants an exception for unbundled parking for senior below market rate residential units. This CDP also authorizes shared parking on the main Project Site in accordance with Sheet G4.01 of the Project Plans.

2.3.8. Open Space shall be provided in accordance with the standards set forth on Sheet G3.05 of the Project Plans. The Project shall provide a minimum of 360,000 sf of publicly accessible open space, consisting of 285,970 sf of open space required by the R-MU/O zoning and 74,030 sf of publicly accessible open space in excess of the R-MU and O zoning district requirements (“Excess Publicly Accessible Open Space”)

2.3.8.1. The Excess Publicly Accessible Open Space will be provided in the Community Park and/or the Dog Park and/or Parcel 3. ACPs containing the Community Park, the Dog Park, and Parcel 3 will be required to document the amount of Excess Publicly Accessible Open Space provided in each ACP.

- 2.3.9. Roof Mounted Equipment except photovoltaic or solar panels, shall be fully screened and integrated into the design of the building consistent with Zoning Ordinance Section 16.08.095, and shall also comply with the noise requirements of that same section.
- 2.3.10. Ground Mounted Equipment shall be screened and integrated into the site design to the satisfaction of the Planning Division. The ground mounted equipment shall comply with the noise requirements in Chapter 8.06 (Noise) of the Municipal Code.
- 2.3.11. Building Setbacks shall be measured from the public right-of-way or public access easements. Private right-of-ways shall be treated as public right-of-ways for setback purposes.

### 3. USES

3.1. Permitted uses on the Project Site: The following uses are permitted on the Project Site pursuant to this CDP without the need for further administrative, special, or conditional use or special event permits:

#### 3.1.1. Existing Uses

3.1.1.1. Notwithstanding the rezoning of the main Project Site and adoption of this CDP, existing uses and structures on the main Project Site that remain shall not be considered nonconforming and may continue (including after any period of discontinuance and without amortization) and be maintained, repaired, altered, restored if destroyed by catastrophe, subject to any applicable procedural review provisions of the Zoning Ordinance not contained in Chapter 16.80 and provided there is no increase in square footage. Existing use permits and architectural control permits shall remain valid until demolition (whole or partial) occurs.

#### 3.1.2. Town Square District

- 3.1.2.1. Hotel
- 3.1.2.2. Banks and other financial institutions providing retail banking services (including credit unions and ATMs)
- 3.1.2.3. Eating and drinking establishments, including the sale of beer, wine, and alcohol (e.g., spirits and liquor other than beer and wine) in accordance with Section 3.6 herein, and/or that have live entertainment, and/or establishments that are portable (i.e. not permanent)
- 3.1.2.4. Retail sales establishments, excluding the sale of beer, wine, and alcohol except those uses identified in accordance with Section 3.6 herein Personal services, excluding tattooing, piercing, palm-reading, or similar services
- 3.1.2.5. Recreational facilities privately operated, less than 20,000 square feet

- 3.1.2.6. Outdoor seating and tables (including those intended to be used for consumption of food and beverages), in accordance with Section 5.2
- 3.1.2.7. Emergency generators and associated use and storage of diesel fuel for up to 12 generators on the main project site in accordance with Sheet G6.07 of the Project Plans and the Hazardous materials information forms, generator supplemental forms (dated August 8, 2022) and agency referral forms. Generator size, type, and locations shall be substantially in conformance with the Project Plans and supporting documents and shall comply with the requirements and conditions of the San Mateo County Environmental Health Services Division, Menlo Park Fire Protection District, West Bay Sanitary District, and the City of Menlo Park Building and Planning Divisions.
- 3.1.2.8. Bonus level development (e.g. height, density, and intensity) in accordance with Sections 16.43.040(1) and 16.43.060 and/or 16.45.040(10) and 16.45.060 of the Zoning Ordinance.
- 3.1.2.9. Public utilities, in accordance with Chapter 16.76 of the Zoning Ordinance. Any above ground utilities or appurtenances shall be screened with appropriate fencing, mesh enclosures, and/or like materials compatible with surrounding improved environment, or painted with appropriate colors compatible with surrounding improved environment.
- 3.1.2.10. Open space, private and publicly accessible, in accordance with Zoning Ordinance Sections 16.43.130(4) and 16.45.120(4).
- 3.1.2.11. CommunityLocal events including but not limited to farmers' markets, movie nights, concerts, community block parties, and food trucks, provided the activities comply with Chapter 8.06 (Noise) of the Municipal Code, and provided that communitysuch events that require the use of City public services (e.g. police monitoring or control, street closure, traffic control, parking needs that will exceed capacity of the venue, or interfere with normal use and operation of right-of-ways for travel) require a special event permit per Chapter 8.60 of the Municipal Code.
- 3.1.2.12. Private special events not to exceed 26 in a calendar year, subject to Section 5.3, provided that private special events that require the use of City public services (e.g. police monitoring or control, street closure, traffic control parking needs that will exceed capacity of the venue, or interfere with normal use and operation of right-of-ways for travel) require a special event permit per Chapter 8.60 of the Municipal Code.
- 3.1.2.13. Parking structures, above and below-grade
- 3.1.2.14. Cellular telecommunications facilities provided the facilities are fully screened and/or integrated into a building or site feature and the facilities comply with all applicable Federal and State regulations
- 3.1.2.15. Other uses determined by the Community Development Director to be similar and compatible uses based on the following criteria:
  - The activities involved in or equipment or materials employed in the use are the same or substantially similar to the uses expressly authorized by this CDP;
  - The use is compatible with surrounding uses; and
  - The use is consistent with the stated purpose of this CDP.



### 3.1.3. Residential/Shopping District

- 3.1.3.1. Multiple dwellings
- 3.1.3.2. Eating establishments, including the sale of beer, wine, and alcohol in accordance with Section 3.6 herein, and/or that have live entertainment, and/or establishments that are portable (i.e. not permanent)
- 3.1.3.3. Retail sales establishments, excluding the sale of beer, wine, and alcohol except those uses identified in accordance with Section 3.6 herein, including those greater than 20,000 square feet of gross floor area
- 3.1.3.4. Personal services, excluding tattooing, piercing, palm-reading, or similar services
- 3.1.3.5. Outdoor seating and tables (including those intended to be used for consumption of food and beverages) subject to Section 5.2
- 3.1.3.6. Movie theater and/or live theater
- 3.1.3.7. Recreational facilities, privately operated, including those greater than 20,000 square feet in gross floor area
- 3.1.3.8. Emergency generators and associated use and storage of diesel fuel for up to 12 generators on the main project site in accordance with Sheet G6.07 of the Project Plans and the Hazardous materials information forms, generator supplemental forms (dated August 8, 2022), and agency referral forms. Generator size, type, and locations shall be substantially in conformance with the Project Plans and supporting documents and shall comply with the requirements of the San Mateo County Environmental Health Services Division, Menlo Park Fire Protection District, West Bay Sanitary District, and the City of Menlo Park Building and Planning Divisions.
- 3.1.3.9. Bonus level development (e.g. height, density, and intensity) in accordance with Sections 16.43.040(10) and 16.43.080 or 16.45.040(10) and 16.45.060 of the Zoning Ordinance.
- 3.1.3.10. Public utilities, in accordance with Chapter 16.76 of the Zoning Ordinance. Any above ground utilities or appurtenances shall be screened with appropriate fencing, mesh enclosures, and/or like materials compatible with surrounding improved environment, or painted with appropriate colors compatible with surrounding improved environment.
- 3.1.3.11. Open space, private and publicly accessible, in accordance with Zoning Ordinance Sections 16.43.130(4) and 16.45.120(4)
- 3.1.3.12. CommunityLocal events including but not limited to farmers' markets, movie nights, concerts, community block parties, and food trucks, provided the activities comply with Chapter 8.06 (Noise) of the Municipal Code and provided that communitysuch events that require the use of City public services (e.g. police monitoring or control, street closure, traffic control, parking needs that will exceed capacity of the venue, or interfere with normal use and operation of right-of-ways for travel) require a special event permit, per Chapter 8.60 of the Municipal Code.
- 3.1.3.13. Private special events not to exceed 26 in a calendar year, subject to Section 5.3, provided that private events that require the use of City public services (e.g. police monitoring or control, street closure, traffic control, parking needs that will exceed capacity of the venue, or interfere with normal



use and operation of right-of-ways for travel) require a special event permit, per Chapter 8.60 of the Municipal Code.

3.1.3.14. Parking structures, above and below-grade

3.1.3.15. Temporary dialysis center consistent with the improvements depicted on Conceptual Dialysis Center Temporary Location Sheet in Exhibit 5.

3.1.3.16. Cellular telecommunications facilities provided the facilities are fully screened and/or integrated into a building or site feature and the facilities comply with all applicable Federal and State regulations

3.1.3.17. Other uses determined by the Community Development Director to be similar and compatible uses based on the following criteria:

- The activities involved in or equipment or materials employed in the use are the same or substantially similar to the uses expressly authorized by this CDP;
- The use is compatible with surrounding uses; and
- The use is consistent with the stated purpose of this CDP.

#### 3.1.4. Campus District

3.1.4.1. Administrative and professional offices (including amenity uses) and accessory uses, including those greater than 250,000 square feet in gross floor area:

- Office amenity uses intended to serve employees, contractors, and visitors, including, without limitation, the following facilities to serve on-site workers and visitors: food service facilities, ~~ATMs, dry cleaners,~~ fitness facilities, personal services (excluding tattooing, piercing, palm-reading, or similar services), ~~wellness facilities (including medical and dental)~~ and wellness facilities (including medical and dental), provided that ATMs, dry cleaners, and massage facilities are not permitted in the office amenity space, and permanent third-party branded eating establishments as well as permanent third-party branded retail are not permitted in the office amenity space, except for private special events permitted by this CDP. Nothing in this Section 3.1.4.1 limits retail uses that are open to the public.
- Accessory uses include, without limitation, the following types of spaces: meeting/collaboration space, orientation space, training space, event space, breakout space, incubator space, a business center, event building (including pre-function space, collaboration areas, and meeting/event rooms), a visitor center, experience center, production/demonstration areas, a film studio, catering and culinary spaces affiliated with accessory uses, gathering spaces, terraces and private gardens, and space for other accessory uses

3.1.4.2. Eating establishments, including the sale of beer, wine, and alcohol in accordance with Section 3.6 herein, live entertainment, and/or establishments that are portable

3.1.4.3. Personal services, excluding tattooing, piercing, palm-reading, or similar services

- 3.1.4.4. Outdoor seating and tables (including those intended to be used for consumption of food and beverages) subject to Section 5.2.
- 3.1.4.5. Emergency generators and associated use and storage of diesel fuel for up to 12 generators on the main project site in accordance with Sheet ~~XXG6.07~~ of the Project Plans and the Hazardous materials information forms, ~~e~~-generator supplemental forms (dated August 8, 2022), and agency referral forms. Generator size, type, and locations shall be substantially in conformance with the Project Plans and supporting documents and shall comply with the requirements of the San Mateo County Environmental Health Services Division, Menlo Park Fire Protection District, West Bay Sanitary District, and the City of Menlo Park Building and Planning Divisions.
- 3.1.4.6. Bonus level development (e.g. height, density, and intensity) in accordance with Sections 16.43.040(10) and 16.43.060 and/or 16.45.040(10) and 16.45.060 of the Zoning Ordinance.
- 3.1.4.7. Public utilities, in accordance with Chapter 16.76 of the Zoning Ordinance. Any above ground utilities or appurtenances shall be screened with appropriate fencing, mesh enclosures, and/or like materials compatible with surrounding improved environment, or painted with appropriate colors compatible with surrounding improved environment.
- 3.1.4.8. Open space, private and publicly accessible, in accordance with Zoning Ordinance Sections 16.43.130(40) and 16.45.120(4).
- 3.1.4.9. Community/Local events including but not limited to farmers' markets, movie nights, concerts, community block parties, and food trucks, provided the activities comply with Chapter 8.06 (Noise) of the Municipal Code, and provided that ~~community~~such events that require the use of City public services (e.g. police monitoring or control, street closure, traffic control, parking needs that will exceed capacity of the venue, or interfere with normal use and operation of right-of-ways for travel) require a special event permit per Chapter 8.60 of the Municipal Code.
- ~~3.1.4.9-3.1.4.10.~~ MCS Community Events as defined in Section 5.3.I of the Development Agreement
- ~~3.1.4.10-3.1.4.11.~~ Private special events subject to the Event Management Plan (provided the activities comply with Chapter 8.06 (Noise) of the Municipal Code and do not require the use of City public services (e.g. police monitoring or control, street closure, traffic control), and do not require parking needs that will exceed capacity of the venue, or interfere with normal use and operation of right-of-ways for travel) including:
- Multiple day private special events located primarily indoors, without a special event permit
  - Private special events with attendance expected to exceed 150 people that will use the Elevated Park (limited to 26 per year), without a special event permit provided the noise limits of Chapter 8.06 are complied with.
  - Private special events as provided in a special event permit approved by the City, as outlined in Chapter 8.60 of the Municipal Code
- ~~3.1.4.11-3.1.4.12.~~ Parking structures, above and below-grade
- ~~3.1.4.12-3.1.4.13.~~ Cellular telecommunications facilities

~~3.1.4.13~~3.1.4.14. Other uses determined by the Community Development Director to be similar and compatible uses based on the following criteria:

- The activities involved in or equipment or materials employed in the use are the same or substantially similar to the uses expressly authorized by this CDP;
- The use is compatible with the surrounding uses; and
- The use is consistent with the stated purpose of this CDP.

3.2. Additional Permitted uses on the Project Site: All permitted uses listed in the O and R-MU zoning districts unless superseded by this CDP.

3.3. Additional administratively permitted uses on the Project Site: All administratively permitted uses listed in the O and R-MU zoning districts, and not specifically authorized by Section 3.1, are permitted with an administrative permit.

3.4. Additional special uses on the Project Site: Special uses in accordance with Chapter 16.78 and not specifically authorized by Section 3.1 herein are permitted with a use permit.

3.5. Additional conditionally permitted uses on the Project Site: All Conditionally permitted uses listed in the O and RMU zoning districts, and not specifically authorized by Section 3.1 herein, are permitted with a use permit.

3.6. Beer, Wine, and Alcohol Uses: Beer, wine, and alcohol uses shall be permitted as provided in sections 3.6.5, 3.6.6, and 3.6.7, subject to receipt of all required permits from the Bureau of Alcoholic Beverage Control (ABC). All other beer, wine, and alcohol uses shall require an administrative or use permit per the requirements of Zoning Ordinance Chapters 16.43 and 16.45.

3.6.1. Any citation or notification of violation by the ABC of the applicable ABC permit shall be grounds for suspension or revocation of the administrative/conditional use permits granted to the applicable user.

3.6.2. Prior to building permit issuance, the applicant shall comply with the applicable requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the sale of beer, wine, and alcohol.

3.6.3. A minimum of 90 days prior to the commencement of any sale of beer, wine, and alcohol for uses permitted through this CDP, the applicant shall submit documentation of an application for the permit with the ABC, a site plan and floor plan/seating plan, and project description letter for review and approval of the Community Development Director and the Chief of Police or their designee for conformance with this CDP, and compliance with the City of Menlo Park Municipal Code.

3.6.3.1. The submittal materials shall identify the location of alcohol use/sale/storage, barriers to define the extent of the alcohol use/service, and hours of operation, and any other information deemed necessary to evaluate the design appropriateness, conformance with this CDP, and compliance with the City of Menlo Park Municipal Code of the request as determined by the Community Development Director or Chief of Police or their designees.

3.6.4. The City shall track the number of active licenses within the Project site using the tracking matrix dated June 23, 2022 and on file with the City.

3.6.5. Town Square District

3.6.5.1. *Hotel*

Maximum of four ABC licenses, provided all requirements of the California ABC and City are met. If the ABC determines that a public convenience and necessity finding is required, the Planning Commission shall review the request through an administrative permit or use permit based on license type and request, in accordance with the requirements of the Zoning Ordinance.

- Hotel operations including in-room mini-bar, pool, lounges
- Off-site sale of beer, wine, and alcohol for a hotel gift shop within the hotel
- Eating Establishments (e.g. bona fide eating place) including beer, wine and alcohol
- Drinking Establishments (e.g. bar or tavern) including beer, wine and alcohol
- Special events including beer, wine, and alcohol (e.g., events in conferences rooms, ballroom space, outdoor locations)

3.6.5.2. *Town Square*

Maximum of three ABC licenses for uses identified below for the Town Square District, excluding off-sale and on-sale public premises (e.g. bar or tavern) and not including ABC licenses associated with the hotel, provided all requirements of the California ABC and City are met. If the ABC determines that a public convenience and necessity finding is required, the Planning Commission shall review the request through an administrative permit or use permit based on license type and request, in accordance with the requirements of the Zoning Ordinance.

- Eating Establishments (e.g. bona fide eating places) including beer, wine and alcohol
- CommunityLocal events including beer and wine only (farmer's market, art festival, etc.)

3.6.6. Residential/Shopping District

Maximum of eight ABC licenses for Residential/Shopping District, excluding off-sale and on-sale public premises (e.g. bar or tavern), provided all requirements of the California ABC and City are met. If the ABC determines that a public convenience and necessity finding is required, the Planning Commission shall review the request through an administrative permit or use permit based on license type and request, in accordance with the requirements of the Zoning Ordinance.

3.6.6.1. *Grocery Store*

- Off-site sale of beer, wine, and alcohol for full service grocery stores greater than 20,000 square feet
- Tasting Room: On-site consumption of sample amounts of beer and wine in a restricted area inside the grocery store, proximate to the alcoholic beverage section. The tasting room must be enclosed by a wall and shall not include seating.
- Micro-Brewery or Café, including beer and wine only.

3.6.6.2. *Ground Floor Retail*

- Eating Establishments (e.g. bona fide eating places) including beer, wine and alcohol

3.6.6.3. *Community Park*

- ~~Community~~Local events including beer and wine only (farmer's market, art festival, etc.)

3.6.7. Campus District

Maximum of four ABC licenses for Campus District, excluding off-sale and on-sale public premises (e.g. bar or tavern), provided all requirements of the California ABC and City are met. If the ABC determines that a public convenience and necessity finding is required, the Planning Commission shall review the request through an administrative permit or use permit based on license type and request, in accordance with the requirements of the Zoning Ordinance

3.6.7.1. *Campus District Retail*

- Eating Establishments (e.g. bona fide eating places) including beer, wine and alcohol

3.6.7.2. *Meeting and Collaboration Space and Other Accessory Space*

- Special events including beer, wine, and alcohol

3.6.7.3. *Elevated Park*

- Special events including beer and wine only

3.6.7.4. *Main Street*

- CommunityLocal events including beer and wine only (farmer’s market, art festival, etc.)

#### 4. MODIFICATIONS TO O AND RMU DISTRICT REQUIREMENTS AND SIGNAGE REGULATIONS

4.1. Unless enumerated in this section, each building within the Project Site shall comply with the requirements of the O (Office) and R-MU (Residential Mixed-Use) zoning districts. Where a standard or requirement listed below is inconsistent with the Zoning Ordinance, the standard in this CDP takes precedence. In accordance with Zoning Ordinance Section 16.82.050, this CDP authorizes the following modifications (“**Modifications**”) to the City Zoning Ordinance requirements of the RMU and O districts, which are included in the Zoning Ordinance Modification Request dated September 2, 2022:

##### 4.2. Parcel 1 (Hotel)

4.2.1. No building modulations required along Willow Road or Main Street facades.

4.2.2. Required stepback of 10 feet; allow Shade trellis and parapet within stepback zone(s).

4.2.2.1. Roof trellises within the stepback area shall be included in the calculation of height (maximum and average) for the building.

4.2.3. No public entrances required along Willow Road or Main Street facades. Allow public entrances along West Street.

4.2.4. Minimum setback from back of public easement to be 1 foot, 6 inches for Willow Road

4.2.5. Along Willow Road, allow maximum building projection to extend 4 feet, 6 inches from the required setback.

4.2.6. Along West Street, allow maximum building projection to extend 8 feet from the required setback.

4.2.7. Allow 40% Ground Floor transparency along West St.

4.2.8. Allow 15% frontage landscaping.

4.2.9. Maximum setback of 30 feet along Hotel Service Road.

4.2.10. Maximum setback of 50 feet along West Street.

##### 4.3. Parcel 1 (MCS)

4.3.1. No building modulations required along North Loop Road.

4.3.2. No building setback or stepback required along North Loop Road.

#### 4.4. Parcel 1 (Office)

4.4.1. No stepbacks required for office garages; stepback required at a height not to exceed 70 feet for 30% of office building facades.

4.4.2. Office buildings 02, 03, 05 and 06 stepback required at a height not to exceed 70 feet and garages not required to have stepbacks or a base height.

4.4.3. Office buildings may have a consistent roofline without modulation.

4.4.4. No requirement for above ground garages to be screened or located behind buildings;

4.4.5. No building entrances required for office buildings along East Loop Road and South Garage.

4.4.6. Allow garage facades along East Loop Road and Main Street to have a minimum modulation of one per 200 feet.

#### 4.5. Parcel 1 (Town Square)

4.5.1. Allow 75 feet maximum length Ground Floor pedestrian pass-through at grade level along Main Street façade, with a minimum of one per facade.

4.5.2. Buildings less than three stories may have a consistent roofline without modulation.

4.5.3. Maximum setback from public easement or property line to be 32 feet along West Street and Main Street.

#### 4.6. Parcel 2

4.6.1. Allow for (i) Maximum base height (including 10-foot increase within the flood zone) to be 71 feet above average natural grade and (ii) roof trellises within stepback areas.

4.6.1.1. Roof trellises within the stepback area shall be included in the calculation of height (maximum and average) for the building.

- 4.6.2. Major modulation on Park St. to be a minimum of 8 feet deep.
- 4.6.3. Two-way garage entrances may be up to 30 feet wide.
- 4.6.4. Spacing can be up to 138 feet between two building entrances and up to 200 feet from corner to building entrance.
- 4.6.5. Roof modulation not required for the West St. and Main St. elevations.
- 4.6.6. No façade minor modulations are required on the Willow Road elevation.

#### 4.7. Parcel 3

- 4.7.1. Maximum Base Height (including 10-foot increase within the flood zone) to be ~~up to 70~~ to 70 feet above average natural grade.
- 4.7.2. Allow for (i) setbacks of 8 feet minimum depth, (ii) projections into setback area, and (iii) projections (awnings) of up to 8 feet.
- 4.7.3. Maximum allowable building height of 85 feet.
- 4.7.4. Allow grouped vehicle access locations along Center Street and West Street, without the minimum separation distance.
- 4.7.5. Allow for (i) major modulations along Main Street to be between 5 feet and 6 feet deep, (ii) major modulations along Center Street to begin at Level 3.
- 4.7.6. Building may have consistent roofline without modulation.
- 4.7.7. Maximum ~~Setbacks~~ setbacks on Main Street to be 75 feet.

#### 4.8. Parcel 4

- 4.8.1. Maximum Base Height (including 10-foot increase within the flood zone) to be up to 70 feet above natural grade.
- 4.8.2. Minimum ~~Stepbacks~~ stepbacks of 6 feet; ~~Minimum~~ minimum setback percentage to be 70% of the façade.
- 4.8.3. Minimum of one major modulation allowed per 250 feet of façade length.
- 4.8.4. Maximum of 115 feet spacing between minor modulations.



4.8.5. Minimum height between ground-level finished floor to second-level finished floor along street to be 18 feet.

4.9. Parcel 5

4.9.1. Maximum base height (including 10-foot increase within the flood zone) to be up to 70 feet.

4.10. Parcel 6

4.10.1. Minimum ~~Stepback~~stepback of 5 feet.

4.10.2. No minor modulation requirement along Park Street façade for levels 3-6.

4.10.3. Maximum base height (including 10-foot increase within the flood zone) to be 60 feet above average natural grade.

4.10.4. Roof modulations may be between 2 feet and 3 feet.

4.11. Parcel 7

4.11.1. Minimum ~~Stepback~~stepback of 8 feet.

4.11.2. No minor modulation requirement on Park Street.

4.11.3. Building may have consistent roofline without modulation.

4.11.4. Provide ~~36~~approximately 38 of the total required 60 parking spots in a shared arrangement with Parcel 6.

4.11.5. Allow- (i) 0.5:1 covered bicycle parking and (ii) 10% additional short-term bicycle parking of the provided long-term spaces.

4.11.6. Allow biotreatment planting adjacent to building frontage.

4.12. Transportation Demand Management

4.12.1. The trip reduction requirement through TDM for the Project shall require a minimum a 20 percent reduction from gross Institute of Traffic Engineers (ITE) Trip Generation Rates for the mixed-use component of the Project (i.e., the Town Square and Residential/Shopping Districts combined), and compliance with the Trip Cap for the Office Campus (defined below).

4.13. Recycled Water Use

- 4.13.1. Temporarily defer enforcement of the Zoning Ordinance Sections 16.43.140(3)(E) and 16.45.140(3)(E) potable water demand reduction requirements until the earlier of the date recycled water is available to meet the project's nonpotable water demand, or the date specified in the project's development agreement by which the project is required to begin utilizing recycled water for nonpotable uses.
- 4.13.2. During the period of deferred enforcement, the project will implement a water conservation plan approved by the city that shall be submitted to the Planning Division 120 days prior to the granting of occupancy for the first building and shall be approved by the City's Public Works and Community Development Directors prior to the granting of occupancy for the first building.

4.14. Parking

- 4.14.1. Permit parking for senior units at a rate of 0.5 space per unit.

4.15. Signage

- 4.15.1. Authorize signage on the main Project Site pursuant to a Master Sign Program to identify the maximum permitted signage by parcel/building and develop sign design guidelines in lieu of compliance with the requirements of Municipal Code Chapter 16.92 and Sections 16.43.120(3) and 16.45.120(3), subject to review and approval of the Master Sign Program by the Planning Commission.

## 5. PERFORMANCE STANDARDS

### 5.1. Live Entertainment

- 5.1.1. The following standards apply to the Town Square and Residential/Shopping Districts. These standards exclude special events that are addressed under subsection 5.3 Special Events.
- 5.1.2. Live entertainment shall be confined to the tenant space and outdoor seating areas and shall not exceed the permitted occupancy. Sounds shall not exceed the Menlo Park Municipal Code, Chapter 8.06 (Noise). Live entertainment shall be limited to tenant's hours of operation.

### 5.2. Outdoor Seating

- 5.2.1. Outdoor Seating is permitted throughout the main Project Site. The following performance standards apply to Outdoor Seating within the Town Square District and Residential/Shopping District and adjacent to the publicly accessible retail in the Campus District. If

desired by the tenant, or if required by other regulatory agencies with jurisdiction, Outdoor Seating shall be enclosed by a fence or containment. A building permit may be required for certain features associated with the Outdoor Seating.

- 5.2.2. Outdoor Seating areas shall be limited to use at eating and/or drinking establishments.
- 5.2.3. Outdoor Seating areas shall be adjacent to the building they serve. Sidewalk seating areas shall not exceed the frontage of the business that they serve.
- 5.2.4. Outdoor Seating areas shall not encroach into publicly accessible open spaces unless the outdoor seating is open to the public and not controlled by a private business.
- 5.2.5. Outdoor Seating areas shall comply with all applicable provisions of the Americans with Disabilities Act (ADA) and state and local implementing regulations and the universal access requirements of the California Building Code.
- 5.2.6. No outdoor preparation of food or beverages is permitted in Outdoor Seating areas, except as permitted for outdoor propane barbeques pursuant to California Health and Safety Code.
- 5.2.7. Portable toilets are not permitted in Outdoor Seating areas, except as authorized through a temporary event or use permit pursuant to Municipal Code Section 8.06.060.
- 5.2.8. Outdoor Seating areas shall not obstruct or restrict access to public utilities.
- 5.2.9. Tables, chairs, and any other furniture/fixtures placed within Outdoor Seating areas shall not obstruct or block access to fire protection equipment.
- 5.2.10. All fixtures, furniture, and structures in Outdoor Seating areas shall comply with the following criteria:
  - 5.2.10.1. Umbrellas/shade structures shall be compatible in design with the adjacent retail tenant's storefront. They shall not exceed 15 feet in height, shall be temporary/removable, and shall not block any path of travel.
  - 5.2.10.2. Table and chairs in Outdoor Seating areas shall be compatible in design with the adjacent retail tenant's storefront. They shall not extend beyond the tenant fencing/containment and shall not impede any path of travel.

- 5.2.10.3. Outdoor heaters, speakers, and lighting in Outdoor Seating areas shall be compatible in design with the adjacent retail tenant's storefront and shall not impede any path of travel.
- 5.2.10.4. All fixtures, furniture, and structures used in Outdoor Seating areas shall be of substantial construction to withstand outdoor use, and maintained in good condition, quality, and repair at all times.
- 5.2.10.5. Electric radiant heaters are allowed within Outdoor Seating areas. Natural or propane gas heaters are not permitted.
- 5.2.10.6. All exterior surfaces within Outdoor Seating areas shall be kept clean at all times.
- 5.2.11. Outdoor Seating areas shall be on the same elevation as the adjacent sidewalk. Raised platforms are not permitted.
- 5.2.12. Outdoor speakers for background music in Outdoor Seating areas will comply with Noise Ordinance Section 08.06.30.
- 5.2.13. Fences or containment shall be decorative in nature and constructed from wrought iron, tubular steel, wood, or other mix of durable materials; shall not exceed 3 feet, 4 inches in height unless otherwise required by a regulatory agency (e.g. CA ABC); and shall not restrict pedestrian access into building entries, public path of travel, or other publicly accessible seating areas.
- 5.2.14. Planters are encouraged in combination with fences. Planters shall be self-watering and designed to prevent irrigation runoff.
- 5.2.15. Outdoor Seating shall not restrict bicycle and pedestrian access along street frontages.
- 5.2.16. Outdoor Seating plans shall be submitted to the City for review and approval by the Planning and Engineering Divisions prior to installation of Outdoor Seating. These plans may be submitted concurrent with a building permit application, if required for the installation.

### 5.3. Special Events

- 5.3.1. Special events and temporary permits shall comply with Chapter 8.60 and Section 8.06.060 of the Menlo Park Municipal Code, except as provided below. Special events are permitted within the Town Square and Residential/Shopping Districts, including set up and break down, between the hours of 8am-10pm, every day of the week.

5.3.2. Town Square and Residential/Shopping Districts

- 5.3.2.1. Farmers market shall be limited to a total of 52 per calendar year.
- 5.3.2.2. All other community and private events shall be limited to a total of 52 per calendar year.
- 5.3.2.3. Emergency vehicle access routes through the Town Square shall be kept clear and unobstructed for the duration of any special event.

5.3.3. Campus District

- 5.3.3.1. Special Events within the Campus District shall be subject to the Event Management Plan, and shall not be subject to the provisions of section 5.3.2 above and not open to the general public.

5.3.4. Commercial Storefronts

- 5.3.4.1. Commercial storefronts are allowed customization based on the following criteria, subject to obtaining an administrative architectural control permit to be reviewed and granted by the Community Development Director or their designee concurrent with the building permit application, if applicable:

- The tenant is allowed to change or modify the façade materials and color from finished grade to the level 2 floor plate. All modifications shall be compatible with the architectural character.
- The tenant is allowed to change or modify the storefront glazing and entries to suit their program or brand. Rollup, sliding and swinging doors are allowed.
- The tenant is allowed to change or modify the awnings at their lease space.
- The tenant is allowed to change or modify the exterior lighting with their lease space. All lights shall be LED with a maximum color temperature of 3000k. Downlights may be added to awning. Lighting shall be concealed within structure of awning and match in color.

- 5.3.4.2. Decorative commercial string lights are allowed in conjunction with outdoor seating areas only. Lights shall be commercial grade and suitable for exterior applications. Lights need to be hardwired to a power source. Extension cords are allowed. Lights shall be LED with a maximum color temperature of 3000k.

- 5.3.4.3. All commercial signage is governed by the Willow Village Master Sign Program.

#### 5.4. Pump Station Screening

5.4.1. The pump station and supporting equipment will require screening and sound attenuation per the following criteria:

5.4.1.1. The pump station and supporting equipment shall be located within an enclosure that is architecturally compatible to the adjacent buildings and landscape context.

5.4.1.2. The pump station enclosure shall be made of a material and color that recedes into the landscape.

5.4.1.3. The pump station enclosure shall be designed with a minimum setback of 8' from all adjacent walks or other pedestrian areas.

5.4.1.4. The pump station enclosure shall be at a minimum to the height of the equipment, and be fully covered provided the enclosure meets the requirements of the West Bay Sanitary District.

5.4.1.5. The enclosure shall be designed with sound attenuation to comply with Chapter 8.06 of Menlo Park's Municipal Code.

5.4.1.6. The pump station enclosure shall be screened from pedestrian walks, plazas, and view with adequate vegetation.

### 6. **SIGNS**

6.1. Master Sign Program. The Project shall comply with Chapter 16.92 of the Zoning Ordinance or submit a project-specific Master Sign program which shall be subject to review and approval by the Planning Commission prior to installation of any onsite mixed use or commercial signage.

6.1.1. The Master Sign Program shall identify the maximum square footage of signage for each parcel/building within the project site and set design guidelines for signage.

### 7. **RECORDATION AND EFFECTIVE DATE**

7.1. The Willow Village CDP shall be recorded in the Official Records of the County of San Mateo, State of California.

7.2. The Willow Village CDP shall be in full force and effect on the effective date of the ordinance approving the CDP.

### 8. **CHANGES TO CONDITIONAL DEVELOPMENT PERMIT**

8.1. Changes to this CDP (including the Project Plans) shall be processed at the written request of the Property Owner with all applicable plans and fees, to the Planning Department for review as follows:

8.1.1. Substantially Consistent Changes are made at the staff level and include any modifications that Property Owner makes or proposes to make to this CDP (including the Project Plans) that are in substantial compliance with and/or substantially consistent with the Project approvals based on the determination that the proposed change(s) is consistent with other building and design elements of the CDP, and will not have an adverse impact on the character and aesthetics of the Property. The determination as to whether a requested change is a Substantially Consistent Change will be made by the Community Development Director (in his/her reasonable discretion). Substantially consistent changes do not affect permitted uses, the density or intensity of uses, restrictions and requirements relating to subsequent discretionary actions, monetary obligations, or conditions or covenants limiting or restricting the use of the Property or similar material elements. The Community Development Director or his/her designee shall act on Substantially Consistent Changes administratively, without public notice or hearing.

8.1.2. Minor Changes are any modifications that Property Owner makes or proposes to make to this CDP (including the Project Plans) that are made at the staff level, but the Planning Commission is provided information regarding these changes. The determination as to whether a requested change is a Minor Change is determined by the Community Development Director (in his/her reasonable discretion). A Minor Change is similar in nature to a Substantially Consistent Change, except that Minor Changes are more visible to the general public and result in minor exterior changes to the Project aesthetics (e.g. site layout, location of uses, etc.). Any member of the Planning Commission may request within seven days of receipt of the informational notice that the item(s) be reviewed by the Planning Commission to determine whether the proposed changes are considered a Minor Change. If the Planning Commission does not request review, the Community Development Director or his/her designee shall act on Minor Changes administratively.

8.1.3. Major Changes are any modifications that Property Owner makes or proposes to make to this CDP (including the Project Plans) that do not constitute Substantially Consistent Changes or Minor Changes. Major Changes are reviewed by the Planning Commission as a Regular Business item, and publicly noticed. Major Changes include, but are not limited to, significant changes to the exterior appearance of the buildings or appearance of the Property, changes to the project plans (e.g. site access, roadway and pedestrian/bicycle infrastructure

design, etc.), which are determined by the Community Development Director (in his/her reasonable discretion) to not constitute Substantially Consistent Changes or Minor Changes to the Conceptual Plans and this CDP. The Planning Commission's decision shall be based on the determination that the proposed modification is compatible with other building and design elements or onsite/offsite improvements of the CDP and would not have an adverse impact on safety and/or the character and aesthetics of the site. Planning Commission decisions on Major Changes may be appealed to the City Council. City Council shall have final authority to approve Major Changes.

8.1.4. Changes for Project Variants are permitted subject to staff review of the resulting on site changes to the Project Plans and this CDP. The Project Variants are permitted without any additional discretionary actions by the City. The following process for the on-site changes are required:

8.1.4.1. If the Willow Road Tunnel is removed, the on-site changes would be reviewed as a Substantially Consistent Change or Minor Change depending on the scope of the changes. No further ~~discretionary~~discretionary review of the Willow Road Tunnel is required. To ensure the community is aware of the removal of the Willow Road Tunnel, the Community Development Director shall notify the Planning Commission and City Council of this change for informational purposes only.

8.1.4.2. If the applicant does not receive outside agency approval to realign Hamilton Avenue, the associated on-site revisions to the proposed project would be reviewed through an ACP. The review would be limited to the on-site changes based on the revised circulation and locations of building/site features.

8.1.5. Architectural Control Plans (ACPs) for future buildings and site features (e.g. publicly accessible park and dog park) are required for each individual building/site. The Planning Commission shall review the ACPs through an architectural control application. The Applicant is required to submit an architectural control application and pay all applicable fees for the Planning Division's review of the proposed ACPs, subject to review and approval by the Planning Commission. The Planning Commission's action will be based on substantial conformance with this CDP and the required findings for architectural control, as enumerated in Chapter 16.68.020 (Architectural Control) of the Zoning Ordinance.

8.1.6. Amendments to this CDP (including the Project Plans) that involve material relaxation of the development standards identified in Section 2, material changes to the uses identified in Section 3,



exceedance of the signage maximum square footages identified in the Master Sign Program pursuant to Section 6, or material modifications to the conditions of approval identified in Sections 10 through 21 (in each case, other than changes deemed to be Substantially Consistent Changes pursuant to Section 8.1.1, Minor Changes pursuant to Section 8.1.2, or Major Changes pursuant to Section 8.1.3), constitute CDP amendments that require public hearings by the Planning Commission and City Council. Such revisions might also require modifications to the Project Plans and/or Willow Village Development Agreement. Any application for amendment to the CDP shall be made by the Property Owner, in writing with all applicable plans and fees, to the Planning Department for review and recommendation by the Planning Commission at a public hearing. The Planning Commission shall forward its recommendation to the City Council for action on proposed amendment(s) to the CDP.

## 9. TRANSPORTATION MEASURES

9.1. Consistent with the Project proposal and to minimize environmental and community impacts resulting from utilization of the Project Site, Property Owner shall enforce a trip cap ("**Trip Cap**") for the Campus District.

9.1.1. Trip Cap: The Property Owner shall comply with the Trip Cap, which sets the maximum number of morning and evening peak vehicle trips and daily vehicle trips for the Campus District, as set forth in Exhibit 3.

9.1.2. Monitoring: The Property Owner shall comply with the parameters and requirements of the Trip Cap as specified in the Willow Village Campus District Trip Cap Monitoring and Enforcement Policy. The Trip Cap applies to the Campus District only.

9.1.3. Implementation: The Trip Cap counting equipment shall be installed in good working order prior to issuance of a certificate of occupancy for the first office building, unless otherwise approved, to the satisfaction of the Public Works Director.

9.2. The Property Owner shall implement the Willow Village Transportation Demand Management (TDM) Plan, which includes TDM components for the Campus District and the Town Square and Residential/Shopping Districts.

9.2.1. Monitoring: The Property Owner shall comply with the Willow Village TDM Compliance Plan which provides recommendations regarding annual monitoring provisions for the Campus District and the Town Square and Residential/Shopping Districts, including the additional residential trip reduction required by the Mitigation Monitoring and Reporting Program for the Project. The Campus

District shall be monitored daily through the Trip Cap and the Town Square and Residential/Shopping Districts shall be monitored annually. The Property Owner shall document compliance with the trip reduction requirements of this CDP through the TDM Compliance Plan in Exhibit 4.

9.3. The Property Owner shall comply with EIR Mitigation Measure TRA-2, which requires the residential land use of the Project to achieve a 36% reduction from gross ITE trip generation rates (resulting in a total of 6,023 average daily trips for the residential uses).

9.3.1. Monitoring: The Property Owner shall comply with the Village TDM Compliance Plan.

## **10. CONSTRUCTION PERMITS SEQUENCING:**

10.1. The following outlines the basic sequencing of site development construction permits related to the Project. Completion of each site development phase (e.g., the Voluntary Remediation Work, the Site Improvement Work, etc.) is determined by the scope of the approved improvement plans. Completion of the site improvements to City standards is necessary prior to the dedication and acceptance of the public improvements. Upon Applicant's/Property Owner's completion of public infrastructure, Applicant/Property Owner shall offer for dedication to City such public infrastructure as completed, and City shall promptly accept the completed public infrastructure and release to Applicant/Property Owner any bonds or other security posted in connection with performance thereof in accordance with the terms of such bonds, and thereafter City shall maintain the public infrastructure. Applicant/Property Owner may offer dedication of public infrastructure, as identified in the Site Improvement Plans, in phases and the City shall not refuse to accept such phased dedications or refuse phased releases of bonds or other security so long as all other conditions for acceptance have been satisfied. Circulation improvements providing access to the Project Site as well as on-site access improvements as documented within the approved improvement plans shall be completed prior to the issuance of any temporary or initial Certificate of Occupancy for buildings within the applicable phase.

10.2. Implementation of Willow Village anticipates two overarching construction work phases. The initial efforts pertain to construction of Site Improvements, per Sections 10.2.1-10.2.4 below, primarily comprised of project serving infrastructure improvements, documented in Improvement Plan Sets (Plans, Specifications and Estimates). The second phase of project implementation pertains to the construction of vertical/building improvements. The construction of vertical improvements may overlap with completion of Site Improvements; however, building final permit sign-off/Certificate of Occupancy is dependent on the completion of the Site Improvements associated with the Map Phase in which the subject Vertical improvements are located. At Applicant's election, Improvement Plan sets may be prepared and submitted for plan check and approval as independent plan sets in the following formats:

10.2.1. Demolition Plans of existing improvements

10.2.2. Grading Plans

- 10.2.3. Streets, Utilities and Streetscape Improvements
- 10.2.4. Park and Open Space Improvements

10.3. At Applicant's election, plan check and issuance of building permits, may be processed in incremental submittals such as the following, subject to review and acceptance of the Building Division:

- 10.3.1. Civil Engineering, grading, utilities
- 10.3.2. Foundation design including piles and pile caps, if proposed
- 10.3.3. Structural design
- 10.3.4. Core and Shell
- 10.3.5. Interior improvements
- 10.3.6. Site improvements and landscaping

10.4. Voluntary Remediation Work

10.4.1. Implementation of Removal Action Workplan ("RAW") The primary objective of the RAW is to evaluate potential management practices with the proposed plans to redevelop the Project Site with residential use while protecting the health of future occupants/users. The California Department of Toxic Substances Control (DTSC) approved RAW identifies a preferred removal action most appropriate for the Residential/Shopping District of the Site, as prior remedial actions did not anticipate residential land uses. It is anticipated that DTSC will approve the RAW upon certification of the Willow Village EIR. The applicant is required to implement the remedial actions identified in the final approved RAW prior to issuance of any building or encroachment permits from the City for the Project. Documentation of an approved RAW shall be provided to the Building Division prior to issuance of any building permits for the Project

10.4.2. Site Management Plan ("SMP") The purpose of the SMP is to establish appropriate management practices/protocols for handling impacted soil, soil vapor, and ground water that may be encountered during development activities. It is anticipated that DTSC will approve the SMP upon the certification of the Willow Village Project EIR. The applicant shall implement the management practices and protocols of the SMP during Project construction. Documentation of an approved SMP shall be provided to the Building Division prior to issuance of any building permits for the Project.

10.4.3. In the event remedial efforts are not completed during the grading phase, and DTSC allows for phased remediation, then as part of each complete building permit application submittal, the grading plans shall document any necessary soil remediation efforts in compliance with the approved site management plan and work plans by DTSC. These plans shall be submitted to the City for reference purposes. Any excavation related to soils remediation shall require issuance of a

building permit from the City. DTSC approval of remediation shall be provided to the Building Division prior to issuance of any building permits.

10.4.4. Vapor Intrusion Mitigation Plan (VIMP) The purpose of the VIMP is to identify the measures that will be implemented for the planned development to effectively eliminate potential vapor intrusion concerns into future buildings. The VIMP is building specific to identify measures that will be implemented by building and is reviewed and approved by DSTC prior to the issuance of building permits. Documentation of DTSC review and approval shall be provided to the Building Division prior to building permit issuance. The VIMP plans shall be incorporated for “reference only” into applicable building permit plan sets.

## 10.5. Subdivision Mapping and Project Serving Improvements

10.5.1. Willow Village proposes a two-step subdivision approach to facilitate the development of the Project. The initial subdivision consists of a Large Lot Parcel Map “A” Map. The primary purpose of the “A” Map is to create legal parcels for potential financing and conveyance purposes, but that are not buildable, reserve and offer for dedication future public rights of way and public easements and provide project serving backbone infrastructure improvements consisting of grading plans, street improvements, utility improvements and streetscape improvements. The “A” map may be filed in multiple maps. The subsequent subdivision process that creates buildable parcels is referred to as a “B” Map. Both Parcel and Final Maps are anticipated to create buildable parcels within the Office District/Town Square District and Residential/Shopping District. All obligations specific to each Parcel or Tract Map are documented as conditions of approval to each map. In the event the required project serving improvements are not completed prior to approval and recordation of the Parcel Map or Final Map, the subdivider shall enter into a Public/Subdivision Improvement Agreement with the City of Menlo Park and provide the appropriate amount of surety guaranteeing the completion of said improvements to the satisfaction of the City Engineer.

10.5.2. The Applicant shall submit for a Final Map/Parcel Map for the “A Map” to the Public Works Department for review and approval, documenting compliance with the Vesting Tentative Map.

10.5.3. The Applicant shall submit public improvement plans prior to or concurrent with the Final Map/Parcel Map for the “A Map” subject to review and approval of the Engineering, Building, and Planning Divisions.

10.5.4. The Applicant shall construct the public improvements/backbone infrastructure in compliance with the conditions of approval for the Vesting Tentative Map

10.5.5. The Applicant shall coordinate the public improvement plans/backbone infrastructure and the Final Map plans with the Hamilton Avenue Parcels Vesting Tentative Map and associated public improvement plans.

10.6. Willow Road Tunnel

10.6.1. This CDP approves the Willow Road Tunnel Variant in addition to the Project, subject to the review process for on-site changes outlined in Section 8 of this CDP. In the event the Applicant proposes to construct Willow Road Tunnel Improvements, the following process shall apply:

10.6.2. Applicant shall submit to the City Improvement Plans detailing the proposed Willow Road Tunnel consisting of vehicle travel lanes to accommodate bi-directional vehicular travel of Project Transit vehicles, separated pedestrian and bicycle lanes, portal improvements on eastern portion of the MPK 20 site connecting to Bayfront Expressway Tunnel and a tunnel approach consisting of dedicated bicycle and improvements within Willow Village Site.

10.6.3. Applicant shall submit Willow Road Tunnel Improvement Plans to the Community Development and Public Works Departments for review and preliminary design acceptance, prior to submittal to Caltrans and SamTrans.

10.6.4. Following City review and preliminary design acceptance, the Applicant shall submit Willow Road Tunnel Improvement Plans to Caltrans and SamTrans and apply for encroachment permit and/or other required approvals which may coincide with the City's more detailed building permit review of the Willow Road Tunnel Improvement Plans for the portions of the tunnel on private property (i.e. Project Site and West Campus).

10.6.5. Applicant shall process a Modification, as applicable, to the West Campus Conditional Development Permit for the portions of the tunnel portal and associated improvements on West Campus, which City shall approve if it substantially conforms to the Willow Road Tunnel Improvement Plans.

- 10.6.6. Applicant shall apply jointly with SamTrans to California Public Utilities Commission (CPUC) for a GO-88(b) authorization to permit an undercrossing below the Dumbarton Rail corridor.
- 10.6.7. Applicant shall submit documentation of Caltrans' approval of encroachment permit, the SamTrans approval of the encroachment permit, and CPUC's approval of a GO-88(B) authorization to the Public Works and Community Development Departments for review prior to approval and issuance of said Willow Road Tunnel Improvement Plans.
- 10.6.8. Applicant shall obtain necessary permits, at the Applicant's sole cost, from Caltrans and SamTrans and provide documentation to the Community Development and Public Works Departments prior to issuance of building permits for the tunnel approach and other improvements on private property, including the Project Site and the West Campus Site.
- 10.6.9. Public Access Easements: Concurrent with complete plan set submittal for construction of the Willow Road Tunnel, the Applicant shall submit a plat and legal description for a public access easement(s) on property it owns or controls for utilization of the Willow Road Tunnel to the satisfaction of the Public Works Director. The form of public access easement shall permit Applicant to establish reasonable rules and regulations governing its use and to temporarily suspend access to the Willow Road Tunnel in case of emergencies. The acceptance of the deed or dedication requires Menlo Park City Council approval prior to final inspection.
- 10.6.10. The Willow Road Tunnel shall be open 24 hours a day for bicyclists and pedestrian access, except when temporarily suspended in case of emergencies or maintenance. If the Willow Road Tunnel will be closed for planned maintenance the Applicant shall provide the Public Works Director with written notice 72 hours in advance.
- 10.6.11. Maintenance Agreement: Prior to approval of building permit final inspection for the Willow Road Tunnel, the Applicant shall enter into a Maintenance Agreement with the City to maintain the Willow Road Tunnel, including but not limited to typical cleaning and repairs, at the Applicant's sole cost.
- 10.6.12. Applicant is responsible for payment of Caltrans and Samtrans permitting, licensing, and other fees associated with the review and approval of the Willow Road Tunnel Improvement Plans.

10.7. Elevated Park Segment Over Willow Road

- 10.7.1. The Applicant shall submit to the City Improvement Plans depicting the segment of the Elevated Park that crosses Willow Road consisting of a raised landscaped park open to the public with stair and elevator access points on both sides of Willow Road connecting pedestrian and bicycle users.
- 10.7.2. Applicant shall submit Elevated Park Improvement Plans to the Community Development and Public Works Departments for review and preliminary design acceptance, prior to submittal for Caltrans.
- 10.7.3. Following City review and preliminary design acceptance, Applicant shall submit the Elevated Park Improvement Plans to Caltrans and apply for encroachment permit approvals which may coincide with the City's more detailed review of the Elevated Park over Willow Road Improvement Plans for compliance with the ACP for the Elevated Park.
- 10.7.4. Applicant shall submit documentation of Caltrans' approval of encroachment permit prior to the City approval of said Segment of the Elevated Park over Willow Road.
- 10.7.5. Applicant shall complete Segment of the Elevated Park over Willow Road Improvements prior to the issuance of the last Phase 2 building Certificate of Occupancy and permit sign off.
- 10.7.6. Maintenance Agreement: Prior to approval of building permit final inspection for the Elevated Park Segment over Willow Road, the Applicant shall enter into a Maintenance Agreement with the City to maintain the Willow Elevated Park Segment, including but not limited to typical cleaning and repairs, at the Applicant's sole cost.
- 10.7.7. Applicant shall obtain necessary permits, at the Applicant's sole cost, from Caltrans and other agencies that have jurisdiction and provide documentation to the Community Development and Public Works Departments prior to issuance of building permits for the segment of the Elevated Park spanning over Willow Road including other improvements on private property, including the Project Site and the Willow/Hamilton Parcel.
- 10.7.8. Public Access Easements: Concurrent with complete plan set submittal for construction of the Elevated Park, the Applicant shall submit a plat and legal description for a public access easement(s) on property it owns or controls to the satisfaction of the Public Works Director. The form of public access easement shall permit Applicant to establish reasonable rules and regulations governing its use and to temporarily suspend access to the Elevated Park in case of



emergencies. The acceptance of the deed or dedication requires Menlo Park City Council approval prior to final inspection.

10.7.9. Extensions: In the event construction of the Elevated Park is delayed due to circumstance outside of the Applicant's reasonable control, the Public Works Director may grant an extension based on substantial evidence from the Applicant that the delay is based on external circumstances, and the Applicant demonstrates a good faith effort to complete the improvements. Any extension would be based on an agreed upon timeline by the Public Works Director and the Applicant.

10.7.10. If the segment of the Elevated Park that crosses Willow Road is not approved by outside agencies prior to the development of Phase 2, Applicant shall have no further obligation to construct the segment of the Elevated Park over Willow Road and shall instead (1) pay a community amenity fee in the amount of ~~Ten~~ Twenty Million ~~Three~~ Seven Hundred ~~Sixty-Nine~~ Thirty Eight Thousand ~~Thirty-One~~ Sixty-Two Dollars (~~\$-10,369,031~~ \$20,738,062) and (2) ensure that the vertical transportation system (i.e, elevators, stairs, etc.) at the westerly side of the Elevated Park is located reasonably proximate to the eastern side of Willow Road, taking into account Project design and utility considerations, consistent with the requirements of the Willow Village Development Agreement.

10.8. Vertical Building Phase – The vertical building construction phasing shall conform to Exhibit D of the Development Agreement.

## 11. BIRD SAFE DESIGN

11.1. Bird-Safe Design: For purposes of addressing the potential for avian collision risk associated with the Project, the Project shall comply with the following:

11.1.1. The “beneficial project features” identified in the Willow Village Master Plan Bird-Safe Design Assessment prepared by H.T. Harvey & Associates for Peninsula Innovation Partners (October 19, 2021) (“**Bird-Safe Design Assessment**”) as identified in Appendix A to the Bird-Safe Design Assessment.

11.1.2. City Bird-Safe Design Requirements

11.1.2.1. Except as provided in Section 11.1.2.2, the City Bird-Safe Design Requirements identified in Mitigation Measure BIO-1 of the ConnectMenlo: General Plan Land Use & Circulation Elements and M-2 Area Zoning Update Environmental Impact Report (ConnectMenlo EIR), certified by the City of Menlo Park in 2016 and codified in Sections 16.43.140(6) and 16.45.130(6) of the City's Municipal Code (collectively referred to as the “City Bird-Safe



Design Requirements”), as described in Sections 5.2.2.1, 5.3.2.1, 5.4.2.1, 5.5.2.1, and 6.2.2 of the Bird-Safe Design Assessment.

11.1.2.2. The Alternative Measures Proposed, as described in Sections 5.2.2.2, 5.3.2.2, 5.4.2.2, 5.5.2.2, and 6.2.2 of the Bird-Safe Design Assessment, in accordance with the Planning Commission approval of waivers to the referenced City Bird-Safe Design Requirements.

11.1.2.3. The “lighting design principles,” as described in Section 6.2.1 of the Bird-Safe Design Assessment.

11.1.2.4. The mitigation measures applicable to avian collision impacts identified in the Mitigation Monitoring and Reporting Program for the Project.

11.1.3. Bird-Friendly Design Waivers: In accordance with Zoning Ordinance Sections 16.43.140(6)(H) and 16.45.130(6)(H), this CDP authorizes waivers to the City Zoning Ordinance requirements for Bird-Friendly Design in the RMU and O districts as provided with the Bird-Safe Design Assessment. Future waivers may be considered and approved by the Planning Commission provided that the proposed waivers do not conflict with the provisions of this CDP.

11.1.4. Prior to City approval of each ACP for the Project, a qualified biologist shall review the final ACP to confirm that the above features, requirements, alternative measures, and mitigation measures, or other alternative features, requirements, alternative measures, and mitigation measures proposed by the applicant and reasonably acceptable to the qualified biologist, are incorporated into the ACP, such that Project impacts due to bird collisions would be less than significant under CEQA and comply with the intent of the City’s Zoning Ordinance requirements, as indicated in the Bird-Safe Design Assessment. The qualified biologist shall submit its report and findings to the Planning Division for review and acceptance prior to action on each individual ACP.

## **12. PROJECT SPECIFIC CONDITIONS – GENERAL**

12.1. The following project specific conditions generally apply to every building permit and construction phase unless a specific building or phase is identified. Each subsequent permit shall be reviewed by the Community Development and Public Works Departments for compliance with these conditions prior to building permit issuance. Compliance shall be documented by the applicant in the appropriate form as determined by the applicable City department or division.

12.2. Architectural Control Plan Approval: Per Section 2.2.4, an Applicant shall submit for individual parcels within the O and R-MU District complete Architectural Control Plans in accordance with Menlo Park Municipal Code Section 16.68.020 and materially

consistent with the vision and design intent conveyed by the Conceptual Plans, subject to applicable Modifications granted in accordance with Section 4 and Changes granted in accordance with Section 8 herein. Per Section 8.1.4, at time of each ACP submittal, the Property Owner will have the ability to submit additional bird-safe waivers, to be reviewed by a qualified biologist, so long as those waivers are demonstrated to be less than significant under the Willow Village Project EIR. Through the ACP review process the Applicant may request additional project modifications subject to Changes granted in accordance with Section 8 herein. Approval of the Architectural Control Plans is a prerequisite to building permit issuance.

- 12.3. Future Conditions: The City's Planning, Building, Engineering, and Transportation Divisions shall review each ACP for substantial conformance with this CDP. The City may impose additional conditions of approval related to building design or conditions necessary to ensure compliance with applicable Building Code or health and safety regulations. Conditions within this CDP would continue to apply to all future ACPs and any future conditions shall be consistent with this CDP, the DA, the MMRP, and Vesting Tentative Maps for the Masterplan.
- 12.4. Below Market Rate Housing Agreement: Concurrently with the recordation of the Willow Village Development Agreement and this CDP, the Applicant shall record the Project-Wide Willow Village Below Market Rate Housing Agreement and subsequent parcel specific BMR agreements shall be recorded prior to issuance of the first building permit for the associated vertical construction.
- 12.5. Public Realm Lighting: Building and parcel specific lighting plans shall comply with Sheets G5.22 through G5.33 of the Project Plans and be included in all applicable permits.
- 12.6. Outside Agency Compliance: Prior to issuance of each building permit, the Applicant shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the Project. Documentation of compliance shall be submitted to the Building Division prior to building permit issuance.
- 12.7. Condition Compliance: Prior to the issuance of each building permit, the Applicant shall submit documentation of compliance with all conditions of approval on the plans or in supporting documents for review and approval of the Public Works and Community Development Departments. Any request for a modification in the timing of a specific condition shall be made in writing with a detailed explanation and requested alternative timing to the Community Development Director for review based on conformance with Section 8 (Changes) of this CDP.
- 12.8. Fees: All outstanding and applicable fees associated with the processing of this Project shall be paid prior to the issuance of any building permit for the Project.

- 12.9. Construction Fencing: The Applicant shall submit a plan for construction safety fences around the periphery of the construction area or the periphery of the Project Site including the installation of Temporary Noise Abatement sound barriers consistent with Mitigation Measure NOI-1.2 concurrent with the building permit for each phase of construction or site development activities. The fences shall be installed according to the plan prior to commencing construction for each individual construction phase or each building. The plan shall be reviewed and approved by the Building and Planning Divisions prior to issuance of a demolition permit for each building.
- 12.10. Site Upkeep: Property Owners shall keep their respective properties on the Project Site in a clean and sanitary condition at all times, maintain its site in a fashion that does not constitute a public nuisance and that does not violate any provision of the City of Menlo Park Municipal Code.
- 12.11. Truck Route Plan: The Applicant shall submit a truck route plan concurrent with the building permit application for each stage of construction based on the City's municipal code requirements, for review and approval by the Transportation Division. The Applicant shall also submit a permit application and pay applicable fees relating to the truck route plan, to the satisfaction of the Public Works Director
- 12.12. Salvaging and Recycling of Construction and Demolition Debris: For each building, the Property Owner shall comply with the requirements of Chapter 12.48 (Salvaging and Recycling of Construction and Demolition Debris) of the City of Menlo Park Municipal Code, which compliance shall be subject to review and approval by the Building Division.
- 12.13. Water Efficient Landscape Ordinance: Simultaneous with the submittal of each complete building permit application, the Applicant shall provide documentation indicating the amount of irrigated landscaping. If the project proposes more than 500 square feet of irrigated landscaping, it is subject to the City's Water Efficient Landscaping Ordinance (Municipal Code Chapter 12.44). Submittal of a detailed landscape plan is required concurrently with the submittal of each complete building permit application and subject to review and approval of the Engineering Division.
- 12.14. Landscape Screening: Landscaping shall screen all public utility equipment that is installed within the public and private rights-of-way and cannot be placed underground, subject, however, to the requirements of the Menlo Park Fire Protection District, the West Bay Sanitary District, PG&E, and any other applicable agencies regarding utility clearances and screening. The Improvement Plans shall depict new utility installations exact locations of any meters, back flow prevention devices, transformers, junction boxes, relay boxes and other equipment boxes installed within the public right of way or public easement area in the event said above ground utility installations are depicted within the Improvement Plans. The screening shall be compatible and unobtrusive and subject to the review and approval of the Planning Division which approval will be required prior to the City's approval of the Improvement Plans.

- 12.15. Hydrology Report: Simultaneous with the submittal of each complete building permit application, the Applicant's design professional shall evaluate the Project's impact to the City's storm drainage system and prepare a Hydrology Report to the satisfaction of the City Engineer or Director of Public Works, or designee. Post-construction runoff into the storm drain shall not exceed pre-construction runoff levels.
- 12.16. Stormwater Management Report: Simultaneous with the submittal of each complete building permit application, the applicant shall submit a Storm Water Management Report that meets the requirements of the San Mateo County's C.3 Stormwater Technical Guidance Manual for review and approval of the City's Engineering Division.
- 12.17. FEMA Compliance: The Project Site is in Flood Zone AE and must be designed and constructed in compliance with current FEMA regulations, the City's Flood Damage Prevention Ordinance, and Zoning Ordinance Sections 16.43.140(4) and 16.45.130(4) (Hazard Mitigation and Sea Level Rise Resiliency).
- 12.17.1. Concurrent with the building permit submittal, the Applicant shall submit a FEMA Conditional Letter of Map Revision-Fill (CLOMR-F) application to the Public Works Department for review and approval. In accordance with the National Flood Insurance Program (NFIP), Section 65.5, the Applicant shall prepare supporting data, including relevant hydraulic and hydrologic analyses, delineation of floodplain boundaries and all other information required by FEMA to review and evaluate the request for a CLOMR-F. Upon receiving City approval, the Applicant shall submit the CLOMR-F application to FEMA.
- 12.17.2. Prior to issuance of any building permit the Applicant shall obtain a CLOMR-F from FEMA.
- 12.17.3. The Applicant shall submit an elevation certificate to the Engineering Division prior to final signoff of the foundation inspection for each building.
- 12.17.4. When construction is complete, appropriate as-built data must be supplied to FEMA for a permanent LOMR-F to be issued. The applicant shall submit the LOMR-F application to FEMA, with a copy to the Engineering Division, within 30 days of Certificate of Occupancy for each building.
- 12.18. Heritage Tree Protection: Improvement Plans shall include tree protection plans for any construction phase that retains existing heritage trees subject to review and approval of the City Arborist and Planning Division.
- 12.19. Heritage Tree Removals: The applicant is permitted to remove 276 heritage trees at the main Project Site, 6 heritage trees along O'Brien Drive, 7 heritage trees on 1305

O'Brien Drive, and 3 heritage trees on 1330 O'Brien Drive, subject to the following conditions.

12.19.1. Heritage tree removal permits were conditionally approved by the City Arborist on 6/28/22 (HTR Permit Nos 2022-00057 and 2022-00058).

12.19.2. Heritage tree removal permits associated with additional property owners shall not be issued until the City receives written authorization from affected property owners.

12.19.3. Removals of conditionally approved heritage trees may not occur prior to issuance of demolition permits, authorization of all affected property owners, and/or the effective date of this CDP.

12.20. Heritage Tree Replacements: The Applicant is permitted to remove up to 276 heritage trees on the Project Site and 16 heritage trees for construction of the new O'Brien intersection, as determined by the Project Arborist in the *Tree Survey Reports* dated August 16, 2022 (and shown on Sheets G1.06-G1.09 and Appendix 9) of the Project Plans. A minimum of value of \$3,413,400 in heritage tree replacements are required for the Project Site. Heritage tree replacements shall be a minimum of 24-inch box size and are required to be planted at grade. The number of heritage tree replacements shall be tracked by the City and Applicant in accordance with the compliance matrix, dated 6/23/22 and on file with the City and subject to the approval of the City Arborist and Planning Division.

12.21. Title 12 Compliance: Simultaneous with the submittal of each complete building permit application, the applicant shall submit plans to the Building Division verifying that the project complies with all applicable Municipal Code Title 12 (Buildings and Construction) requirements for review and approval.

12.22. Building Codes Compliance: The project is subject to the California Building Code, the California Building Standards Code and any adopted Reach Codes and/or local building code ordinances in effect at the time of each complete building permit application submittal, unless otherwise regulated by the development agreement and this CDP.

12.23. CalGreen Compliance: The project is subject to the California Green Building Standards Code (CalGreen) and any local amendments to the Code in effect at the time of submittal of each complete building permit application, unless otherwise regulated by the development agreement and this CDP.

12.24. Natural Gas Usage: Prior to submittal of a complete building permit application for the superstructure, the Applicant shall apply for an exception to use natural gas, if applicable, for nonresidential kitchens (such as for-profit restaurants and cafeterias), subject to the criteria in Chapter 12.16 of the Municipal Code and the City's Reach code administrative guidelines. Exceptions for natural gas usage in commercial kitchens

require review and approval of the Environmental Quality Commission and are appealable to the City Council. If exceptions are not granted by the Environmental Quality Commission or City Council, the plans shall be revised to remove all natural gas improvements.

- 12.25. Unit plans: Each complete building permit application that includes residential units shall include all unit plans to be fully drawn and detailed including mirrored plans. Further, all residential building plans are required to include drawings for mirrored units including structural, mechanical, electrical, and plumbing plan sheets.
- 12.26. Deferred submittals: All deferred submittals other than trusses are to be approved by the Building Official or their designee prior to submittal of each complete building permit application.
- 12.27. Menlo Park Fire Protection District: Each occupancy and unit set forth in the Plans shall have the required fire protection systems, allowable building height and separations per Table 508.4 of the 2019 California Building Code (CBC) or whichever CBC is in effect at the time of building permit submittal. Simultaneous with the submittal of a complete building permit application, the applicant shall include documentation that the Plans have been reviewed and approved by the Menlo Park Fire Protection District.
- 12.28. Electric Vehicle Space: Each complete building permit application shall include construction documents needed to identify the location of electric vehicle (EV) spaces per the CalGreen code and any local amendments in effect at the time of submittal of a complete building permit application unless otherwise regulated by the development agreement and this CDP.
- 12.29. Pedestrian Protection: Each complete building permit application shall include pedestrian protection along the public right-of-way with sidewalks, as required per Section 3306 of the 2019 CBC or the CBC in effect at the time of submittal of a complete building permit application.
- 12.30. Adjoining Properties: Each complete building permit application shall include details regarding protection of adjoining property, as required per Section 3307 of the 2019 CBC or the CBC in effect at the time of submittal of each complete building permit application.
- 12.31. Sanitary Sewer: Each complete building permit application shall include details demonstrating that all sanitary sewer lines will gravity feed to the sewer mains in the public right-of-way unless otherwise approved by the Building Official or their designee.
- 12.32. Simultaneous with the submittal of each complete building permit application, the applicant shall submit plans for: 1) construction safety fences around the periphery of the construction area, 2) dust control, 3) air pollution control, 4) erosion and sedimentation control, 5) tree protection fencing, and 6) construction vehicle parking. The plans shall be subject to review by the Engineering, Planning, and Building Divisions and the City's Building Official or their designee shall approve the Plans



subject to input by City staff. The safety fences, dust and air pollution control measures, erosion and sedimentation control measures, and tree protection measures shall be installed according to the approved plan prior to commencing construction and implemented throughout the duration of construction at the project site

- 12.33. Erosion Control: No later than upon the submittal of a complete building permit application, the Applicant shall submit plans that include proposed measures to prevent erosion and polluted runoff from all site conditions, subject to review and approval of the Building Division. During construction, if construction is not complete by the start of the wet season (October 1 through April 30), the Applicant shall implement a winterization program to minimize the potential for erosion and sedimentation. As appropriate to the site and status of construction, winterization requirements shall include inspecting/maintaining/cleaning all soil erosion and sedimentation controls prior to, during, and immediately after each storm event; stabilizing disturbed soils through temporary or permanent seeding, mulching, matting, tarping or other physical means; rocking unpaved vehicle access to limit dispersion of soil onto public right-of-way; and covering/tarping stored construction materials, fuels, and other chemicals. A site specific winterization plan implemented during construction would be subject to review by the Engineering, Building, and Planning Divisions and subject to approval by the Building Official or their designee with input from City staff. The winterization plan would be in addition to any required erosion control plan.
- 12.34. Stationary Noise Source Compliance Data (Non-roof mounted equipment): Concurrent with the Core and Shell building permit phase submittal for each building, the Property Owner shall provide a plan that details that all on-site stationary noise sources comply with the standards listed in Section 8.06.030 of the City's Noise Ordinance. This plan shall be subject to review and approval by the Planning and Building Divisions prior to each building permit issuance.
- 12.35. Stationary Noise Source Compliance Data (Roof mounted equipment): Concurrent with the Core and Shell building permit phase submittal for each building, the Property Owner shall provide a plan that details that all roof-mounted stationary noise sources comply with the standards listed in Section 16.08.095 of the City's Zoning Ordinance. This plan shall be subject to review and approval by the Planning and Building Divisions prior to each building permit issuance.
- 12.36. Building Construction Street Impact Fee: Prior to issuance of each building permit, the Property Owner shall pay the applicable Building Construction Street Impact Fee, to the satisfaction of the Public Works Director.
- 12.37. Accessibility: All pedestrian pathways shall comply with applicable Federal and State accessibility requirements, to the satisfaction of the Public Works Director and Building Official.
- 12.38. Prior to issuance of the building permit for the senior below market rate building, the applicant shall submit documentation of an agreement for up to ~~36~~approximately 38 off-site spaces within the adjacent building on residential parcel 6 to the Planning and

Building Divisions for review and approval. The agreement shall be recorded with the San Mateo County Assessor Recorder's office prior to the granting of Certificate of Occupancy for the senior below market rate building.

12.39. The grocery store shall be a minimum of 35,000 square feet in size.

### **13. Ongoing Compliance Monitoring**

13.1. Water Supply Assessment (WSA) Compliance: Twelve months following the date of the issuance of the certificate of occupancy, the Property Owner/Manager for each parcel shall submit documentation to the City to confirm that potable water usage for the parcel does not exceed the estimated potable water consumption for the parcel documented in the WSA dated February 2022, prepared by West Yost Associates. The estimated total potable water consumption for the Project at full buildout is 94 million gallons per year, a net increase of 75 million gallons and each building shall be reviewed for compliance with its prorated/fair share water usage based on square footage, units, or hotel rooms. The Public Works Director shall review the documentation along with City records for potable water usage at the Project Site to confirm that potable water usage does not exceed the estimated potable water usage in the WSA. In the event that actual water consumption exceeds the WSA, a water conservation program, as approved by the City's public works director, shall be implemented. Twelve (12) months after City approval of the water conservation program, the building owner shall submit data and information sufficient to allow the city to determine compliance with the conservation program. If water consumption exceeds the budgeted amount, the City's public works director may prohibit the use of water for irrigation or enforce compliance as an infraction pursuant to Chapter 1.12 of the Municipal Code until compliance is achieved. This section shall not be effective during the period of deferred enforcement established by section 4.13 of this CDP.

### **13.2. Long-term Maintenance Provisions**

13.2.1. Stormwater Operations and Maintenance Agreement for Private Property: Prior to temporary/initial certificate of occupancy for each building, the Property Owner shall enter into, or amend the existing Operations and Maintenance Agreement with the City, as applicable. The Operations and Maintenance Agreement shall establish a stormwater treatment system maintenance program (to be managed by the Property Owner) that includes annual inspections of any infiltration features and stormwater detention devices (if any), and drainage inlets, flow through planters, and other Best Management Practices (BMP). There may be separate Operations and Maintenance Agreements for each individual parcel within the Project Site, or one combined agreement as may be determined by the City and Applicant. The Operation and Maintenance Agreements shall be subject to review and approval of the City Attorney and the Public Works Director and shall be recorded prior to final inspection of the Tenant Improvement phase for each building. An annual report documenting



the inspection and any remedial action conducted shall be submitted to the Public Works Department for review. This condition shall be in effect for the life of the Project.

13.2.2. Stormwater Operations and Maintenance Agreement for Rights of Way and the Public Realm: Prior to the certificate of occupancy for each building, the Owners' Association shall enter into, or amend the existing Operations and Maintenance Agreement with the City, as applicable. The Operations and Maintenance Agreement shall establish a stormwater treatment maintenance program (to be managed by the Owners' Association) that includes annual inspections of any infiltration features and stormwater detention devices (if any), and drainage inlets, flow through planters, and other Best Management Practices (BMP). There may be separate Operations and Maintenance Agreements for each individual parcel within the Project Site, or one combined agreement as may be determined by the City and Applicant. The Operation and Maintenance Agreements shall be subject to review and approval of the City Attorney and the Public Works Director and shall be recorded prior to final inspection of the Tenant Improvement phase for each building. An annual report documenting the inspection and any remedial action conducted shall be submitted to the Public Works Department for review. This condition shall be in effect for the life of the Project.

13.2.3. Landscape Maintenance: Site landscaping shall be maintained by the entities described in Section 13.2.4, below, and to the satisfaction of the Community Development Director. Significant revisions to site landscaping shall require review by the Building Official, Public Works Director, City Arborist, and Community Development Director to confirm the proposed changes comply with accessibility and exiting requirements, stormwater requirements and substantially conform with the Project Plans consistent with the procedure outlined in Section 8, Changes.

#### 13.2.4. Maintenance Obligations

13.2.4.1. City: Once constructed, the Applicant/Property Owner shall dedicate the following improvements to the City, after which time the City shall be responsible for maintaining the public improvements.

- All public streets and utility improvements per Sheet G6.04 of the Project Plans (Conceptual Operations and Maintenance Responsibility Diagram) as follows:
  - Park street
  - The portion of West Street south of Main Street
  - The southern half of East Loop
  - The portion of Main Street between Willow Road and West Street and Park Street to the intersection of O'Brien Drive.

13.2.4.2. Applicant: The Applicant shall be responsible for maintaining the following improvements for the life of the Project in accordance with the standards that would be submitted in conjunction with the review and approval of the Improvement Plans.

- The Elevated Park
- Town Square
- The Willow Road Tunnel

13.2.4.3. Owners' Association: Prior to the first Certificate of Occupancy for the first building, an Owners' Association shall be formed for purposes of maintaining the following improvements. Following its formation, the Owners' Association shall be responsible for maintaining the following improvements for the life of the Project in accordance with the standards that would be submitted in conjunction with the review and approval of the Improvement Plans.

1. All privately-owned, publicly accessible open space other than the areas identified in Section 13.2.4.2, per Sheet G6.04 (Conceptual Operations and Maintenance Responsibility Diagram) of the Project Plans.
2. Private Streets and Utilities as follows:
  - a. North Loop Road
  - b. Segment of East Loop north of the Adams Court Intersection
  - c. Main Street between the intersection of West Street and Park Street
  - d. Center Street
  - e. East Street
  - f. Willow Road Tunnel, if constructed

13.3. City shall cooperate with Applicant in implementing all of the conditions of this CDP, including to alter responsibility for ongoing maintenance and compliance obligations as necessary (e.g., alter responsibilities between Applicant, Property Owner, Owners' Association).

13.4. Power and Communications Requirements: The Property Owner shall comply with all regulations of PG&E and other applicable communication providers (e.g., AT&T and Comcast) that are directly applicable to the Project.

13.5. Public Open Space Access: Simultaneous with the submittal of a complete building permit application, the Applicant shall submit a plat and legal description and proposed form of irrevocable easement agreement for public utilization of the Publicly Accessible Open Space, including the publicly accessible multi-use pathway(s), to the satisfaction of the Public Works Director and City Attorney. The form of irrevocable easement shall ensure, to the satisfaction of the City, that the Applicant has reasonable control over the Publicly Accessible Open Space and that the Publicly Accessible Open

Space is accessible to the general public, in perpetuity during reasonable hours of each day of the week and at a minimum from sunrise to 30 minutes after sunset in compliance with Section 8.28.133 of the Municipal Code, except as otherwise provided in the Open Space Operating Rules to be prepared in accordance with Section 19. Publicly accessible open space and frontage landscaping that is part of each parcel, and identified in the ACP, shall be open prior to certificate of occupancy.

13.5.1. The irrevocable easement agreement requires City Manager approval and shall be recorded with the County of San Mateo prior to granting of the first unit and/or building occupancy.

13.6. On-site Pedestrian Deterrents and Safety Features: In the Campus District, the on-site pedestrian deterrent materials and color shall be consistent with the materials and colors used for the adjacent Campus District building and landscape palette as approved through the ACP process. In publicly accessible open space and adjacent to publicly accessible private streets, perimeter safety fencing and roadway barricades shall be consistent with the overall character of the publicly accessible open space to the satisfaction of the Community Development Director.

13.7. Generator Screening: To the extent generators are placed on the exterior of the buildings, the Property Owner shall screen all generators prior to certificate of occupancy for each building, to the satisfaction of the Planning Division. Screening shall be to the height of the generator and enclose all four sides of the generator. Buildings may be used for all or part of the enclosure.

13.8. Refuse and Recyclables: The Project shall comply with Zoning Ordinance Sections 16.43.140(5) and 16.45.130(5) and the City's implementing regulations. Documentation of preliminary compliance shall be submitted with each ACP and confirmed prior to issuance of each applicable building permit, subject to review and approval of the Sustainability and Planning Divisions. Ongoing compliance shall be demonstrated by Applicant through zero waste assessments and established benchmarks for waste reduction as part of the City's implementing guidelines, subject to review and approval of the Sustainability Division.

13.8.1. All garbage bins and carts shall be located within a trash enclosure that meets the requirements of the solid waste disposal provider, and the City Public Works Department and Planning Division for the lifetime of the Project. If additional trash enclosures are required to address the on-site trash bin and cart storage requirements of the Property Owner, a complete building permit submittal shall be submitted inclusive of detailed plans, already approved by the solid waste disposal provider, for review and approval of the Planning Division and the Public Works Department prior to each building permit issuance.

13.8.2. Concurrent with the submittal of each complete building permit application that requires waste and recycling collection services, the

applicant shall provide documentation of approval of the refuse and recycling locations by the City's waste and recycling provider (e.g. Recology), subject to review and approval of the Sustainability and Planning Divisions.

13.8.3. All garbage and recycling bins located outside buildings shall include a cover to reduce windborne refuse. The covers may be full or partial, provided that refuse cannot become windborne from the receptacle, subject to review and approval by the Planning and Sustainability Divisions. All exterior garbage and recycling bins shall be frequently emptied on a routine schedule to reduce the possibility of overflowing refuse.

- 13.9. Event Parking Management Plan: The Project shall comply with the Event Parking Management Plan, dated October 15, 2022 and on file with the City.
- 13.10. Construction Hours: 13.10. Construction Hours: Construction activities may take place outside of the typical construction hours of 8:00 a.m. to 6:00 p.m. Monday through Friday, provided the construction activities comply with the noise limitations set forth in Chapter 8.06 (Noise) of the municipal code and mitigation measures Modified ConnectMenlo NOISE-1c, NOI-1.1 and NOI-1.2, unless determined by the Building and Planning Divisions that an exception for specific activities is necessary (e.g. offsite evening/night work or other on-site activities that cannot occur during the typical construction hours). Prior to the issuance of a building permit for each individual phase, the Property Owner shall submit a construction work plan and acoustical analysis to the City documenting the expected work hours and compliance with the Noise Ordinance (Chapter 8.06), the project MMRP, and any noise ordinance exceptions subject to review and approval of the Building and Planning Divisions. Noise is allowed to exceed the City's 85 decibel at 50 foot for any one piece of equipment requirement for construction equipment such as pile drivers, subject to compliance with Modified ConnectMenlo NOISE-1c, NOI-1.1 and NOI-1.2 in the EIR.
- 13.11. Diesel Generators: Except as provided for in Section 3 of this CDP, any additional diesel generators require review and approval of an administrative permit per the requirements of the Zoning Ordinance.
- 13.12. Food deliveries to retailers (including grocery) and restaurant and loading hours: Deliveries of food to retailers (including the grocery) and restaurants are permitted at all hours and are exempt from noise standards in accordance with Municipal Code Section 8.06.040(d).
- 13.13. EPA Energy Star Portfolio Manager: Simultaneous with the submittal of each complete building permit application, the applicant shall enroll in EPA Energy Star Building Portfolio Manager. Prior to building permit final approval, the applicant shall submit documentation showing compliance to the satisfaction of the Planning and Building Divisions.

- 13.14. Energy Requirements: Prior to issuance of the first building permit for building or site feature (e.g. publicly accessible park), the applicant shall submit plans and supporting documentation to the Building and Planning Divisions documenting that the project meets one hundred percent of its energy demand (electricity and natural gas), as required by Chapter 16.45.130(2) of the Zoning Ordinance, through the combination of the following measures and to the satisfaction of the Building and Planning Divisions:
- 13.14.1. On-site energy generation;
  - 13.14.2. Purchase of 100% renewable electricity through Peninsula Clean Energy or Pacific Gas and Electric Company in an amount equal to the annual energy demand of the project;
  - 13.14.3. Purchase and installation of local renewable energy generation within the City of Menlo Park in an amount equal to the annual energy demand of the project;
  - 13.14.4. Purchase of certified renewable energy credits and/or certified renewable energy offsets annually in an amount equal to the annual energy demand of the project.
- 13.15. The Project Site shall meet one hundred percent (100%) of its energy demand (electricity and natural gas) in accordance with Zoning Ordinance sections 16.45.130(2)(A) (RMU District) and 16.43.140(2)(A) (O District) for the life of the Project.
- 13.15.1. Concurrent with the submittal of each building permit, the applicant shall document energy demand through the compliance tracker dated 6/23/22 and on file with the City, which verifies the amount of carbon-free energy generated on site compared to the projected amount of non-carbon-free energy used by the Project, to achieve the Zoning Ordinance requirements of 100% renewable energy across the project site.
  - 13.15.2. The Applicant/Project Owner shall document compliance with Zoning Ordinance sections 16.45.130(2)(A) (RMU District) and 16.43.140(2)(A) (O District) on a schedule determined by the Applicant/Project Owner and the City, based on the construction schedule for the Project.

#### **14. OFF SITE IMPROVEMENTS**

- 14.1. Transportation Impact Fee ("TIF"): The current estimated total transportation impact fee based on the maximum development potential is \$39,728,599.82 (subject to adjustments for the actual proposed development) ("**TIF Obligation**"). The Applicant shall complete off-site circulation improvements identified as the responsibility of the Project through the TIA and included in the TIF ("**TIF In Lieu Improvements**") in lieu of paying the TIF. The City and Applicant shall establish the estimated cost of the TIF In Lieu Improvements prior to issuance of the first building permit. The TIF In Lieu Improvements shall reduce the TIF Obligation dollar for dollar. In the event the estimated cost of the TIF In Lieu Improvements is less than the TIF Obligation, the difference will be prorated across all buildings on the Project Site and paid at the time of building permit issuance for each building. Credit for existing buildings will be allocated

by location of the new building. The TIF rates are subject to adjustment on July 1st of each year based on the ENR Construction Cost Index % for San Francisco. In the event that another development project is also obligated to construct the improvement and undertakes construction of the improvement, the Applicant would not be credited for said improvement.

14.2. Applicant shall perform, construct and complete, at the Applicant's own expense, the transportation improvements in Sections 14.5 and 14.6, prior to issuance of the first certificate of occupancy for the Project.

14.3. To determine the estimated TIF In Lieu Improvements cost, the Applicant shall submit detailed estimates of costs, including design, engineering, and permitting costs, to the Director of Public Works or designee of said transportation improvements. Pursuant to MPMC 13.26.80 the Applicant shall be entitled to credit and/or reimbursement for said transportation improvements.

14.4. Should the final expenses for the TIF In Lieu Improvements exceed the Project estimated TIF payment (determined in 14.1) the TIF Obligation would be adjusted accordingly. If the final expenses (e.g. actual cost) for the TIF In lieu Improvements included in the City's TIF program exceed the Project's TIF Obligation, the City and the Applicant shall enter into a reimbursement agreement, which will provide for the Applicant to be reimbursed by the City from available TIF revenues. The reimbursement of the TIF would be made, within 180 days of submittal of the actual cost documentation from the applicant, subject to review and acceptance of the cost documentation by the Public Works Director.

14.5. TIF In Lieu Improvements:

14.5.1. Willow Road and Bay Road – The TIF proposes to modify the southbound approach at this intersection to two left-turn lanes and one right-turn lane and to modify the westbound approach to add a right-turn lane. With these improvements under project conditions, the critical movement delay at the local approach would be reduced to lower than no project conditions. To ensure safe bicycle and pedestrian movements, the project would be required to construct the right turn lane, separated bikeway or other City approved bikeway and pedestrian improvements, and associated signal modifications. This improvement would address the adverse effect on the intersection due to project traffic. This improvement requires Caltrans approval. The Applicant shall construct the improvement prior to certificate of occupancy of the first building on the main Project Site. If Caltrans approval has not been obtained or the intersection improvements have not been completed prior to certificate of occupancy of the first building on the main Project Site, but the Applicant demonstrates that it has worked diligently to pursue agency approvals and completion of construction to the satisfaction of the Director of Public Works or

designee, the Applicant shall continue to pursue approval and construction for a period of five years from the date of issuance of the first vertical construction building permit. If the Applicant continues to work diligently to the satisfaction of the Director of Public Works or designee, but has not yet obtained approval or been able to construct the improvement, then the Applicant shall be relieved of responsibility to construct the improvement and the Applicant shall submit the TIF in Lieu costs subject to any increases based on the ENR Construction Cost Index % for San Francisco.

14.6. Non-TIF intersection improvements

- 14.6.1. O'Brien Drive and Kavanaugh Drive – The applicant shall work with the City of East Palo Alto to install traffic calming measures to discourage the use of Kavanaugh Drive, which is a residential street, and encourage vehicles to use O'Brien Drive and Adams Drive instead. The cost of the development of the traffic calming plan and implementation of the measures shall not exceed \$500,000.
- 14.6.2. Adams Drive and O'Brien Drive - Design and construct a new traffic signal, appropriate pedestrian and bicycle accommodation should be provided at this intersection. This includes the proposed Class II bicycle lanes along O'Brien Drive between Willow Road and University Avenue, pedestrian countdown timers, Americans with Disabilities Act (ADA) compliant curbs, and bicycle detection loops.
- 14.6.3. Any project(s) approved within 10 years of the approval date of the Willow Village Master Plan project and required to implement the same Non-TIF Intersection improvement in Section 14.6.2 shall reimburse the Project Applicant for its proportional fair share of the improvement costs. The City shall require and condition such projects to reimburse the Project Applicant for its proportional fair share of the improvement costs.

14.7. Cumulative Intersection Improvements

- 14.7.1. For the following cumulative intersection improvements, the Applicant shall provide a conceptual plan and a cost estimate (including design engineering) for approval by the Transportation Division to determine the fair share contribution. Applicant shall not be required to construct these improvements.
  - 14.7.1.1. Willow Road & Hospital Plaza/Durham Street – Restripe northbound Durham Street as a shared left-through lane and right-turn lane, and add a northbound right turn overlap phase. The fair share contribution for the intersection improvement, calculated as 25% of the cost estimate, shall be paid prior to the issuance of a building permit



#### 14.8. Fair Share Payment for Intersections within EPA

14.8.1. University Avenue and Bay Road - The project would reduce its adverse effect on the traffic operations at this intersection by making a fair share (34%) monetary contribution towards modifications to bring the intersection to pre-project conditions including the addition of an exclusive eastbound right-turn lane and a second eastbound left-turn lane on University Avenue, adding a second northbound left-turn lane on Bay Road, adding a second westbound left-turn lane on University Avenue, and modify signal phasing. Partial improvement of this intersection is included in the Menlo Park TIF. The Applicant will receive \$5,073.49 credit towards their fair share payment. The Applicant shall provide a conceptual plan of the improvement and a cost estimate (including design engineering) for approval by the Transportation Division to determine the fair share contribution. The fair share contribution for the intersection improvement shall be paid to the City of Menlo Park prior to the issuance of a building permit. If these funds are not used within a 5-year period, the Applicant may request the funds be returned from East Palo Alto.

14.8.2. US 101/University Avenue Interchange - Plans to widen the northbound approach on Donohoe Street at the US 101 northbound off-ramp to accommodate four through lanes to improve the vehicular throughput at this intersection. This improvement will require median modifications and narrowing the southbound Donohoe Street approach to Cooley Avenue to include two through lanes and a full length left-turn lane. In addition, the traffic signals will be coordinated with adjacent traffic signals on Donohoe Street. Additionally, plans to install a new traffic signal at the US 101 northbound on-ramp and Donohoe Street and Bayshore Road and Euclid Avenue to coordinate with other closely spaced traffic signals along Donohoe Street. Along with new traffic signals, appropriate pedestrian and bicycle accommodation will be provided. This includes pedestrian countdown timers, Americans with Disabilities Act (ADA) compliant curbs, and bicycle detection loops. In order to align with the proposed driveway for the University Plaza Phase II site on the north side of Donohoe Street, the US 101 on-ramp will be shifted approximately 30 feet to the south. In addition, the northbound approach on Donohoe Street will be restriped to accommodate a short exclusive left-turn pocket (approximately 60 feet in length), a shared left-through lane, and a shared through-right lane. These improvements would require widening of the US 101 northbound on-ramp to accommodate two lanes that taper down to a single lane before this ramp connects with the loop on-ramp from eastbound University Avenue. A northbound right turn only will also be added to Bayshore Road and Euclid Avenue. Because the improvements in this corridor are all



interconnected and dependent on each other to work, the recommended improvement measure would be for the Project sponsor to contribute its fair share to improvements at all six intersections in this corridor. Fair share is calculated as the percentage of net project traffic generated of the overall cumulative traffic growth at this intersection. The fair share will be applied to the cost estimates approved by the City of East Palo Alto to determine the fair share contribution. Partial improvement of the University and Donohoe intersection is included in the Menlo Park TIF. The Applicant will receive \$10,147 credit towards their fair share payment. The fair share contribution for these intersection improvements shall be paid to the City of Menlo Park prior to the issuance of a building permit. If these funds are not used within a 5-year period, the Applicant may request the funds be returned from East Palo Alto.

- a. Donohoe Street & Cooley Avenue: 10% fair share
- b. Donohoe Street & US 101 Northbound Off-Ramp: 24% fair share
- c. Donohoe Street & University Avenue: 31% fair share
- d. Donohoe Street & US 101 Northbound On-Ramp: 8% fair share
- e. Donohoe Street/Bayshore Road & Euclid Avenue: 2% fair share

## 15. PROJECT SPECIFIC CONDITIONS – NO HAMILTON AVENUE REALIGNMENT VARIANT

- 15.1. No Hamilton Avenue Realignment Variant. This CDP approves the No Hamilton Avenue Realignment Variant in addition to the Project, subject to the requirements for Changes in Section 8. If all applicable agencies with jurisdiction over the proposed realignment of the intersection of Hamilton Avenue and Willow Road have not issued all necessary approvals, or if Applicant is unable to obtain sufficient real property rights, for the proposed realignment as depicted in Conceptual Vehicular Circulation Concept – Variant exhibit G4.08 prior to the completion of the backbone infrastructure; (i) the intersection of Hamilton Avenue and Willow Road and the proposed circulation network east of Willow Road within the Project Site would be revised generally consistent with Exhibit G4.08 to accommodate retaining the Willow Road/Hamilton Avenue intersection in its current alignment; (ii) Property Owner shall nonetheless be permitted to construct the Project, as reconfigured in accordance with Exhibit G4.08, in accordance with this CDP; and (iii) maximum building square footage shall be recalculated in accordance with Municipal Code Section 16.04.325 (Gross floor area) and maximum allowed gross floor area and floor area ratios shall be recalculated based on the area of public right-of-way dedication shown on the revised Parcel Map utilizing the calculations and ratios identified on Sheets G1.5 and G3.02 of the Project Plans, provided that in no case shall the maximum allowable gross floor area, floor area ratios, and density exceed the maximums permitted in this CDP. The City shall cooperate with Applicant in its efforts in connection with any modifications to ~~modify~~ this CDP or other Project entitlements necessary to construct the Project as reconfigured pursuant to this section.

## 16. PROJECT SPECIFIC CONDITIONS – PG&E IMPROVEMENTS

16.1. Applicant shall coordinate with PG&E to implement improvements to upgrade the distribution power capacity at its Ravenswood substation to meet the Project Site's diversified projected power demand through an interconnection and new distribution conduit feeders to provide power to the Project Site. Applicant shall be responsible for fees due to PG&E as outlined in the applicable tariff regulations. Prior to the issuance of the first new building certificate of occupancy for the Project Site, Applicant shall provide documentation to the City that PG&E has completed the initial phase of power upgrades and reinforcements, as evidenced by PG&E's notice that the first new building on the Project Site is ready to be energized.

## **17. PROJECT SPECIFIC CONDITIONS – WEST BAY SANITARY DISTRICT IMPROVEMENTS**

17.1. Waste Water Conveyance Improvements: Applicant shall comply with regulations of the West Bay Sanitary District that are directly applicable to the Project in the design and construction of wastewater conveyance improvements, and submit documentation to the Planning and Building Divisions prior to issuance of each building permit. The West Bay Sanitary District Improvements serving the Project Site will be depicted on the Willow Village Improvement Plan set, subject to approval by West Bay Sanitary District.

17.2. Recycled Water: Applicant shall coordinate with West Bay Sanitary District in its efforts to design and construct the Bayfront Recycled Water Plant, described in the EIR as the Resource Recovery Center ("**Recycled Water Plant**"). Applicant shall enter into an agreement with West Bay Sanitary District which acknowledges Applicant's fair share financial commitment along with the District's performance metrics to construct and operate the Recycled Water Plant. Applicant shall provide evidence that agreement has been entered into with the District prior to issuance of the building permit for the first new building on the Project Site. Provided that Applicant has entered into the agreement with West Bay Sanitary, if West Bay Sanitary has not completed the Recycled Water Plant such that it can deliver recycled water to the Project Site when demand for non-potable water is created, the City shall energize the recycled water distribution lines within the Project Site with potable water and Property Owner shall be permitted to use potable water for non-potable purposes at the Project Site until such time as West Bay Sanitary District is able to provide non-potable water, or as provided in Section 17.3. Additionally, pursuant to section 4.13 of this CDP, Applicant shall prepare and submit a water conservation plan that addresses potable water use during the interim period from the initial building occupancy until West Bay energizes the Recycled Water Supply. The water conservation plan shall address the frequency of potable water use reporting, acknowledge that the project shall comply with any demand reduction measures established and enforced by the City applicable to other similarly situated water users. This plan shall be submitted prior to the issuance of the initial temporary certificate of occupancy only in the event recycled water is not available concurrent with the final inspection and shall be subject to review and approval of the Public Works Director.

17.3. Onsite Recycled Water Variant: This CDP approves the Onsite Recycled Water Variant in addition to the Project, subject to the requirements for Changes in Section 8. In the event that West Bay Sanitary District has not completed the Recycled Water Plant such that it can deliver recycled water to the Project Site by 24 months after the issuance of a Certificate of Occupancy for the initial building within Phase 1 of the Project, or in the event that the West Bay Sanitary District abandons the proposed Recycled Water Plant before that date, the Applicant shall provide written notice to the Public Works Director that the Applicant intends to construct an Alternative Recycled Water Treatment facility capable of meeting the projected non-potable water peak demand for the Project. Within 60 months after notice is provided to the City Public Works Director, the Applicant shall complete an Alternative Recycled Water treatment facility for the production of recycled water through the capture of wastewater, including blackwater, from all proposed buildings on the Project Site.

17.3.1. Following steps are the anticipated:

17.3.1.1. Submittal of Concept Plans to Community Development and Public Works Departments for review within 90\_days from submittal of Alternative Recycled Water Treatment Facility notice.

17.3.1.2. Submittal of construction documents 12 months after City Approval of Concept Plans.

17.3.1.3. Submittal Title 22 Engineering Report and obtain approvals/permits from the State Division of Drinking Water (DDW), from the Regional Board, and a discharge permit from West Bay Sanitary District.

17.3.1.4. Commence construction of Alternative Recycled Water Facility within 90 days of approval of necessary permits required to commence construction.

## 18. PROJECT SPECIFIC CONDITIONS – SFPUC ROUNABOUT

18.1. Applicant shall obtain San Francisco Public Utilities Commission (“**SFPUC**”) approval for a lease, license, easement agreement, or other authorization to permit the construction and operation of the proposed Main Street/O’Brien Drive roundabout intersection improvement and drainage improvements (“SFPUC Improvements”) within the SF PUC right of way prior to issuance of the first building permit for the Project Site. The City shall be the applicant for public improvements that require approval and granting a lease, license, easement agreement, or other authorization from SFPUC.

18.2. Applicant shall submit to the City Improvement Plans detailing the proposed SFPUC improvements consisting of O’Brien Drive right-of-way realignment, new connection to the Project Site, creation of a roundabout within the right-of-way, and drainage improvements within the SFPUC right-of-way.

- 18.3. Applicant shall submit SFPUC Improvement Plans to the Community Development and Public Works Departments for review and preliminary design acceptance, prior to submittal to SFPUC.
- 18.4. Following City review and preliminary design acceptance, the Applicant shall submit SFPUC Improvement Plans to the SFPUC and apply for all applicable review and approvals.
- 18.5. Applicant shall obtain necessary permits and approval from SFPUC and provide documentation to the Community Development and Public Works Departments prior to issuance of the building permit for the first building.
- 18.6. Applicant shall construct all SFPUC roadway improvements prior to certificate of occupancy for the first building on the Project Site.
- 18.7. Applicant shall construct drainage improvements within the SFPUC right-of-way concurrent with the roadway improvements to ensure that stormwater drainage is not disrupted.
- 18.8. In the event construction of the SF PUC Improvements is delayed due to circumstance outside of the Applicant's reasonable control, the Public Works Director may grant an extension based on substantial evidence from the Applicant that the delay is based on external circumstances, and the Applicant demonstrates a good faith effort to complete the improvements. Any extension would be based on an agreed upon timeline by the Public Works Director and the Applicant.

## **19. PROJECT SPECIFIC CONDITIONS – OPERATING RULES FOR PUBLICLY ACCESSIBLE OPEN SPACE**

- 19.1. Prior to opening the Publicly Accessible Open Space to the public, the Property Owner or Owners' Association, as applicable, shall prepare Operating Rules for the Publicly Accessible Open Space, including the Elevated Park, which shall set forth reasonable rules and restrictions regarding the public's access to and use of the Publicly Accessible Open Space per the requirements of this CDP, subject to review and approval of the Directors of Community Development and Public Works, City Manager or their designee, and City Attorney. The Operating Rules may include without limitation provisions such as: (a) permitting the Property Owner or Owners' Association, as applicable, to reasonably restrict or prohibit public access and use as reasonably necessary to (i) ensure security of the Project Site and persons or property within or around the Project Site and (ii) preclude activities that unreasonably disrupt non-public uses in the Project; (b) providing exclusive use by Property Owner for a specified number of private events; and (c) providing terms of use for community use of the Publicly Accessible Open Space. The Operating Rules shall include a provision that prohibits balloons in the Elevated Park.

## **20. PROJECT SPECIFIC CONDITIONS – MITIGATION MEASURES**

- 20.1. The Property Owner shall comply with all mitigation measures identified in the EIR and the associated Mitigation Monitoring and Reporting Program for the Project attached hereto as Exhibit 6.

## 21. GENERAL CONDITIONS

- 21.1. School Impact Fee: Prior to issuance of each building permit, the Property Owner shall pay the applicable School Impact Fee for the building in effect at the time of payment and submit documentation of payment to the Building Division prior to issuance of each building permit.
- 21.2. Menlo Park Municipal Water: The Property Owner shall comply with all requirements of Menlo Park Municipal Water that are directly applicable to the Project and document compliance prior to issuance of each building permit.
- 21.3. Leadership in Energy and Environmental Design: The Property Owner shall design and certify buildings greater than 25,000 square feet in size for LEED Gold (Residential/Shopping District and Campus District) and buildings between 10,000 and 25,000 square feet in size for LEED Silver (Town Square District) certification, in accordance with Zoning Table 16.45.130(1)(B) and (C) (RMU District) and 16.43.140(1)(B) (O District). Buildings on the Project Site of less than 10,000 sf would not be certified under LEED. Each building shall be certified within one year of Certificate of Occupancy and documentation shall be provided to the Planning Division. At its discretion, the Property Owner may certify buildings less than 25,000 square feet in size for LEED Gold.
- 21.4. Lighting: Concurrent with building permit submittal for each individual building as appropriate, the Property Owner shall submit a lighting plan, including photometric contours, manufacturer's specifications on the fixtures, and mounting heights to ensure safe access and to illustrate the light and glare do not spillover to neighboring properties, to the satisfaction of the Planning, Engineering, Transportation, and Building Divisions.
- 21.5. The City has approved this CDP in conjunction with a Development Agreement. During the term of the Development Agreement, the CDP shall be subject to the terms and conditions of the Development Agreement and, in the event of a conflict, the terms and conditions of the Development Agreement shall prevail.
- 21.6. This CDP is being provided in exchange for the provision and effectuation of the Willow Village Community Amenities as defined and outlined in the Development Agreement and in accordance with the timing/phasing provided in Exhibits —D and —F of the Development Agreement, as they may be amended from time to time. Provision and timing of said Willow Village Community Amenities are a condition of this CDP and this requirement shall survive any termination of the Development Agreement.
- 21.7. Covenants Run with the Land: All of the conditions contained in this CDP shall run with the land comprising the Project Site and shall be binding upon, and shall inure

to the benefit of the Applicant and its heirs, successors, assigns, devisees, administrators, representatives and lessees, except as otherwise expressly provided in this CDP. Upon transfer, sale, or assignment of all or any portion of the Project Site to another owner, the Applicant shall be released from its obligations pursuant to this CDP with regard to the transferred, sold, or assigned property that arise or accrue subsequent to the effective date of the transfer, sale and/or assignment.

**21.8. Severability:** If any condition of this CDP, or any part hereof, is held by a court of competent jurisdiction in a final judicial action to be void, voidable or unenforceable, such condition, or part hereof, shall be deemed severable from the remaining conditions of this CDP and shall in no way affect the validity of the remaining conditions hereof. Notwithstanding the foregoing, in the event that any provision of this CDP is found to be unenforceable, void or voidable which materially impairs Applicant's ability to construct the Project, Applicant may terminate this CDP upon providing written notice to the City.

**21.8-21.9. Indemnification.** The Applicant or permittee shall defend, indemnify, and hold harmless the City of Menlo Park or its agents, officers, and employees from any claim, action, or proceeding against the City of Menlo Park or its agents, officers, or employees to attack, set aside, void, or annul an approval of the Planning Commission, City Council, Community Development Director, or any other department, committee, or agency of the City concerning a development, variance, permit, or land use approval; provided, however, that the Applicant's or permittee's duty to so defend, indemnify, and hold harmless shall be subject to the City's promptly notifying the Applicant or permittee of any said claim, action, or proceeding and the City's full cooperation in the Applicant's or permittee's defense of said claims, actions or proceedings. In the event of a conflict between this indemnification language and the indemnification language included in the Development Agreement, the Development Agreement shall control. This indemnification language shall only control in the event the Development Agreement is no longer in effect.

**21.9-21.10. Exhibits:** The exhibits referred to herein are deemed incorporated into this CDP in their entirety.

## EXHIBITS

- Exhibit 1: Legal Description (To be incorporated prior to recordation)
- Exhibit 2: Plat Map (To be incorporated prior to recordation)
- Exhibit 3: Trip Cap Monitoring and Enforcement Policy (~~Staff Report Attachment T~~, Staff Report Attachment M)
- Exhibit 4: TDM Compliance Plan (November 15, 2022 Staff Report Attachment U)
- Exhibit 5: Glossary of Supporting Documents
- Exhibit 6: Mitigation Monitoring and Reporting Program (Staff Report Attachment B)



## ORDINANCE NO. XXXX

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MENLO PARK FOR  
APPROVAL OF THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF  
MENLO PARK AND PENINSULA INNOVATION PARTNERS, LLC FOR THE  
WILLOW VILLAGE PROJECT**

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

SECTION 1.

This Ordinance is adopted under the authority of Government Code Section 65864 et seq. and pursuant to the provisions of City Resolution No. 4159, which establishes procedures and requirements for the consideration of developments within the City of Menlo Park ("City"). This Ordinance incorporates by reference that certain Development Agreement for the Willow Village Project (the "Development Agreement") by and between the City and Peninsula Innovation Partners, LLC ("Applicant") attached hereto as Exhibit A (~~Staff Report Attachment A10~~) and incorporated herein by this reference.

SECTION 2.

The City, as lead agency, prepared an Environmental Impact Report ("EIR") pursuant to the California Environmental Quality Act ("CEQA") that examined the environmental impacts of the redevelopment of the approximately 59-acre industrial site (the "Main Project Site") plus three parcels (within two sites) west of Willow Road (the "Hamilton Parcels" and collectively, with the Main Project Site, the "Project Site"). On \_\_\_\_\_, 202\_, by Resolution No. \_\_\_\_\_, the City Council certified the EIR, made certain findings, and adopted a Mitigation Monitoring and Reporting Plan, which Resolution together with the EIR are incorporated herein by reference. The City Council finds that the Development Agreement is within the scope of the EIR.

SECTION 3.

As required by Resolution No. 4159, the Planning Commission reviewed the Development Agreement at a duly and properly noticed public hearing held on October 24, 2022 and continued to November 3, 2022 and recommended that the City Council adopt this ordinance. As part of its recommendation to the City Council, the Planning Commission determined that the Development Agreement is consistent with the objectives, policies, general land uses and programs specified in the General Plan; is compatible with the uses authorized in and the regulations prescribed for the land use district in which the Project Site is located; is in conformity with public convenience, general welfare and good land use practice; will not be detrimental to the health, safety and general welfare of the City or the region surrounding the City; and will not adversely affect the orderly development of property or the preservation of property values within the City.

SECTION 4.

The City Council held a duly and properly noticed public hearing on the Development Agreement on \_\_\_\_\_, 2022. The City Council finds that the following are the relevant facts concerning the Development Agreement:

1. The General Plan designates the Main Project Site for Office and Mixed-Use Residential land uses and Hamilton Parcels for Retail/Commercial land uses. The Main Project Site is zoned O-B-X and R-MU-B-X, and the Hamilton Parcels are zoned C-2-S.
2. The Applicant proposes a unified development on the Main Project Site consisting of approximately 59 acres.

3. The Applicant proposes to demolish the existing buildings on the Main Project Site and redevelop the Project Site with the subsequent construction of a mixed-use development consisting of up to 1.6 million square feet of office and accessory uses (a maximum of 1,250,000 square feet for offices and the balance for accessory uses), up to 1,730 multifamily dwelling units, up to 200,000 square feet of retail uses, an up to 193-room hotel, and associated open space and infrastructure (the "Project").
4. The Applicant proposes to provide numerous community amenities, some of which are on the list of community amenities adopted by the City Council and some of which have been agreed upon by City and the Applicant in the Development Agreement, as specified in further detail in the Development Agreement. The Development Agreement's requirement for the Applicant to implement community amenities allow the Applicant to develop the Main Project Site with an increased floor area ratio, density, and height in the R-MU-B-X district and increased floor area ratio and height in the O-B-X district. The Applicant submitted an application identifying the amount of bonus development sought, an appraisal of the fair market value of the gross floor area of the bonus level of development compared to the fair market value of the base level development, and the projected value of the proposed community amenities. The City's economic consultant conducted a peer review analyzing and revising the values. Based upon such City-determined values, the value of the community amenities set forth in the Development Agreement will equal or exceed half the difference between the value of the base and bonus level development scenarios.

#### SECTION 5.

As required by Section 302 of Resolution No. 4159 and based on an analysis of the facts set forth above, the staff report to the City Council, the presentation to the Council, supporting documents, and public testimony, the City Council hereby adopts the following as its findings:

1. The Development Agreement is consistent with the objectives, policies, general land uses and programs specified in the General Plan because the Project will create a live/work/play environment that will place office, residential and commercial uses in close proximity to one another. As described in the EIR, the Project will be consistent with the land use designations and the goals and polices of the General Plan.
2. The Development Agreement is compatible with the uses authorized in and the regulations prescribed for the O-B-X, R-MU-B-X, and C-2-S districts in which the Project Site is located because the Project includes office buildings, mixed use residential and retail buildings providing high density residential housing to serve both the office buildings and existing community housing needs and neighborhood-serving retail, and open space. As described in the EIR, the Project will be consistent with the development regulations of the applicable zoning districts, including the use of bonus level development and a master-planned project to provide creative designs, orderly development, and optimal use of open space while maintaining and achieving the City General Plan vision for the Bayfront Area.
3. The Development Agreement is in conformity with public convenience, general welfare and good land use practices because the Project is consistent with the General Plan and zoning designations for the Project Site and appropriate utilities and services can be provided for the Project.
4. The Development Agreement will not be detrimental to the health, safety and general welfare of the City or the region surrounding the City.
5. The Development Agreement will not adversely affect the orderly development of property or the preservation of property values within the City.
6. The Development Agreement will promote and encourage the development of the Project by providing a greater degree of certainty with respect thereto by establishing the regulations concerning land use development, timing and sequencing of Project development and the payment of fees.



7. The Development Agreement will result in the provision of public benefits by the Applicant, including, but not limited to, payments to the City to offset lost revenue from the hotel in the event of construction delays (i.e. gap payment); financial commitments to ongoing job training and career experience programs; and stakeholder support for Dumbarton Rail Corridor Project and Dumbarton Forward.
8. The community amenities proposed in the Development Agreement have a value of at least fifty percent (50%) of the fair market value of the additional gross floor area of the bonus level development in accordance with Menlo Park Municipal Code Sections 16.43.070 and 16.45.070, and include, but are not limited to, additional funding for affordable housing, workforce housing, grocery, pharmacy services and banking uses, dining and entertainment uses, a shuttle to transport Bayfront residents to the Project Site, funding for air quality and noise monitors in the Belle Haven neighborhood, and community use of open space within the Project, including the elevated park and town square.

SECTION 6.

Based upon the above findings of fact, the Development Agreement for the Project is hereby approved, subject to such minor, conforming and clarifying changes consistent with the terms thereof as may be approved by the City Manager in consultation with the City Attorney. The City Council hereby authorizes the Mayor to execute the Development Agreement and all documents required to implement the Development Agreement on behalf of the City.

SECTION 7.

No later than ten days after this ordinance is effective and has been executed by all parties, the City Clerk shall record with the San Mateo County Recorder a copy of the Development Agreement, as required by Government Code Section 65868.5.

SECTION 8.

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

SECTION 9.

This ordinance shall become effective thirty (30) days after the date of its adoption. Within fifteen (15) days of its adoption, the ordinance shall be posted in three (3) public places within the City of Menlo Park, and the ordinance, or a summary of the ordinance prepared by the City Attorney, shall be published in a local newspaper used to publish official notices for the City of Menlo Park prior to the effective date.

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INTRODUCED on the ~~fifteenth~~sixth day of ~~November~~December, 2022.

PASSED AND ADOPTED as an ordinance of the City of Menlo Park at a regular meeting of said City Council on the \_\_\_ day of ~~November~~December, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

\_\_\_\_\_  
Betsy Nash, Mayor

ATTEST:

\_\_\_\_\_  
Judi A. Herren, City Clerk

Exhibits:

- A. Form of development agreement for the Willow Village project by and between the City and Peninsula Innovation Partners, LLC

**RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:**

City of Menlo Park  
701 Laurel Street  
Menlo Park, CA 94025  
Attn: City Clerk

Exempt from recording fee per  
Govt. Code §6103 and 27383

Space Above This Line Reserved for Recorder's Use

**DEVELOPMENT AGREEMENT**

by and between the

**CITY OF MENLO PARK,**  
a California municipal corporation

and

**PENINSULA INNOVATION PARTNERS, LLC**  
a Delaware limited liability company

regarding the  
**Willow Village Master Plan Project**

Dated: \_\_\_\_\_, 2022

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## LIST OF EXHIBITS

<u>Exhibit A-1-1</u>	Main Project Site Map
<u>Exhibit A-1-2</u>	Hamilton Parcels Map
<u>Exhibit A-2-1</u>	Main Project Site Legal Description
<u>Exhibit A-2-2</u>	Hamilton Parcels Legal Description
<u>Exhibit B</u>	LLBG Consent
<u>Exhibit C</u>	Impact Fees
<u>Exhibit D</u>	Willow Village Phasing Plan
<u>Exhibit E-1</u>	Conceptual Site Plan
<u>Exhibit E-2</u>	Conceptual Publicly Accessible Open Space Site Plan
<u>Exhibit E-3</u>	Conceptual Willow Road Tunnel
<u>Exhibit E-4</u>	Conceptual Alternative Design For Elevated Park Vertical Transportation System
<u>Exhibit F</u>	Willow Village Community Amenities Timing Provisions
<u>Exhibit G</u>	Form of Partial Assignment and Assumption Agreement



## DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (“**Agreement**”) dated for reference purposes as of \_\_\_\_\_, 2022, is entered into by and between PENINSULA INNOVATION PARTNERS, LLC, a Delaware limited liability company (“**Developer**”), a subsidiary of Meta Platforms, Inc., a Delaware corporation (“**Meta**”), and the CITY OF MENLO PARK, a California municipal corporation (“**City**”). Developer and City are sometimes referred to individually herein as a “**Party**” and collectively as “**Parties**.”

### R E C I T A L S

The following recitals are a substantive part of this Agreement; capitalized terms used herein and not otherwise defined are defined in Section 1.1 of this Agreement.

A. In order to strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic costs and risk of development, the Legislature of the State of California enacted Section 65864 *et seq.* of the Government Code (“**Development Agreement Statute**”) which authorizes a city and a developer having a legal or equitable interest in real property to enter into a binding, long-term development agreement, establishing certain development rights in the subject property.

B. As authorized by the Development Agreement Statute, the City has adopted Resolution No. 4159 adopting regulations establishing procedures and requirements for consideration of development agreements within the City of Menlo Park (“**Development Agreement Regulations**”). The provisions of the Development Agreement Statute and City’s Development Agreement Regulations are collectively referred to herein as the “**Development Agreement Law**.” This Agreement has been drafted and processed pursuant to the Development Agreement Law.

C. This Agreement concerns that certain real property measuring approximately ~~62~~ sixty-two (62) acres located in the Bayfront Area of the City, as depicted in Exhibit A-1, and more fully described in Exhibit A-2, both attached hereto and incorporated herein by this reference (“**Property**”). The Property comprises approximately 59 acres intended as the primary development location (“**Main Project Site**”) (depicted on Exhibit A-1-1 and described in Exhibit A-2-1), of which Developer is the owner and two parcels totaling approximately 3 acres west of Willow Road to accommodate realignment of Hamilton Avenue, of which LLBG Properties LLC, a Delaware limited liability company, is the owner (“**Hamilton Parcels**”) (depicted on Exhibit A-1-2 and described in Exhibit A-2-2). Meta controls both Developer and LLBG Properties LLC, a Delaware limited liability company, and therefore Developer has an equitable interest in the Hamilton Parcels. Further, LLBG Properties LLC, a Delaware limited liability company, has consented to the terms of this Agreement as shown in Exhibit B.

D. Developer has submitted applications to the City to redevelop, or cause redevelopment of, the Property by demolishing approximately one million square feet of existing nonresidential buildings on the Main Project Site and developing a mixed-use project on the Property that at full buildout would consist of up to approximately 1.6 million square feet of

office and accessory space (of which up to 1.25 million square feet may be for office uses), 200,000 square feet of commercial/retail space, 1,730 multi-family residential units, a 193-room hotel (“**Hotel**”) and 20 acres of open space including approximately 8 acres of publicly accessible parks and pathways, constructing a new north-south street and realigning other public rights-of-way, and creating a new Residential/Shopping District, Town Square District, and Campus District, all in two Phases as described in more detail in the Willow Village CDP (collectively, the “**Project**”).

E. This Agreement between City and Developer sets forth, among other things, the applicable fees, policies and zoning requirements that apply to Developer’s development of the Project and provides Developer with a vested right to develop the Project should Developer elect to develop the Project.

F. Pursuant to the California Environmental Quality Act and its associated regulations (Public Resources Code section 21000 *et seq.* and the CEQA Guidelines at California Code of Regulations, Title 14, section 15000 *et seq.*) (together and as they may be amended, “**CEQA**”), City previously prepared the Final Program Environmental Impact Report for the ConnectMenlo General Plan and Zoning Update (State Clearinghouse No. 2015062054), certified by the City Council of City on November 29, 2016 by Resolution No. 6356 (“**ConnectMenlo EIR**”).

G. Pursuant to CEQA, City conducted environmental review of the Willow Village Master Plan Project, prepared and duly processed an Environmental Impact Report (State Clearinghouse No. ~~\_\_\_\_\_~~[2019090428](#)), tiering from the ConnectMenlo EIR as authorized by CEQA (“**Project EIR**”), and adopted a Mitigation Monitoring and Reporting Program for implementation of mitigation measures specified in the Project EIR and (as applicable to the Project) in the ConnectMenlo EIR as approved by the City (“**Project MMRP**”).

H. Prior to or concurrently with approval of this Agreement, City has taken the following actions in connection with development of the Project on the Property (the “**Existing Approvals**”).

1. Certification of the Project EIR as adequate under CEQA and adoption of the Project MMRP, by Resolution No. \_\_\_\_\_, adopted by the City Council on \_\_\_\_\_, 2022.

2. Approval of amendments to the Menlo Park General Plan Circulation Map to allow changes to streets and other public rights-of-way proposed for the Project, by Ordinance No. \_\_\_\_\_, adopted by the City Council on \_\_\_\_\_, 2022.

3. Approval of amendments to the Menlo Park Zoning Map by Ordinance No. \_\_\_\_\_, adopted by the City Council on \_\_\_\_\_, 2022 to:

- a. allow changes to streets proposed for the Project; and
- b. revise zoning designations for the Property to add a conditional development (“**X**”) combining district.

4. Approval of Conditional Development Permit No. \_\_\_\_\_ to authorize a master-planned project with bonus-level development and allow other aspects of the Project, by Ordinance No. \_\_\_\_\_, adopted by the City Council on \_\_\_\_\_, 2022 (“**Willow Village CDP**”).

5. Approval of Vesting Tentative Map No. \_\_\_\_ for the Main Project Site to merge and re-subdivide existing parcels on the Property, approve abandonment and dedication of public rights-of-way and easements, and allow filing of multiple final maps for the Project, by Resolution No. \_\_\_\_\_, adopted by the City Council on \_\_\_\_\_, 2022 (“**Main Project VTM**”), together with associated conditions of approval (“**Main VTM Conditions**”).

6. Approval of Vesting Tentative Map No. \_\_\_\_ for the Hamilton Parcels to merge and re-subdivide existing parcels on the Property, approve abandonment and dedication of public rights-of-way and easements, and allow filing of multiple final maps for the Project, by Resolution No. \_\_\_\_\_, adopted by the City Council on \_\_\_\_\_, 2022 (“**Hamilton VTM**”), together with associated conditions of approval (“**Hamilton VTM Conditions**”).

7. Approval of Below-Market Rate Housing Agreements specifying terms for Developer to provide onsite reduced-cost housing units, by Resolution No. \_\_\_\_\_, adopted by the City Council on \_\_\_\_\_, 2022 (collectively, the “**BMR Agreements**”).

8. Approval of tree removal permits to remove 276 heritage trees on the Property, approved by the City Arborist on June 28, 2022 (“**Tree Permits**”), and not appealed to the Environmental Quality Commission, which approvals were conditioned on Developer receiving the other Existing Approvals listed in this Recital H.

9. Approval of this Agreement by Ordinance No. \_\_\_\_\_, adopted by the City Council on \_\_\_\_\_, 2022 (“**Enacting Ordinance**”).

I. City has determined that by entering into this Agreement, City will further the purposes set forth in the Development Agreement Law and City will benefit from the increased range of housing options, employment opportunities, retail establishments, circulation improvements, and open space created by the Project for residents of City.

J. For the reasons recited herein, City and Developer have determined that the Project is a development for which this Agreement is appropriate. This Agreement will eliminate uncertainty regarding Existing Approvals and Subsequent [Project](#) Approvals, thereby encouraging planning for, investment in, and commitment to use and development of the Property. Continued use and development of the Property will in turn provide substantial employment, tax, and other public benefits to City, and will contribute to redevelopment of the Bayfront Area and provide for Menlo Park residents expanded housing opportunities affordable to varying household income levels, which is a critical City need, thereby achieving the goals and purposes for which the Development Agreement Law was enacted.

K. The terms and conditions of this Agreement have undergone review by City staff, the Planning Commission and the City Council at publicly noticed meetings and have been found to be fair, just and reasonable and in conformance with the Development Agreement Law and the

goals, policies, standards and land use designations specified in the City’s General Plan and, further, the City Council finds that the economic interests of City’s citizens and the public health, safety and welfare will be best served by entering into this Agreement.

L. On November 3, 2022, the Planning Commission, the initial hearing body for purposes of development agreement review, recommended approval of this Agreement to the City Council. Following a duly noticed public hearing, on \_\_\_\_\_, 2022, the City Council introduced the Enacting Ordinance and on \_\_\_\_\_, 2022 the City Council adopted that Enacting Ordinance.

A G R E E M E N T

NOW, THEREFORE, in consideration of the promises, covenants and provisions set forth herein, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

**ARTICLE 1 DEFINITIONS**

Section 1.1 Definitions.

“**Administrative Amendment**” is defined in Section 8.5.

“**Affordable Housing Contribution**” is defined in Section 5.1D.

“**Agreement**” means this Agreement.

“**Agreement Date**” means the date of the second reading of the Enacting Ordinance.

“**Air Quality and Noise Monitoring Equipment**” is defined in Section 5.1E.

“**Applicable City Regulations**” means the permitted uses of the Property, the maximum density and/or total number of residential units, the intensity of use, the maximum height and size of the proposed buildings, provisions for reservation or dedication of land for public purposes, the conditions, terms, restrictions, and requirements for subsequent discretionary actions, the provisions for public improvements, and other terms and conditions of development applicable to the Property as set forth in the General Plan of the City on the Effective Date, the Existing Approvals, the Municipal Code of the City on the Effective Date, and the other ordinances, policies, rules, regulations, standards and specifications of the City in effect on the Effective Date.

“**Applicable Law**” means (a) all State and Federal laws and regulations applicable to the Property and the Project as enacted, adopted and amended from time to time and (b) the Applicable City Regulations.

“**Bank**” is defined in Section 5.1J.

“**Bayfront Shuttle**” is defined Section 5.1I.

“**BMR Agreement**” is defined in Recital H.

“**BMR Fee Holding Period**” is defined Section 5.7.

“**BMR Housing True Up Payment**” is defined Section 5.7.

“**BMR Units**” is defined Section 5.7.

“**CEQA**” is defined in Recital F.

“**CFDs**” is defined in Section 4.4A.

“**CFD Bonds**” is defined in Section 4.4C.

“**CFD Facilities**” is defined in Section 4.4B.

“**Changes in the Law**” is defined in Section 3.8.

“**Chevron Parcel**” is defined in Section 8.7.

“**City**” means the City of Menlo Park, a California municipal corporation.

“**City Parties**” means City and its elected and appointed officials, officers, agents, employees, contractors and representatives.

“**City Council**” means the City Council of the City of Menlo Park.

“**Claims**” means liabilities, obligations, orders, claims, damages, fines, penalties and expenses, including reasonable attorneys’ fees and costs.

“**Commence Construction**” or “**Commencement of Construction**” means the issuance of a building permit for vertical construction (including the Elevated Park), mobilization of construction equipment and workers on-site, and the beginning of physical construction activities under such permit.

“**Community Entertainment**” is defined in Section 5.1L.

“**Complete Construction**” or “**Completion of Construction**” means the completion of a final inspection by the City of the specified portion of the specified work or Improvement.

“**Conceptual**” or “**Conceptually**” means plans intended to convey the general vision and design intent of the Willow Village CDP, while allowing flexibility in interpretation and implementation. Conceptual plans serve as guidelines for general orientation and organization of land uses and transportation and open space networks, general scale and massing of development, and overall architectural themes.

“**Connection Fees**” means those fees duly adopted in accordance with applicable law and charged by City or by a utility provider to utility users as a cost for connecting to water, sanitary sewer and other applicable utilities.

“**ConnectMenlo EIR**” is defined in Recital F.

“**CPI**” means Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor or its successors, San Francisco-Oakland-Hayward, All Items (1982-84 = 100), or any successor index thereto designated by the Bureau of Labor Statistics or its successor.

“**CPI Adjustment**” means an adjustment of each dollar amount that is subject to CPI Adjustment under this Agreement and is made by multiplying the dollar amount being adjusted by the sum of (a) one hundred percent, plus (b) the CPI Increase.

“**CPI Increase**” means the percentage increase, if any (but not decrease, if any) between the CPI for the calendar month that is three months prior to the effective date of adjustment and the CPI for the calendar month that is fifteen months prior to the effective date of adjustment.

“**Default**” is defined in Section 11.1.

“**Developer**” means Peninsula Innovation Partners, LLC, a Delaware limited liability company, and its permitted assignees and successors-in-interest under this Agreement.

“**Development Agreement Law**” is defined in Recital B.

“**Development Agreement Regulations**” is defined in Recital B.

“**Development Agreement Statute**” is defined in Recital A.

“**Dining Venues**” is defined in Section 5.1K.

“**Dumbarton Forward**” is defined in Section 5.3D.

“**Dumbarton Rail Corridor Project**” is defined in Section 5.3C.

“**Effective Date**” is defined in Section 2.1.

“**Elevated Park**” is defined in Section 5.1A.

“**Elevated Park Segment Over Willow Road**” is defined in Section 5.1A.

“**Enacting Ordinance**” is defined in Recital H.

“**Exactions**” means exactions imposed by City as a condition of developing the Project, including requirements for acquisition, dedication or reservation of land; and obligations to construct on-site or off-site public and private infrastructure improvements such as roadways, utilities or other improvements necessary to support the Project, whether such exactions

constitute subdivision improvements, mitigation measures in connection with CEQA review of the Project, or impositions made under Applicable City Regulations. For purposes of this Agreement, Exactions do not include Impact Fees.

“**Excess Publicly Accessible Open Space**” is defined in Section 5.1O.

“**Existing Approvals**” is defined in Recital H.

“**Extension**” is defined in Section 2.2A(2).

“**Extension Conditions**” is defined in Section 2.2A(4).

“**Extension Request**” is defined in Section 2.2A(4).

“**Fee Credits**” is defined in Section 4.2.

“**Fee Paid BMR Units**” is defined in Section 5.7.

“**First Phase Community Entertainment**” is defined in Section 5.1L.

“**First Phase Dining Venues**” is defined in Section 5.1K.

“**Fiscal Year**” means the period from July 1- June 30.

“**Force Majeure Delay**” is defined in Section ~~2.2C~~~~2.2B~~.

“**Gap Payment**” is defined in Section 5.3G.

“**Gap Payment Commencement Date**” is defined in Section 5.3G.

“**Gap Payment Period**” is defined in Section 5.3G.

“**Gap Payment Termination Date**” is defined in Section 5.3G.

“**General Plan**” means the General Plan of the City of Menlo Park in effect as of the Agreement Date, as modified by the Existing Approvals.

“**Government Offices**” is defined in Section ~~2.2C~~~~2.2B~~.

“**Grocery Store**” is defined in Section 5.1B~~5.1A~~.

“**Grocery Store Performance Standard**” is defined in Section 5.1C<sub>2</sub>.

“**Grocery Store Rent Subsidy**” is defined in Section 5.1C~~5.1A~~.

“**Hamilton Lessee Approvals**” is defined in Section 5.1A.

“**Hamilton Parcels**” is defined in Recital C.



“**Hamilton ROW Parcel**” is defined in Section 8.7.

“**Hamilton VTM**” is defined in Recital H.

“**Hamilton VTM Conditions**” is defined in Recital H.

“**Home Price Index**” is defined in Section 2.2C.

“**Hotel**” is defined in Recital D.

“**Impact Fee Limitation Period**” is defined in Section 4.1A.

“**Impact Fees**” means those fees set forth in Exhibit C, all of which are monetary fees and impositions, other than taxes and assessments, charged by City in connection with a development project for the purpose of defraying all or a portion of the cost of mitigating the impacts of a development project or development of the public facilities and services related to a development project and any “fee” as that term is defined by Government Code section 66000(b). For purposes of this Agreement, a monetary fee or imposition that meets both the definition of an Impact Fee and the definition of an Exaction will be considered an Impact Fee.

“**Improvement**” means all physical improvements required or permitted to be made under the Existing Approvals or Subsequent Project Approvals.

“**Improvement Plans**” is defined in Section 3.3B.

“**Inclusionary Units**” is defined in Section 5.7.

“**Initial Deposit**” is defined in Section 9.3C(1).

“**Initial Term**” is defined in Section 2.2A(1).

“**Job Training Funding and Community Hub**” is defined in Section 5.1G.

“**Linkage Equivalent Units**” is defined in Section 5.7.

“**Litigation Challenge**” is defined in Section 9.6B.

“**Local CFD Policies**” is defined in Section 4.4A.

“**Main Project Site**” is defined in Recital C.

“**Main Project VTM**” is defined in Recital H.

“**Main VTM Conditions**” is defined in Recital H.

“**MCS**” means Meeting and Collaboration Space, which shall consist of buildings and private gardens, as well as a Meta visitor’s center and an event building south of the Elevated Park.



[“MCS Community Events” is defined in Section 5.3I.](#)

“**Memorandum of Extension**” is defined in Section 2.2A.

“**Meta**” is defined in the introductory paragraph preceding the Recitals of this Agreement.

“**Mortgage**” is defined in Section 7.1.

“**Mortgagee**” is defined in Section 7.1.

“**Municipal Code**” means the Municipal Code of the City of Menlo Park in effect as of the Agreement Date as amended by the Existing Approvals.

“**New City Laws**” means and includes any ordinances, resolutions, orders, rules, official policies, standards, specifications, guidelines or other regulations, which are promulgated or adopted by the City (including but not limited to any City agency, body, department, officer or employee) or its electorate (through the power of initiative or otherwise) after the Agreement Date.

“**Non-Intended Prevailing Wage Requirement**” is defined in Section 4.6D.

“**Notice**” is defined in Section 12.5.

“**Other Agency Fees**” is defined in Section 4.1D.

“**Other Agency Subsequent Project Approvals**” means Subsequent Project Approvals to be obtained from entities other than City.

“**Operating Memoranda**” is defined in Section 8.6.

“**Operating Memorandum**” is defined in Section 8.6

“**Party/Parties**” is defined in the introductory paragraph preceding the Recitals of this Agreement.

“**Pause of Construction**” is defined in Section 5.7.

“**Pharmacy**” is defined in Section 5.1M.

“**PILOT Agreement**” is defined in Section 10.3.

“**Planning Commission**” means the Planning Commission of the City of Menlo Park.

“**Prevailing Wage Components**” is defined in Section 4.6A.

“**Prevailing Wage Laws**” is defined in Section 4.6A.

“**Processing Fees**” means all fees charged on a City-wide basis to cover the cost of City processing of development project applications, including any required supplemental or other further CEQA review, plan checking (time and materials) and inspection and monitoring for land use approvals, design review, grading and building permits, and other permits and entitlements required to implement the Project, which are in effect at the time those permits, approvals or entitlements are applied for, and which fees are intended to cover the City’s actual and reasonable costs of processing the foregoing.

“**Project**” is defined in Recital D.

“**Project Approvals**” means the Existing Approvals and, when and as approved in accordance with the terms of this Agreement, the Subsequent Project Approvals.

“**Project EIR**” is defined in Recital G.

“**Project Manager**” is defined in Section 9.3C.

“**Project MMRP**” is defined in Recital G.

“**Property**” is defined in Recital C.

“**Proportionate Required BMR Units**” is defined in Section 5.7.

“**Publicly Accessible Open Space**” is defined in Section 5.3F.

“**Resumption of Construction**” is defined in Section 5.7.

“**Second Phase Community Entertainment**” is defined in Section 5.1L.

“**Second Phase Dining Venues**” is defined in Section 5.1K.

“**Severe Economic Recession**” is defined in Section 2.2C~~2.2B~~.

“**Special Tax**” is defined in Section 4.4D.

“**Specified Materials**” is defined in Section 5.6.

“**Subsequent Project Approvals**” is defined in Section 9.1.

“**Supplemental Gap Payment**” is defined in Section 5.3G.

“**Teacher Housing Rent Subsidies**” is defined in Section 5.1H.

“**Term**” is defined in Section 2.2.

“**Third Office COO Issuance**” is defined in Section 5.3G.

“**Town Square**” is defined in Section 5.1N.

“**Transfer**” is defined in Section 10.1.

“**Tree Permits**” is defined in Recital H.

“**Willow Road Feasibility Study Funding**” is defined in Section 5.1F.

“**Willow Road Tunnel**” is defined in Section 5.3H.

“**Willow Village CDP**” is defined in Recital H.

“**Willow Village Open Space Rules**” is defined in Section 5.3F.

“**Willow Village Phasing Plan**” is defined in Section 3.7.

“**Willow Village Community Amenities**” is defined in Section 5.1.

## ARTICLE 2 EFFECTIVE DATE AND TERM

Section 2.1 Effective Date. This Agreement shall become effective upon the date that the Enacting Ordinance becomes effective (“**Effective Date**”).

Section 2.2 Term.

A. Term of Agreement. Except as to those obligations that expressly extend beyond the stated Term of this Agreement, the “**Term**” of this Agreement shall commence as of the Effective Date and shall continue for the Initial Term as defined in subsection Section 2.2A(1) below, plus the duration of any City-approved extension as provided in subsection (1) below, or until earlier terminated by mutual consent of the Parties or as otherwise provided by this Agreement.

(1) Initial Term of Agreement. The “**Initial Term**” of this Agreement shall be ten (10) years, commencing on the Effective Date and expiring on the tenth (10<sup>th</sup>) anniversary thereof, unless this Agreement is otherwise terminated or extended in accordance with the provisions of this Agreement.

(2) 7-Year Extension. Subject to the terms and conditions in this Section 2.2, Developer shall have the right to extend the Initial Term for one additional seven (7)-year period (“**Extension**”). In order to obtain the Extension, Developer requesting the Extension must be in substantial compliance with all of its obligations set forth in this Agreement and Project Approvals with respect to the portion or portions of the Property for which Developer is seeking an Extension. If the Property is owned by more than one entity, a separate Extension may be sought for each portion of the Property that is in separate ownership; however, for the Extension to be granted, the conditions described in subsection (3) below must be satisfied.

(3) Extension Requirements. In addition to the conditions in subsection (1) above, in order to obtain the Extension, (a) certificates of occupancy must be issued for at least eight hundred and sixty-five (865) residential units, (b) the final certificate of

occupancy must be issued for the building in which the Grocery Store is located; and (c) the Grocery Store has received a final certificate of occupancy.

(4) Extension Request. If Developer desires to seek the Extension, Developer must submit a letter addressed to the City Manager requesting such Extension at least one hundred eighty (180) days prior to the date that the Initial Term otherwise would expire (the “**Extension Request**”). The Extension Request shall include documentation in a form reasonably acceptable to City demonstrating that the applicable conditions for an Extension described in subsections (1) and (3) above (“**Extension Conditions**”) have been satisfied, or will be satisfied prior to the date that the Initial Term otherwise would expire. If a letter of compliance has been issued in accordance with Section 6.1F within no more than ninety (90) days prior to the submission of Extension Request to the City and City has not issued a Notice of Default following such letter of compliance, then such letter of compliance shall be a conclusive determination that Developer is in substantial compliance with this Agreement.

(5) Extension Review. Within 45 days of receipt of an Extension Request and accompanying documentation, the City Manager shall determine whether the Extension Conditions have been satisfied, including whether Developer is in substantial compliance with this Agreement. Except as otherwise provided in this Section 2.2, the determination whether Developer is in substantial compliance with this Agreement shall be undertaken in a manner consistent with the annual review process described in Section 6.1 below. If the City Manager determines Developer is not in substantial compliance with the Agreement through such review process, Developer shall have the opportunity to cure such non-compliance prior to the last date that the Extension Request is to be decided. If City Manager concludes that the Extension Conditions have been satisfied, then he or she shall grant the Extension Request and provide a Memorandum of Extension, in a recordable form, as described in Section 2.2A(6) below, that the Agreement has been extended for the extension period, and the Initial Term shall be extended accordingly. If the City Manager determines the Extension Conditions have not been satisfied, including that Developer is not in substantial compliance with this Agreement, or if there is any dispute regarding the steps required to satisfy the Extension Conditions, then Developer shall have ten (10) business days to present to the City Manager a letter providing written notice of the Developer's appeal of the City Manager's determination to the City Council. The City Council shall hear such an appeal within 60 days of the City Manager's receipt of the letter providing written notice of the appeal, and the City Council shall decide such appeal no later than 30 days before the date upon which the Initial Term otherwise would expire. If the City Council determines Developer is in substantial compliance with this Agreement and all of the applicable Extension Conditions have been satisfied, then the City Council shall grant the Extension Request and direct the City Manager within five (5) business days to provide Developer the Memorandum of Extension and the Initial Term shall be extended accordingly. If the City Council determines Developer is not in substantial compliance with this Agreement or one or more of the other applicable Extension Conditions have not been satisfied, then the City Council shall document such findings in its action denying the Extension Request. The City Council's decision shall be final, subject to Developer's ability to pursue available remedies as provided in Section 11.3 below.

(6) Memorandum of Extension. Within ten days after the written request of either Party hereto, City and Developer agree to execute, acknowledge and record in

the Official Records of the County of San Mateo a memorandum evidencing any approved Extension of the Term pursuant to this Section 2.2 (“**Memorandum of Extension**”).

B. Effect of Termination. Upon the expiration of the Term, this Agreement shall be deemed terminated and of no further force and effect, subject, however, to the provisions set forth in Section 11.7 below.—

C. Enforced Delay; Extension of Times of Performance. Subject to the limitations set forth below, the Term of this Agreement and the Project Approvals and the time within which either Party shall be required to perform any act under this Agreement shall be extended by a period of time equal to the number of days during which performance of such act is delayed unavoidably and beyond the reasonable control of the Party seeking the delay by strikes, lock outs and other labor difficulties; Acts of God; unusually severe weather, but only to the extent that such weather or its effects (including, without limitation, dry out time) result in delays that cumulatively exceed twenty (20) days for any winter season occurring after commencement of construction of the Project; failure or inability to secure materials or labor by reason of priority or similar regulations or order of any governmental or regulatory body; any development moratorium or any action of other public agencies that regulate land use, development or the provision of services that prevents, prohibits or delays construction of the Project, including without limitation any extension authorized by Government Code Section 66463.5(d); acts of the public enemy; civil disturbances; wars; acts of terrorism; insurrection; riots; floods; earthquakes; fires; unavoidable casualties; epidemics; pandemics; quarantine restrictions; freight embargoes; government restrictions, or litigation; government mandated shutdowns or government closure (meaning any of the following events: (a) the governmental offices where any action required under this Agreement (collectively, “**Government Offices**”) are not open for business and any Government Offices’ systems are not operational such that such action cannot occur; (b) any other third-party is not open for business such that its services required as necessary for a Party to perform obligations under this Agreement cannot be performed; (c) overnight couriers are not operating such that any documents cannot be delivered to the extent such documents are required to be originals; or (d) financial institutions or wire transfer systems are not operating, such that consummation of financial transactions contemplated hereby cannot occur); a Severe Economic Recession, defined below; any other cause beyond the reasonable control of Developer which substantially interferes with carrying out the development of the Project; or litigation involving the Project Approvals (including this Agreement) or that enjoins construction or other work on the Project or any portion thereof or would cause a reasonably prudent developer either to forbear from commencing construction or other work on the Project or portion thereof or to suspend construction or other work (each a “**Force Majeure Delay**”). An extension of time for any such cause other than a Severe Economic Recession shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if Notice by the Party claiming such extension is sent to the other Party within sixty (60) days after the commencement of the cause. If Notice is sent after such sixty (60) day period, then the extension shall commence to run no sooner than sixty (60) days prior to the giving of such Notice. Notwithstanding the foregoing, in the case of Force Majeure Delay due to litigation, the Force Majeure Delay shall terminate three (3) months after a final settlement or non-appealable judgment is issued or affirmed. Times of performance under this Agreement may also be extended in writing by the mutual agreement of the City Manager and Developer. Developer’s inability or failure to obtain financing shall not be deemed

to be a cause outside the reasonable control of the Developer and shall not be the basis for an excused delay. “**Severe Economic Recession**” means a significant decline in the residential real estate market, as measured by a decline of more than four percent (4%) in the Home Price Index during the preceding twelve (12) month period. Severe Economic Recession shall commence upon Developer's notification the City of the Severe Economic Recession (together with appropriate backup evidence). Severe Economic Recession shall continue prospectively on a quarterly basis and remain in effect until the Home Price Index increases for three (3) successive quarters; provided that the cumulative total Severe Economic Recession shall not exceed forty-eight (48) months. "**Home Price Index**" means the quarterly index published by the Federal Housing Finance Agency representing home price trends for the Metropolitan Statistical Area comprising San Francisco, San Mateo, Redwood City. If the Home Price Index is discontinued, Developer and the City shall approve a substitute index that tracks the residential market with as close a geography to the San Francisco, San Mateo, Redwood City Metropolitan Statistical Area as possible.

Section 2.3 City Representations and Warranties. City represents and warrants to Developer that:

- A. City is a municipal corporation and has all necessary powers under the laws of the State of California to enter into and perform the undertakings and obligations of City under this Agreement.
- B. The execution and delivery of this Agreement and the performance of the obligations of City hereunder have been duly authorized by all necessary City Council action and all necessary approvals have been obtained.
- C. This Agreement is a valid obligation of City and is enforceable in accordance with its terms.

The foregoing representations and warranties are made as of the Agreement Date. During the Term of this Agreement, City shall, upon learning of any fact or condition that would cause any of the warranties and representations in this Section 2.3 not to be true, immediately give written Notice of such fact or condition to Developer.

Section 2.4 Developer Representations and Warranties. Developer represents and warrants to City that:

- A. Developer is duly organized, validly existing and in good standing under the laws of the State of Delaware, is authorized to do business in the State of California and has all necessary powers under the laws of the State of California to own property interests and in all other respects enter into and perform the undertakings and obligations of Developer under this Agreement.
- B. The execution and delivery of this Agreement and the performance of the obligations of Developer hereunder have been duly authorized by all necessary corporate, partnership or company action and all necessary shareholder, member or partner approvals have been obtained.



C. This Agreement is a valid obligation of Developer and is enforceable in accordance with its terms.

D. Developer has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Developer's creditors, (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of Developer's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Developer's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

The foregoing representations and warranties are made as of the Agreement Date. During the Term of this Agreement, Developer shall, upon learning of any fact or condition that would cause any of the warranties and representations in this Section 2.4 not to be true, immediately give written Notice of such fact or condition to City.

### **ARTICLE 3 DEVELOPMENT OF PROPERTY**

Section 3.1 Vested Rights. City hereby grants to Developer a vested right to develop and construct the Project on the Property, including all on-site and off-site improvements authorized by, and in accordance with, the Project Approvals. Except as otherwise provided in this Agreement, no New City Laws that conflict with this Agreement, the Applicable City Regulations, or the Project Approvals shall apply to the Project or the Property. For purposes of this Section 3.1 and Section 3.3 and Section 3.6, the word "conflict" means any modification that purports to: (i) limit the permitted uses of the Property, the maximum density and intensity of use (including but not limited to floor area ratios of buildings and the overall maximum size of allowed uses ), or the maximum height and size of proposed buildings; (ii) impose requirements for reservation or dedication of land for public purposes or requirements for infrastructure, public improvements, or public utilities, other than as provided in the Project Approvals; (iii) impose conditions upon development of the Property other than as permitted by Applicable Law, Changes in the Law, and the Project Approvals; (iv) limit the timing, phasing, sequencing, or rate of development of the Property; (v) limit the location of building sites, grading or other improvements on the Property in a manner that is inconsistent with the Existing Approvals; (vi) limit or control the ability to obtain public utilities, services, infrastructure, or facilities (provided, however, with the exception of provisions under the Willow Village CDP relating to the implementation and timing for the installation of recycled water facilities and procedures for exceedances as provided therein, nothing herein shall be deemed to exempt the Project or the Property from any water use conservation or rationing requirements that may be imposed on a City-wide basis to all substantially similar types of development projects and project sites (i.e., to all multifamily residential projects, to all office projects, to all retail projects, to all hotel projects) from time to time in the future or be construed as a reservation of any existing sanitary sewer or potable water capacity); (vii) require the issuance of additional permits or approvals by the City other than those required by Applicable Law and the Existing Approvals; (viii) increase the permitted Impact Fees or add new Impact Fees, except as permitted by Section 4.1 of this Agreement; (ix) establish, enact, increase, or impose against the Project or the Property any special taxes or assessments other than those specifically permitted by this Agreement, including Section 4.7, (x) apply to the Project any New City Laws that are not uniformly applied on a City-

wide basis to all substantially similar types of development projects and project sites (i.e., to all multifamily residential projects, to all office projects, to all retail projects, to all hotel projects ); (xi) impose against the Project any condition, dedication or other Exaction not specifically authorized by Applicable Law or the Existing Approvals; or (xii) impose against the Project any obligations regarding the construction of or provision of below market rate units not specifically required by the Existing Approvals. To the extent that New City Laws conflict with the vested rights granted pursuant to this Agreement, they shall not apply to the Property or the Project, except as provided in Section 3.3, below. Nothing in this Agreement is intended to supersede or limit vested rights provided through any vesting subdivision map or otherwise applicable state law, except for the payment of fees, which shall be governed by Section 4.1 of this Agreement notwithstanding any vesting of fees otherwise provided by any vesting subdivision map pursuant to the provisions of the Subdivision Map Act.

Section 3.2 Development and Design Standards. The Project shall be developed in conformance with the Existing Approvals and Applicable City Regulations and the Subsequent Project Approvals. The permitted uses, density and intensity of development, maximum height and size of proposed buildings and development standards shall all be in accordance with the Existing Approvals and Applicable City Regulations. Project design and materials will need to the urban design standards outlined in the Willow Village CDP. City's review of applications for Subsequent Project Approvals shall be in accordance with the Existing Approvals and the Applicable City Regulations.

Section 3.3 Reservations of Authority. Notwithstanding any other provision of this Agreement to the contrary, the following regulations and provisions shall apply to the development of the Project:

A. Regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure then applicable in City at the time of permit application.

B. Regulations governing construction standards and specifications, including City's building code, plumbing code, mechanical code, electrical code, fire code and grading code, and all other uniform construction codes then applicable in City at the time of building permit application. Local modifications to the Building Code that take effect after the submission for approval of plans, specifications and estimates for Project-serving improvements (both on- and off-site) for the Project ("**Improvement Plans**") to the City shall not apply to such Improvement Plans unless required (i) by the then-current version of the California Building Code, (ii) to comply with State or Federal Law, or (iii) to avoid a specific, adverse impact upon the public health or safety. As used in this paragraph, a "specific, adverse impact" means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the Improvement Plans were submitted to the City for approval.

C. New City Laws applicable to the Property or Project that do not conflict with this Agreement, including Developer's vested rights under Section 3.1 above.



D. New City Laws that may be in conflict with this Agreement but that are necessary to protect persons or property from dangerous or hazardous conditions that create a specific, adverse impact upon public health or safety or create a physical risk to persons or property, based on findings by the City Council identifying the dangerous or hazardous conditions requiring such changes in the law, where there are no feasible alternatives to the imposition of such changes, and how such changes would alleviate the dangerous or hazardous condition. As used in this paragraph, a “specific, adverse impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the Improvement Plans were submitted to the City for approval.

E. Exactions permitted by Section 9.2 of this Agreement.

Section 3.4 Regulation by Other Public Agencies. Developer acknowledges and agrees that the State of California Department of Transportation, SamTrans, the California Public Utilities Commission, the San Francisco Public Utilities Commission, West Bay Sanitary District, and other public agencies not within the control of City possess authority to regulate aspects of the development of the Project separately from or jointly with City, and this Agreement does not limit the authority of such other public agencies. Developer shall use reasonable diligence in applying for all such other permits and approvals as may be required by other governmental or quasi-governmental entities in connection with the development of, or the provision of services to, the Project. Developer shall also pay all required fees when due to such public agencies. Developer acknowledges that City does not control the amount of any such fees. City shall reasonably cooperate with Developer in Developer’s effort to obtain such permits and approvals; provided, however, City shall have no obligation to incur any costs, without compensation or reimbursement by Developer, or to amend any policy, regulation or ordinance of City in connection therewith.

Section 3.5 Life of Project Approvals. The term of any and all Project Approvals shall automatically be extended for the longer of the Term of this Agreement or the term otherwise applicable to such Project Approvals. In the event that this Agreement is terminated prior to the expiration of the Term of the Agreement, the term of any subdivision or parcel map or any other Project Approval and the vesting period for any final subdivision map approved as a Project Approval shall be the term otherwise applicable to the approval, which shall commence to run on the date that the termination of this Agreement takes effect (including any extensions); provided, however, that the statutory vesting period for fees shall be calculated based upon the original date of approval of any Vesting Subdivision Map.

Section 3.6 Initiatives. Except as to those New City Laws described in Section 3.3D (which may be enacted or imposed by initiative or referendum), if any New City Law is enacted or imposed by an initiative or referendum, which New City Law would conflict with the Project Approvals or reduce the development rights or assurances provided by this Agreement, such New City Law shall not apply to the Property or Project; provided, however, the Parties acknowledge that City’s approval of this Agreement is a legislative action subject to referendum. Without limiting the generality of the foregoing, no moratorium or other limitation (whether relating to the rate, timing, phasing or sequencing of development, whether imposed by ordinance, initiative, resolution, policy, order or otherwise, and whether enacted by the City

Council, an agency of City, the electorate, or otherwise) affecting subdivision maps, use permits, building permits, occupancy permits, or other entitlements to use that are approved or to be approved, issued or granted by City shall apply to the Property or Project. Developer agrees and understands that City does not have authority or jurisdiction over any other public agency's ability to grant governmental approvals or permits or to impose a moratorium or other limitations that may affect the Project. City shall reasonably cooperate with Developer and, at Developer's expense, shall undertake such actions as may be necessary to ensure this Agreement remains in full force and effect. City, except to submit to vote of the electorate initiatives and referendums required by law to be placed on a ballot and fulfill any legal responsibility to defend a ballot measure passed by its voters, shall not support, adopt or enact any New City Law, or take any other action which would violate the express provisions or spirit and intent of this Agreement.

Section 3.7 Timing of Development. Nothing in this Agreement obligates Developer to undertake the Project. The timing of development of the Project Improvements shall be undertaken, if undertaken by Developer, in accordance with the Willow Village Phasing Plan, attached hereto as Exhibit D ("**Willow Village Phasing Plan**") and in accordance with Section 5.1 and the Willow Village Community Amenities Provisions, attached hereto as Exhibit F. The Willow Village Phasing Plan sets forth the order and timing of when certain Improvements will be constructed and/or occupied within the Project. Each Improvement identified in the Willow Village Phasing Plan shall be defined with reference to the Improvement with the same name as shown on the Site Plan attached as Exhibit E to this Agreement, in locations substantially consistent with the Site Plan. Modifications may be made to the timing set forth in the Willow Village Phasing Plan through an Operating Memorandum approved pursuant to Section 8.6 to this Agreement.

However, and not in limitation of any of the foregoing, since the California Supreme Court held in *Pardee Construction Co. v. City of Camarillo*, 37 Cal.3d 465 (1984) that the failure of the parties therein to consider, and expressly provide for, the timing of development resulted in a later-adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the desire of the Parties hereto to avoid that result. Therefore, notwithstanding the adoption of an initiative after the Effective Date by City's electorate to the contrary, the Parties acknowledge that, except as otherwise provided for in the Existing Approvals and in this Agreement, Developer shall have the vested right (but not the obligation) to develop the Project in such order and at such rate and at such times as Developer deems appropriate in the exercise of its sole discretion and consistent with the terms of this Agreement.

Section 3.8 Changes in the Law. As provided in Section 65869.5 of the Development Agreement Law, this Agreement shall not preclude the applicability to the Project of changes in laws or regulations, to the extent that such changes are specifically mandated and required by changes in State or Federal laws ("**Changes in the Law**"). In the event Changes in the Law prevent or preclude compliance with one or more provisions of this Agreement, the Parties shall meet and confer in good faith in order to determine whether such provisions of this Agreement shall be modified or suspended, or performance thereof delayed, as may be necessary to comply with Changes in the Law. Following the meeting between the Parties, the provisions of this Agreement may, to the extent feasible, and upon mutual agreement of the Parties, be modified or suspended, but only to the minimum extent necessary to comply with such Changes in the Law. In such event, this Agreement together with any required modifications shall continue in full

force and effect. In the event that the Changes in the Law operate to frustrate irremediably and materially the vesting of development rights to the Project as set forth in this Agreement, Developer may terminate this Agreement by Notice to City. Nothing in this Agreement shall preclude Developer from contesting by any available means (including administrative or judicial proceedings) such Changes in the Law or their applicability to the Project and, in the event that such challenge is successful, this Agreement shall remain unmodified and in full force and effect and times of performance extended in accordance with Section 2.2C~~2.2B~~, unless the Parties mutually agree otherwise.

Section 3.9 Expansion of Development Rights. If any New City Laws or Changes in Law expand, extend, enlarge or broaden Developer's rights to develop the Project, then, (a) if such law is mandatory, the provisions of this Agreement shall be modified as may be necessary to comply or conform with such new law, and (b) if such law is permissive, the provisions of this Agreement may be modified, upon the mutual agreement of Developer and City. Immediately after enactment of any such new law, upon Developer's request, the Parties shall meet and confer in good faith for a period not exceeding sixty (60) days (unless such period is extended by mutual written consent of the Parties) to prepare such modification in the case of a mandatory law or to discuss whether to prepare a proposed modification in the case of a permissive law. Developer shall have the right to challenge City's refusal to apply any new law mandating expansion of Developer's rights under this Agreement, and in the event such challenge is successful, this Agreement shall be modified to comply with, or conform to, the new law.

Section 3.10 No Reservation of Sanitary Sewer or Potable Water Capacity. City has found that there will be sufficient potable water and sanitary sewer capacity to serve future development contemplated by the General Plan, including the Project. However, as noted in Section 3.1 above, with the exception of provisions under the Willow Village CDP relating to the implementation and timing for the installation of recycled water facilities and procedures for exceedances as provided therein, nothing in this Agreement is intended to exempt the Project or the Property from any water use conservation or rationing requirements that may be imposed on a City-wide basis to all substantially similar types of development projects and project sites (i.e., to all multifamily residential projects, to all office projects, to all retail projects, to all hotel projects) from time to time in the future or be construed as a reservation of any existing sanitary sewer or potable water capacity. In the event Developer's lenders or financing partners request issuance of water and/or sanitary sewer "will serve" letters as a condition of providing debt or equity financing for the Project, City agrees to consider in good faith issuing such letters on terms reasonably acceptable to City.

Section 3.11 Project Approvals and Applicable City Regulations. Prior to the Effective Date, the Parties shall have prepared two (2) sets of the Existing Approvals and Applicable City Regulations, one (1) set for City and one (1) set for Developer, to which shall be added from time to time, Subsequent Project Approvals, so that if it becomes necessary in the future to refer to any of the Project Approvals or Applicable City Regulations, there will be a common set available to the Parties. Failure to include in the sets of Project Approvals and Applicable City Regulations any rule, regulation, policy, standard or specification that is within the Applicable City Regulations and Project Approvals as described in this Agreement shall not affect the applicability of such rule, regulation, policy, standard or specification.

Section 3.12 Written Verification of Sufficient Water Supply. Any and all tentative subdivision maps approved for the Project shall comply with Government Code Section 66473.7, if, and to the extent, required by Government Code Section 65867.5(c).

#### **ARTICLE 4 OTHER RIGHTS AND OBLIGATIONS OF THE PARTIES**

##### Section 4.1 Developer Fees.

A. Impact Fees. City understands that the limited assurances by City concerning Impact Fees set forth below were a material consideration for Developer agreeing to enter into this Agreement, to pay the Impact Fees set forth in this Agreement and the Existing Approvals, and to provide the public benefits as described in this Agreement. For the period commencing on the Effective Date and continuing until expiration of the Impact Fee Limitation Period (defined below), Developer shall pay when due all existing Impact Fees applicable to the Project in accordance with this Agreement in effect as of the Agreement Date at the lower of (i) the rates in effect as of the Agreement Date, including all existing fee escalation provisions in effect as of the Agreement Date, or (ii) the rates in effect when such existing Impact Fees are due and payable, and shall not be required to pay any escalations in such Impact Fees in excess of the fee escalation provisions in any Impact Fee in effect as of the Agreement Date or new Impact Fees enacted or established after the Agreement Date. As used herein, the term “**Impact Fee Limitation Period**” means the period commencing on the Effective Date and expiring on expiration of the Initial Term; provided, however, the Impact Fee Limitation Period will be automatically extended for the first three (3) years of any Extension Term Developer obtains pursuant to Section 2.2A. Following expiration of the Impact Fee Limitation Period, individual components and phases of the Project not yet undertaken, with no retroactive application to portions of the Project that have been completed or are then under construction, shall be subject to all Impact Fees in effect at the time such fees are due and payable. Except as otherwise provided in this Section 4.1A above, Developer agrees to pay, as and when due, any and all existing, new, increased or modified Impact Fees, at the rates then in effect at the time building permits are issued on any or all portions of the Project so long as any new fees or increases in existing fees from the amount existing as of the Agreement Date are uniformly applied by City to all substantially similar types of development projects and properties (i.e., all office projects, all multifamily residential projects, all retail projects, or all hotel projects) and are consistent with the provisions of applicable California law, including the provisions of Government Code Section 66000 *et seq.*, and all applicable nexus and rough proportionality tests and other legal requirements. Developer retains all rights to protest an imposition, fee, dedication, reservation, or other exaction, as set forth in California Government Code Section 66020.

B. Processing Fees. City may charge and Developer agrees to pay all Processing Fees that are in effect on a City-wide basis at the time applications are submitted for permits, approvals or entitlements for the Project.

C. Connection Fees. Developer shall pay connection fees assessed by utility providers and other agencies assessing such fees at the rates in effect from time to time.

D. Other Agency Fees. Nothing in this Agreement shall preclude City from collecting fees from Developer that are lawfully imposed on the Project by another agency

having jurisdiction over the Project, which the City is required to collect pursuant to Applicable Law (“**Other Agency Fees**”).

Section 4.2 Fee Credits. Developer shall receive credit for the payment of transportation Impact Fees in accordance with the provisions of Municipal Code Section 13.26.080 and this Section 4.2. “**Fee Credits**” shall be as set forth in the Willow Village CDP. In addition, in the event that the amount of transportation impact fee credits for eligible transportation improvements to be constructed by Developer pursuant to the Willow Village CDP exceeds the amount of the transportation Impact Fees due for the Project, then City shall reimburse Developer from transportation Impact Fee funds collected by the City from other sources subject to the transportation Impact Fee.

Section 4.3 Reimbursements from Other Developers. To the extent that Developer constructs public infrastructure that is not eligible for Fee Credits or reimbursement by the City, as provided above, in excess of Developer’s “fair share” cost of such public infrastructure improvements, then the City shall use its best efforts to condition projects to be constructed by other parties benefiting from such infrastructure to enter into infrastructure-item-specific reimbursement agreements for the portion of the cost of any dedications, public facilities and/or infrastructure the City may require the Developer to construct as conditions of the Project Approvals to the extent that they exceed the Project’s “fair share.” Where projects to be constructed by other parties have been conditioned to construct a portion of or pay a fair share fee for public improvements being constructed by Developer, then City shall use its best efforts to cause such third-party developers to reimburse Developer for the applicable third-party developer’s fair share of the improvement costs incurred by Developer, in an amount consistent with such third-party developer’s prior approvals.

Section 4.4 CFDs.

A. Local CFD Policies and CFD Formation. City agrees to consider adopting a local policy pursuant to Government Code Section 53312.7 (“**Local CFD Policies**”) to authorize the formation of Community Facilities Districts pursuant to the Mello-Roos Act (Government Code Section 53311 *et seq.*) (“**CFDs**”) to serve residential and mixed-use projects and the issuance of bonds to finance eligible public facilities and/or provide financing for eligible services. If Local CFD Policies are adopted and Developer files a petition requesting that City form a CFD to serve the Project, the Parties shall cooperate in good faith to establish a CFD to serve the Project. The boundaries of the CFD shall be coextensive with those of the Main Project Site, unless the Parties otherwise agree. Upon the filing of a petition by Developer pursuant to Government Code Section 53318(c), the City Council shall consider adoption of a resolution of intention to establish the CFD and, following adoption, City shall use good faith, diligent efforts, in compliance with Government Code Sections 53318 *et seq.*, to establish and implement the CFD pursuant to the terms of this Agreement, including scheduling of necessary public hearings and adoption of a resolution of formation. Developer shall cooperate with City in the formation of any CFD requested by Developer, including the timely submission of all petitions, waivers and consents. Developer shall prepare, and submit to the City no later than the date Developer files a petition for a CFD, a financial plan specifying the proposed total amount of debt or other financing for the CFD Facilities, including the projected costs of the CFD Facilities that support the proposed total amount of financing, to be financed by CFD Bonds, the



Special Tax, or a combination of CFD Bonds and Special Tax, which financial plan shall be subject to the approval of the City, which approval will not be unreasonably withheld, delayed, or conditioned.

B. CFD Facilities and Services. Subject to caps on the total amount of net CFD Bond proceeds and the total tax and assessment rate set forth in subsection D below, the CFD shall finance the design and acquisition or construction of those facilities necessary for development of the Project (“**CFD Facilities**”) and services that may lawfully be financed or paid for under the Mello-Roos Act and other applicable law. Financing of the CFD Facilities, or portion thereof, with CFD Bonds shall be subject to approval of City.

C. Issuance of CFD Bonds. Upon successful formation of the CFD and approval of the Special Tax (as defined in subsection D below), and subject to the restrictions in subsection C below, bonds shall be issued (“**CFD Bonds**”), the proceeds of which shall be used to finance the CFD Facilities, to the extent the CFD Facilities, or portion thereof, legally and feasibly may be financed utilizing this method of financing. The amounts, timing and terms of the issuance and sale of the CFD Bonds shall be determined by City, in consultation with Developer and City’s bond counsel, financial advisors and/or underwriters.

D. Special Tax. The CFD shall be authorized to levy, and Developer shall approve (by affirmative vote or other legally acceptable method), a tax (“**Special Tax**”) in accordance with the rate and method of apportionment of such Special Tax approved in the completed proceedings for the CFD. The Special Tax so set shall be in an amount such that, at the time the rate and method of apportionment of the Special Tax is approved, the estimated maximum special tax within the CFD district shall not exceed \$750 per each dwelling (in 2022 dollars) for residential property and \$0.75 per square foot for non-residential property (in 2022 dollars).

E. City's Reservation of Discretion. It is expressly acknowledged, understood and agreed by the Parties that notwithstanding any of the foregoing obligations set forth in this section, (i) City reserves full and complete discretion in accordance with applicable law with respect to any adoption of Local CFD Policies and all legally required findings that must be made in connection with formation of a CFD, (ii) nothing in this Agreement is intended to or shall limit City's discretion in accordance with applicable law to adopt or refuse to adopt the Local CFD Policies or adopt legally required findings with respect to formation of the CFD, and (iii) nothing in this Agreement is intended to or shall prejudice or commit to City regarding the findings and determinations to be made with respect thereto.

F. Costs If No CFD Formed. In the event that City does not adopt the Local CFD Policies or is unable to make the legally required findings in connection with the formation of the CFD and the issuance of CFD Bonds for any reason, City shall not be liable for any resulting costs to Developer and Developer shall nonetheless be responsible for constructing all of the CFD Facilities and providing any services for which a CFD was sought at Developer’s expense.

G. Developer’s Consent. Subject to City adopting Local CFD Policies, and subject to and Developer requesting and City adopting a CFD for the Project and in accordance

with the caps on the total amount of net CFD Bond proceeds and the total tax and assessment rate set forth in subsection D above and Developer's approval of the rate and method of apportionment of the Special Tax, which approval shall not be unreasonably withheld, delayed or conditioned, Developer irrevocably consents to the formation of the CFD, the issuance of the CFD Bonds, the imposition of the Special Tax against the Property at rates and pursuant to a method of apportionment appropriate to fund the debt service on the CFD Bonds sold to finance the CFD Facilities, and agrees not to protest or object to formation of the CFD or levy of an appropriate Special Tax consistent herewith. Developer acknowledges and agrees that CFD Bonds shall not be issued to fund any on-site public improvements or any other infrastructure or fees other than the CFD Facilities, or portion thereof, which may lawfully be financed under the Mello-Roos Act and other applicable law.

H. Limited Liability of City. Notwithstanding any other provision of this Agreement, City shall not be liable for or obligated to pay any costs or expenses in connection with the CFD or the CFD Facilities except to the extent monies are available (from Advanced Costs, proceeds of CFD Bonds, or Special Taxes) and specifically authorized by law for payment of such costs or expenses.

Section 4.5 Public Infrastructure. City shall use good faith, diligent efforts to work with Developer to ensure that all public infrastructure required in connection with the Project is expeditiously reviewed and considered for acceptance by City on a phased basis as discrete components of the public infrastructure is completed. Developer may offer dedication of public infrastructure in phases and City shall not unreasonably withhold, condition or delay acceptance of such phased dedications or refuse phased releases of bonds or other security so long as all other conditions for acceptance have been satisfied. Developer's obligation to construct the public improvements shall be set forth in one or more public improvement agreements to be entered into by the Parties on or before approval of final subdivision maps for the Project. Upon acceptance of the public improvements, or components thereof, City shall release to Developer any bonds or other security posted in connection with performance thereof, other than warranty period security, as more fully provided in the applicable improvement agreements between City and Developer in accordance with the Subdivision Map Act. Except as to the Willow Road Tunnel and the Elevated Park Segment Over Willow Road as provided in Section 5.4 below, and in such improvement agreements with respect to Developer's warranty period obligations, Developer shall have no obligation to maintain any public infrastructure following City's acceptance thereof.

Section 4.6 Prevailing Wage Requirements.

A. To the extent applicable, Developer shall comply with, and require its contractors and subcontractors to comply with, all State Labor Code requirements and implementing regulations of the Department of Industrial Relations pertaining to "public works," including the payment of prevailing wages (collectively, "**Prevailing Wage Laws**"). Developer shall require the contractor(s) for all work that is subject to Prevailing Wage Laws ("**Prevailing Wage Components**") to submit, upon request by City, certified copies of payroll records to City at the Property or at another location within City, and to maintain and make records available to City and its designees for inspection and copying to ensure compliance with Prevailing Wage Laws. Developer shall also include in each of its contractor agreements, a provision in form

reasonably acceptable to City, obligating the contractor to require its contractors and/or subcontractors to comply with Prevailing Wage Laws in connection with the Prevailing Wage Components, and to submit, upon request by City, certified copies of payroll records to City and to maintain and make such payroll records available to City and its designees for inspection and copying during regular business hours at the contractor's or subcontractor's regular place of business. City and Developer each acknowledge and agree that it is a condition of approval of the Project that Developer construct public improvements to be dedicated to the City as part of the Project.

B. Developer shall defend (with counsel reasonably acceptable to the City), indemnify, assume all responsibility for, and hold harmless City Parties from and against any and all present and future Claims arising out of or in any way connected with Developer's or its contractors' or subcontractors' obligations to comply with all Prevailing Wage Laws, including all Claims that may be made by contractors, subcontractors or other third-party claimants pursuant to Labor Code sections 1726 and 1781.

C. Developer hereby waives and releases City Parties from any and all manner of Claims or other compensation whatsoever, in law or equity, of whatever kind or nature, whether known or unknown, direct or indirect, foreseeable or unforeseeable, absolute or contingent, now existing or which may in the future arise, including lost business opportunities or economic advantage, and special and consequential damages, arising out of, directly or indirectly, or in any way connected with Developer's obligation to comply with all Prevailing Wage Laws in conjunction with the Prevailing Wage Components. Developer is aware of and familiar with the provisions of Section 1542 of the California Civil Code which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

INITIALS: DEVELOPER \_\_\_\_\_

As such relates to this Section 4.6, Developer hereby waives and relinquishes all rights and benefits which it may have under Section 1542 of the California Civil Code.

D. Non-Intended Prevailing Wage Requirements. Nothing in this Agreement shall in any way require, or be construed to require, Developer to pay prevailing wages with respect to any work of construction or improvement within the Project (a “**Non-Intended Prevailing Wage Requirement**”). But for the understanding of the Parties as reflected in the immediately preceding sentence, the Parties would not have entered into this Agreement based upon the terms and conditions set forth herein. Developer and City have made every effort in reaching this Development Agreement to ensure that its terms and conditions will not result in a Non-Intended Prevailing Wage Requirement. These efforts have been conducted in the absence of any applicable existing judicial interpretation of the recent amendments to the California



prevailing wage law. If, despite such efforts, any provision of this Agreement shall be determined by any court of competent jurisdiction to result in a Non-Intended Prevailing Wage Requirement, such determination shall not invalidate or render unenforceable any provision hereof; provided, however, that the Parties hereby agree that, in such event, this Agreement shall be reformed such that each provision of this Agreement that results in the Non-Intended Prevailing Wage Requirement will be removed from this Agreement as though such provisions were never a part of the Agreement, and, in lieu of such provision(s), replacement provisions shall be added as a part of this Agreement as similar in terms to such removed provision(s) as may be possible and legal, valid and enforceable but without resulting in the Non-Intended Prevailing Wage Requirement.

Section 4.7 Taxes and Assessments. As of the Agreement Date, City is unaware of any pending efforts to initiate, or consider applications for new or increased special taxes or assessments covering the Property, or any portion thereof. City shall retain the ability to initiate or process applications for the formation of new assessment districts or imposition of new taxes covering all or any portion of the Property. City may impose new taxes and assessments, other than Impact Fees, on the Property in accordance with the then applicable laws and this Agreement, but only if such taxes or assessments are adopted by or after Citywide voter approval or approval by landowners subject to such taxes or assessments and are imposed on other land and projects of the same category (i.e., office, multifamily residential, retail, or hotel, as applicable) within the jurisdiction of City and, as to assessments, only if the impact thereof does not fall disproportionately on the Property as compared to the benefits accruing to the Property as indicated in the engineers report for such assessment district. Nothing herein shall be construed so as to limit Developer from exercising whatever rights it may otherwise have in connection with protesting or otherwise objecting to the imposition of taxes or assessments on the Property. In the event an assessment district is lawfully formed to provide funding for services, improvements, maintenance or facilities that are substantially the same as or duplicative of those services, improvements, maintenance or facilities being funded by the Impact Fees to be paid by Developer under the Project Approvals, such Impact Fees paid or to be paid by Developer shall be subject to reduction/credit in an amount equal to developer's new or increased assessment under the assessment district. Alternatively, the new assessment district shall reduce/credit Developer's new assessment in an amount equal to such Impact Fees paid or to be paid by Developer under the Project Approvals.

## **ARTICLE 5 COMMUNITY AMENITIES; PUBLIC BENEFITS; TERMS REGARDING MAINTENANCE AND COMPLETION OF PROJECT IMPROVEMENTS**

In consideration of the rights and benefits conferred by City to Developer under this Agreement, if and to the extent that Developer commences construction of the Project, Developer shall perform and provide the obligations described in this ARTICLE 5 at the times and on the conditions specified herein and in Exhibit F. The Parties acknowledge and agree that some of the obligations described in this ARTICLE 5 exceed those dedications, conditions, and exactions that may be imposed under Applicable Law and would not otherwise be achievable without the express agreement of Developer. Notwithstanding anything to the contrary contained herein, Developer has no obligation to perform the obligations under this ARTICLE 5 unless and until Developer commences construction of the portion of the Project that requires such performance.

Section 5.1 Bonus Development Community Amenities. In order to obtain the right to bonus level development within the Residential Mixed Use District and the Office District, as defined in the Municipal Code, the Municipal Code requires that Developer implement community amenities with a valuation of fifty percent (50%) of the fair market value of the additional gross floor area of the bonus level development. The Municipal Code requires each community amenity to be either selected from a list of community amenities set forth in Resolution No. 6360 or agreed upon by Developer and City pursuant to a development agreement. This Agreement documents the requirements for and governs the delivery of all community amenities for the Project. If and to the extent that Developer commences construction of the Project, Developer shall implement the community amenities set forth in this Section 5.1 at the times and on the conditions specified herein and in Exhibit F, some of which are on the list of community amenities set forth in Resolution No. 6360 and some of which are additional and have been agreed upon by the Parties pursuant to this Agreement (collectively, “**Willow Village Community Amenities**”). The Willow Village Community Amenities shall be implemented at the times set forth in the Willow Village Community Amenities Timing Provisions attached hereto as Exhibit F, except to the extent that the obligations set forth in Exhibit F are modified in accordance with this Agreement. Undefined, capitalized terms in Exhibit F shall have the meanings ascribed to them in this Agreement. If and to the extent that Developer commences construction of the Project, ~~then~~ Developer’s failure to provide any of the Willow Village Community Amenities as set forth in this Section 5.1 by the times set forth in Exhibit F shall be a Default.

A. Elevated Park. Developer shall construct an elevated park to provide direct and convenient access from Belle Haven to the Main Project Site, which will include bike and pedestrian paths, gathering spaces, plazas, and landscaped areas as depicted Conceptually ~~shown~~ on Exhibit E-1 and Exhibit E-2 (“**Elevated Park**”). If Developer obtains all necessary Other Agency Approvals and the consent of the commercial lessees in the shopping center located on one of the Hamilton Parcels (“Hamilton Lessee Approvals”), a portion of the Elevated Park shall include a bike and pedestrian overcrossing over Willow Road. This portion of the Elevated Park is within State of California Department of Transportation right of way and shall be referred to as the “**Elevated Park Segment Over Willow Road.**” Developer’s inability to secure such Other Agency Approvals and ~~consents~~ Hamilton Lessee Approvals for the Elevated Park Segment Over Willow Road shall not be a Force Majeure Delay. Developer shall make good faith efforts to obtain such Other Agency Approvals and Hamilton Lessee Approvals, but if Developer fails to secure such Other Agency Approvals and Hamilton Lessee Approvals prior to the development of Phase 2, as defined in the Willow Village CDP, Developer shall have no further obligation to construct the Elevated Park Segment Over Willow Road or the portion of the Elevated Park on the Hamilton Parcels and shall instead (1) pay a community amenity fee in the amount of ~~Ten Million Three Hundred Sixty Nine Thousand Thirty One Dollars~~ ~~(\$ 10,369,031)~~ Twenty Million Seven Hundred Thirty Eight Thousand Sixty-Two Dollars (\$20,738,062), which represents one hundred and twenty percent (120%) of ~~fifty one hundred~~ percent (~~50~~100%) of the cost to construct the Elevated Park Segment Over Willow Road and the portion of the Elevated Park on the Hamilton Parcels based on the square footage of such portions relative to the whole of the Elevated Park and (2) ensure that the vertical transportation system (i.e, elevators, stairs, etc.) at the westerly side of the Elevated Park is located reasonably proximate to the eastern side of Willow Road, taking into account Project design and utility considerations, as ~~conceptually~~ depicted Conceptually in Exhibit E-4, attached hereto.

B. Grocery Store. Developer shall construct a grocery store, which will be located on Parcel 2, which store shall be a full-service store providing a range of goods, including: fresh fruits, vegetables, meat and fish; dairy products; beer and wine; fresh baked goods; and a delicatessen or prepared foods (“**Grocery Store**”). The Grocery Store shall be leased to an operator or affiliate of an operator with at least five (5) years of experience or five (5) stores unless an operator with less experience or fewer stores is approved in writing by City’s Community Development Director.

~~Grocery Store Rent Subsidy. Developer shall provide a subsidy for two (2) years of rent in the amount of One Million Nine Hundred Seventy Two Thousand Six Hundred and Thirty Dollars (\$1,972,630) to the Grocery Store tenant (“**C. Grocery Store Rent Subsidy**”).~~

C. Grocery Store Rent Subsidy. Developer shall provide a subsidy for two (2) years of rent in the amount of One Million Nine Hundred Seventy Two Thousand Six Hundred and Thirty Dollars (\$1,972,630) to the Grocery Store tenant (“**Grocery Store Rent Subsidy**”). In addition, to assist the Grocery Store to remain in operation in the event that the Grocery Store tenant is not achieving sales of at least Fourteen Dollars (\$14) per square foot, excluding prescription drug sales, in weekly average sales on an annual look back (the “**Grocery Store Performance Standard**”) during the third (3rd) through fifth (5th) years of operation, with the first annual lookback occurring on the third (3rd) anniversary of the Grocery Store opening, Developer shall offer the Grocery Store tenant an additional rent subsidy in the amount of the delta between the Grocery Store tenant’s sales and the Grocery Store Performance Standard, not to exceed a total of One Million Dollars (\$1,000,000) over such three (3) year period. If Developer does not offer the maximum subsidy after the first annual look back, Developer shall conduct a second annual look back on the fourth (4<sup>th</sup>) anniversary of the Grocery Store opening. Developer shall also conduct a third annual look back on the fifth (5<sup>th</sup>) anniversary of the Grocery Store opening if One Million Dollars in total has not yet been provided. Developer shall report as part of the annual review pursuant to Section 6.1 whether any additional rent subsidy has been provided under this Section 5.1.C after each annual look back. Developer shall state whether the full amount of the subsidy was provided after each annual look back, but shall not otherwise be required to disclose the specific subsidy amounts paid after each annual look back. Nothing under this Section 5.1.C shall require Developer or the Grocery Store tenant to disclose any Grocery Stores sales information to the City.

D. Affordable Housing Contribution. Developer shall provide ~~Five Six~~ Million Dollars (~~\$5,000,000~~6,000,000) in funding for affordable housing in the City, with priority for Belle Haven residents to the extent permitted by applicable law (the “**Affordable Housing Contribution**”).

E. Air Quality and Noise Monitoring Equipment Funding. Developer shall provide one time funding in the amount of Two Hundred Thousand Dollars (\$200,000) to the City for the City to procure and install at locations determined by the City in the Belle Haven neighborhood one (1) new high-quality air monitoring system that shall meet Bay Area Air Quality Management District sensor requirements and one (1) new high-quality noise monitoring system that is capable of at least an 80 dB dynamic range, such that if they are set to measure as low as 20 dB, then it is able to measure sound levels as high as 100 dB (“**Air Quality and Noise Monitoring Equipment**”). Developer shall reasonably cooperate with City and any City

consultants regarding make and model or other similar technical questions that may arise regarding the Air Quality and Noise Monitoring Equipment.

F. Willow Road Feasibility Study Funding. Developer shall make a one-time payment of One Hundred Thousand Dollars (\$100,000) to City to support feasibility studies to be undertaken by City related to Willow Road ownership (the “**Willow Road Feasibility Study Funding.**”)

G. Job Training Funding and Community Hub. Developer shall provide funding to the below specified entities in the aggregate total amount of Eight Million Three Hundred Four Thousand Nine Hundred and Seven Dollars (\$8,304,907) for the following from February 2022 through December 2024:

- (1) Career pathway programs in partnership with local non-profit YearUp;
- (2) Career pathway programs in partnership with local ~~nonprofit non-profit~~ JobTrain;
- (3) A facility to be managed by Developer that will prepare local residents with job skills and fund internships for Menlo Park residents, with priority for Belle Haven residents, to the extent permitted by law.

The obligations set forth in this Section 5.1G shall be referred to collectively as the “**Job Training Funding and Community Hub.**” The funding costs are intended to include all costs incurred by Developer in providing the Job Training Funding and Community Hub, including rent and staffing costs associated with the Job Training Funding and Community Hub.

H. Teacher Housing Rent Subsidies. Developer shall provide subsidized rent in the amount of One Million Seven Hundred Forty-Five Thousand Three Hundred Nineteen Dollars (\$1,745,319) for twenty-two (22) teachers currently living at 777 Hamilton Apartments in Belle Haven from February 2022 through March 2024 (“**Teacher Housing Rent Subsidies**”). The Teacher Housing Rent Subsidies shall be provided pursuant to Meta’s existing Workforce Housing Fund Pilot Program established pursuant to the Development Agreement between Hibiscus Properties, LLC, a Delaware limited liability company and City dated December 14, 2016, as amended by the Amendment to Development Agreement dated December 18, 2017.

I. Bayfront Shuttle. Provide a shuttle service for a period of seventeen (17) years to transport Bayfront residents to and from the Main Project Site (“**Bayfront Shuttle**”). Developer shall fund the Bayfront Shuttle through the formation of a Transportation Management Association (TMA) unless coordination with the City as described below results in an agreement between the Parties to provide the required shuttle service in an alternate manner. ~~If feasible as determined in Developer’s reasonable discretion, the~~ The shuttle shall use one hundred percent (100%) electric vehicles if feasible, which shall mean that a technology that can run a single shuttle for twelve (12) hours without recharging is commercially reasonably available. If Developer believes using one hundred percent (100%) electric vehicles is infeasible, Developer shall notify City and Developer and City shall meet and confer to determine the lowest emission technology that is commercially reasonable and mutually acceptable to

Developer and City and Developer shall employ such technology. In connection with the Bayfront Shuttle, Developer shall:

- (1) Coordinate outreach on shuttle routing, frequency, and design with the City’s outreach on shuttles to avoid duplicating service or inefficiency with transfers.
- (2) Participate in the City’s shuttle study as a stakeholder.
- (3) Prepare an annual report on shuttle ridership and other metrics such as timeliness of shuttle arrivals so that City can evaluate the shuttle service.
- (4) Use commercially reasonable efforts to coordinate with other developers and property owners in the area regarding the provision of shuttle services, subject to cost constraints and maintaining anticipated headways.

At the end of the seventeen (17) year period of operation of the Bayfront Shuttle, Developer and the City shall meet and confer to determine if there is continued demand for shuttle services and, if so, an appropriate approach for continuing such services, on what schedule, and how such services would be funded.

J. Bank. Developer shall construct a bank or credit union branch that includes retail service as well as one or more Automatic Teller Machines (“**Bank**”).

K. Dining Venues. Developer shall construct 18,000 square feet of building space for by Eating Establishments and Drinking Establishments, as defined in the Applicable City Regulations (“**Dining Venues**”), which shall be constructed in two phases of 9,000 square feet each (“**First Phase Dining Venues**” and “**Second Phase Dining Venues,**” respectively). The Dining Venues shall consist of a range of dining options, from fast casual to sit-down restaurants, to serve residents and local employees.

L. Community Entertainment. Developer shall construct 25,000 square feet of building space for community entertainment offerings such as a cinema, live music, bowling, miniature golf, gaming, or similar use provided that gambling shall not be a permissible use (“**Community Entertainment**”), which shall be constructed in two phases of 12,500 square feet each (“**First Phase Community Entertainment**” and “**Second Phase Community Entertainment,**” respectively).

M. Pharmacy. Developer shall construct a space for pharmacy services to fill prescriptions and offer convenience goods (“**Pharmacy**”) in one of the four locations identified in Exhibit F.

N. Town Square. Developer shall construct as part of the Project a “**Town Square**” as depicted Conceptually ~~shown~~ on Exhibit E-1 and Exhibit E-2 that will include areas for community gatherings, festivals, and farmers markets.

O. Excess Publicly Accessible Open Space. Developer shall construct as part of the Project publicly accessible open space improvements in excess of what is required by City Code and provide ongoing maintenance for these areas, consisting of a minimum of 74,030



square feet (“**Excess Publicly Accessible Open Space**”). The Excess Publicly Accessible Open Space may be constructed within the areas of the Community Park and/or the Dog Park and/or Parcel 3, each of which is depicted Conceptually ~~depicted~~ on Exhibit E-2, attached hereto.

Section 5.2 Leasing of Space for Bonus Development Community Amenities.

Developer shall make good faith, reasonable efforts to lease the space identified for the Grocery Store as a Grocery Store, the space identified for the Bank as a Bank, the space identified for the Pharmacy as a Pharmacy, the spaces identified for Dining Venues as Dining Venues, and the spaces identified for Community Entertainment as Community Entertainment. Developer shall provide a report to the City describing its good faith efforts to lease the Project components listed under this Section 5.2 in conjunction with the issuance of the first permits for vertical construction and an updated report in conjunction with each Annual Review thereafter. With regard to the Grocery Store, the Bank, and the Pharmacy, Developer shall notify the City as soon as reasonably possible following the execution of a lease with an operator of any such space that such lease has been executed and identifying the name of the operator; provided, however, that nothing contained within this Section 5.2 shall require Developer to breach any confidentiality provisions contained in any such lease. If despite Developer’s good faith, reasonable efforts, Developer is unable to lease the space identified for the Grocery Store as a Grocery Store, the space identified for the Bank as a Bank, the space identified for the Pharmacy as a Pharmacy, any of the spaces identified for Dining Venues as Dining Venues, or any of the spaces identified for Community Entertainment as Community Entertainment, then within twelve (12) months of the deadline for a final certificate of occupancy for that space as set forth in Exhibit F the Parties shall meet and confer to discuss potential alternative uses for such spaces that would provide community amenities on the list of community amenities set forth in Resolution No. 6360 or as agreed upon by Developer and City and to be memorialized in an Operating Memorandum.

Section 5.3 Public Benefits. If and to the extent that Developer commences construction of the Project, Developer must provide the public benefit contributions set forth in this Section 5.3.

A. Ongoing Job Training. Developer shall cause Meta to, for a period of five (5) years from and after the Effective Date:

- (1) Work with a local training program to expand training services for residents of City and City of East Palo Alto;
- (2) Create an ongoing quarterly series of career development workshops focusing on resume writing, interviewing skills, and how to find a job;
- (3) Hold ~~an~~ five (5) annual job ~~fair~~ fairs for residents of City and City of East Palo Alto. ~~Program-~~ The program shall run annually for a period of five (5) years after the Effective Date, except for times of Meta hiring freezes, in which case the period shall be extended annually until five (5) job fairs have occurred;
- (4) Promote local volunteer opportunities to its employees; and
- (5) Host a local community organization fair.

B. Career Experience Program. Developer shall cause Meta to, for a period of five (5) years from and after the Effective Date, create a career experience program for high school students living in the City, East Palo Alto, or Redwood City. The program shall run for at least four (4) weeks each year and shall allow students to receive STEM career training and engage with Meta employees.

C. Dumbarton Rail. Developer shall provide stakeholder support (for example, sending support letters) for a rail transit project along the Dumbarton rail bridge, which would connect the Caltrain corridor at Redwood City to the East Bay (“**Dumbarton Rail Corridor Project**.”) Developer shall have no obligation to provide financial support for the Dumbarton Rail Corridor Project.

D. Dumbarton Forward. Developer shall provide stakeholder support (for example, sending support letters) for Metropolitan Transportation Commission’s strategies to improve efficiency and reduce delay on the State Route 84-Dumbarton Bridge-Bayfront Expressway corridor between Interstate 880 in Fremont and Marsh Road in Menlo Park (“**Dumbarton Forward**.”) Developer shall have no obligation to provide financial support for Dumbarton Forward.

E. Bus Access. Developer shall coordinate with City to ensure that publicly operated buses have access to the Main Project Site (e.g., Menlo Park Midday, commute.org, SamTrans buses) and provide bus stops at reasonable locations within the Main Project Site, to be reasonably approved by City in conjunction with approval of Improvement Plans, for public transit systems.

F. Community Use of Publicly Accessible Open Space. Community use of the “**Publicly Accessible Open Space**”, as depicted Conceptually ~~depicted~~ in Exhibit E-2, shall be subject to compliance with the “**Willow Village Open Space Rules**,” which shall be approved by City prior to the first certificate of occupancy for the Project and shall include without limitation provisions: (a) permitting Developer or the owner’s association to be formed pursuant to Section 5.3 to reasonably restrict or prohibit public access and use as reasonably necessary to (i) ensure security of the Project Site and persons or property within or around the Project Site and (ii) preclude activities that unreasonably disrupt non-public uses in the Project; (b) providing exclusive use by Developer for a specified number of private events; and (c) providing terms of use for community use of the Publicly Accessible Open Space.

G. Gap Payment. Developer shall make an annual payment of Three Hundred Eighty-Nine Thousand Dollars (\$389,000), plus a CPI Adjustment each year (“**Gap Payment**”) as provided in this Section 5.3G.

(1) The obligation to make a Gap Payment, if any, shall commence on the first of the month following the date that the certificate of occupancy for the third office building is issued (“**Third Office COO Issuance**”) if a building permit for the Hotel has not been issued as of the Third Office COO Issuance (“**Gap Payment Commencement Date**”); provided, however, that the Gap Payment Commencement Date shall be the first of the month following the first anniversary of the Third Office COO Issuance if a building permit for the Hotel has been issued as of the Third Office COO Issuance. The first Gap Payment shall be

prorated to reflect the months remaining in the Fiscal Year then in effect. Subsequent Gap Payments shall be due on July 1. Developer's obligation to make the Gap Payment shall apply to the period commencing on the Gap Payment Commencement Date and continuing until the earlier of (i) the Hotel has received a certificate of occupancy or (ii) the time period provided in Section 11.7 following the expiration or earlier termination of this Agreement (the "**Gap Payment Termination Date**") and there shall be no further obligation to make a Gap Payment after the Gap Payment Termination Date, provided however that if the Hotel is not built but another use, as agreed below, is approved for and occupies the site, the Gap Payment shall be adjusted to be reduced by the amount of annual revenue projected by the City's economic consultant to result from the alternate use, and if the Gap Payment would thereby be reduced to zero then there shall be no further obligation to make a Gap Payment ("**Gap Payment Period**").

(2) If the Hotel has not received a certificate of occupancy within twenty-four (24) months after the date that the certificate of occupancy for the sixth office building is issued, Developer and City shall meet and confer to discuss a potential alternative productive and beneficial use for the parcel upon which the Hotel would have been constructed. The Parties understand and agree that such alternative productive and beneficial use may require further review under CEQA and may require Subsequent Project Approvals including Other Agency Subsequent Project Approvals.

(3) If at the Gap Payment Termination Date the Hotel has not received a certificate of occupancy, then Developer shall make a one-time net present value supplemental payment to the City (the "**Supplemental Gap Payment**"), which shall be calculated by applying the then in effect Gap Payment amount for a ten (10) year period at a three (3) percent escalation rate over such ten (10) year period and applying a net present value discount rate of seven and one-half percent (7.5%). Developer's obligation to make a Supplemental Gap Payment shall survive the termination of this Agreement until the obligation is satisfied, and the general survival time frame for public benefits set forth in Section 11.7 shall not apply to this obligation.

H. Willow Road Tunnel. Subject to receipt of all necessary Other Agency Approvals, Developer at its sole election may construct the new bike lanes and pedestrian paths, which would connect to existing facilities and the Bay Trail, as depicted Conceptually ~~depicted~~ in Exhibit E-3 including the tunnel under Willow Road that would provide pedestrian and bicycle access to the Bayfront Area Meta Campuses ("**Willow Road Tunnel**"). Upon Developer's request, to the extent necessary to accommodate the Willow Road Tunnel portal and associated improvements, City shall cooperate with Developer in processing and approving a modification to the approved Conditional Development Permit for the Bayfront Expansion Campus in accordance with Section 6.1.1 – 6.1.3 thereof.

I. Community Use of MCS. Subject to Developer's security protocols and requirements and Developer's scheduling needs, exercised in good faith, and applicable deed restrictions imposed pursuant to Mitigation Measures in the Project EIR, Developer will provide access to the MCS to the City and/or non-profit or similar community organizations for up to six (6) community events per year ("**MCS Community Events**"). As part of the periodic review pursuant to Article 6.1, Developer will advise the City of the number of MCS Community Events that occurred in the prior year. Other than providing police services ordinarily provided



by the City, City shall have no obligation to provide security or contribute to the cost of security for MCS Community Events pursuant to this Section 5.3I.

J. Generators. If, at the time that generators are purchased, there is commercially available generator technology that is environmentally cleaner than diesel, and commercial generators with that technology can achieve the Project electrical load requirements and work with the electrical and mechanical infrastructure/service of the Project without redesign, then the Project will use that technology if (1) the capital cost is not more than five percent (5%) more expensive (for the generator including any system modifications to accommodate that technology) of the bid price of the diesel generator meeting the project specifications and (2) the annual operational cost will not be more than five percent (5%) more expensive. At least 30 days prior to purchasing, Developer shall provide City with (i) a bid for the generator and any system modifications to accommodate the environmentally cleaner technology and, for purposes of comparison, a bid for a diesel generator and (ii) documentation showing the annual operational costs of the environmentally cleaner technology and, for purposes of comparison, documentation showing the annual operational costs of diesel.

Section 5.4 Maintenance of Publicly Accessible Open Space. Except as provided in Section 5.5 below, Developer or another entity controlled by Meta, or an owners' association to be formed by Developer, shall own, operate, maintain and repair the Publicly Accessible Open Space in good and workmanlike condition, and otherwise in accordance with all Applicable Laws and any Project Approvals, all at no cost to City.

Section 5.5 Maintenance of Elevated Park Segment Over Willow Road and Willow Road Tunnel. If constructed, City shall own and Developer shall maintain and insure the Elevated Park Segment Over Willow Road and the Willow Road Tunnel at its sole cost and expense pursuant to agreements to be executed prior to construction of the Elevated Park Segment Over Willow Road and the Willow Road Tunnel, respectively. City shall have no obligation to fund maintenance of the Elevated Park Segment Over Willow Road and the Willow Road Tunnel. City shall have no liability for any Claims relating to the construction, condition, or maintenance of the Elevated Park Segment Over Willow Road or the Willow Road Tunnel except to the extent resulting from the gross negligence or willful misconduct of City. At Developer's sole cost and expense, Developer shall remove or replace the Elevated Park Segment Over Willow Road and the Willow Road Tunnel at the end of their respective useful lives.

Section 5.6 Sales Tax Point of Sale Designation. Developer shall use commercially reasonable efforts to the extent allowed by law to require all persons and entities providing bulk lumber, concrete, structural steel and pre-fabricated building components, such as roof trusses, ("**Specified Materials**") to be used in connection with the initial construction and development of, or incorporated into, the Project (excluding (i) any subsequent remodeling or construction on the Property following final building permit sign off for each building to be constructed as part of the Project and (ii) furnishings, equipment, and personal property), to (a) obtain a use tax direct payment permit; and either (b) elect to obtain a subcontractor permit for the job site of a contract valued at Five Million Dollars (\$5,000,000) or more or (c) otherwise designate the Property as the place of use of the Specified Materials used in the construction of the Project in order to have the local portion of the sales and use tax distributed directly to City instead of

through the county-wide pool. Developer shall instruct each of its subcontractors subject to this Section 5.6 to cooperate with City in its efforts to ensure the full local sales/use tax for the Specified Materials is allocated to City. To assist City in its efforts to ensure that the full amount of such local sales/use tax is allocated to the City, Developer shall provide City with an annual spreadsheet, which includes a list of all subcontractors subject to this Section 5.6, a description of all applicable work, and the dollar value of such subcontracts. City may use said spreadsheet ~~sheet~~ to contact each subcontractor who may qualify for local allocation of use taxes to the City.

Section 5.7 BMR Housing True Up Payment. If following Commencement of Construction, Developer has no active building permits or has not passed any of the inspections required in connection with the building permits issued to Developer for a period of three (3) years for reasons other than a Force Majeure Delay (“**Pause of Construction**”) and the number of “**BMR Units**” actually constructed at such point is less than the Proportionate Required BMR Units, as calculated below, then Developer shall pay a “**BMR Housing True Up Payment**” as provided in this Section 5.7. The BMR Housing True Up Payment shall be calculated as follows: (1) determine the then required number of BMR Units (the “**Proportionate Required BMR Units**”) by (a) multiplying the total number of residential units constructed to date by fifteen percent (15%) (the “**Inclusionary Units**”) and (b) adding the number of any required additional BMR Units correlated to commercial space constructed to date based on the value of the commercial in-lieu fee at the rate in effect as of the Effective Date using the same methodology that was used to determine the total number of BMR Units correlated to all commercial space in the Project at full buildout (the “**Linkage Equivalent Units**”) (the sum of the Inclusionary Units and Linkage Equivalent Units equals the Proportionate Required BMR Units); (2) subtract the number of BMR Units constructed to date from the Proportionate Required BMR Units (the resulting difference shall be referred to herein as the “**Fee Paid BMR Units**”); and (3) multiply the number of Fee Paid BMR Units by Five Hundred Thousand Dollars (\$500,000), subject to any annual escalator that is applied to the below market rate commercial linkage in-lieu fee in effect as of the Effective Date, with the resulting product being the amount of the BMR Housing True Up Payment. The BMR Housing True Up Payment shall be paid to the City and the City shall hold the BMR Housing True Up Payment in a segregated account and no portion of the BMR Housing True Up Payment shall be deposited into the City’s Below Market Rate Housing Fund. City shall not spend any portion of the BMR Housing True Up Payment for any purpose for a period of three (3) years following the City’s receipt of the BMR Housing True Up Payment (the “**BMR Fee Holding Period**”). If Developer secures an additional building permit and Commences Construction or passes an inspection required in connection with Developer’s building permits (“**Resumption of Construction**”) prior to the expiration of the BMR Fee Holding Period, then the City shall return the BMR Housing True Up Payment to Developer and Developer shall construct all future BMR Units to be constructed on site as described in the Project Approvals. In the event that a Resumption of Construction does not occur within the BMR Fee Holding Period, then the City may use the BMR Housing True Up Payment for affordable housing purposes as permitted under the City’s Below Market Rate Housing Program, and Developer shall have no further obligation to construct any of the Fee Paid BMR Units and Developer shall only be obligated to construct future required BMR Units on site (i.e., the proposed number of BMR Units in the project less the number of BMR Units constructed previously and the Fee Paid BMR Units). If there is a Resumption of Construction after the BMR Fee Holding Period, and the City Council and/or City Manager have not approved expenditure of the BMR Housing True Up Payment for a specific affordable housing project or

program, then Developer may request that the BMR Housing True Up Payment be returned to Developer. Upon receipt of said request, Developer and City shall meet and confer regarding any planned or proposed use by the City of the BMR Housing True Up Payment. Following said meet and confer, Developer may, in its sole discretion, confirm its request that the BMR Housing True Up Payment be returned to Developer, in which case the City shall return the BMR Housing True Up Payment to Developer and Developer shall construct all future BMR Units to be constructed on site as described in the Project Approvals. If there is another Pause of Construction after any Resumption of Construction, Developer shall be obligated to make another BMR Housing True Up Payment calculated pursuant to this Section 5.7.

Section 5.8 Hamilton Avenue Realignment. Subject to receipt of all necessary Other Agency Approvals, Developer shall realign Hamilton Avenue in accordance with the Project Approvals. Developer shall make good faith efforts to obtain such Other Agency Approvals for the realignment of Hamilton Avenue. In the event Developer does not receive such Other Agency Approvals, Developer shall provide written notice to City and Developer shall be permitted to construct the Project, as reconfigured in accordance with Sheet G4.08 of the Willow Village Master Plans.

## ARTICLE 6 ANNUAL REVIEW

### Section 6.1 Periodic Review.

A. As required by California Government Code Section 65865.1 and the Development Agreement Regulations, City and Developer shall review this Agreement and all actions taken pursuant to the terms of this Agreement with respect to the development of the Project every twelve (12) months to determine good faith compliance with this Agreement. Specifically, City's annual review shall be conducted for the purposes of determining good faith compliance by Developer with its obligations under this Agreement.

B. The annual review shall be conducted as provided in the Development Agreement Law and City's Development Agreement Regulations as follows:

(1) The Director of Community Development shall provide each Developer notice of an annual review hearing before the Planning Commission, which shall be scheduled at least thirty (30) days after the date of the notice. The notice shall, to the extent required by law, include a statement that any review may result in amendment or termination of this Agreement. At said hearing, each Developer must demonstrate, and shall bear the burden of proof of, good faith compliance with the terms of this Agreement. The Planning Commission shall determine upon the basis of substantial evidence whether or not a Developer has complied in good faith with the terms and conditions of this Agreement. The decision of the Planning Commission may be appealed to the City Council. Each Developer shall be responsible for its own Annual Review process; provided, however, that multiple Annual Reviews may occur at the same Planning Commission hearing. In accordance with Section 10.2, no default of one Developer shall have any effect on the compliance of a different Developer.

(2) If the Planning Commission (if its finding is not appealed) or City Council finds that Developer has not complied in good faith with the terms and conditions of this

Agreement, the City shall commence proceedings under ARTICLE 11 by providing a written Notice of Default under Section 11.1 to such Developer describing: (a) such failure and that such failure constitutes a Default; (b) the actions, if any, required by Developer to cure such Default; and (c) the time period within which such Default must be cured. In accordance with Section 11.1, if the Default can be cured, Developer shall have a minimum of thirty (30) days after the date of such notice to cure such Default, or in the event that such Default cannot be cured within such thirty (30) day period, if Developer shall commence within such thirty (30) day time period the actions necessary to cure such Default and shall be diligently proceeding to complete such actions necessary to cure such Default, Developer shall have such additional time period as may be required by Developer within which to cure such Default.

(3) If Developer fails to cure a Default within the time periods set forth above, the City Council may amend or terminate this Agreement as provided below.

C. If, upon a finding under Section 6.1, subsection B of this Agreement and the expiration of the cure period specified in Section 6.1, subsection B without Developer having cured a Default, the City determines to proceed with amendment or termination of this Agreement, the City shall give written notice to Developer of its intention so to do. The notice shall be given at least fifteen (15) days before the scheduled hearing and shall contain:

- (1) The time and place of the hearing before the City Council;
- (2) A statement that City proposes to amend or terminate the Agreement;
- (3) Such other information as is reasonably necessary to inform Developer of the nature of the proceeding.

D. At the time and place set for the hearing on amendment or termination, Developer shall be given an opportunity to be heard, and Developer shall be required to demonstrate good faith compliance with the terms and conditions of this Agreement. If the City Council finds, based upon substantial evidence, that Developer has not complied in good faith with the terms or conditions of this Agreement, the City Council may terminate this Agreement pursuant to Section 11.2. The decision of the City Council shall be final, subject to judicial review pursuant to Section 1094.5 of the California Code of Civil Procedure.

E. Failure of City to conduct an annual review shall not constitute a waiver by the City of its rights to otherwise enforce the provisions of this Agreement nor shall Developer have or assert any defense to such enforcement by reason of any such failure to conduct an annual review.

F. If, after an annual review, City finds Developer has complied in good faith with this Agreement, City, promptly following Developer's request, shall issue to Developer a letter of compliance in recordable form certifying that Developer has so complied through the period of the applicable annual review.

## ARTICLE 7 MORTGAGEE PROTECTION

Section 7.1 Mortgagee Protection. This Agreement shall not prevent or limit Developer in any manner, at Developer's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property ("**Mortgage**"). This Agreement shall be superior and senior to any lien placed upon the Property or any portion thereof after the date of recording the Agreement, including the lien of any Mortgage. Notwithstanding the foregoing, no breach hereof shall defeat, render invalid, diminish or impair the lien of any Mortgage made in good faith and for value, but all of the terms and conditions contained in this Agreement shall be binding upon and effective against and shall run to the benefit of any person or entity, including any deed of trust beneficiary or mortgagee ("**Mortgage**"), who acquires title or possession to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure or otherwise.

Section 7.2 Mortgagee Not Obligated. Notwithstanding the provisions of Section 7.1 above, no Mortgagee shall have any obligation or duty under this Agreement to construct or complete the construction of the Project, or any portion thereof, or to guarantee such construction or completion; provided, however, that a Mortgagee shall not be entitled to devote the Property to any use except in full compliance with the Project Approvals and this Agreement nor to construct any improvements thereon or institute any uses other than those uses and improvements provided for or authorized by this Agreement and the Project Approvals.

Section 7.3 Notice of Default to Mortgagee; Right to Cure. With respect to any Mortgage granted by Developer as provided herein, so long as any such Mortgage shall remain unsatisfied of record and Mortgagee has provided City with written notice requesting that City send Mortgagee notices of Default and specifying the address for service thereof, the following provisions shall apply:

A. City, upon serving Developer any notice of Default, shall also serve a copy of such notice upon any Mortgagee at the address provided to City, and no notice by City to Developer hereunder shall affect any rights of a Mortgagee unless and until a copy thereof has been so served on such Mortgagee; provided, however, that failure so to deliver any such notice shall in no way affect the validity of the notice sent to Developer as between Developer and City.

B. In the event of a Default by Developer, any Mortgagee shall have the right to remedy, or cause to be remedied, such Default within sixty (60) days following the later to occur of (i) the date of Mortgagee's receipt of the notice referred to in Section 7.3A above, or (ii) the expiration of the period provided herein for Developer to remedy or cure such Default, and City shall accept such performance by or at the insistence of the Mortgagee as if the same had been timely made by Developer; provided, however, that (a) if such Default is not capable of being cured within the timeframes set forth in this Section 7.3B and Mortgagee commences to cure the Default within such timeframes, then Mortgagee shall have such additional time as is required to cure the Default so long as Mortgagee diligently prosecutes the cure to completion and (b) if possession of the Property (or portion thereof) is required to effectuate such cure or remedy, the Mortgagee shall be deemed to have timely cured or remedied if it commences the proceedings necessary to obtain possession thereof within sixty (60) days after receipt of the



copy of the notice, diligently pursues such proceedings to completion, and, after obtaining possession, diligently completes such cure or remedy.

C. Any notice or other communication which City shall desire or is required to give to or serve upon the Mortgagee shall be in writing and shall be served in the manner set forth in Section 12.5, addressed to the Mortgagee at the address provided by Mortgagee to City. Any notice or other communication which Mortgagee shall give to or serve upon City shall be deemed to have been duly given or served if sent in the manner and at City's address as set forth in Section 12.5, or at such other address as shall be designated by City by notice in writing given to the Mortgagee in like manner.

Section 7.4 No Supersedure. Nothing in this Article 7 shall be deemed to supersede or release a Mortgagee or modify a Mortgagee's obligations under any subdivision or public improvement agreement or other obligation incurred with respect to the Project outside this Agreement, nor shall any provision of this Article 7 constitute an obligation of City to such Mortgagee, except as to the notice requirements of Section 7.3.

Section 7.5 Technical Amendments to this Article 7. City agrees to reasonably consider and approve interpretations and/or technical amendments to the provisions of this Agreement that are required by lenders for the acquisition and construction of the Project on the Property or any refinancing thereof and to otherwise cooperate in good faith, at Developer's expense, to facilitate Developer's negotiations with lenders.

## **ARTICLE 8 AMENDMENT OF AGREEMENT AND EXISTING APPROVALS**

Section 8.1 Amendment of Agreement By Mutual Consent. This Agreement may be amended in writing from time to time by mutual consent of the Parties hereto or their successors-in-interest or assigns, and then only in the manner provided for in the Development Agreement Statute and Development Agreement Regulations.

Section 8.2 Requirement for Writing. No modification, amendment or other change to this Agreement or any provision hereof shall be effective for any purpose unless specifically set forth in a writing that refers expressly to this Agreement and is signed by duly authorized representatives of both Parties or their successors. A copy of any change shall be provided to the City Council within thirty (30) days of its execution.

Section 8.3 Amendments to Development Agreement Statute. This Agreement has been entered into in reliance upon the provisions of the Development Agreement Statute as those provisions existed as of the Agreement Date. No amendment or addition to those provisions that would materially affect the interpretation or enforceability of this Agreement shall be applicable to this Agreement, unless such amendment or addition is specifically required by the California State Legislature or is mandated by a court of competent jurisdiction. In the event of the application of such a change in law, the Parties shall meet in good faith to determine the feasibility of any modification or suspension that may be necessary to comply with such new law or regulation and to determine the effect such modification or suspension would have on the purposes and intent of this Agreement. Following the meeting between the Parties, the provisions of this Agreement may, to the extent feasible, and upon mutual agreement of the

Parties, be modified or suspended but only to the minimum extent necessary to comply with such new law or regulation. If such amendment or change is permissive (as opposed to mandatory), this Agreement shall not be affected by same unless the Parties mutually agree in writing to amend this Agreement to permit such applicability. Developer and/or City shall have the right to challenge any new law or regulation preventing compliance with the terms of this Agreement, and in the event such challenge is successful, this Agreement shall remain unmodified and in full force and effect.

Section 8.4 Amendments to Project Approvals. Project Approvals (except for this Agreement, the amendment process for which is set forth in Section 8.1 through 8.2) may be amended or modified from time to time, but only at the written request of Developer or with the written consent of Developer at its sole discretion. All amendments to the Project Approvals shall automatically become part of the Project Approvals. The permitted uses of the Property or portion thereof, the maximum density and/or number of residential units, the intensity of use, the maximum height and size of the proposed buildings, provisions for reservation or dedication of land for public purposes, the conditions, terms, restrictions and requirements for subsequent discretionary actions, the provisions for public improvements and financing of public improvements, and the other terms and conditions of development as set forth in all such amendments shall be automatically vested pursuant to this Agreement, without requiring an amendment to this Agreement. Amendments to the Project Approvals shall be governed by the Project Approvals and the Applicable Law. City shall not request, process or consent to any amendment to the Project Approvals, or applicable portion thereof, without Developer's prior written consent in Developer's sole discretion.

Section 8.5 Administrative Amendments of Project Approvals. Upon the request of Developer for an amendment or modification of any of the Project Approvals (except for this Agreement, the amendment process for which is set forth in Section 8.1 through 8.2 herein, and the Willow Village CDP, the change or amendment process for which is set forth in Section 8 thereof), the City Manager or his/her designee shall determine: (a) whether the requested amendment or modification is minor when considered in light of the Project as a whole; and (b) whether the requested amendment or modification substantially conforms with the material terms of this Agreement and the Applicable Law and may be processed administratively. If the City Manager or his/her designee finds that the requested amendment or modification is both minor and substantially conforms with the material terms of this Agreement and the Applicable Law, the amendment or modification shall be determined to be an "**Administrative Amendment**," and the City Manager or his/her designee may approve the Administrative Amendment, without public notice or a public hearing. Without limiting the generality of the foregoing, lot line adjustments, minor reductions in the density, intensity, scale or scope of the Project, minor alterations in vehicle circulation patterns or vehicle access points, variations in the location of structures that do not substantially alter the design concepts of the Project, substitution of comparable landscaping for any landscaping shown on any development plan or landscape plan, variations in the location or installation of utilities and other infrastructure connections and facilities that do not substantially alter design concepts of the Project, and minor adjustments to a subdivision map or the Property legal description shall be deemed to be minor amendments or modifications. Any request of Developer for an amendment or modification to a Project Approval that is determined not to be an Administrative Amendment as set forth above shall be subject to review, consideration and action pursuant to the Applicable Law and this Agreement.

Section 8.6 Operating Memoranda. The provisions of this Agreement require a close degree of cooperation between City and Developer and development of the Property hereunder may demonstrate that refinements and clarifications are appropriate with respect to the details or timing of performance of City and Developer. If and when, from time to time, during the Term of this Agreement, City and Developer agree that such clarifications are necessary or appropriate, City and Developer may effectuate such clarifications through operating memoranda approved by City and Developer (each, individually an “**Operating Memorandum**” and collectively “**Operating Memoranda**”), which, after execution, shall be attached hereto as addenda and become a part hereof, and may be further clarified from time to time as necessary with future approval by City and Developer. No such Operating Memorandum shall constitute an amendment to this Agreement requiring public notice or hearing. The City Manager, in consultation with the City Attorney, shall make the determination on behalf of City whether a requested clarification may be effectuated pursuant to this Section 8.6 or whether the requested clarification is of such a character to constitute an amendment hereof pursuant to Section 8.1 above. The City Manager shall be authorized to execute any Operating Memorandum hereunder on behalf of City.

Section 8.7 Amendment to Incorporate Additional Property. Developer has an equitable reversionary interest in portions of Hamilton Avenue to be abandoned by the City (the “**Hamilton ROW Parcel**”) and an equitable interest in a portion of a parcel that is owned by Chevron USA (the “**Chevron Parcel**”) pursuant to an executed purchase and sale agreement between Developer and the owner of the Chevron Parcel. Upon Developer acquiring a fee interest in the Chevron Parcel or the Hamilton ROW Parcel, or both, City and Developer shall enter into an Operating Memorandum to subject the Chevron Parcel or the Hamilton ROW Parcel, or both, to this Agreement and amend the map of the Property attached hereto as Exhibits A-1-1 and A-1-2 and the legal description of the Property attached hereto as Exhibits A-2-1 and A-2-2 to add the Chevron Parcel or the Hamilton ROW Parcel, or both, to the legal description for this Agreement, which Operating Memorandum shall be recorded in the Official Records of San Mateo County.

Section 8.8 CEQA. In connection with its consideration and approval of the Existing Approvals, the City has prepared and certified the Project EIR, which evaluates the environmental effects of the Project, and has imposed all feasible mitigation measures to reduce the significant environmental effects of the Project. The Parties acknowledge that certain Subsequent Project Approvals may legally require additional analysis under CEQA. Nothing contained in this Agreement is intended to prevent or limit the City from complying with CEQA. In acting on Subsequent Project Approvals, City will rely on the Project EIR to the fullest extent permissible by CEQA. In the event supplemental or additional review is required for a Subsequent Project Approval, City shall limit such supplemental or additional review to the scope of analysis mandated by CEQA and shall not impose new mitigation measures except as legally required.

## ARTICLE 9 COOPERATION AND IMPLEMENTATION

Section 9.1 Subsequent Project Approvals. Certain subsequent land use approvals, entitlements, and permits other than the Existing Approvals will be necessary or desirable for implementation of the Project (“**Subsequent Project Approvals**”). The Subsequent Project



Approvals may include, without limitation, the following: grading permits, building permits, sewer and water connection permits, certificates of occupancy, lot line adjustments, site plans, development plans, land use plans, building plans and specifications, final maps, parcel maps and/or subdivision maps, conditional use permits, variances, architectural control plans, demolition permits, improvement agreements, encroachment permits, and any modifications or amendments to any of the foregoing or any Existing Approvals. At such time as any Subsequent Project Approval applicable to the Property is approved by the City, then such Subsequent Project Approval shall become subject to all the terms and conditions of this Agreement applicable to Project Approvals and shall be treated as a “Project Approval” under this Agreement.

Section 9.2 Scope of Review of Subsequent Project Approvals. In exercising its discretion in connection with consideration of Subsequent Project Approvals, City agrees that City shall not revisit the fundamental policy decisions reflected by the Existing Approvals or impose any Exactions that would conflict with the Applicable City Regulations or the Existing Approvals as set forth in Section 3.1 herein or any Project Approvals unless expressly permitted by Sections 4.3A-D or 9.8.

Section 9.3 Processing Applications for Subsequent Project Approvals.

A. Developer acknowledges that City cannot begin processing applications for Subsequent Project Approvals until Developer submits applications and responses to City comments thereto on a timely basis. Developer acknowledges that for the City to process applications, Developer needs to (i) provide to City in a timely manner and in the manner required under Applicable Law any and all Processing Fees, documents, materials, applications, plans, and other information reasonably necessary for City to carry out its review and processing obligations; and (ii) cause Developer’s planners, engineers, and all other consultants to provide to City in a timely manner and in the manner required under Applicable Law all such documents, applications, plans, information, and other materials required under Applicable Law.

B. Upon submission by Developer of all appropriate applications and Processing Fees for any Subsequent Project Approval, City shall accept, review, and use reasonable efforts to expeditiously process Developer’s applications and requests for Subsequent Project Approvals in connection with the Project in good faith and in a manner that complies with and is consistent with Applicable Law and the Project Approvals and this Agreement. The City shall approve any application or request for any Subsequent Project Approval that substantially complies with and is substantially consistent with the Project Approvals. The Parties shall cooperate with each other and shall use diligent, good faith efforts to cause the expeditious review, processing, and action on the Subsequent Project Approvals. City shall, to the full extent allowed by Applicable Law, promptly and diligently, subject to City ordinances, policies and procedures regarding hiring and contracting, commence and complete all steps necessary to act on Developer’s currently pending Subsequent Project Approval applications including: (i) providing at Developer’s expense and subject to Developer’s request and prior approval, reasonable overtime staff assistance, additional staff and/or staff consultants for processing of Subsequent Project Approval applications as may be necessary to meet Developer’s reasonable schedule considerations; (ii) if legally required, providing notice and

holding public hearings; and (iii) acting on any such pending Subsequent Project Approval application.

C. If City so requests in writing after submittal of an application for a demolition permit, or earlier if otherwise agreed by Developer in its reasonable discretion, Developer shall fund (i) a third party consultant or (ii) a member of City staff that is primarily dedicated to the Project Manager functions under this Section 9.3C (and any time spent on other functions shall not be billed to the Project under this Section), to be selected and retained by City and subject to Developer’s reasonable approval, to assist City in managing the implementation of the Project Approvals and this Agreement as well as facilitating the processing of Subsequent Project Approvals; receive inquiries related to the Project and coordinate with Developer and City departments regarding appropriate responses thereto during development of the Project; and promote accessibility, predictability, and consistency across City departments (the “**Project Manager**”). Developer shall use commercially reasonable efforts to provide at least ninety (90) days advance written notice of its intent to submit a demolition permit.

(1) City shall determine, in City’s reasonable discretion after consulting with Developer, the need for the Project Manager, the initial budget (including a reasonable initial deposit amount to cover initial hiring and reasonable compensation costs, which shall be consistent with market costs for similar services, associated with the Project Manager (the “**Initial Deposit**”), the scope of work, and the schedule of work for the Project Manager. Developer shall deposit the Initial Deposit within sixty (60) days of City’s written request. City shall utilize the Initial Deposit to pay for the initial cost of the Project Manager and Developer shall pay future invoices as set forth in Section 9.3C(3) below. At such intervals as the Parties shall agree in writing, subsequent budgets, schedules, and scopes of work for the Project Manager shall be determined by the City in its reasonable discretion after consulting with Developer. City shall provide written notice to Developer prior to entering into any contract with a third party to provide the Project Manager services under this Section 9.3C.

(2) In the event that Developer reasonably disputes any budget, scope, schedule, or selection of the Project Manager proposed by City, Developer shall provide written notice to City of its objections and the Parties shall cooperate in good faith to resolve the dispute pursuant to Section 11.6. If the Parties are unable to resolve the dispute, then the Parties shall participate in a mediation to be conducted at the Judicial Arbitration and Mediation Services (JAMS) in San Francisco, CA. The mediation shall be before a single mediator and, unless otherwise agreed by the Parties, shall not exceed two (2) days in length. The costs of any such mediation shall be borne equally by the Parties. If the dispute is not resolved at mediation, the disputed budget, scope, schedule, or selection of the Project Manager proposed by City shall stand and Developer shall have the right to seek mandamus or other equitable relief as may be available under applicable law.

(3) City shall provide Developer on a monthly or quarterly basis (as mutually agreed to by the Parties in writing) an invoice which shall include: the Project Manager’s hourly rate, the number of hours the Project Manager worked on Project activities during the previous month or quarter (as mutually agreed to by the Parties in writing), and a brief, non-confidential description of the work the Project Manager performed on Project activities. Developer shall submit payment of any invoice within sixty (60) days of receipt of

City's invoice.

(4) Further details regarding the process and timing for billing and payment of the City's costs associated with the Project Manager shall be documented in an Operating Memorandum to be entered into within sixty (60) days of City's receipt of Developer's notice provided pursuant to the opening paragraph of Section 9.3C.

(5) Developer may, from time to time, but in no event more than once in any twelve (12)-month period, at Developer's sole cost and expense, request an audit of the City invoices described in this Section and non-confidential supporting documentation therefor, provided any such audit is initiated within one (1) year after Developer's receipt of the invoice. If an audit reveals that the actual costs were less than the amount of any City invoice provided in accordance with this Section, then within sixty (60) days following receipt of the invoice or audit results, Developer shall provide notice of the amount disputed and the reason for the dispute, and the Parties shall use good faith efforts to reconcile or resolve the dispute as soon as practicable.

(6) Developer's obligation to fund the costs of the Project Manager shall terminate upon Completion of Construction of the last Improvement for the Project. In addition, on thirty (30) days' prior written notice from Developer of an anticipated temporary suspension of at least ninety (90) days of the implementation of the Project Approvals and processing of Subsequent Project Approvals, Developer's obligation to fund the costs of the Project Manager shall be suspended until Developer resumes the implementation of the Project Approvals or processing of Subsequent Project Approvals, at which time Developer's obligation to fund the costs of the Project Manager shall resume. Developer shall provide City with at least sixty (60) days' written notice of its intent to resume implementation of the Project Approvals or processing of Subsequent Project Approvals. City will use good faith efforts in consultation with Developer to locate an alternate Project Manager within a reasonable period of time in the event that the Project Manager in place prior to the suspension (i) will not be used, as determined in City's reasonable discretion, or (ii) declines to act as Project Manager.

Section 9.4 Other Agency Subsequent Project Approvals; Authority of City. Other public agencies not within the control of City may possess authority to regulate aspects of the development of the Property separately from or jointly with City, and this Agreement does not limit the authority of such other public agencies. Nevertheless, City shall be bound by, and shall abide by, its covenants and obligations under this Agreement in all respects when dealing with any such agency regarding the Property. City shall cooperate with Developer, at Developer's expense, to the extent appropriate and as permitted by law, in Developer's efforts to obtain, as may be required, Other Agency Subsequent Project Approvals. Nothing in this Section 9.4 shall relieve Developer of its obligation to comply with the Project Approvals, notwithstanding any conflict between the Other Agency Subsequent Project Approvals and the Project Approvals.

Section 9.5 Implementation of Necessary Mitigation Measures. Developer shall, at its sole cost and expense, comply with the Project MMRP requirements as applicable to the Property and Project.

Section 9.6 Cooperation in the Event of Legal Challenge.

A. The filing of any third-party lawsuit(s) against City or Developer relating to this Agreement, the Project Approvals or construction of the Project shall not delay or stop the development, processing or construction of the Project or approval of any Subsequent Project Approvals, unless a court order prevents the activity. City shall not stipulate to or cooperate in the issuance of any such order.

B. City and Developer shall cooperate in the defense of any court action or proceeding instituted by a third-party or other governmental entity or official challenging the validity of any of the Project Approvals (“**Litigation Challenge**”), and the Parties shall keep each other informed of all developments relating to such defense, subject only to confidentiality requirements that may prevent the communication of such information. To the extent Developer desires to contest or defend such Litigation Challenge, (i) Developer shall take the lead role defending such Litigation Challenge and may, in its sole discretion, elect to be represented by the legal counsel of its choice; (ii) City may, in its sole discretion, elect to be separately represented by the legal counsel of its choice, selected after consultation with Developer, in any action or proceeding, with the reasonable costs of such representation to be paid by Developer; (iii) Developer shall reimburse City, within forty-five (45) days following City’s written demand therefor, which may be made from time to time during the course of such litigation, all reasonable costs incurred by City in connection with the Litigation Challenge, including City’s reasonable administrative, legal, and court costs and City Attorney oversight expenses; and (iv) Developer shall indemnify, defend, and hold harmless City Parties from and against any damages, attorneys’ fees or cost awards, including attorneys’ fees awarded under Code of Civil Procedure section 1021.5, assessed or awarded against City by way of judgment, settlement, or stipulation. Upon request by Developer, City shall enter into a joint defense agreement in a form reasonably acceptable to the City Attorney and Developer to facilitate the sharing of materials and strategies related to the defense of such Litigation Challenge without waiver of attorney client privilege. Any proposed settlement of a Litigation Challenge by a Party shall be subject to the approval of the other Party, such approval not to be unreasonably withheld, conditioned or delayed; provided, however, that Developer may settle Litigation without consent of the City if the settlement does not require any changes to any Project Approvals or action by the City. If the terms of the proposed settlement would constitute an amendment or modification of any Project Approvals, the settlement shall require such amendment or modification to be approved by City in accordance with Applicable Law, and City reserves its full discretion in accordance with Applicable Law with respect thereto. If Developer opts not to contest or defend such Litigation Challenge, City shall have no obligation to do so, but shall have the right to do so at its own expense.

Section 9.7 Revision to Project. In the event of a court order issued as a result of a successful Litigation Challenge, City shall, to the extent permitted by law or court order, in good faith seek to comply with the court order in such a manner as will maintain the integrity of the Project Approvals and avoid or minimize to the greatest extent possible (i) any impact to the development of the Project as provided for in, and contemplated by, the Project Approvals, or (ii) any conflict with the Project Approvals or frustration of the intent or purpose of the Project Approvals.

Section 9.8 State, Federal or Case Law. Where any state, federal or case law allows City to exercise any discretion or take any act with respect to that law, City shall, in an expeditious and timely manner, at the earliest possible time, (i) exercise its discretion in such a way as to be consistent with, and carry out the terms of, this Agreement, and (ii) take such other actions as may be necessary to carry out in good faith the terms of this Agreement.

Section 9.9 Defense of Agreement. City, at Developer's expense, shall take all actions that are necessary or advisable to uphold the validity and enforceability of this Agreement. If this Agreement is adjudicated or determined to be invalid or unenforceable, City agrees, subject to all legal requirements, to consider modifications to this Agreement acceptable to Developer to render this Agreement valid and enforceable to the extent permitted by Applicable Law. In the event of a Litigation Challenge, Developer may terminate this Agreement and abandon the Project and, following such termination, Developer shall have no further obligation to pay for the costs of defense of this Agreement other than incurred by the City in seeking to have any such Litigation Challenge dismissed as moot.

## ARTICLE 10 ASSIGNMENT AND PILOT AGREEMENT

Section 10.1 Transfers and Assignments. Developer shall have the right to sell, assign or transfer any portion of the Property without the consent of City; provided, however, in no event shall the rights, duties and obligations conferred or imposed upon Developer pursuant to this Agreement be at any time transferred in whole or part ("**Transfer**") except through a transfer of the Property or portion thereof and no such Transfer of this Agreement shall be made prior to substantial completion of the Project without the prior written consent of City Manager, not to be unreasonably withheld, conditioned, or delayed, in accordance with the provisions of this Article 10. Upon Developer's request, City, at Developer's expense, shall cooperate with Developer and any proposed transferee of any portion of the Property to allocate and Transfer rights, duties and obligations under this Agreement and the Project Approvals between the transferred Property and the retained Property.

Developer shall notify City of any proposed Transfer of this Agreement at least sixty (60) days prior to completing any Transfer. City shall approve or disapprove the requested Transfer of this Agreement with respect to any portion of the Property within thirty (30) days after receipt of a written request for approval from Developer, together with such financial information and other documentation that City determines is reasonably necessary to evaluate the proposed transaction and the proposed assignee's experience, reputation and qualifications. City shall not unreasonably withhold, condition or delay its approval of a proposed Transfer of this Agreement to a reputable assignee who has (i) at least ten (10) years' experience in the development, ownership, operation and management of similar-size or larger developments of the type to be undertaken on the transferred portion of the Property without any record of material violations of Applicable Laws, and (ii) the financial resources and wherewithal to develop and effectively manage the Project or pertinent component of the Project. The approved assignee shall be required to assume Developer's rights and obligations under this Agreement with respect to the transferred portion of the Property pursuant to an assignment and assumption agreement in substantially the same form attached hereto as Exhibit G. No later than ten (10) business days after the date the assignment becomes effective, Developer shall deliver to City a conformed copy of the fully executed and recorded assignment and assumption agreement.



Notwithstanding anything to the contrary provided herein, Mercy Housing is preapproved as a transferee of this Agreement with respect to the senior affordable housing component of the Project.

Section 10.2 Release upon Transfer. Upon the Transfer of all or any of Developer's rights and interests under this Agreement pursuant to this Article 10, Developer shall automatically be released from its obligations and liabilities under this Agreement with respect to that portion of the Property transferred and the rights and/or obligations Transferred, and any subsequent default or breach with respect to the transferred rights and/or obligations shall not constitute a default or breach with respect to the retained rights and/or obligations under this Agreement, provided that (i) Developer has provided to City written Notice of such Transfer, and (ii) the transferee executes and delivers to City a written agreement in accordance with Section 10.1 above. Upon any Transfer of any portion of the Property and the express assumption of Developer's obligations under this Agreement by such transferee, City agrees to look solely to the transferee for compliance by such transferee with the provisions of this Agreement as such provisions relate to the portion of the Property acquired by such transferee. Except as otherwise provided in this Agreement, a default by any transferee shall only affect that portion of the Property owned by such transferee and shall not cancel or diminish in any way Developer's rights hereunder with respect to any portion of the Property not owned by such transferee. The transferor and the transferee shall each be solely responsible for the reporting and annual review requirements relating to the portion of the Property owned by such transferor/transferee and the rights and/or obligations under this Agreement assumed by such transferee, and any amendment to this Agreement between City and a transferor or a transferee shall only affect the portion of the Property owned by and the rights and/or obligations retained and/or assumed by such transferor or transferee. Failure to deliver a written assumption agreement hereunder shall not affect the running of any covenants herein with the land, as provided in Section 12.4 below, nor shall such failure negate, modify or otherwise affect the liability of any transferee pursuant to the provisions of this Agreement.

Section 10.3 PILOT. Prior to the issuance of the first building permit for the Project or any transfer of any portion of the Property, whichever is earlier, Developer and City shall enter into a Payment In Lieu of Taxes Agreement ("**PILOT Agreement**") to be recorded in the Official Records of the County of San Mateo against the Main Project Site and Developer shall cause LLBG Properties, LLC to enter into a PILOT Agreement to be recorded in the Official Records of the County of San Mateo against the Hamilton Parcels. Each PILOT Agreement shall require that if any portion of the Property is sold or transferred to an entity that applies for and is granted a "welfare exemption" pursuant to Section 214 of the California Revenue and Taxation Code, or any successor provision, or any other exemption from the payment of real or personal property taxes of any nature, Developer or LLBG Properties, LLC or the proposed transferee, as applicable, must pay annually to the City, a payment in lieu of taxes in an amount equal to the portion of the real and personal property tax levy the City would have received but for the exemption as reasonably determined by the City and as increased annually by the amount permitted under the provisions of Article XIII A, Section 2, of the California Constitution. Notwithstanding the foregoing, nothing in this Section 10.3 shall apply to any transfer to a non-profit developer for the purpose of constructing the stand-alone senior affordable component of the project.

## ARTICLE 11 DEFAULT; REMEDIES; TERMINATION

Section 11.1 Breach and Default. Subject to extensions of time under Section 2.2B or by mutual consent in writing, and subject to a Mortgagee's right to cure under Section 7.3, failure by a Party to perform any material action or covenant required by this Agreement (not including any failure by Developer to perform any term or provision of any other Project Approval) within thirty (30) days following receipt of written Notice from the other Party specifying the failure shall constitute a "**Default**" under this Agreement; provided, however, that if the failure to perform cannot be reasonably cured within such thirty (30) day period, a Party shall be allowed additional time as is reasonably necessary to cure the failure so long as such Party commences to cure the failure within the thirty (30) day period and thereafter diligently prosecutes the cure to completion. Any Notice of Default given hereunder shall specify in detail the nature of the failures in performance that the noticing Party claims constitutes the Default, all facts constituting evidence of such failure, and the manner in which such failure may be satisfactorily cured in accordance with the terms and conditions of this Agreement. During the time periods herein specified for cure of a failure of performance, the Party charged therewith shall not be considered to be in Default for purposes of (a) termination of this Agreement, (b) institution of legal proceedings with respect thereto, or (c) issuance of any approval with respect to the Project. The waiver by either Party of any Default under this Agreement shall not operate as a waiver of any subsequent breach of the same or any other provision of this Agreement.

Section 11.2 Termination. In the event of a Default by a Party, the non-defaulting Party shall have the right to institute legal proceedings pursuant to Section 11.3 and/or terminate this Agreement effective immediately upon giving notice of intent to terminate. Termination of this Agreement shall be subject to the provisions of Section 11.7 hereof. In the event that this Agreement is terminated pursuant to Section 6.1 herein or this Section 11.2 and the validity of such termination is challenged in a legal proceeding that results in a final decision that such termination was improper, then this Agreement shall immediately be reinstated as though it had never been terminated.

### Section 11.3 Legal Actions.

A. Institution of Legal Actions. In addition to any other rights or remedies, a Party may institute legal action to cure, correct or remedy any Default, to enforce any covenants or agreements herein, to enjoin any threatened or attempted violation thereof, or to obtain any other remedies consistent with the terms of this Agreement.

B. Acceptance of Service of Process. In the event that any legal action is commenced by Developer against City, service of process on City shall be made by personal service upon the City Clerk of City or in such other manner as may be provided by law. In the event that any legal action is commenced by City against Developer, service of process on Developer shall be made by personal service upon Developer's registered agent for service of process, or in such other manner as may be provided by law.

Section 11.4 Rights and Remedies Are Cumulative. The rights and remedies of the Parties are cumulative, and the exercise by a Party of one or more of such rights or remedies

shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same Default or any other Default by the other Party, except as otherwise expressly provided herein.

Section 11.5 No Damages. In no event shall a Party, or its boards, commissions, officers, agents or employees, be liable in damages for any Default under this Agreement, it being expressly understood and agreed that the sole legal remedy available to a Party for a breach or violation of this Agreement by the other Party shall be an action in mandamus, specific performance or other injunctive or declaratory relief to enforce the provisions of this Agreement by the other Party, or to terminate this Agreement. This limitation on damages shall not preclude actions by a Party to enforce payments of monies or the performance of obligations requiring an obligation of money from the other Party under the terms of this Agreement, including, but not limited to, obligations to pay attorneys' fees and obligations to advance monies or reimburse monies. In connection with the foregoing provisions, each Party acknowledges, warrants and represents that it has been fully informed with respect to, and represented by counsel of such Party's choice in connection with, the rights and remedies of such Party hereunder and the waivers herein contained, and after such advice and consultation has presently and actually intended, with full knowledge of such Party's rights and remedies otherwise available at law or in equity, to waive and relinquish such rights and remedies to the extent specified herein, and to rely to the extent herein specified solely on the remedies provided for herein with respect to any breach of this Agreement by the other Party.

Section 11.6 Resolution of Disputes. With regard to any dispute involving the Project, the resolution of which is not provided for by this Agreement or Applicable Law, a Party shall, at the request of the other Party, meet with designated representatives of the requesting Party promptly following its request. The Parties to any such meetings shall attempt in good faith to resolve any such disputes. Nothing in this Section 11.6 shall in any way be interpreted as requiring that Developer and City reach agreement with regard to those matters being addressed, nor shall the outcome of these meetings be binding in any way on City or Developer unless expressly agreed to in writing by the Parties to such meetings. Nothing in this Section 11.6 shall prohibit either Party from pursuing any available remedies, including injunction relief, during the period of such discussions.

Section 11.7 Surviving Provisions. In the event this Agreement expires or is terminated, neither Party shall have any further rights or obligations hereunder, except for those obligations of Developer set forth in Section 3.5 (Life of Project Approvals), Section 4.6 (Prevailing Wage Requirements), Section 5.3 (Public Benefits) (provided, however, Public Benefits under Section 5.3 shall survive for seventeen (17) years following the Effective Date or such earlier or later date as such obligations terminate pursuant to Section 5.3), Section 5.7 (BMR Housing True Up Payment), Section 9.6 (Cooperation in the Event of Legal Challenge; provided, however, Developer shall have no obligation to defend any litigation if this Agreement has been terminated), or expressly set forth herein as surviving the expiration or termination of this Agreement. The termination or expiration of this Agreement shall not affect the validity of the Project Approvals (other than this Agreement).

Section 11.8 Effects of Litigation. In the event litigation is timely instituted, and a final judgment is obtained, which invalidates in its entirety this Agreement, neither Party shall



have any obligations whatsoever under this Agreement, except for those obligations which by their terms survive termination hereof.

Section 11.9 California Claims Act. Compliance with the procedures set forth this ARTICLE 11 shall be deemed full compliance with the requirements of the California Claims Act (Government Code Section 900 *et seq.*) including, but not limited to, the notice of an event of default hereunder constituting full compliance with the requirements of Government Code Section 910.

## ARTICLE 12 MISCELLANEOUS PROVISIONS

Section 12.1 Incorporation of Recitals, Exhibits and Introductory Paragraph. The Recitals contained in this Agreement, the introductory paragraph preceding the Recitals and the Exhibits attached hereto are hereby incorporated into this Agreement as if fully set forth herein.

Section 12.2 Severability. If any term or provision of this Agreement, or the application of any term or provision of this Agreement to a particular situation, is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining terms and provisions of this Agreement, or the application of this Agreement to other situations, shall continue in full force and effect unless amended or modified by mutual written agreement of the Parties.

Section 12.3 Construction. Each reference herein to this Agreement or any of the Existing Approvals or Subsequent Project Approvals shall be deemed to refer to the Agreement, Existing Approval or Subsequent Project Approval as it may be amended from time to time in accordance with the terms of this Agreement, whether or not the particular reference refers to such possible amendment. Section headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants or conditions of this Agreement. This Agreement has been reviewed and revised by legal counsel for City and Developer, and no presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or enforcement of this Agreement. Unless the context clearly requires otherwise, (i) the plural and singular numbers shall each be deemed to include the other; (ii) the masculine, feminine, and neuter genders shall each be deemed to include the others; (iii) “shall,” “will,” or “agrees” are mandatory, and “may” is permissive; (iv) “or” is not exclusive; (v) “include,” “includes” and “including” are not limiting and shall be construed as if followed by the words “without limitation,” ~~and;~~ (vi) “days” means calendar days unless specifically provided otherwise; and (vii) references to Sections shall be deemed to refer to Sections in this Agreement unless specifically provided otherwise.

Section 12.4 Covenants Running with the Land. Except as otherwise more specifically provided in this Agreement, this Agreement and all of its provisions, rights, powers, standards, terms, covenants and obligations, shall be binding upon the Parties and their respective successors (by merger, consolidation, or otherwise) and assigns, and all other persons or entities acquiring the Property, or any interest therein or portion thereof, and shall inure to the benefit of the Parties and their respective successors and assigns, as provided in Government Code section 65868.5.

Section 12.5 Notices. Any notice or communication required hereunder between City and Developer (“**Notice**”) must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express or other similar courier promising overnight delivery. If personally delivered, a Notice shall be deemed to have been given when delivered to the party to whom it is addressed. If given by registered or certified mail, such Notice shall be deemed to have been given and received on the first to occur of (i) actual receipt by any of the addressees designated below as the Party to whom Notices are to be sent, or (ii) five (5) days after a registered or certified letter containing such Notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a Notice shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written Notice to the other Party hereto, designate any other address in substitution of the address to which such Notice shall be given. Such Notices shall be given to the Parties at their respective addresses set forth below.

To City: City of Menlo Park  
Community Development  
701 Laurel Street  
Menlo Park, CA 94025  
Attn: Community Development Director

and

City of Menlo Park  
Community Development  
701 Laurel Street  
Menlo Park, CA 94025  
Attn: City Manager

With a copy to: Burke, Williams & Sorensen, LLP  
181 Third Street  
Suite 200  
San Rafael, CA 94901-6587  
Attn: Nira Doherty

To Developer: c/o Meta Platforms, Inc.  
1 Hacker Way  
Menlo Park, CA 94025  
Attention: Facilities, Real Estate Development

With a copy to: c/o Meta Platforms, Inc.  
1 Hacker Way  
Menlo Park, CA 94025  
Attention: Real Estate Counsel

Section 12.6 Counterparts and Exhibits; Entire Agreement. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original. This

Agreement, together with the Project Approvals and attached Exhibits, constitutes the final and exclusive understanding and agreement of the Parties and supersedes all negotiations or previous agreements of the Parties with respect to all or any part of the subject matter hereof.

Section 12.7 Recordation of Agreement. Pursuant to California Government Code Section 65868.5, no later than ten (10) days after the Effective Date, the City Clerk shall record an executed copy of this Agreement in the Official Records of the County of San Mateo. Thereafter, if this Agreement is terminated, modified or amended, the City Clerk shall record notice of such action in the Official Records of the County of San Mateo.

Section 12.8 No Joint Venture or Partnership. It is specifically understood and agreed to by and between the Parties hereto that: (i) the subject development is a private development; (ii) City has no interest or responsibilities for, or duty to, third parties concerning any public improvements constructed by Developer as part of the Project until such time, and only until such time, that City accepts the same pursuant to the provisions of this Agreement or in connection with the various Existing Approvals or Subsequent Project Approvals; (iii) Developer shall have full power over and exclusive control of the Project herein described, subject only to the limitations and obligations of Developer under this Agreement, Existing Approvals, Subsequent Project Approvals, and Applicable Law; and (iv) City and Developer hereby renounce the existence of any form of agency relationship, joint venture or partnership between City and Developer and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between City and Developer.

Section 12.9 Waivers. Notwithstanding any other provision in this Agreement, any failures or delays by any Party in asserting any of its rights and remedies under this Agreement shall not operate as a waiver of any such rights or remedies or deprive any such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies. A Party may specifically and expressly waive in writing any condition or breach of this Agreement by the other Party, but no such waiver shall constitute a further or continuing waiver of any preceding or succeeding breach of the same or any other provision. Consent by one Party to any act by the other Party shall not be deemed to imply consent or waiver of the necessity of obtaining such consent for the same or similar acts in the future.

Section 12.10 California Law; Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of California, without reference to choice of law provisions. The exclusive venue for any disputes or legal actions shall be the Superior Court of California in and for the County of San Mateo, except for actions that include claims in which the Federal District Court for the Northern District of the State of California has original jurisdiction, in which case the Northern District of the State of California shall be the proper venue.

Section 12.11 City Approvals and Actions. Whenever reference is made herein to an action or approval to be undertaken by City, the City Manager or his or her designee is authorized to act on behalf of City, unless specifically provided otherwise or the context requires otherwise. Wherever this Agreement permits the City Manager to exercise his/her discretion

with respect to any of the terms and provisions herein, including but not limited to approval of an Extension Request, modifications to the timing set forth in Exhibit D and Exhibit F, Administrative Amendments, operating memoranda, and approval of a Transfer, as otherwise permitted in this Agreement, the City Manager shall advise the City Council of such exercise of discretion and where practical shall consult with the Mayor and/or the City Council prior to exercising such discretion. Notwithstanding such requirement to inform and consult with the City Council, Developer may rely on any writing evidencing the exercise of discretion by the City Manager.

Section 12.12 City Funding for Affordable Housing. Notwithstanding anything to the contrary in this Agreement, City shall have no obligation to contribute any monies from its Below Market Rate Housing Fund to finance affordable housing for the Project. Notwithstanding the foregoing, in the event that Developer provides any funding to the City for the senior affordable parcel to qualify for the County of San Mateo Affordable Housing Fund, or similar program that requires local matching funds, then such funds shall not be deposited into the City's Below Market Rate Housing Fund and shall be used in accordance with the local matching fund requirement to advance affordable housing development associated with the Project.

Section 12.13 Estoppel Certificates. A Party may, at any time during the Term of this Agreement, and from time to time, deliver written Notice to the other Party requesting such Party to certify in writing that, to the knowledge of the certifying Party, (i) this Agreement is in full force and effect and a binding obligation of the Parties; (ii) this Agreement has not been amended or modified either orally or in writing, or if amended, identifying the amendments; (iii) the requesting Party is not in default in the performance of its obligations under this Agreement, or if in default, to describe therein the nature and amount of any such defaults; and (iv) any other information reasonably requested. The requesting Party shall be responsible for all reasonable costs incurred by the Party from whom such certification is requested and shall reimburse such costs within thirty (30) days of receiving the certifying Party's request for reimbursement. The Party receiving a request hereunder shall execute and return such certificate or give a written, detailed response explaining why it will not do so, within twenty (20) days following the receipt of Notice requesting such certificate. The failure of either Party to provide the requested certificate within such twenty (20) day period shall constitute a confirmation that this Agreement is in full force and effect and no modification or default exists. The City Manager shall have the right to execute any certificate requested by Developer hereunder. City acknowledges that a certificate hereunder may be relied upon by transferees and Mortgagees.

Section 12.14 No Third-Party Beneficiaries. City and Developer hereby renounce the existence of any third-party beneficiary to this Agreement and agree that nothing contained herein shall be construed as giving any other person or entity third-party beneficiary status.

Section 12.15 Signatures. Each Party represents that the individuals executing this Agreement on behalf of such Party have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of Developer and City and that all necessary board of directors', shareholders', partners', city councils' or other approvals have been obtained.

Section 12.16 Further Actions and Instruments. Each Party to this Agreement shall cooperate with and provide reasonable assistance to the other Party and take all actions necessary to ensure that the Parties receive the benefits of this Agreement, subject to satisfaction of the conditions of this Agreement. Upon the request of any Party, the other Party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement.

Section 12.17 Limitation on Liability. In no event shall: (a) any partner, officer, director, member, shareholder, employee, affiliate, manager, representative, or agent of Developer or any general partner of Developer or its general partners be personally liable for any breach of this Agreement by Developer, or for any amount which may become due to City under the terms of this Agreement; or (b) any member, officer, agent or employee of City be personally liable for any breach of this Agreement by City or for any amount which may become due to Developer under the terms of this Agreement.

IN WITNESS WHEREOF, this Agreement has been entered into by and between Developer and City as of the day and year first above written.

**CITY:**

CITY OF MENLO PARK, a California municipal corporation

By: \_\_\_\_\_  
Justin Murphy, City Manager  
*[signature must be notarized]*

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Nira Doherty, City Attorney

ATTEST:

By: \_\_\_\_\_  
\_\_\_\_\_, City Clerk

**DEVELOPER:**

PENINSULA INNOVATION PARTNERS, LLC, a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
*[signature must be notarized]*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
*[signature must be notarized]*

**ACKNOWLEDGMENTS**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
 ) ss  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(Name of Notary)

notary public, personally appeared \_\_\_\_\_  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same  
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
(Notary Signature)

\*\*\*\*\*





**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
 ) ss  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(Name of Notary)

notary public, personally appeared \_\_\_\_\_  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same  
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
(Notary Signature)

**EXHIBIT A-1-1**  
**MAIN PROJECT SITE MAP**  
**(ATTACHED)**



Line #	Length	Direction
L1	120.17	N22° 05' 00"E
L2	143.14	N24° 45' 44"E
L3	864.41	N22° 05' 00"E
L4	144.98	N19° 19' 09"E
L5	71.06	N22° 05' 00"E
L6	1324.41	N84° 59' 41"E
L7	1612.25	S10° 08' 21"W
L8	1182.95	S88° 08' 54"W
L9	668.96	N79° 51' 49"W
L10	2.12	N25° 35' 47"E
L11	1324.41	N84° 59' 45"E
L12	1612.25	S10° 07' 20"W
L13	1182.46	S88° 07' 50"W
L14	669.55	N79° 55' 00"W

Curve #	Length	Radius	Delta
C1	251.79	11509.17	1°15'13"
C2	74.34	1536.52	2°46'19"
C3	55.72	1032.50	3°05'31"



NOTES  
(L11) RECORD DATA FROM  
99 M 82-83

GRAPHIC SCALE



( IN FEET )  
1 inch = 200 ft.

DATE	DESCRIPTION

**FEYER LAUREL INC.**  
 CIVIL ENGINEERS • SURVEYORS • CONSTRUCTION MANAGERS  
 10100 S. GARDEN AVENUE, SUITE 1000 • CARLSBAD, CA 92008  
 (415) 524-7070 • www.feyerlaurel.com

DATE: 9/26/2022  
 SCALE: AS SHOWN  
 DESIGNED: RUL  
 CHECKED: DCF  
 PLO: ENR

SHEET 1  
 OF 1 SHEETS  
 JOB NO. 300001

**PROJECT SITE PLAT**  
**WILLOW VILLAGE**  
**MENLO PARK, CALIFORNIA**

**EXHIBIT A-1-2**

**HAMILTON PARCELS MAP**

**(ATTACHED)**



**EXHIBIT A-2-1**

**MAIN PROJECT SITE LEGAL DESCRIPTION**

**(ATTACHED)**

**LEGAL DESCRIPTION  
WILLOW VILLAGE SITE  
MENLO PARK, CALIFORNIA**

The land referred to is situated in the City of Menlo Park, County of San Mateo, State of California and is described as follows:

**BEGINNING** at the southwesterly corner of Parcel S; as shown on that certain map entitled "Menlo Industrial Center, City of Menlo Park, San Mateo County, California" filed in the office of the County Recorder of San Mateo County, State of California, on October 1, 1979, in Volume 99 of Maps at Pages 81-83, thence,

North 22°05'00" East, 120.17 feet; thence,

North 24°45'44" East, 143.14 feet; thence,

Along a tangent curve to the left, having a radius of 1,536.52 feet, length of 74.34 feet, and a delta angle of 02°46'19"; thence,

North 22°05'00" East, 864.41 feet; thence,

Along a tangent curve to the left, having a radius of 1,032.50 feet, length of 55.72 feet, and a delta angle of 03°05'31"; thence,

North 25°35'47" East, 2.12 feet; thence,

North 19°19'09" East, 144.98 feet; thence,

North 22°05'00" East, 71.06 feet; thence,

North 84°59'41" East, 1,324.41 feet; thence,

Along a tangent curve to the left, having a radius of 11,509.17 feet, length of 251.79 feet, and a delta angle of 01°15'13"; thence,

South 10°08'21" West, 1,612.25 feet; thence,

South 88°08'54" West, 1,182.95 feet; thence,

North 79°51'49" West, 668.96 feet to the **POINT OF BEGINNING**.

Containing 2,577,434.20 square feet (59.17 acres), more or less.



September 30, 2022



**EXHIBIT A-2-2**

**HAMILTON PARCELS LEGAL DESCRIPTION**

**(ATTACHED)**

**LEGAL DESCRIPTION**  
**PARCEL 2**  
**PARCEL MAP FOR BELLE HAVEN RETAIL CENTER**  
**MENLO PARK, CALIFORNIA**

Parcel 2 as shown on that Map titled “Parcel Map for Belle Haven Retail Center”, which map was filed in the Office of the Recorder of San Mateo County, on December 31<sup>st</sup> in Book 71 of Maps, pages 15-16.

Containing 51,011 square feet, more or less.

October 19, 2022



**LEGAL DESCRIPTION**  
**PARCEL 3**  
**PARCEL MAP FOR BELLE HAVEN RETAIL CENTER**  
**MENLO PARK, CALIFORNIA**

Parcel 3 as shown on that Map titled “Parcel Map for Belle Haven Retail Center”, which map was filed in the Office of the Recorder of San Mateo County, on December 31<sup>st</sup> in Book 71 of Maps, pages 15-16.

Containing 28,191 square feet, more or less.

October 19, 2022



**EXHIBIT B**

**LLBG PROPERTIES, LLC CONSENT**

LLBG Properties, LLC, a Delaware limited liability company, (“**LLBG Properties**”) has reviewed the terms and conditions of that certain Development Agreement dated as of on or about \_\_\_\_\_, 2022, by and between Peninsula Innovation Partners, LLC, a Delaware limited liability company, and the City of Menlo Park, a California municipal corporation, (the “**Development Agreement**”) and hereby consents to the terms and conditions of the Development Agreement and the recordation of the Agreement against the property owned by LLBG Properties described in Exhibit A-2-2 to the Development Agreement.

LLBG PROPERTIES, LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT C**

**IMPACT FEES**

1. Transportation Impact Fee (Municipal Code Chapter 13.26)
2. Building Construction Street Impact Fee
3. Below Market Rate Housing Program (Municipal Code Chapter 16.96) [Note – being satisfied through provision of on-site affordable housing in accordance with Project affordable housing agreements and this Agreement rather than through payment of fee]
4. Residential Subdivision Recreation in Lieu Fees (Municipal Code Section 15.16.020) [Note – fee not applicable to current Project due to lack of for-sale residential units]

**EXHIBIT D**

**WILLOW VILLAGE PHASING PLAN**

Project Component	Timing/Milestones <sup>1</sup>	Required Minimum Number of Residential and BMR Units associated with such Phase of Construction <sup>2</sup>
1. Demolition, Grading, and Infrastructure Installation	1. Commence construction following approval of all applicable Improvement Plans for the area of construction.	
2. Elevated Park and Meeting and Collaboration Space (“MCS”)	2. Commence construction concurrently with or after completion of demolition, grading and infrastructure for the area of construction.	

<sup>1</sup> The milestones set forth in this exhibit are based upon Developer’s plan to construct six (6) office buildings as reflected in the Willow Village CDP. In the event that office building square footages shift considerably in the reasonable judgment of the City Manager (e.g., increase by more than twenty-five percent (25%) as to any office building or buildings that trigger(s) a milestone) or combine, the obligations set forth in this exhibit shall shift in a correlative manner through a meet and confer process between the Parties, with resulting changes to this exhibit being documented in writing by the Parties through an Operating Memorandum pursuant to Section 8.7 of this Agreement. Nothing in this Footnote authorizes an increase in the total office building square footage for the Project above the amount approved in the Project Approvals.

<sup>2</sup> Final distribution of residential units, including BMR units, to be determined at building permit for each building containing residential units. Reduction from required minimum number of units by up to five percent (5%) is permitted. Reduction from required number of units by more than five percent (5%) but less than up to ten percent (10%) requires approval through an Operating Memorandum pursuant to Section 8.7 of this Agreement. Reduction from the required number of units by more than 10 percent (10%) requires approval through amendment of this Agreement pursuant to Section 8.1 of this Agreement.

Project Component	Timing/Milestones <sup>1</sup>	Required Minimum Number of Residential and BMR Units associated with such Phase of Construction <sup>2</sup>
3. First, Second and Third Office buildings <sup>3</sup>	<p>3. Commence construction concurrently with or after commencement of Elevated Park and MCS.</p> <p>Complete Structural Podium of the mixed-use building on Parcel 2 (“RS2”) and the residential building on Parcel 6 (“RS6”) prior to final Certificate of Occupancy (“COO”) for first office building, but if a temporary COO has been issued, no later than 120 days from the issuance of a temporary COO for the first office building.</p> <p>Complete roof framing of RS2 and RS6 prior to final COO for the second office building, but if a temporary COO has been issued, no later than 120 days from the issuance of a temporary COO for the second office building.</p>	
4. Residential buildings RS2 and RS6	<p>4. Commence construction <u>of RS2 on or before commencement of construction of first office building.</u></p> <p><u>Commence construction of RS6</u> within <del>4 months</del> <u>90 days</u> after commencement of construction of first office building.</p>	RS2 and RS6 have a combined total of 505 units, including 54 BMR units.

<sup>3</sup> Office buildings as used in this Exhibit D excludes the MCS.

Project Component	Timing/Milestones <sup>1</sup>	Required Minimum Number of Residential and BMR Units associated with such Phase of Construction <sup>2</sup>
5. Fourth Office building	<p>5. Commence construction of RS2 and RS6 prior to issuance of building permits for the fourth office building.</p> <p>Issue final COO for RS6 prior to final COO for the fourth office building, but, if a temporary COO has been issued, no later than 120 days from the issuance of a temporary COO for the fourth office building.</p>	
6. Sixth Office building	<p>6. Complete construction of podium of the mixed-use building on Parcel 3 (“RS3”) and the residential building on Parcel 7 (“RS7”) prior to issuance of building permits for the sixth office building.</p> <p>Commence construction of the residential building on Parcel 4 (“RS4”) and the residential building on Parcel 5 (“RS5”) prior to final COO for the sixth office building, but, if a temporary COO has been issued, no later than 120 days after the issuance of a temporary COO for the sixth office building.</p>	<p>RS3 and RS7 (senior building) have a combined total of 539 units, including 162 BMR units.</p> <p>RS4 and RS5 have a combined total of 686 units, including 96 BMR units.</p>



**EXHIBIT E-1**  
**CONCEPTUAL SITE PLAN**  
**(ATTACHED)**





# WILLOW VILLAGE

Menlo Park, CA



**EXHIBIT E-2**

**CONCEPTUAL PUBLICLY ACCESSIBLE OPEN SPACE SITE PLAN**

**(ATTACHED)**





# WILLOW VILLAGE



**EXHIBIT E-3**  
**CONCEPTUAL WILLOW ROAD TUNNEL**  
**(ATTACHED)**





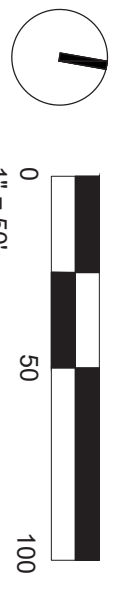
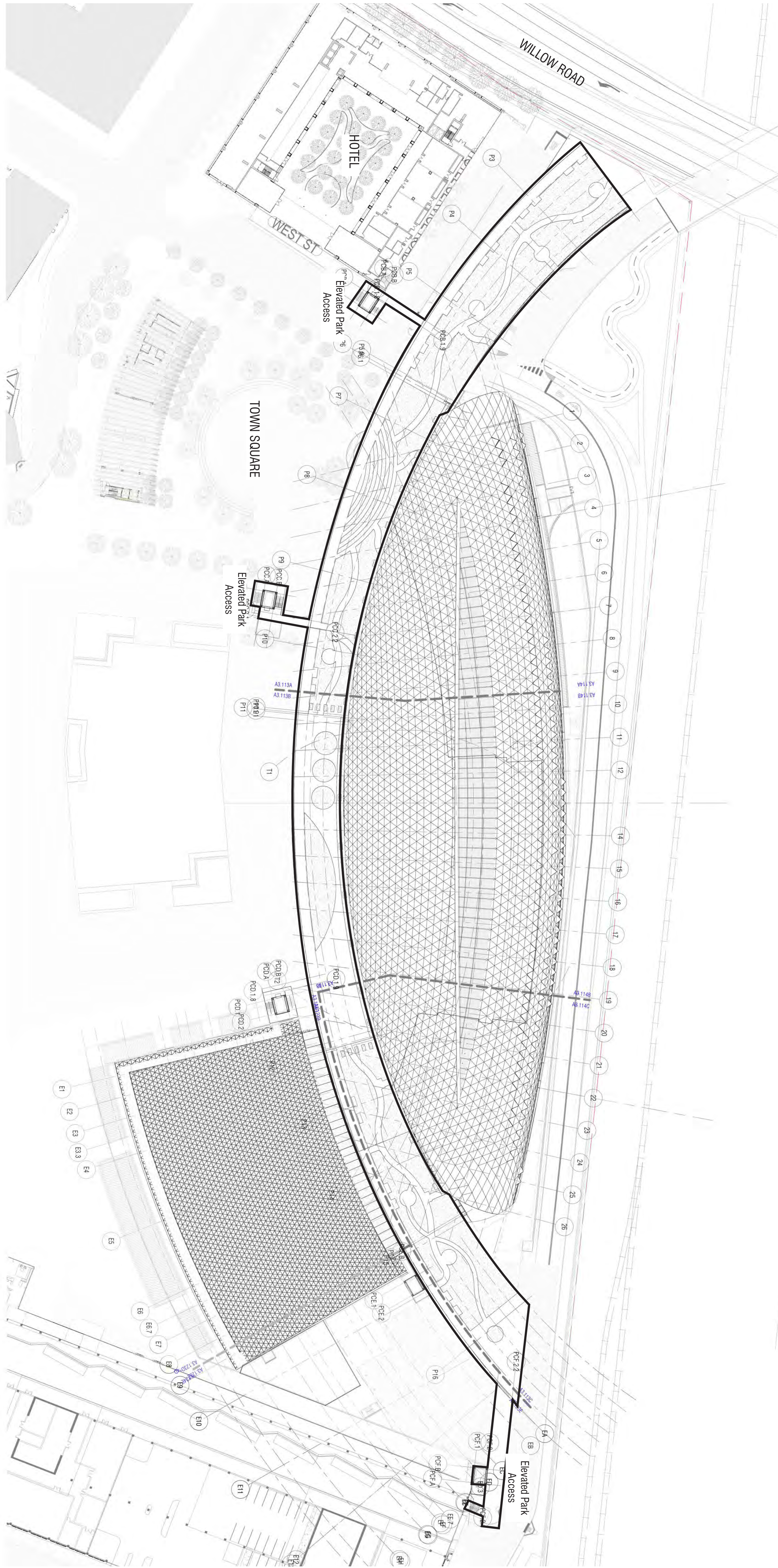


**EXHIBIT E-4**

**CONCEPTUAL ALTERNATIVE DESIGN FOR ELEVATED  
PARK VERTICAL TRANSPORTATION SYSTEM**

**(ATTACHED)**





**A2.05**

DRAWING NO:

DRAWING TITLE:  
**ROOF PLAN**

NO.	DATE	ISSUE

NO.	DATE	ISSUE

DATE	ISSUE
10/26/2022	ACP Submittal

SCALE: 1"=50'-0"  
NOTHING SHOWN IS TO BE CONSIDERED AS PART OF THE CONTRACT UNLESS SPECIFICALLY NOTED OTHERWISE IN THE CONTRACT DOCUMENTS.

**WILLOW VILLAGE**  
 Architectural Control Package - Parcel 1  
 Menlo Park, CA

PENINSULA INNOVATION PARTNERS



**EXHIBIT F**

**WILLOW VILLAGE COMMUNITY AMENITIES  
TIMING PROVISIONS**

<u>Building Related Amenities</u>	<u>Timing/Milestones/Valuations</u>
1. Elevated Park/MCS	1. First Vertical Improvements to be constructed- <u>  </u>
2. Grocery Store and Rent Subsidies	2. Grocery store located in RS2 (first residential building); <sup>34</sup> final COO for Grocery Store tenant improvements to be issued within 12 months after final COO for RS2, but, if a temporary COO has been issued, no later than 16 months from the issuance of a temporary COO for RS2- <u>  </u>
<u>Offsite Amenity</u>	
1. Affordable Housing Contribution	1. Total contribution of \$ <del>5-6</del> Million to City, with an initial payment of \$ <del>2-3</del> Million upon issuance of first building permit for vertical construction and <del>three subsequent payments of \$1-</del> a second payment of \$3 Million on the <u>first</u> anniversary of such issuance- <u>  </u>
2. Air Quality and Noise Monitoring Equipment Funding	2. Prior to issuance of the first demolition permit- <u>  </u>
3. Willow Road Feasibility Study funding or for other use as determined by City	3. \$100,000 prior to issuance of first building permit for vertical construction <u>  </u>
4. Funding for Job Training Programs	4. Ongoing funding of \$8,304,907 total for: a) Year-up and Hub from February 2022- December 2024 <u>  </u> - b) Job Train from January 2022- December 2023 <u>  </u> = <u>  </u>
5. Teacher Housing Rent Subsidies	5. Ongoing funding of \$1,745,319 total for February 2022- March 2024- <u>  </u>

<sup>34</sup> RS2 is the residential building located on Parcel 2.

<u>Building Related Amenities</u>	<u>Timing/Milestones/Valuations</u>
<u>Vertical Buildout Amenities</u>	
1. Bayfront Shuttle	1. Bayfront Shuttle to be operational at the earlier of the opening of the Grocery Store or the completion of the Elevated Park- <u>19</u>
2. Bank/Credit Union	2. Complete Construction and secure final COO within 12 months after final COO for RS3, but, if a temporary COO has been issued, no later than 22 months after the issuance of a temporary COO for RS3- <u>19</u>
3. First Phase Dining (9,000 SF of restaurants/cafes)	3. Complete Construction and secure final COO within 9 months after final COO for RS3, but, if a temporary COO has been issued, no later than 13 months after the issuance of a temporary COO for RS3- <u>19</u>
4. Second Phase Dining (2 <sup>nd</sup> 9,000 SF of restaurants/cafes)	4. Complete Construction and secure final COO within 18 months after final COO for RS3, but, if a temporary COO has been issued, no later than 22 months after the issuance of a temporary COO for RS3- <u>19</u>
5. First Phase Community Entertainment (12,500 SF of Community Entertainment)	5. Complete Construction and secure final COO within 18 months after final COO for RS3, but, if a temporary COO has been issued, no later than 22 months after the issuance of a temporary COO for RS3- <u>19</u>
6. Second Phase Community Entertainment (2 <sup>nd</sup> 12,500 SF of Community Entertainment)	6. Complete Construction and secure final COO within 24 months after final COO for RS3, but, if a temporary COO has been issued, no later than 28 months after the issuance of a temporary COO for RS3- <u>19</u>

<u>Building Related Amenities</u>	<u>Timing/Milestones/Valuations</u>
7. Pharmacy Services	<p>7. Timing is dependent on location; Complete Construction and secure final COO:</p> <p>a) if within Willow Hamilton retail center, then 12 months after completion of the Elevated Park elevator tower at the Hamilton center;</p> <p>b) if within Willow Village in RS3, then within 12 months after final COO for RS3, but, if a temporary COO has been issued, no later than 22 months after the issuance of a temporary COO for RS3;</p> <p>c) if within Willow Village in Office Building O2 Retail (east side of Main), then within 12 months after later of (i) final COO for RS3 to correspond with retail on the west side of Main (but, if a temporary COO has been issued, no later than 22 months after the issuance of a temporary COO for RS3) or (ii) final COO for O2 (but, if a temporary COO has been issued, no later than 22 months after the issuance of a temporary COO for O2); or</p> <p>d) if within Willow Village Parcel 2 in conjunction with the grocery store, then within 12 months after final COO for RS2, but, if a temporary COO has been issued, no later than 16 months from the issuance of a temporary COO for RS2</p>
<u>Publicly Accessible Open Space Amenities</u>	
1. Town Square Open Space	2. Complete Construction of Town Square improvements east of West Street, up to O4, within 12 months after completion of Town Square garage structural podium regardless of hotel status; commence construction of remainder within 6 months after final COO for hotel and complete within 18 months after final COO for hotel; maintain improvements following completion.
2. Elevated Park	5. Commence construction after issuance of first building permit for Elevated Park, and diligently prosecute to Completion of Construction
3. Excess Publicly Accessible Open Space	6. Construct concurrent with Completion of Construction of Elevated Park

**EXHIBIT G**  
**FORM OF PARTIAL ASSIGNMENT AND  
ASSUMPTION AGREEMENT**  
**(ATTACHED)**











California. Third-Party Beneficiaries. Assignor and Assignee acknowledge that the City is a third-party beneficiary of the terms and conditions of this Agreement to the extent necessary for City to enforce the terms and conditions of the Development Agreement. This Agreement shall not be deemed or construed to confer any rights, title or interest, including without limitation any third-party beneficiary status or right to enforce any provision of this Agreement, upon any person or entity other than Assignor, Assignee and the City. Time of the Essence. Time is of the essence in the performance by each party of its obligations under this Agreement. Authority. Each party represents that the individuals executing this Agreement on behalf of such Party have the authority to bind his or her respective party to the performance of its obligations hereunder and that all necessary board of directors', shareholders', partners' and other approvals have been obtained. Term. The term of this Agreement shall commence on the Effective Date and shall expire upon the expiration or earlier termination of the Development Agreement, subject to any obligations under the Development Agreement that expressly survive the expiration or termination of the Development Agreement. Upon the expiration or earlier termination of this Agreement, the parties shall have no further rights or obligations hereunder, except with respect to any obligation to have been performed prior to such expiration or termination or with respect to any default in the performance of the provisions of this Agreement which occurred prior to such expiration or termination or with respect to any obligations which are specifically set forth as surviving this Agreement or the Development Agreement. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signature pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document. Default. Any failure by either party to perform any material term or provision of this Agreement shall constitute a default (a) if such defaulting party does not cure such failure within thirty (30) days following written notice of default from the other party, where such failure is of a nature that can be cured within such thirty (30) day period, or (b) if such default is not of a nature that can be cured within such thirty (30) day period, if the defaulting party does not within such thirty (30) day period commence substantial efforts to cure such failure, or thereafter does not within a reasonable time prosecute to completion with diligence the curing of such failure. Any notice of default given hereunder shall be given in the same manner as provided in Section 5.1 hereof and shall specify in detail the nature of the failures in performance that the noticing party claims and the manner in which such failure can be satisfactorily cured.

*[remainder of page left intentionally blank – signature pages follow]*







**EXHIBIT A**  
**Description of the Property**  
**(Attached)**

**EXHIBIT B**

**Description of the Assigned Property**

**(Attached)**



**EXHIBIT C**

**List of Assignor Retained Obligations**

**(Attached)**



**RESOLUTION NO. XXXX****RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK FOR APPROVAL OF THE BELOW MARKET RATE HOUSING AGREEMENTS BETWEEN THE CITY OF MENLO PARK AND PENINSULA INNOVATION PARTNERS, LLC FOR THE WILLOW VILLAGE MASTER PLAN PROJECT**

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

**SECTION 1.**

This resolution incorporates by reference those certain Below Market Rate (“BMR”) Housing Agreements (“BMR Agreements”) inclusive of Exhibits B1 and B2 thereto for the Willow Village Project by and between the City and Peninsula Innovation Partners, LLC (“Applicant”) attached hereto as Attachment A and incorporated herein by this reference. Specifically, Attachment A hereto contains the Project Wide Affordable Housing Agreement. Exhibit B1 contains the form non-age restricted Below Market Rate Housing Agreement and Declaration of Restrictive Covenants (“Non-Age Restricted BMR Agreement”) for all non-age restricted BMR units and Exhibit B2 contains the age restricted Below Market Rate Housing Agreement and Declaration of Restrictive Covenants (“Age Restricted BMR Agreement”). Exhibit C contains the Pro Forma Partial Release, Exhibit D documents the estimated BMR units by building, and Exhibit E contains the Pro Forma Assignment and Assumption Agreement. Collectively, the “BMR Agreements.”

**SECTION 2.**

The City, as lead agency, prepared an Environmental Impact Report (“EIR”) (SCH: 2019090428) pursuant to the California Environmental Quality Act (“CEQA”) that examined the environmental impacts of the redevelopment of the approximately 59-acre industrial site (the “main Project Site”) plus three parcels (within two sites) west of Willow Road (the “Hamilton Parcels” and collectively, with the main Project Site, the “Project Site”) with the construction of a mixed-use development consisting of up to 1.6 million square feet of office and accessory uses (a maximum of 1,250,000 square feet of offices and the balance for accessory uses), up to 1,730 multifamily dwelling units, up to 200,000 square feet of retail uses, an up to 193-room hotel, and associated open space and infrastructure (the “Project”). On \_\_, 2022, by Resolution No. \_\_\_\_\_, the City Council certified the EIR, made certain findings, and adopted a Mitigation Monitoring and Reporting Plan, which Resolution together with the EIR are incorporated herein by reference. The City Council finds that the BMR Agreements are within the scope of the EIR.

**SECTION 3.**

The Planning Commission reviewed the BMR Agreements at a duly and properly noticed public hearing held on October 24, 2022 and continued to November 3, 2022, and recommended that the City Council adopt this resolution. As part of its recommendation to the City Council, the Planning Commission determined that the BMR Agreements are consistent with the purpose of the City’s BMR Housing Program as stated in Municipal Code Section 16.96.010, which is to increase the housing supply for households that have extremely low, very low, low and moderate incomes compared to the median household income for San Mateo County. The Planning Commission also determined that the BMR Agreements are consistent with the primary objective of the BMR Housing Program as stated in Municipal Code Section 19.16.010, which is to create actual housing units. The Planning Commission further determined that Applicant’s request to deviate from requirements in BMR Guidelines Sections 5.1 and 8.1 for the Age Restricted BMR Agreement would result in BMR units of reasonably equivalent characteristics as what would be required under the BMR Guidelines and is necessary to provide affordable units for seniors.

SECTION 4.

The City Council held a duly and properly noticed public hearing on the BMR Agreements on \_\_\_, 2022. The City Council finds that the following are the relevant facts concerning the BMR Agreements:

1. The BMR Agreements will result in the construction of BMR units that meet the requirements of Municipal Code Chapter 16.96 and are commensurate with the goals of the BMR Housing Program Guidelines, resulting in the Project producing 312 affordable units, as more specifically described in the BMR Agreements.
2. To provide affordable senior housing, which is needed in San Mateo County, the Age Restricted BMR Agreement allows the senior affordable units to be in a senior housing building, as required by law, rather than distributed throughout the Project, and to have a different mix than the overall mix of units in the Project as a whole. The production of affordable senior units is a benefit to the City.
3. To provide affordable senior housing, which is needed in San Mateo County, the Age Restricted BMR Agreement will require the affordable units to be rented to persons over a certain age, which preference is not expressly contemplated in the City's BMR rental preference criteria (set forth in the City of Menlo Park Below Market Rate Guidelines). The production of affordable senior units is a benefit to the City.
4. The waiver of the location requirements of Section 5.1 the City of Menlo Park Below Market Rate Guidelines with respect to the senior housing building would carry out the purposes of the BMR Housing Program and the Housing Element.
5. The rental of units in the senior building to persons over a certain age is a reasonably equivalent alternative to the preference criteria of the City of Menlo Park Below Market Rate Guidelines, is commensurate with the applicable requirements in the Guidelines and is consistent with the goals of the Guidelines.

SECTION 6.

Based upon the above findings of fact, the BMR Agreements for the Project are hereby approved. The City Council hereby authorizes the City Manager to execute the BMR Agreements in substantial conformance the BMR Agreements attached hereto and all documents required to implement the BMR Agreements on behalf of the City.

SECTION 7.

If any section of this resolution, or part hereof, is held by a court of competent jurisdiction in a final judicial action to be void, voidable or enforceable, such section, or part hereof, shall be deemed severable from the remaining sections of this ordinance and shall in no way affect the validity of the remaining sections hereof.

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I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the ~~fifteenth~~sixth day of ~~November~~December, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this \_\_\_ day of ~~November~~December, 2022.

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Judi A. Herren, City Clerk

Attachments:

- A. Project wide affordable housing agreement

Exhibits:

- A. Legal description Willow Village site Menlo Park, California
- B1. Below market rate housing agreement and declaration of restrictive covenants (Willow Village Masterplan 1350 Willow Road)
- B2. Below market rate housing agreement and declaration of restrictive covenants (Willow Village Masterplan 1350 Willow Road)
- C. Partial release of project wide affordable housing agreement
- D. Estimated below market rate units by building
- E. assignment and assumption agreement – project wide affordable housing agreement

This document is recorded for the benefit of the City of Menlo Park and is entitled to be recorded free of charge in accordance with Sections 6103 and 27383 of the Government Code.

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

City of Menlo Park  
Attn: City Clerk  
701 Laurel Street  
Menlo Park, CA 94025

**PROJECT WIDE AFFORDABLE HOUSING AGREEMENT**

**THIS PROJECT WIDE AFFORDABLE HOUSING AGREEMENT** (“Agreement”) is made as of this \_\_\_\_ day of \_\_\_\_\_, 2022, by and between Peninsula Innovation Partners, LLC, a Delaware limited liability company (“Project Wide Developer”) and the City of Menlo Park, a California municipal corporation (“City”) (each individually a “party” and together the “parties”), with reference to the following facts.

**RECITALS**

A. Project Wide Developer owns and is developing the real property commonly known as “Willow Village Master Plan Project” in the City of Menlo Park, County of San Mateo, (APNs 055-440-350, 055-440-210, 055-440-300, 055-440-130, 055-440-230, 055-440-110, 055-440-340, 055-440-330, 055-440-260, 055-440-320, 055-440-310, 055-440-040, 055-440-020, 055-440-010, 055-440-030, 055-440-050, 055-440-090, 055-440-190), more particularly described on Exhibit “A” attached hereto (“Property”). Development of the Property is governed by, among other items, Menlo Park Municipal Code Chapter 16.96 (“BMR Ordinance”) and the Below Market Rate Housing Program Guidelines (“Guidelines”).

B. Project Wide Developer applied to demolish an existing office, research and development and industrial site and to comprehensively redevelop the main project site with up to 1.6 million square feet of office space (inclusive of meeting and collaboration space and accessory uses), up to 200,000 square feet of retail uses, a 193 room hotel (approximately 172,000 square feet in size), and up to 1,730 residential dwelling units, as well as publicly accessible open space and landscaping (the “Project”).

C. The BMR Ordinance and Guidelines require Project Wide Developer to provide fifteen percent (15%) of the total number of units in the Project as affordable to below market rate households. To satisfy the requirements of the BMR Ordinance and Guidelines, Project Wide Developer has proposed to provide 312 on-site Affordable Housing Units (as hereinafter defined) to below market rate households, inclusive of 119 age-restricted senior Affordable Housing Units and 193 non-age restricted Affordable Housing Units.

D. On August 3, 2022, after a duly noticed public hearing, the Housing Commission recommended approval of the Affordable Housing Units (as hereinafter defined) with eighty-two (82) extremely-low-income age-restricted senior units, thirty-seven (37) very-low-income age-restricted senior units, seventy-six (76) low-income non-age restricted units and one hundred and seventeen (117) moderate-income non-age restricted units.

E. On \_\_\_\_\_, 2022, after a duly noticed public hearing, and on the recommendation of the Housing Commission and the Planning Commission, the City Council certified the environmental impact report and granted General Plan Circulation Element and Zoning Map amendments, rezoning, conditional development permit, development agreement (the “Development Agreement”), vesting tentative map, and below market rate (BMR) housing agreement for the Project (collectively, “Project Approvals”). The Project Approvals require the Project Wide Developer to provide Affordable Housing Units as described herein. In accordance with the BMR Ordinance and Guidelines, Project Wide Developer is required to execute and record an approved BMR housing agreement as a condition precedent to the issuance of a building permit for the Project. This Agreement is intended to satisfy that requirement.

F. The Project is anticipated to be completed in two phases over time, with a cumulative total of six parcels containing all of the Affordable Housing Units, with parcels known as 2, 3, 6, and 7 in the first phase and parcels known as 4 and 5 in the second phase.

G. This Agreement will serve to memorialize the following: Project Wide Developer’s agreement to provide the Affordable Housing Units within the Project needed to satisfy BMR Ordinance requirements; the security for the performance of this Agreement; the time frame for the construction of the Affordable Housing Units; the restriction of the Affordable Housing Units by the recordation of the Declarations (as defined below), in favor of the City and in a form agreed upon by Project Wide Developer and the City, as set forth in Exhibit “B-1” and “B-2” attached hereto, assuring affordability for the required term; and other related issues to the provision of Affordable Housing Units on the Property.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, Project Wide Developer hereby declares and the City hereby agrees as follows:

1. Definitions. The following terms shall have the meanings ascribed to them in this Section 1:

(a) Affordable Housing Units. “Affordable Housing Units” means the rental residential units that Project Wide Developer is required to provide on the Property, which are restricted as provided in this Agreement to assure affordability for households earning either 30% Area Median Income (as defined below), 50% Area Median Income (as defined below), 80% Area Median Income (as defined below), or 120% Area Median Income (as defined below).

(b) Agreement. “Agreement” means this Project Wide Affordable Housing Agreement.



(c) Area Median Income. “Area Median Income” or “AMI” means the area median income for San Mateo County, as published and periodically updated by the U.S. Department of Housing and Urban Development (“HUD”), adjusted for assumed household size.

(d) BMR Ordinance. “BMR Ordinance” has that meaning ascribed to it in Recital A, above.

(e) Building Permit(s). “Building Permit(s)” means a permit for the actual structure(s) of a Development Parcel, as that term is defined herein, in which residential rental units shall be developed and/or permits for any site preparation construction work, which may include but not be limited to make-ready utility installation; excavation, shoring and grading; and/or foundation installation.

(f) City. “City” means the City of Menlo Park, a municipal corporation.

(g) Declaration. “Declaration” means the Below Market Rate Housing Agreement and Declaration of Restrictive Covenants recorded in Senior Position against a parcel(s) and/or condominium(s) sufficient to accommodate construction of the Affordable Housing Units applicable to a Development Parcel or multiple Development Parcels. The Declaration shall be in substantially the same form as the Pro Forma Declaration attached hereto as Exhibit “B-1” and “B-2”, with the form attached as Exhibit “B-1” used for the non-age restricted buildings, and the form attached as Exhibit “B-2” used for the age restricted building. The term Declaration includes the First Development Parcel Declaration as defined in Section 5(a) below. Each Declaration shall be made by the owner of the affordable housing portion of such corresponding Development Parcel.

(h) Development Parcel. “Development Parcel” means those parcels within the Property upon which any group of Market Rate Units and Affordable Housing Units, and/or improvements for which Building Permits are being concurrently requested by the Project Wide Developer (or any successor owner of any portion of the Project ) are located, and shall include the First Development Parcel and any Subsequent Development Parcel, as such terms are defined herein.

(i) First Development Parcel. “First Development Parcel” shall mean and refer to: the first Development Parcel to be developed.

(j) Guidelines. “Guidelines” has that meaning ascribed to it in Recital A, above.

(k) Market Rate Units. “Market Rate Units” means the rental residential units that Project Wide Developer will develop on the Property that are not constricted by affordability rules under a Declaration and are permitted under the Project Approvals.

(l) Project Wide Developer. “Project Wide Developer” means Peninsula Innovation Partners, LLC, a Delaware limited liability company.

(m) Property. “Property” has that meaning ascribed to it in Recital A, above.

(n) Project. “Project” has that meaning ascribed to it in Recital B, above.

(o) Project Approvals. “Project Approvals” has that meaning ascribed to it in Recital E, above.

(p) Required Affordable Units. “Required Affordable Units” means the number of Affordable Housing Units which, as of the date of issuance of the first Building Permit for any particular Development Parcel, Project Wide Developer is required to construct pursuant to Section 2(c) of this Agreement (less any such Affordable Housing Units which have already been commenced by Project Wide Developer).

(q) Senior Position. “Senior Position” means that the document is recorded against the Property such that it is senior in recording priority to all mortgages and deeds of trust.

(r) Subsequent Development Parcel. “Subsequent Development Parcel” (it being acknowledged that there will be approximately five Subsequent Development Parcels shall mean and refer to: each of the five remaining Development Parcels to be developed as part of the Project.

(s) Targeted Household. “Targeted Household” means those households whose aggregate gross annual income does not exceed one hundred twenty percent (120%) of Area Median Income, as adjusted for family size.

(t) Other Terms. Other terms referenced in this Agreement in “quotations” (including those set forth in the Recitals) have the meanings ascribed to them in this Agreement.

2. Design, Construction and Occupancy Schedule for Affordable Housing Units. Project Wide Developer shall have no obligation to commence construction of the Affordable Housing Units except in accordance with the following schedule.

(a) First Development Parcel. Upon the start of the First Development Parcel, Project Wide Developer and/or a successor owner of any portion of the Project shall obtain Building Permits for all of the Required Affordable Units for the First Development Parcel and shall diligently commence and pursue construction of such Affordable Housing Units.

(b) Subsequent Development Parcel(s). Upon the commencement of any Subsequent Development Parcel, Project Wide Developer and/or a successor owner of such Subsequent Development Parcel shall obtain Building Permits for all of the Required Affordable Units for such Subsequent Development Parcel and shall diligently commence and pursue construction of such Affordable Housing Units. It is acknowledged that there may be more than one Subsequent Development Parcel.

(c) Construction of Affordable Housing Units. With respect to each Development Parcel, Project Wide Developer shall obtain Building Permits (and thereafter construct and complete pursuant to Sections 2(a) and 2(b), above) for the Required Affordable Units in relation to such Development Parcel, all as provided in Exhibit “D” attached hereto, as the same may be

amended or updated with the mutual approval of the City and the Project Wide Developer, provided, however, that a reallocation of Affordable Housing Units of Affordable Housing Units from one Development Parcel to another Development Parcel is permitted without the approval of the City so long as the reallocation does not decrease the Affordable Housing Units in any given Development Parcel as set forth in Exhibit “D” by more than 5%; and provided further that a reallocation that decreases the number of Affordable Housing Units of any given Development Parcel by more than 5% but less than 10% shall require approval of the City pursuant to an Operating Memorandum as described in Section 8.7 of the Development Agreement. In the event of any reallocation of Affordable Housing Units as described in this Section and pursuant to Section 5.1 of the Guidelines (as that section may be amended), in the Development Parcel accommodating the reallocated Affordable Housing Units, the Affordable Housing Units shall generally be of the same proploritonate size (number of bedrooms and square footage) as the market-rate units in such Development Parcel, should be distributed through such development, and should be indistinguishable from the exterior. City shall reasonably cooperate in the amendment of Exhibit “D” if a reallocation of more than 10% of Affordable Units among the Parcels is requested by Project Wide Developer provided there is no material impact on the deliver of Affordable Units to the Project.

3. Building Permits. Issuance of Building Permits for any Development Parcel, and a corresponding release of this Agreement from the property comprising such Development Parcel, shall not be allowed until Project Wide Developer causes a parcel(s) and/or condominium(s) sufficient to accommodate construction of the Affordable Housing Units applicable to such Development Parcel to be encumbered by a Declaration in Senior Position.

4. Effect of Sale of Parcel by Project Wide Developer. If a parcel(s) or condominium(s) within the Project are sold or otherwise transferred by Project Wide Developer, every such parcel or condominium sold or transferred shall (at the time the owner thereof obtains Building Permits for residential rental units on such parcel(s) or condominium(s)) be included, for purposes of this Agreement, in the phased delivery of Affordable Housing Units and Market Rate Units as provided in Exhibit “D” attached hereto, as the same may be amended or updated with the mutual approval of the City and the Project Wide Developer pursuant to Section 2 of this Agreement, and the other requirements of this Agreement. Any such sale or transfer by the Project Wide Developer shall also be subject to the provisions of Section 11 of this Agreement.

5. Declarations of Covenants, Conditions and Restrictions. The Project Wide Developer, and/or a successor owner of any applicable portion of the Project, shall timely execute and record Declarations as and when required by this Agreement.

(a) First Development Parcel Declaration. Prior to the first date upon which Building Permits for Market Rate Units in the First Development Parcel are first issued, Project Wide Developer shall execute, acknowledge and deliver a “First Development Parcel Declaration” to the title company, who will cause the First Development Parcel Declaration to be recorded in Senior Priority against the parcel(s) and/or condominium(s) described in such First Development Parcel Declaration. The First Development Parcel Declaration shall ensure that the required number of Affordable Housing Units applicable to the First Development Parcel (as provided on Exhibit “D” attached hereto, as the same may be amended or updated with the mutual approval of

the City and the Project Wide Developer) will be owned, operated, leased, rented, maintained, and occupied as Affordable Housing Units for the term of the First Development Parcel Declaration. At the time the First Development Parcel Declaration is executed, the City shall execute a release of this Agreement for all of the parcel(s) and/or condominium(s) comprising the First Development Parcel. Such release shall be in the form attached as Exhibit “C” hereto.

(b) Subsequent Development Parcel Declaration. Prior to the issuance of Building Permits for any Market Rate Units in any Subsequent Development Parcel, Project Wide Developer shall, to the extent a previously recorded Declaration does not already address the Affordable Housing Units applicable to such Subsequent Development Parcel, cause a parcel(s) or condominium(s) of real property sufficient to accommodate construction of the Affordable Housing Units applicable to such Subsequent Development Parcel to be encumbered by a Declaration in Senior Position. At the time a Declaration for such Subsequent Development Parcel is executed, the City shall execute a release of this Agreement for all of the parcel(s) and/or condominium(s) comprising such Subsequent Development Parcel. Such release shall be in the form attached as Exhibit “C” hereto.

(c) Restrictions. Each Declaration shall be in substantially the same form as the declarations set forth in Exhibit “B-1” for the non-age restricted buildings and Exhibit “B-2” for the age restricted building and shall provide for the bedroom mix of the Affordable Housing Units on each Development Parcel. Each Declaration shall also restrict the occupancy, and rents paid by the Targeted Households in accordance with the provisions of the Guidelines or as otherwise allowed by law.

6. Recordation. This Agreement shall be recorded against the Property in the Office of the County Recorder for the County of San Mateo in Senior Position; but subject to the release provisions of Sections 5(a) and 5(b) above and Section 16 below.

7. Indemnity. Project Wide Developer agrees to indemnify and hold harmless the City, and any and all of its members, officers, agents, servants, or employees (the “Indemnitees”) from and against all claims, liens, claims of lien, losses, damages, costs, and expenses, whether direct or indirect, arising in any way from the default by Project Wide Developer in the performance of its obligations under this Agreement; provided, however, that Project Wide Developer shall not be required to indemnify, defend or hold harmless any of the Indemnitees from claims, losses, damages, costs and expenses related to the negligence or willful misconduct of any of the Indemnitees.

8. Marketing Requirements. Project Wide Developer shall follow any applicable marketing requirements and procedures of the Guidelines.

9. Breach/Default. If Project Wide Developer is in material breach of the terms set forth in this Agreement and Project Wide Developer does not take action to correct such violation within 60 days of written notice of such failure from the City (or 180 days in the event such violation cannot be cured within 60 days and Project Wide Developer is diligently pursuing such cure), the City shall be entitled to all of its rights and remedies set forth herein and at law and in equity.

10. Covenants to Run With the Land. Project Wide Developer agrees that all of its obligations hereunder shall constitute covenants, which shall run with the land and shall be binding upon the Property and upon every person having any interest therein at any time and from time to time during the term of this Agreement. Further, Project Wide Developer agrees that, if a court of competent jurisdiction determines that the obligations set forth herein do not qualify as covenants running with the land, they shall be enforced as equitable servitudes.

11. Successors and Assigns. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto, and their respective heirs, successors and assigns. Project Wide Developer shall not sell, transfer or otherwise dispose of the Property or any legal parcel or condominium comprising a portion thereof, unless: (i) the proposed transferee enters into a Declaration as described in Section 5 hereof or (ii) the proposed transferee shall have executed and delivered to the City an express written assumption of all of Project Wide Developer's obligations under this Agreement as they relate to such acquired real property, on a form substantially similar to the attached Exhibit "E". Upon any sale of any portion of the Property permitted by the preceding sentence, with respect solely to the transferred property, Project Wide Developer and any Property not so conveyed will be released from further obligations relating to such transferred property (and under any Declaration or other documentation related hereto). The foregoing restrictions on sale and transfer shall not apply to the granting of easements, rights-of-way, and similar conveyances in connection with the development of the Project which are not in the nature of a sale of one or more legal parcels or condominiums. Upon assignment and assumption by a successor entity, as approved by the City, Project Wide Developer shall be released from all further responsibility under the terms of this Agreement as to the subject parcel(s) and/or condominium(s) so conveyed. The successors, heirs and assigns of the Project Wide Developer shall enter into and execute such other and further documents as the City shall reasonably require, as from time to time, may be needed to effectuate the affordable housing requirements of the Guidelines or as otherwise required or allowed by law.

12. Standing, Equitable Remedies; Cumulative Remedies. Project Wide Developer expressly agrees and declares that the City and/or its successors shall be the proper parties and shall have standing to initiate and pursue any and all actions or proceedings, at law or in equity, to enforce the provisions hereof and/or to recover damages for any default hereunder, notwithstanding the fact that such damages or the detriment arising from such a default may have actually been suffered by some other person or by the public at large. Nothing in this subparagraph, and no recovery to the City, shall restrict or limit the rights or remedies of persons or entities other than the City, against Project Wide Developer in connection with the same or related acts by Project Wide Developer. Neither Project Wide Developer, nor any tenant or occupant of the Property, shall have any claim or right of action against the City based on any alleged failure of the City to perform or enforce the terms of this Agreement, except that Project Wide Developer may reasonably rely upon City's tenant eligibility determination, and provided further that Project Wide Developer may pursue a claim of specific performance against the City in the event the City improperly withholds a release of a Development Parcel from this Agreement after a Declaration has been recorded against such Development Parcel according to the terms of this Agreement.

13. Certificate of Compliance. The City shall provide Project Wide Developer upon request with recordable evidence that a particular parcel(s) of real property or condominium(s) within the

Project has satisfied all applicable requirements under this Agreement, or has been developed in a manner which makes this Agreement inapplicable thereto, and which instrument shall have the effect of making this Agreement no longer a lien or encumbrance upon title to such parcel(s) or condominium(s).

14. Term. This Agreement and the covenants and restrictions contained herein shall, subject to the provisions above relating to release hereof, remain in effect as a lien and charge against each legal parcel or condominium within the Property until the date of recordation of the final Declaration for the final Subsequent Development Parcel for the Property, at which time this Agreement shall be terminated.

15. Severability. In the event that any provision or covenant of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then it shall be severed from the remaining portions of this Agreement which shall remain in full force and effect.

16. Release of Non-Residential Parcels. This Agreement is entered into to provide for the development of Affordable Housing Units on the six (6) Development Parcels containing Affordable Housing Units. Those portions of the Project not containing the Development Parcels shall be released from this Agreement upon the earlier of (i) the recording of a parcel or final map for said portions of the Project not containing the six (6) Development Parcels, which map substantially conforms to the Willow Village Master Plan or (ii) the issuance of a demolition or building permit for the development of any portion of the Project not containing the six (6) Development Parcels. Such release shall be in the form attached as Exhibit "C" hereto.

17. General Provisions.

(a) Integration. The undersigned, and each of them, acknowledge and represent that no promise or inducement not expressed in this Agreement has been made in connection with this Agreement. This Agreement contains the entire agreement and understanding between the parties as to its subject matter.

(b) Waiver and Amendment. No provision of this Agreement, or breach of any provision, can be waived except in writing. Waiver of any provision or breach shall not be deemed to be a waiver of any other provision, or of any subsequent breach of the same or other provision. Except as otherwise provided herein, this Agreement may be amended, modified or rescinded only in writing signed by Project Wide Developer and the City.

(c) Time of Essence. Time is expressly declared to be of the essence in this Agreement, and of every provision in which time is an element.

(d) Captions. Paragraph titles and captions contained in this Agreement are inserted as a matter of convenience and for reference, and are not a substantive part of this Agreement.

(e) Further Assurances. The parties each agree to sign any additional documents, which are reasonably necessary to carry out this Agreement or to accomplish its intent.

(f) Benefit and Burden. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors and assigns. This Agreement is not intended to benefit any person other than the parties hereto.

(g) Governing Law. This Agreement has been entered into in the State of California, and shall be interpreted and enforced under California law.

(h) Attorneys' Fees. The prevailing party in any action, including, but not limited to, arbitration, a petition for writ of mandate, and/or an action for declaratory relief, brought to enforce, interpret or reform the provisions of this Agreement shall be entitled to reasonable attorneys' fees and costs (including, but not limited to, experts' fees and costs and trustees' fees, and including "costs" regardless of whether recoverable as such under any statute) incurred in such action.

(i) Signatures. This Agreement may be executed in any number of counterparts and, as so executed, the counterparts shall constitute one and the same Agreement. All individuals signing this Agreement for a party which is a corporation, limited liability company, partnership or other legal entity, or signing under a power of attorney, or as a trustee, guardian, conservator, or in any other legal capacity, covenant to the City that they have the necessary capacity and authority to act for, sign and bind the respective entity or principal on whose behalf they are signing.

(j) Intentionally Omitted.

(k) Notices. All notices given pursuant to this Agreement or law shall be written. Notices shall be delivered with all delivery or postal charges prepaid. Notices may be given personally; by electronic mail; by United States first-class mail; by United States certified or registered mail; or by other recognized overnight service. Notices shall be deemed received on the date of personal delivery transmission; on the date shown on a signed return receipt or acknowledgment of delivery; or, if delivery is refused or notice is sent by regular mail, seventy-two (72) hours after deposit thereof with the U.S. Postal Service. Until a party gives notice of a change, notices shall be sent to:

If to the City: City of Menlo Park  
701 Laurel Street  
Menlo Park, CA 94025  
Attention: City Clerk  
E-mail:

If to Project Wide Developer: Peninsula Innovation Partners, LLC  
1 Hacker Way  
Menlo Park, CA 94025  
Attn: \_\_\_\_\_  
E-mail:

With a copy to: Cox, Castle & Nicholson LLP



50 California Street, Suite 3200  
San Francisco, CA 94111  
Attn: Ofer Elitzur, Esq.  
E-mail: oelitzur@coxcastle.com

(l) Mortgagees Protection. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Agreement shall defeat or render invalid or in any way impair the lien or charge of any permitted deed of trust recorded on the Property provided, however, that any subsequent owner of the Property shall be bound by the covenants, conditions, restrictions, limitations and provisions of this Agreement, whether such owner's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

(m) Actions of Parties to be Reasonable. Each party to this Agreement agrees that it shall act reasonably in granting or withholding any consent or approval required by this Agreement and/or any other legal document executed in connection with this Agreement or in connection with the development of the Project.

(n) Estoppel Certificate. Upon the request of the Project Wide Developer, the City shall, through the City Manager, provide Project Wide Developer and any potential lender or purchaser, with an estoppel certificate by which the City confirms that neither Project Wide Developer nor the City is in default hereof (or setting forth such defaults) and confirming such other factual matters as Project Wide Developer or such potential lender or purchaser may reasonably request and the addressees of such estoppel certificates shall be entitled to rely upon the information contained therein.

[This Space Intentionally Left Blank]

IN WITNESS WHEREOF, the Project Wide Developer has caused this Agreement to be executed as of the date first written above.

**PROJECT WIDE DEVELOPER:**

PENINSULA INNOVATION PARTNERS, LLC, a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**CITY:**

CITY OF MENLO PARK, a California municipal corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: City Manager

**ATTEST:**

\_\_\_\_\_  
City Clerk

Date: \_\_\_\_\_

ACKNOWLEDGMENT

State of California )  
 )  
County of Mateo )

On \_\_\_\_\_, 20\_\_\_\_ before me, \_\_\_\_\_,  
personally appeared \_\_\_\_\_  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same  
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

ACKNOWLEDGMENT

State of California )  
 )  
County of San Mateo )

On \_\_\_\_\_, 20\_\_\_\_ before me, \_\_\_\_\_,  
personally appeared \_\_\_\_\_  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same  
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

**Exhibit "A"**  
**Property Description**

**Exhibit “B-1”**

**Pro Forma Affordable Regulatory Agreement and  
Declaration of Restrictive Covenants**

**Exhibit “B-2”**

**Pro Forma Affordable Regulatory Agreement and  
Declaration of Restrictive Covenants (Age-Restricted)**



**Exhibit “C”**

**Pro Forma Partial Release**

**Exhibit "D"**

**Phase 1**

	<b>Market Rate Units</b>	<b>Affordable Units</b>
<b>Parcel 2</b>	<b>293</b>	<b>34</b>
<b>Parcel 3</b>	<b>376</b>	<b>43</b>
<b>Parcel 6</b>	<b>158</b>	<b>20</b>
<b>Parcel 7</b>	<b>1 (manager's unit)</b>	<b>119</b>

**Phase 2**

	<b>Market Rate Units</b>	<b>Affordable Units</b>
<b>Parcel 4</b>	<b>378</b>	<b>62</b>
<b>Parcel 5</b>	<b>212</b>	<b>34</b>

**Exhibit “E”**

**Pro Forma Assignment and Assumption**

**EXHIBIT A****LEGAL DESCRIPTION  
WILLOW VILLAGE SITE  
MENLO PARK, CALIFORNIA**

The land referred to is situated in the City of Menlo Park, County of San Mateo, State of California and is described as follows:

**BEGINNING** at the southwesterly corner of Parcel S; as shown on that certain map entitled "Menlo Industrial Center, City of Menlo Park, San Mateo County, California" filed in the office of the County Recorder of San Mateo County, State of California, on October 1, 1979, in Volume 99 of Maps at Pages 81-83, thence,

North 22°05'00" East, 120.17 feet; thence,

North 24°45'44" East, 143.14 feet; thence,

Along a tangent curve to the left, having a radius of 1,536.52 feet, length of 74.34 feet, and a delta angle of 02°46'19"; thence,

North 22°05'00" East, 864.41 feet; thence,

Along a tangent curve to the left, having a radius of 1,032.50 feet, length of 55.72 feet, and a delta angle of 03°05'31"; thence,

North 25°35'47" East, 2.12 feet; thence,

North 19°19'09" East, 144.98 feet; thence,

North 22°05'00" East, 71.06 feet; thence,

North 84°59'41" East, 1,324.41 feet; thence,

Along a tangent curve to the left, having a radius of 1,1509.17 feet, length of 251.79 feet, and a delta angle of 01°15'13"; thence,

South 10°08'21" West, 1,612.25 feet; thence,

South 88°08'54" West, 1,612.25 feet; thence,

North 79°51'49" West, 668.96 feet to the **POINT OF BEGINNING**.

Containing 2,577,434.20 square feet (59.17 acres), more or less.

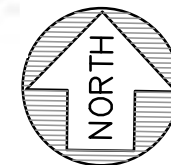


September 30, 2022



Line Table		
Line #	Length	Direction
L1	120.17	N22° 05' 00"E
L2	143.14	N24° 45' 44"E
L3	864.41	N22° 05' 00"E
L4	144.98	N19° 19' 09"E
L5	71.06	N22° 05' 00"E
L6	1324.41	N84° 59' 41"E
L7	1612.25	S10° 08' 21"W
L8	1182.95	S88° 08' 54"W
L9	668.96	N79° 51' 49"W
L10	2.12	N25° 35' 47"E
L11	1324.41	N84° 59' 45"E
L12	1612.25	S10° 07' 20"W
L13	1182.46	S88° 07' 50"W
L14	669.55	N79° 55' 00"W

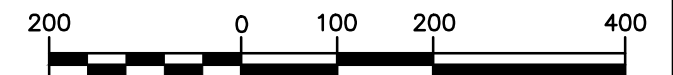
Curve Table			
Curve #	Length	Radius	Delta
C1	251.79	11509.17	1°15'13"
C2	74.34	1536.52	2°46'19"
C3	55.72	1032.50	3°05'31"



**NOTES**

(L11) RECORD DATA FROM 99 M 82-83

**GRAPHIC SCALE**



( IN FEET )  
1 inch = 200 ft.

DATE: 9/30/2022  
SCALE: AS SHOWN  
DESIGNED:  
DRAWN: RJL  
CHECKED: DCF  
PROJ. ENGR:

**FREYER & LAURETA, INC.**  
CIVIL ENGINEERS • SURVEYORS • CONSTRUCTION MANAGERS  
150 Executive Blvd • Suite 4200 • San Francisco, CA 94134  
(415)534-7070 • www.freyerlaureta.com

DESCRIPTION	DATE

**EXHIBIT B**  
**PROJECT SITE PLAT**  
**WILLOW VILLAGE**  
**MENLO PARK, CALIFORNIA**

SHEET  
1  
OF 1 SHEETS  
JOB NO.  
**300001**

This document is recorded for the benefit of the City of Menlo Park and is entitled to be recorded free of charge in accordance with Sections 6103 and 27383 of the Government Code.

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

City of Menlo Park  
Attn: City Clerk  
701 Laurel Street  
Menlo Park, CA 94025

**BELOW MARKET RATE HOUSING AGREEMENT  
AND DECLARATION OF RESTRICTIVE COVENANTS**

**(Willow Village Masterplan 1350 Willow Road)**

**THIS BELOW MARKET RATE HOUSING AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS (“Agreement”)** is entered into as of \_\_\_\_\_, 2022, by and between the City of Menlo Park, a California municipal corporation (“**City**”), and \_\_\_\_\_, a \_\_\_\_\_ (“**Owner**”). City and Owner may be referred to individually as a “**Party**” or collectively as the “**Parties**” in this Agreement.

**RECITALS**

A. Owner is the owner of that certain real property located at \_\_\_\_\_ (APN \_\_\_\_\_), in the City of Menlo Park, California (“**Property**”), as more particularly described in Exhibit A attached hereto and incorporated herein by this reference.

B. [Peninsula Innovation Partners, LLC] (“**Project Wide Developer**”) applied to demolish an existing office, research and development and industrial site (the “**Main Willow Village Project Site**”) and to comprehensively redevelop the project wide site with up to 1.6 million square feet of office space (inclusive of meeting and collaboration space and accessory uses), up to 200,000 square feet of retail uses, a 193 room hotel (approximately 172,000 square feet in size), and up to 1,730 residential dwelling units, as well as publicly accessible open space and landscaping as part of a master planned mixed-use project (the “**Willow Village Project**”), [which is subject to that certain Project Wide Affordable Housing Agreement (“**Project Wide Affordable Housing Agreement**”) between Project Wide Developer and City, dated as of \_\_\_\_\_], 2022. The Property is part of Phase [\_\_\_\_\_] as described in the Project Wide Affordable Housing Agreement.]

C. [The Project Wide Developer has transferred the Property to the Owner, and the City has released the Property from the Project Wide Affordable Housing Agreement pursuant to the terms of the Project Wide Affordable Housing Agreement, in conjunction with the recording of this Agreement.]



D. The Willow Village Project re-subdivided the Main Willow Village Project Site into \_\_\_ new legal parcels shown on the proposed Vesting Tentative Map in Exhibit \_\_\_ of the DA. Amongst those new parcels is parcel \_\_\_\_, which is approved for residential building [ ] with a new multifamily residential project with [ ] rental units, as well as associated open space, circulation, parking and infrastructure improvements. (“**Project**”), of which [ ] ( ) rental units (“**BMR Units**”) shall be affordable to below market rate households as follows: [ ] ( ) low income units (“**Low Income Units**”) and [ ] ( ) moderate income units (“**Moderate Income Units**”). The allocation of BMR Units across the unit-sizes in the Project is more particularly described on Exhibit B, attached hereto and incorporated herein by this reference.

E. On \_\_\_\_\_, 2022, after a duly noticed public hearing, and on the recommendation of the Housing Commission, the Plannin Commission, and the City Council certified the environmental impact report and granted General Plan Circulation Element and Zoning Map amendments, rezoning, conditional development permit, development agreement, vesting tentative map, and below market rate (BMR) housing agreement for the Project (“**Project Approvals**”). The Project Approvals require the Project Wide Developer to provide BMR Units in accordance the Project Wide Affordable Housing Agreement. In accordance with the Menlo Park Municipal Code Chapter 16.96, the Below Market Rate Housing Program (“**BMR Ordinance**”), and the Below Market Rate Housing Program Guidelines (“**Guidelines**”), Owner is required to execute and record an approved BMR Housing Agreement as a condition precedent to the issuance of a building permit for the Project. This Agreement is intended to satisfy that requirement.

F. As required by the Project Wide Affordable Housing Agreement, and pursuant to this Agreement, Owner has agreed to observe all the terms and conditions set forth below for purposes of development and operation of the BMR Units. This Agreement will ensure the Project’s continuing affordability.

**NOW, THEREFORE**, the Parties hereto agree as follows. The recitals are incorporated into this Agreement by this reference.

**1. CONSTRUCTION OF THE IMPROVEMENTS.**

**1.1 Construction of the Project.** Owner agrees to construct the Project in accordance with the Menlo Park Municipal Code and all other applicable state and local building codes, development standards, ordinances and zoning ordinances.

**1.2 City and Other Governmental Permits.** Before commencement of the Project, Owner shall secure or cause its contractor to secure any and all permits which may be required by the City or any other governmental agency affected by such construction, including without limitation building permits. Owner shall pay all necessary fees and timely submit to the City final drawings with final corrections to obtain such permits; City staff will, without incurring liability or expense therefore, process applications in the ordinary course of business for the issuance of building permits and certificates of occupancy for construction that meets the requirements of the Menlo Park Municipal Code, and all other applicable laws and regulations.

**1.3 Compliance with Laws.** Owner shall carry out the design, construction and operation of the Project in conformity with all applicable laws, including all applicable state labor standards, City zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions of the Menlo Park Municipal Code, and **all** applicable disabled and handicapped access requirements, including without limitation the Americans With Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, Government Code Section 4450, *et seq.*, Government Code Section 11135, *et seq.*, and the Unruh Civil Rights Act, Civil Code Section 51, *et seq.*

## **2. OPERATION OF THE BMR UNITS**

**2.1 Affordability Period.** This Agreement shall remain in effect and the Property shall be subject to the requirements of this Agreement from the date that the City issues a final certificate occupancy for the Project (the “**Effective Date**”) until the 55th anniversary of such Effective Date. The duration of this requirement shall be known as the “**Affordability Period.**”

**2.2 Maintenance.** Owner shall comply with every condition of the Project Approvals applicable to the Project and shall, at all times, maintain the Project and the Property in good repair and working order, reasonable wear and tear excepted, and in a safe and sanitary condition, and from time to time shall make all necessary and proper repairs, renewals, and replacements to keep the Project and the Property in a good, clean, safe, and sanitary condition.

**2.3 Monitoring and Recordkeeping.** Throughout the Affordability Period, Owner shall comply with all applicable recordkeeping and monitoring requirements set forth in the Guidelines. City shall have the right to inspect the books and records of Owner and its rental agent or bookkeeper upon reasonable notice during normal business hours. Representatives of the City shall be entitled to enter the Property, upon at least 48-hour prior written notice, which can be provided via email, to monitor compliance with this Agreement, to inspect the records of the Project with respect to the BMR Units, and to conduct, or cause to be conducted, an independent audit or inspection of such records. Owner agrees to cooperate with the City in making the Property available for such inspection or audit. Owner agrees to maintain records in businesslike manner, and to maintain such records for Affordability Period.

**2.4 Non-Discrimination Covenants.** Owner covenants by and for itself, its successors and assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, religion, sex, marital status, familial status, disability, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. Owner shall include such provision in all deeds, leases, contracts and other instruments executed by Owner, and shall enforce the same diligently and in good faith.

a. In deeds, the following language shall appear:

(1) Grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through it, that there shall be no

discrimination against or segregation of a person or of a group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the property herein conveyed nor shall the grantee or any person claiming under or through the grantee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the property herein conveyed. The foregoing covenant shall run with the land.

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11 and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

b. In leases, the following language shall appear:

(1) The lessee herein covenants by and for the lessee and lessee's heirs, personal representatives and assigns, and all persons claiming under the lessee or through the lessee, that this lease is made subject to the condition that there shall be no discrimination against or segregation of any person or of a group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, ancestry or disability in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the property herein leased nor shall the lessee or any person claiming under or through the lessee establish or permit any such practice or practices of discrimination of segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the property herein leased.

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11 and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

c. In contracts pertaining to management of the Project, the following language, or substantially similar language prohibiting discrimination and segregation shall appear:

(1) There shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the property nor shall the transferee or any person claiming under or through the transferee establish or permit any such practice or practices of discrimination or segregation with reference to selection, location, number, use or occupancy of tenants, lessee, subtenants, sublessees or vendees of the land.

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11 and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

**2.5 Subordination.** This Agreement shall be recorded in the Official Records of the County of San Mateo and shall run with the land. The City agrees that the City will not withhold consent to reasonable requests for subordination of this Agreement for the benefit of lenders providing financing for the Project, provided that the instruments effecting such subordination include reasonable protections to the City in the event of default, including without limitation, extended notice and cure rights.

### **3. OPERATION OF THE BMR UNITS**

**3.1 BMR Units.** Owner agrees to make available, restrict occupancy to, and lease not less than [ ] ( ) BMR Units, inclusive of [ ] ( ) Low Income Units and [ ] ( ) Moderate Income Units, to Qualifying Households, as hereinafter defined, at an affordable rent, pursuant to the terms set forth below. The BMR Units shall be of a quality comparable to all of the other rental units in the Project. The BMR Units shall be initially distributed as set forth in Exhibit C, attached hereto and incorporated herein by this reference. Thereafter, the location of the individual BMR Units may float to account for the next available unit requirement set forth below and as otherwise necessary for the professional maintenance and operation of the Project provided that the distribution of BMR Units are equitably disbursed throughout the Project and the City's City Manager or Deputy Director of Community Development ("**Deputy Director**") shall be notified of any change or relocation of BMR Units by Owner.

**3.2 Qualifying Households.** For purposes of this Agreement, “**Qualifying Households**” shall mean those households with incomes as follows:

- a. **“Low Income Unit”**: means units restricted to households with incomes of not more than eighty percent (80%) of AMI. “AMI” means the median income for San Mateo County, California, adjusted for Actual Household Size, as published from time to time by the State of California Department of Housing and Community Development in Section 6932 of Title 25 of the California Code of Regulations or successor provision. Qualifying Households shall continue to qualify unless at the time of recertification, the household’s income exceeds the Low Income eligibility requirements, then the tenant shall no longer be qualified. Upon Owner’s determination that any such household is no longer qualified, the unit shall no longer be deemed a Low Income Unit, and the Owner shall either (1) make the next available unit, which is comparable in terms of size, features and number of bedrooms, a Low Income Unit, or take other actions as may be necessary to ensure that the total required number of Low Income Units are rented to Qualifying Households, or (2) if the tenant’s income does not exceed one hundred twenty (120%) of the maximum income that would qualify the Tenant as a Moderate Income Household, the tenant shall be allowed to remain in the unit at a Moderate Income rent. If the tenant originally qualified as a Low Income Household, then the tenant’s rent will be increased to a Moderate Income rent upon the later of sixty (60) days’ notice or the renewal of the tenant’s lease, and the Owner shall rent the next available unit to a Low Income Household. Owner shall notify the City annually if Owner substitutes a different unit for one of the designated Low Income Units pursuant to this paragraph.
  
- b. **“Moderate Income Unit”**: means units restricted to households with incomes of not more than one hundred and twenty percent (120%) of AMI. “AMI” means the median income for San Mateo County, California, adjusted for Actual Household Size, as published from time to time by the State of California Department of Housing and Community Development in Section 6932 of Title 25 of the California Code of Regulations or successor provision. Qualifying Households shall continue to qualify unless at the time of recertification, the household’s income exceeds the Moderate Income eligibility requirements, then the tenant shall no longer be qualified. Upon Owner’s determination that any such household is no longer qualified, the unit shall no longer be deemed a Moderate Income Unit and the Owner shall either (1) make the next available Moderate Income Unit, which is comparable in terms of size, features and number of bedrooms, a Moderate Income Unit, or take other actions as may be necessary to ensure that the total required number of Moderate Income Units are rented to Qualifying Households, or (2) If the tenant’s income does not exceed one hundred twenty (120%) of the maximum income that would qualify the Tenant as a Moderate Income Household, the tenant shall be allowed to

remain in the unit at a Moderate Income rent. If the tenant originally qualified as a Moderate Income Household, then the Tenant shall be notified they are no longer eligible for the BMR unit and tenant's rent will be increased to a market rate rent upon the later of sixty (60) days' notice or the renewal of the tenant's lease, and the Owner shall rent the next available unit to a Moderate Income Household. Owner shall notify the City annually if Owner substitutes a different unit for one of the designated Moderate Income Units pursuant to this paragraph.

**3.3 Income Verification and Annual Report.** On or before July 1 of each year, commencing with the calendar year that the first residential unit in the Project is rented to a tenant, and annually thereafter, Owner shall obtain from each household occupying a BMR Unit and submit to the City an income computation and certification form, completed by a tenant of such unit, which shall certify that the income of each Qualifying Household is truthfully set forth in the income certification form, in the form proposed by the Owner and approved by the Deputy Director ("**Annual Report**"). Owner shall make a good faith effort to verify that each household leasing a BMR Unit meets the income and eligibility restrictions for the BMR Unit by taking the following steps as a part of the verification process: (a) obtain a minimum of the three (3) most current pay stubs for all adults age eighteen (18) or older; (b) obtain an income tax return for the most recent tax year; (c) conduct a credit agency or similar search; (d) obtain the three (3) most current savings and checking account bank statements; (e) obtain an income verification form from the applicant's current employer; (f) obtain an income verification form from the Social Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies; or (g) if the applicant is unemployed and has no such tax return, obtain another form of independent verification. Copies of tenant income certifications shall be available to the City upon request. The Annual Report shall, at a minimum, include the following information for each BMR Unit: unit number, number of bedrooms, current rent and other charges, dates of any vacancies during the reporting period, number of people residing in the unit, total household Gross Income, and lease commencement and termination dates. The Report shall also provide a statement of the owner's management policies, communications with the tenants and maintenance of the BMR Unit, including a statement of planned repairs to be made and the dates for the repairs.

**3.4 Affordable Rent.** The maximum Monthly Rent, defined below, chargeable for the BMR Units and paid shall be as follows:

- a. "**Low Income Household**": shall be 1/12th of 30 percent of 80 percent of the AMI. The Monthly Rent for a Low Income Unit rented to a Low Income Household and paid by the household shall be based on an assumed average occupancy per unit of one person per studio unit, 1.5 persons for a one-bedroom unit, 3 persons for a two-bedroom unit and 4.5 persons for a three-bedroom unit, unless otherwise approved by the Deputy Director for an unusually large unit with a maximum of two persons per bedroom, plus one.
- b. "**Moderate Income Household**": shall be 1/12th of 30 percent of 120 percent of the AMI. The Monthly Rent for a Moderate Income Unit rented to a Moderate Income Household and paid by the household shall be based



on an assumed average occupancy per unit of one person per studio unit, 1.5 persons for a one- bedroom unit, 3 persons for a two-bedroom unit and 4.5 persons for a three- bedroom unit, unless otherwise approved by the Deputy Director for an unusually large unit with a maximum of two persons per bedroom, plus one.

For purposes of this Agreement, “**Monthly Rent**” means the total of monthly payments actually made by the household for (a) use and occupancy of each BMR Unit and land and facilities associated therewith, (b) any separately charged fees or service charges assessed by Owner which are required of all tenants, other than security deposits, (c) a reasonable allowance for an adequate level of service of utilities not included in (a) or (b) above, and which are not paid directly by Owner, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuels, but not including telephone or internet service, which reasonable allowance for utilities is set forth in the County of San Mateo’s Utility Allowance Schedule for detached homes, apartments, condominiums and duplexes, and (d) possessory interest, taxes or other fees or charges assessed for use of the land and facilities associated therewith by a public or private entity other than Owner. Pursuant to the Guidelines, in no case shall the Monthly Rent for a BMR Unit exceed 75 percent of comparable market rate rents.

**3.5 Agreement to Limitation on Rents.** As described in Recital C above, Owner is developing at the bonus level of development, which is a form of assistance authorized by Chapter 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code. Sections 1954.52(b) and 1954.53(a)(2) of the Costa-Hawkins Act provide that, where a developer has received such assistance, certain provisions of the Costa-Hawkins Act do not apply if a developer has so agreed by contract. Owner hereby agrees to limit Monthly Rent as provided in this Agreement in consideration of Owner’s receipt of the assistance and further agrees that any limitations on Monthly Rents imposed on the BMR Units are in conformance with the Costa-Hawkins Act. Owner further warrants and covenants that the terms of this Agreement are fully enforceable.

**3.6 Lease Requirements.** No later than 180 days prior to the initial lease up of the BMR Units, Owner shall submit a standard lease form to the City for approval by the Deputy Director or his/her designee. The City shall reasonably approve such lease form upon finding that such lease form is consistent with this Agreement and contains all of the provisions required pursuant to the Guidelines. The City's failure to respond to Owner's request for approval of the standard lease form within thirty (30) business days of City's receipt of such lease, shall be deemed City's approval of such lease form. Owner shall enter into a written lease, in the form approved by the City, with each new tenant of a BMR Unit prior to a tenant or tenant household’s occupancy of a BMR Unit. Each lease shall be for an initial term of not less than one year which may be renewed pursuant to applicable local and State laws, and shall not contain any of the provisions which are prohibited pursuant to the Guidelines, local, state and Federal laws.

**3.7 Selection of Tenants.** Each BMR Unit shall be leased to tenant(s) selected by Owner who meet all of the requirements provided herein, and, to the extent permitted by law, with priority given to those eligible households who either live or work in the City of Menlo Park, or meet at least one of the other preferences identified in the Guidelines. The City’s BMR



Administrator, on behalf of the City will provide to Owner the names of persons who have expressed interest in renting BMR Units for the purposes of adding such interested persons to Owner's waiting list, to be processed in accordance with Owner's customary policies. Owner shall not refuse to lease to a holder of a certificate or a rental voucher under the Section 8 program or other tenant-based assistance program, who is otherwise qualified to be a tenant in accordance with the approved tenant selection criteria.

#### **4. DEFAULT AND REMEDIES**

**4.1 Events of Default.** The following shall constitute an "Event of Default" by Owner under this Agreement: there shall be a material breach of any condition, covenant, warranty, promise or representation contained in this Agreement and such breach shall continue for a period of thirty (30) days after written notice thereof to the Owner without the Owner curing such breach, or if such breach cannot reasonably be cured within such 30 day period, commencing the cure of such breach within such 30 day period and thereafter diligently proceeding to cure such breach; provided, however, that if a different period or notice requirement is specified for any particular breach under any other paragraph of Section 4 of this Agreement, the specific provision shall control.

**4.2 Remedies.** The occurrence of any Event of Default under Section 4.1 shall give the City the right to proceed with an action in equity to require the Owner to specifically perform its obligations and covenants under this Agreement or to enjoin acts or things which may be unlawful or in violation of the provisions of this Agreement, and the right to terminate this Agreement.

**4.3 Obligations Personal to Owner.** The liability of Owner under this Agreement to any person or entity is limited to Owner's interest in the Project, and the City and any other such persons and entities shall look exclusively thereto for the satisfaction of obligations arising out of this Agreement or any other agreement securing the obligations of Owner under this Agreement. From and after the date of this Agreement, no deficiency or other personal judgment, nor any order or decree of specific performance (other than pertaining to this Agreement, any agreement pertaining to any Project or any other agreement securing Owner's obligations under this Agreement), shall be rendered against Owner, the assets of Owner (other than Owner's interest in the Project), its partners, members, successors, transferees or assigns and each of their respective officers, directors, employees, partners, agents, heirs and personal representatives, as the case may be, in any action or proceeding arising out of this Agreement or any agreement securing the obligations of Owner under this Agreement, or any judgment, order or decree rendered pursuant to any such action or proceeding. No subsequent Owner of the Project shall be liable or obligated for the breach or default of any obligations of Owner under this Agreement on the part of any prior Owner. Such obligations are personal to the person who was the Owner at the time the default or breach was alleged to have occurred and such person shall remain liable for any and all damages occasioned thereby even after such person ceases to be the Owner. Each Owner shall comply with and be fully liable for all obligations the Owner hereunder during its period of ownership of the Project.

**4.4 Force Majeure.** Subject to the party's compliance with the notice requirements as set forth below, performance by either party hereunder shall not be deemed to be in default, and

all performance and other dates specified in this Agreement shall be extended, where delays or defaults are due to causes beyond the control and without the fault of the party claiming an extension of time to perform, which may include, without limitation, the following: war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, assaults, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually severe weather, inability to secure necessary labor, materials or tools, acts or omissions of the other party, or acts or failures to act of any public or governmental entity (except that the City's acts or failure to act shall not excuse performance of the City hereunder). An extension of the time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within 30 days of the commencement of the cause.

**4.5 Attorneys' Fees.** In addition to any other remedies provided hereunder or available pursuant to law, if either party brings an action or proceeding to enforce, protect or establish any right or remedy hereunder, the prevailing party shall be entitled to recover from the other party its costs of suit and reasonable attorneys' fees. This Section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

**4.6 Remedies Cumulative.** No right, power, or remedy given by the terms of this Agreement is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy shall be cumulative and in addition to every other right, power, or remedy given by the terms of any such instrument, or by any statute or otherwise.

**4.7 Waiver of Terms and Conditions.** The City may, in its sole discretion, waive in writing any of the terms and conditions of this Agreement. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition.

**4.8 Non-Liability of City Officials and Employees.** No member, official, employee or agent of the City shall be personally liable to Owner or any occupant of any BMR Unit, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Owner or its successors, or on any obligations under the terms of this Agreement.

**4.9 Cure Rights.** Notwithstanding anything to the contrary contained herein, City hereby agrees that any cure of any default made or tendered by (i) Owner's limited partner, or (ii) Owner's senior mortgage lender, shall be deemed to be a cure by Owner and shall be accepted or rejected on the same basis as if made or tendered by Owner.

## **5. GENERAL PROVISIONS**

**5.1 Below Market Rate Guidelines ("Guidelines").** This Agreement incorporates by reference the Guidelines as of the date of this Agreement and any successor sections as the Guidelines may be amended from time to time. In the event of any conflict or ambiguity between this Agreement, the requirements of state and federal fair housing laws and the Guidelines, the

terms and conditions of this Agreement and the requirements of state and federal fair housing laws shall control.

**5.2 Time.** Time is of the essence in this Agreement.

**5.3 Notices.** Unless otherwise indicated in this Agreement, any notice requirement set forth herein shall be deemed to be satisfied three days after mailing of the notice first-class United States certified mail, postage prepaid, or at the time of personal delivery, addressed to the appropriate party as follows:

Owner: [ ]  
[ ]  
[ ]  
Attention: [ ]  
Email: [ ]

City : City of Menlo Park  
701 Laurel Street  
Menlo Park, California 94025-3483  
Attention: City Manager

Such addresses may be changed by notice to the other party given in the same manner as provided above.

**5.4 Successors and Assigns.** This Agreement constitutes a covenant and legal restriction on the Property and shall run with the land, provided the Project remains on the Property, and all of the terms, covenants and conditions of this Agreement shall be binding upon Owner and the permitted successors and assigns of Owner.

**5.5 Intended Beneficiaries.** The City is the intended beneficiary of this Agreement and shall have the sole and exclusive power to enforce this Agreement. It is intended that the City may enforce this Agreement in order to, satisfy its obligations to improve, increase and preserve affordable housing within the City, as required by the Guidelines, and to provide that a certain percentage of new housing is made available at affordable housing cost to persons and families of very low, low and moderate incomes as required by the Guidelines. No other person or persons, other than the City and Owner and their assigns and successors, shall have any right of action hereon.

**5.6 Partial Invalidity.** If any provision of this Agreement shall be declared invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

**5.7 Governing Law.** This Agreement and other instruments given pursuant hereto shall be construed in accordance with and be governed by the laws of the State of California. Any references herein to particular statutes or regulations shall be deemed to refer to successor statutes or regulations, or amendments thereto. The venue for any action shall be the County of San Mateo.

**5.8 Amendment.** This Agreement may not be changed orally, but only by agreement in writing signed by Owner and the City.

**5.9 Approvals.** Where an approval or submission is required under this Agreement, such approval or submission shall be valid for purposes of this Agreement only if made in writing. Where this Agreement requires an approval or consent of the City, such approval shall not be unreasonably withheld may be given on behalf of the City by the City Manager or his or her designee. The City Manager or his or her designee is hereby authorized to take such actions as may be necessary or appropriate to implement this Agreement, including without limitation the execution of such documents or agreements as may be contemplated by this Agreement, and amendments which do not substantially change the uses or restrictions hereunder, or substantially add to the costs of the City hereunder.

**5.10 Indemnification.** To the greatest extent permitted by law, Owner shall indemnify, defend (with counsel reasonably approved by City) and hold the City, its heirs, successors and assigns (the “**Indemnitees**”) harmless from and against any and all demands, losses, claims, costs and expenses, and any other liability whatsoever, including without limitation, reasonable accountants’ and attorneys’ fees, charges and expense (collectively, “**Claims**”) arising directly or indirectly, in whole or in part, as a result of or in connection with Owner’s construction, management, or operation of the Property and the Project or any failure to perform any obligation as and when required by this Agreement. Owner’s indemnification obligations under this Section 6.10 shall not extend to Claims to the extent resulting from the gross negligence or willful misconduct of Indemnitees. The provisions of this Section 6.10 shall survive the expiration or earlier termination of this Agreement, but only as to claims arising from events occurring during the Affordability Period.

**5.11 Insurance Coverage.** Throughout the Affordability Period, Owner shall comply with the insurance requirements set forth in Exhibit D, attached hereto and incorporated herein by this reference, and shall, at Owner’s expense, maintain in full force and effect insurance coverage as specified in Exhibit D.

**5.12 Transfer and Encumbrance.**

**5.12.1 Restrictions on Transfer and Encumbrance.** During the term of this Agreement, except as permitted pursuant to this Agreement, Owner shall not directly or indirectly, voluntarily, involuntarily or by operation of law make or attempt any total or partial sale, transfer, conveyance, assignment or lease (other than a lease of a BMR Unit on an approved form under Section 3.6 hereof to a qualified tenant as described in Section 3.7 hereof) (collectively, “**Transfer**”) of the whole or any part of any BMR Unit, without the prior written consent of the City, which approval shall not be unreasonably withheld. In addition, prior to the expiration of the term of this Agreement, except as expressly permitted by this Agreement, Owner shall not undergo any significant change of ownership without the prior written approval of City. For purposes of this Agreement, a “significant change of ownership” shall mean a transfer of the beneficial interest of more than twenty-five percent (25%) in aggregate of the present ownership and /or control of Owner, taking all transfers into account on a cumulative basis; provided however, neither the admission of an investor limited partner, nor the transfer by

the investor limited partner to subsequent limited partners shall be restricted by this provision.

**5.12.2 Permitted Transfers.** The prohibitions on Transfer set forth herein shall not be deemed to prevent: (i) the granting of easements or permits to facilitate development of the Property; or (ii) assignments creating security interests for the purpose of financing the acquisition, construction, or permanent financing of the Project or the Property, or Transfers directly resulting from the foreclosure of, or granting of a deed in lieu of foreclosure of, such a security interest.

**5.12.3 Requirements for Proposed Transfers.** The City may, in the exercise of its reasonable discretion, consent to a proposed Transfer of this Agreement and/or a BMR Unit if all of the following requirements are met (provided however, the requirements of this Section 5.12.3 shall not apply to Transfers described in clauses (i) or (ii) of Section 5.12.2.

(i) The proposed transferee demonstrates to the City's satisfaction that it has the qualifications, experience and financial resources necessary and adequate as may be reasonably determined by the City to competently complete and manage the Project and to otherwise fulfill the obligations undertaken by the Owner under this Agreement.

(ii) The Owner and the proposed transferee shall submit for City review and approval all instruments and other legal documents proposed to effect any Transfer of all or any part of or interest in the BMR Unit or this Agreement together with such documentation of the proposed transferee's qualifications and development capacity as the City may reasonably request.

(iii) The proposed transferee shall expressly assume all of the rights and obligations of the Owner under this Agreement arising after the effective date of the Transfer and all obligations of Owner arising prior to the effective date of the Transfer (unless Owner expressly remains responsible for such obligations) and shall agree to be subject to and assume all of Owner's obligations pursuant to conditions, and restrictions set forth in this Agreement.

(iv) The Transfer shall be effectuated pursuant to a written instrument satisfactory to the City in form recordable in the Official Records.

Consent to any proposed Transfer may be given by the City's Authorized Representative unless the City's Authorized Representative, in his or her discretion, refers the matter of approval to the City Council. If the City has not rejected a proposed Transfer or requested additional information regarding a proposed Transfer in writing within forty-five (45) days following City's receipt of written request by Owner, the proposed Transfer shall be deemed approved.

**5.13 Effect of Transfer without City Consent.** In the absence of specific written agreement by the City, no Transfer of any BMR Unit shall be deemed to relieve the Owner or any other party from any obligation under this Agreement. This Section 5.12 shall not apply to Transfers described in clauses (i) and (ii) of Section 5.12.2.

**5.14 Recovery of City Costs.** Owner shall reimburse City for all reasonable City costs, including but not limited to reasonable attorneys' fees, incurred in reviewing instruments

and other legal documents proposed to effect a Transfer under this Agreement and in reviewing the qualifications and financial resources of a proposed successor, assignee, or transferee within ten (10) days following City's delivery to Owner of an invoice detailing such costs.

**5.15 [Satisfaction of Project Wide Affordable Housing Agreement Requirements.**

The City hereby acknowledges and agrees that Owner's execution and delivery of this Agreement and the performance of Owner's obligations herein, satisfies Project Wide Developer's obligation to execute and record a Below Market Rate Housing Agreement and Declaration of Restrictive Covenants against the Property as set forth in Section 5 of the Project Wide Affordable Housing Agreement.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year set forth above.

SIGNATURES ON FOLLOWING PAGE(S).

**OWNER:**

[ \_\_\_\_\_ ], a [ \_\_\_\_\_ ]

By: \_\_\_\_\_

Its:

**CITY:**

**CITY OF MENLO PARK**, a California municipal corporation

By: \_\_\_\_\_

City Manager

**ATTEST:**

By: \_\_\_\_\_

City Clerk

**List of Exhibits:**

- Exhibit A: Property Description
- Exhibit B: Allocation of the BMR Units
- Exhibit C: BMR Unit Locations
- Exhibit D: Insurance Requirements



**Exhibit A**  
**Property Description**

**Exhibit B**  
**Allocation of BMR Units in the Project**

<b>BMR Units</b>	Low	Moderate
Studio apartment		
1 bedroom apartment		
2 bedroom apartment		
3 bedroom apartment		
<b>Total - BMR Units</b>		

**Exhibit C**  
**BMR Unit Locations**

## **Exhibit D Insurance Requirements**

Prior to initiating work on the Project and continuing throughout the Affordability Period, Owner shall obtain and maintain the following policies of insurance and shall comply with all provisions set forth in this Exhibit.

1. General Requirements. Owner shall procure and maintain the following insurance providing coverage against claims for injuries to persons or damages to property that may arise from or in connection with the Project, construction, management, or operation of the Property by the Owner or the Owner's agents, representatives, employees and contractors, or subcontractors, including the following:

(a) Commercial General Liability: The Owner and all contractors working on behalf of Owner on the Property shall maintain a commercial general liability policy in an occurrence policy for protection against all claims arising from injury to person or persons not in the employ of the Owner and against all claims resulting from damage to any property due to any act or omission of the Owner, its agents, or employees in the conduct or operation of the work or the execution of this Agreement. Such insurance shall include products and completed operations liability, blanket contractual liability, personal injury liability, and broad form property damage coverage. Coverage shall be at least as broad as Insurance Services Office Commercial General Liability coverage.

(b) Commercial Automobile Liability: The Owner and all contractors working on behalf of Owner on the Property shall maintain insurance for protection against all claims arising from the use of vehicles, owned, hired, non-owned, or any other vehicle in connection with the Project, construction, operation or management of the Property. Such insurance shall cover the use of automobiles and trucks on and off the site of the Property. Coverage shall be at least as broad as Insurance Services Office covering Commercial Automobile Liability, any auto, owned, non-owned and hired auto.

(c) Workers' Compensation Insurance: The Owner (and the general partners thereof) shall furnish or cause to be furnished to City evidence satisfactory to City that Owner (and the general partners thereof), and any contractor with whom Owner has contracted for the performance of work on the Property or otherwise pursuant to this Agreement, shall maintain Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance.

(d) Builder's Risk: Upon commencement of any construction work on the Property, Owner and all contractors working on behalf of Owner shall maintain a policy of builder's all-risk insurance in an amount not less than the full insurable cost of the Project on a replacement cost basis naming City as loss payee as its interests may appear.

(e) Professional Liability/Errors and Omissions: Owner shall require any architects, engineers, and general contractors working on the Property to maintain Professional Liability/Errors and Omissions insurance with limits not less than Two Million Dollars (\$2,000,000) each claim. Certificates evidencing this coverage must reference both the Owner and the Indemnitees. If the professional liability/errors and omissions insurance is written on a

claims made form: (i) the retroactive date must be shown and must be before the Effective Date, (ii) insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of Project construction, and (iii) if coverage is cancelled or non-renewed and not replaced with another claims made policy form with a retroactive date prior to the Effective Date, Owner must purchase, or require the provision of, extended period coverage for a minimum of three (3) years after completion of construction.

(f) Property: Owner shall maintain property insurance covering all risks of loss, including earthquake and flood (if required) for 100% of the replacement value of the Project with deductible, if any, in an amount acceptable to City, naming City as loss payee as its interests may appear.

2. Minimum Limits; Adjustments. Insurance shall be maintained with limits no less than the following:

(a) Commercial General Liability and Property Damage: \$2,000,000 per occurrence and \$5,000,000 annual aggregate for bodily injury, personal injury and property damage; provided however, with City's advance written approval, subcontractors may maintain liability coverage with limits not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate.

(b) Products and Completed Operations: \$3,000,000 per occurrence/aggregate.

(c) Commercial Automobile Liability: \$2,000,000 combined single limit.

(d) Employer's Liability:

Bodily Injury by Accident - \$1,000,000 each accident.

Bodily Injury by Disease - \$1,000,000 policy limit.

Bodily Injury by Disease - \$1,000,000 each employee.

(e) Professional Liability/Errors and Omissions: \$2,000,000 per occurrence or claim. If the policy provides coverage on a claims-made basis, the retroactive date must be shown and must be before the date of the Agreement or the beginning of the contract work.

Coverage limits, and if necessary, the terms and conditions of insurance, shall be reasonably adjusted from time to time (not less than every five (5) years after the Effective Date nor more than once in every three (3) year period) to address changes in circumstance, including, but not limited to, changes in inflation and the litigation climate in California. City shall give written notice to Owner of any such adjustments, and Owner shall provide City with amended or new insurance certificates or endorsements evidencing compliance with such adjustments within thirty (30) days following receipt of such notice.

3. Deductibles and Self-Insured Retention. Any deductibles or self-insured retention must be

declared to, and approved by, the City. Payment of all deductibles and self-insured retentions will be the responsibility of Owner. If the City determines that such deductibles or retentions are unreasonably high, either the insurer shall reduce or eliminate such deductibles or self-insurance retentions as respects the Indemnitees or Owner shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense.

4. Additional Requirements. The required general liability and automobile policies shall contain, or be endorsed to contain, the following provisions:

(a) The Indemnitees are to be covered as Additional Insureds as respects: liability arising out of activities performed by or on behalf of the Owner; products and completed operations of the Owner; premises owned, occupied or used by the Owner; or automobiles owned, leased, hired or borrowed by the Owner. The coverage shall contain no special limitations on the scope of protection afforded to the Indemnitees. Additional insured endorsements for the general liability coverage shall use Insurance Services Office (ISO) Form No. CG 20 09 11 85 or CG 20 10 11 85, or equivalent, including (if used together) CG 2010 10 01 and CG 2037 10 01; but shall not use the following forms: CG 20 10 10 93 or 03 94.

(b) All insurance shall be primary insurance as respects the Indemnitees. Any insurance or self-insurance maintained by the Indemnitees shall be excess of the Owner's/contractor's insurance and shall not contribute with it.

(c) Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the Indemnitees.

(d) The Owner's insurance shall apply separately to each insured against whom claim is made or suit is brought except, with respect to the limits of the insurer's liability.

(e) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

(f) If any insurance policy or coverage required hereunder is canceled or reduced, Owner shall, within five (5) days after receipt of notice of such cancellation or reduction in coverage, but in no event later than the effective date of cancellation or reduction, file with City a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies. Upon failure to so file such certificate, City may, without further notice and at its option, procure such insurance coverage at Owner's expense, and Owner shall promptly reimburse City for such expense upon receipt of billing from City.

(g) Owner agrees to waive subrogation rights for commercial general liability, automobile liability and worker's compensation against Indemnitees regardless of the applicability of any insurance proceeds, and to require all contractors, subcontractors or others involved in any way with any construction on the Property to do likewise. Each insurance policy shall contain a

waiver of subrogation for the benefit of City. If any required insurance is provided under a form of coverage that includes an annual aggregate limit or provides that claims investigation or legal defense costs are included in such annual aggregate limit, such annual aggregate limit shall be three times the applicable occurrence limits specified above.

(h) It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirement and/or limits shall be available to the additional insured. Furthermore, the requirement for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured; whichever is greater. For all liability insurance required by this Agreement, Owner (and Owner's contractors, as applicable) shall obtain endorsements that name the Indemnitees as additional insured in the full amount of all applicable policies, notwithstanding any lesser minimum limits specified in this Agreement. This Agreement requires Owner (and Owner's contractors, as applicable) to obtain and provide for the benefit of the Indemnitees, additional insured coverage in the same amount of insurance carried by Owner (or Owner's contractors, as applicable), but in no event less than the minimum amounts specified in this Agreement. In the event that Owner (or Owner's contractors as applicable) obtains insurance policies that provide liability coverage in excess of the amounts specified in this Agreement, the actual limits provided by such policies shall be deemed to be the amounts required under this Agreement. Without limiting the foregoing, the limits of liability coverage specified in this Agreement are not intended, nor shall they operate, to limit City's ability to recover amounts in excess of the minimum amounts specified in this Agreement.

(i) The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

5. Acceptability of Insurers. Companies writing the insurance required hereunder shall be licensed to do business in the State of California. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII.

6. Verification of Coverage. Prior to the Effective Date of this Agreement, Owner shall furnish City with certificates of insurance in form acceptable to City evidencing the insurance coverage required under paragraphs (a), (b), (c), and (e) of Section 1 above, duly executed endorsements evidencing the Indemnitees' status as additional insured, and all other endorsements and coverage required hereunder pertaining to such coverage. Prior to commencement of any construction work on the Property, Owner shall furnish City with certificates of insurance in form acceptable to City evidencing the insurance coverage required under paragraphs (d) and (g) of Section 1 above. Prior to City's issuance of a final certificate of occupancy or equivalent for the Project, Owner shall furnish City with certificates of insurance in form acceptable to City evidencing the insurance coverage required under paragraph (f) of Section 1 above. Owner shall



furnish the City with original endorsements effecting coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf.

7. Insurance Certificates and Endorsements. Owner shall submit to the City all of the necessary insurance documents, including the applicable amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of required Owner policies listing all required policy endorsements to the City. Insurance Certificates and Endorsements are to be received and approved by the City within the time periods specified in Section 6 above. Should Owner cease to have insurance as required at any time, all work by Owner pursuant to this Agreement shall cease until insurance acceptable to the City is provided. Upon City's request, Owner shall, within thirty (30) days of the request, provide or arrange for the insurer to provide to City, complete certified copies of all insurance policies required under this Agreement. City's failure to make such request shall not constitute a waiver of the right to require delivery of the policies in the future.

This document is recorded for the benefit of the City of Menlo Park and is entitled to be recorded free of charge in accordance with Sections 6103 and 27383 of the Government Code.

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

City of Menlo Park  
Attn: City Clerk  
701 Laurel Street  
Menlo Park, CA 94025

**BELOW MARKET RATE HOUSING AGREEMENT  
AND DECLARATION OF RESTRICTIVE COVENANTS  
(Willow Village Masterplan 1350 Willow Road)**

**THIS BELOW MARKET RATE HOUSING AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS (“Agreement”)** is entered into as of \_\_\_\_\_, 2022, by and between the City of Menlo Park, a California municipal corporation (“City”), and [\_\_\_\_\_] a [\_\_\_\_\_] (“Owner”). City and Owner may be referred to individually as a “Party” or collectively as the “Parties” in this Agreement.

**RECITALS**

A. Owner is the owner of that certain real property located at \_\_\_\_\_ (APN \_\_\_\_\_), in the City of Menlo Park, California (“Property”), as more particularly described in Exhibit A attached hereto and incorporated herein by this reference.

B. [Peninsula Innovation Partners, LLC] (“Project Wide Developer”) applied to demolish an existing office, research and development and industrial site (the “Main Willow Village Project Site”) and to comprehensively redevelop the project wide site with up to 1.6 million square feet of office space (inclusive of meeting and collaboration space and accessory uses), up to 200,000 square feet of retail uses, a 193 room hotel (approximately 172,000 square feet in size), and up to 1,730 residential dwelling units, as well as publicly accessible open space and landscaping as a part of a master planned mixed-use project (the “Willow Village Project”), [which is subject to that certain Project Wide Affordable Housing Agreement (“Project Wide Affordable Housing Agreement”) between Project Wide Developer and City, dated as of \_\_\_\_\_], 2022. The Property is part of Phase [\_\_\_] as described in the Project Wide Affordable Housing Agreement.]

C. [The Project Wide Developer has transferred the Property to the Owner, and the City has released the Property from the Project Wide Affordable Housing Agreement pursuant to the terms of the Project Wide Affordable Housing Agreement, in conjunction with the recording of this Agreement.]

D. The Willow Village project re-subdivided the Main Willow Village Project Site into [ ] new legal parcels shown on the proposed Vesting Tentative Map in Exhibit [ ] of the Development Agreement. Amongst those new parcels is parcel [ ], which is approved for residential building RS7 with a new multifamily senior residential project with [one hundred twenty (120)] rental units, as well as associated open space, circulation, parking and infrastructure improvements. (“**Project**”), of which one hundred nineteen (119) rental units (“**BMR Units**”) shall be affordable to below market rate households as follows: eighty two (82) extremely low income units (“**Extremely Low Income Units**”) and thirty seven (37) very low income units (“**Very Low Income Units**”), and one (1) unit shall be a manager’s unit. The allocation of BMR Units across the unit-sizes in the Project is more particularly described on Exhibit B, attached hereto and incorporated herein by this reference.

E. On \_\_\_\_\_, 2022, after a duly noticed public hearing, and on the recommendation of the Housing Commission, the Planning Commission, and the City Council certified the environmental impact report and granted General Plan Circulation Element and Zoning Map amendments, rezoning, conditional development permit, development agreement, vesting tentative map, and below market rate (BMR) housing agreement for the Project (“**Project Approvals**”). The Project Approvals require the Project Wide Developer to provide BMR Units in accordance the Project Wide Affordable Housing Agreement. In accordance with the Menlo Park Municipal Code Chapter 16.96, the Below Market Rate Housing Program (“**BMR Ordinance**”), and the Below Market Rate Housing Program Guidelines (“**Guidelines**”), Owner is required to execute and record an approved BMR Housing Agreement as a condition precedent to approval of the issuance of a building permit for the Project. This Agreement is intended to satisfy that requirement.

F. [As required by the Project Wide Affordable Housing Agreement, and pursuant to this Agreement,] Owner has agreed to observe all the terms and conditions set forth below for purposes of development and operation of the BMR Units. This Agreement will ensure the Project’s continuing affordability.

**NOW, THEREFORE**, the Parties hereto agree as follows. The recitals are incorporated into this Agreement by this reference.

## **1. CONSTRUCTION OF THE IMPROVEMENTS.**

**1.1 Construction of the Project.** Owner agrees to construct the Project in accordance with the Menlo Park Municipal Code and all other applicable state and local building codes, development standards, ordinances and zoning ordinances.

**1.2 City and Other Governmental Permits.** Before commencement of the Project, Owner shall secure or cause its contractor to secure any and all permits which may be required by the City or any other governmental agency affected by such construction, including without limitation building permits. Owner shall pay all necessary fees and timely submit to the City final drawings with final corrections to obtain such permits; City staff will, without incurring liability or expense therefore, process applications in the ordinary course of business for the issuance of

building permits and certificates of occupancy for construction that meets the requirements of the Menlo Park Municipal Code, and all other applicable laws and regulations.

**1.3 Compliance with Laws.** Owner shall carry out the design, construction and operation of the Project in conformity with all applicable laws, including all applicable state labor standards, City zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions of the Menlo Park Municipal Code, and **all** applicable disabled and handicapped access requirements, including without limitation the Americans With Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, Government Code Section 4450, *et seq.*, Government Code Section 11135, *et seq.*, and the Unruh Civil Rights Act, Civil Code Section 51, *et seq.*

## **2. OPERATION OF THE BMR UNITS**

**2.1 Affordability Period.** This Agreement shall remain in effect and the Property, shall be subject to the requirements of this Agreement from the date that the City issues a final certificate of occupancy for the Project (the “**Effective Date**”) until the 55th anniversary of such Effective Date. The duration of this requirement shall be known as the “**Affordability Period.**”

**2.2 Maintenance.** Owner shall comply with every condition of the Project Approvals applicable to the Project and shall, at all times, maintain the Project and the Property in good repair and working order, reasonable wear and tear excepted, and in a safe and sanitary condition, and from time to time shall make all necessary and proper repairs, renewals, and replacements to keep the Project and the Property in a good, clean, safe, and sanitary condition.

**2.3 Monitoring and Recordkeeping.** Throughout the Affordability Period, Owner shall comply with all applicable recordkeeping and monitoring requirements set forth in the Guidelines. City shall have the right to inspect the books and records of Owner and its rental agent or bookkeeper upon reasonable notice during normal business hours. Representatives of the City shall be entitled to enter the Property, upon at least 48-hour prior written notice, which can be provided via email, to monitor compliance with this Agreement, to inspect the records of the Project with respect to the BMR Units, and to conduct, or cause to be conducted, an independent audit or inspection of such records. Owner agrees to cooperate with the City in making the Property available for such inspection or audit. Owner agrees to maintain records in businesslike manner, and to maintain such records for Affordability Period.

**2.4 Non-Discrimination Covenants.** Owner covenants by and for itself, its successors and assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, religion, sex, marital status, familial status, disability, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. Owner shall include such provision in all deeds, leases, contracts and other instruments executed by Owner, and shall enforce the same diligently and in good faith.

- a. In deeds, the following language shall appear:

(1) Grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through it, that there shall be no discrimination against or segregation of a person or of a group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the property herein conveyed nor shall the grantee or any person claiming under or through the grantee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the property herein conveyed. The foregoing covenant shall run with the land.

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11 and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

b. In leases, the following language shall appear:

(1) The lessee herein covenants by and for the lessee and lessee's heirs, personal representatives and assigns, and all persons claiming under the lessee or through the lessee, that this lease is made subject to the condition that there shall be no discrimination against or segregation of any person or of a group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, ancestry or disability in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the property herein leased nor shall the lessee or any person claiming under or through the lessee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the property herein leased.

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11 and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360

of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

c. In contracts pertaining to management of the Project, the following language, or substantially similar language prohibiting discrimination and segregation shall appear:

(1) There shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the property nor shall the transferee or any person claiming under or through the transferee establish or permit any such practice or practices of discrimination or segregation with reference to selection, location, number, use or occupancy of tenants, lessee, subtenants, sublessees or vendees of the land.

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11 and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

**2.5 Subordination.** This Agreement shall be recorded in the Official Records of the County of San Mateo and shall run with the land. The City agrees that the City will not withhold consent to reasonable requests for subordination of this Agreement for the benefit of lenders providing financing for the Project, provided that the instruments effecting such subordination include reasonable protections to the City in the event of default, including without limitation, extended notice and cure rights.

### **3. OPERATION OF THE BMR UNITS**

**3.1 BMR Units.** Owner agrees to make available, restrict occupancy to, and lease not less than one hundred nineteen (119) BMR Units, inclusive of eighty two (82) Extremely Low Income Units and thirty seven (37) Very Low Income Units, to Qualifying Households, as hereinafter defined, at an affordable rent, pursuant to the terms set forth below. The BMR Units shall be of a quality comparable to all of the other rental units in the Project. The Project Approvals included a modification to the proportionality requirement to permit exclusively studio and one bedroom BMR Units and a modification to the location requirement to accommodate 119 BMR units at the Project. The BMR Units shall be initially distributed as set forth in Exhibit C, attached hereto and incorporated herein by this reference. Thereafter, the location of the individual BMR Units may float to account for the next available unit requirement set forth below and as otherwise

necessary for the professional maintenance and operation of the Project provided that the distribution of BMR Units are equitably disbursed throughout the Project and the City's City Manager or Deputy Director of Community Development ("**Deputy Director**") shall be notified of any change or relocation of BMR Units by Owner.

**3.2 Qualifying Households.** For purposes of this Agreement, "**Qualifying Households**" shall mean those households with incomes as follows:

- a. **"Extremely Low Income Unit"**: means units restricted to households with incomes of not more than thirty percent (30%) of AMI. "AMI" means the median income for San Mateo County, California, adjusted for Actual Household Size, as published from time to time by the State of California Department of Housing and Community Development in Section 6932 of Title 25 of the California Code of Regulations or successor provision. Qualifying Households shall continue to qualify unless at the time of recertification, the household's income exceeds the Extremely Low Income eligibility requirements, then the tenant shall no longer be qualified. Upon Owner's determination that any such household is no longer qualified, the unit shall no longer be deemed an Extremely Low Income Unit, and the Owner shall either (1) make the next available unit, which is comparable in terms of size, features and number of bedrooms, an Extremely Low Income Unit, or take other actions as may be necessary to ensure that the total required number of Extremely Low Income Units are rented to Qualifying Households, or (2) if the tenant's income does not exceed eighty (80%) of the maximum income that would qualify the Tenant as a Very Low Income Household, the tenant shall be allowed to remain in the unit at a Very Low Income rent. If the tenant originally qualified as an Extremely Low Income Household, then the tenant's rent will be increased to a Very Low Income rent upon the later of sixty (60) days' notice or the renewal of the tenant's lease, and the Owner shall rent the next available unit to an Extremely Low Income Household. Owner shall notify the City annually if Owner substitutes a different unit for one of the designated Extremely Low Income Units pursuant to this paragraph.
- b. **"Very Low Income Unit"**: means units restricted to households with incomes of not more than fifty percent (50%) of AMI. "AMI" means the median income for San Mateo County, California, adjusted for Actual Household Size, as published from time to time by the State of California Department of Housing and Community Development in Section 6932 of Title 25 of the California Code of Regulations or successor provision. Qualifying Households shall continue to qualify unless at the time of recertification, the household's income exceeds the Very Low Income eligibility requirements, then the tenant shall no longer be qualified. Upon Owner's determination that any such household is no longer qualified, the unit shall no longer be deemed a Very Low Income Unit and the Owner shall either (1) make the next available Very Low Income Unit, which is



comparable in terms of size, features and number of bedrooms, a Very Low Income Unit, or take other actions as may be necessary to ensure that the total required number of Very Low Income Units are rented to Qualifying Households, or (2) If the tenant's income does not exceed one hundred twenty (120%) of the maximum income that would qualify the Tenant as a Very Low Income Household, the tenant shall be allowed to remain in the unit at a Very Low Income rent. If the tenant originally qualified as a Very Low Income Household, then the Tenant shall be notified they are no longer eligible for the BMR unit and tenant's rent will be increased to a market rate rent upon the later of sixty (60) days' notice or the renewal of the tenant's lease, and the Owner shall rent the next available unit to a Very Low Income Household. Owner shall notify the City annually if Owner substitutes a different unit for one of the designated Very Low Income Units pursuant to this paragraph.

**3.3 Income Verification and Annual Report.** On or before July 1 of each year, commencing with the calendar year that the first residential unit in the Project is rented to a tenant, and annually thereafter, Owner shall obtain from each household occupying a BMR Unit and submit to the City an income computation and certification form, completed by a tenant of such unit, which shall certify that the income of each Qualifying Household is truthfully set forth in the income certification form, in the form proposed by the Owner and approved by the Deputy Director ("**Annual Report**"). Owner shall make a good faith effort to verify that each household leasing a BMR Unit meets the income and eligibility restrictions for the BMR Unit by taking the following steps as a part of the verification process: (a) obtain a minimum of the three (3) most current pay stubs for all adults age eighteen (18) or older; (b) obtain an income tax return for the most recent tax year; (c) conduct a credit agency or similar search; (d) obtain the three (3) most current savings and checking account bank statements; (e) obtain an income verification form from the applicant's current employer; (f) obtain an income verification form from the Social Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies; or (g) if the applicant is unemployed and has no such tax return, obtain another form of independent verification. Copies of tenant income certifications shall be available to the City upon request. The Annual Report shall, at a minimum, include the following information for each BMR Unit: unit number, number of bedrooms, current rent and other charges, dates of any vacancies during the reporting period, number of people residing in the unit, total household Gross Income, and lease commencement and termination dates. The Report shall also provide a statement of the owner's management policies, communications with the tenants and maintenance of the BMR Unit, including a statement of planned repairs to be made and the dates for the repairs. Notwithstanding anything to the contrary contained herein, for so long as the Project is encumbered a Regulatory Agreement from the California Tax Credit Allocation Committee ("**Tax Credit Regulatory Agreement**") due to the Project's receipt of federal/and or state low-income housing tax credits, copies of any annual reporting required by the Tax Credit Regulatory Agreement delivered to the City shall satisfy the requirements of this Section.

**3.4 Affordable Rent.** The maximum Monthly Rent, defined below, chargeable for the BMR Units and paid shall be as follows:



- a. **“Extremely Low Income Household”**: maximum Monthly Rent shall be 1/12th of 30 percent of 30 percent of the AMI. The Monthly Rent for an Extremely Low Income Unit rented to an Extremely Low Income Household and paid by the household shall be based on an assumed average occupancy per unit of one person per studio unit, 1.5 persons for a one-bedroom unit, 3 persons for a two-bedroom unit and 4.5 persons for a three-bedroom unit, unless otherwise approved by the Deputy Director for an unusually large unit with a maximum of two persons per bedroom, plus one.
- b. **“Very Low Income Household”**: maximum Monthly Rent shall be 1/12th of 30 percent of 50 percent of the AMI. The Monthly Rent for a Very Low Income Unit rented to a Very Low Income Household and paid by the household shall be based on an assumed average occupancy per unit of one person per studio unit, 1.5 persons for a one- bedroom unit, 3 persons for a two-bedroom unit and 4.5 persons for a three- bedroom unit, unless otherwise approved by the Deputy Director for an unusually large unit with a maximum of two persons per bedroom, plus one.
- c. Notwithstanding anything to the contrary contained herein, if the the Project is encumbered by a Tax Credit Regulatory Agreement and there is a conflict between the provisions of this Agreement and the provisions of such Tax Credit Regulatory Agreement regarding rent, utility allowance, and/or household size appropriate for each unit, the Tax Credit Regulatory Agreement shall govern.

For purposes of this Agreement, **“Monthly Rent”** means the total of monthly payments actually made by the household for (a) use and occupancy of each BMR Unit and land and facilities associated therewith, (b) any separately charged fees or service charges assessed by Owner which are required of all tenants, other than security deposits, (c) a reasonable allowance for an adequate level of service of utilities not included in (a) or (b) above, and which are not paid directly by Owner, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuels, but not including telephone or internet service, which reasonable allowance for utilities is set forth in the County of San Mateo’s Utility Allowance Schedule for detached homes, apartments, condominiums and duplexes, and (d) possessory interest, taxes or other fees or charges assessed for use of the land and facilities associated therewith by a public or private entity other than Owner. Pursuant to the Guidelines, in no case shall the Monthly Rent for a BMR Unit exceed 75 percent of comparable market rate rents.

**3.5 Agreement to Limitation on Rents.** As described in Recital C above, Owner is developing at the bonus level of development, which is a form of assistance authorized by Chapter 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code. Sections 1954.52(b) and 1954.53(a)(2) of the Costa-Hawkins Act provide that, where a developer has received such assistance, certain provisions of the Costa-Hawkins Act do not apply if a developer has so agreed by contract. Owner hereby agrees to limit Monthly Rent as provided in this Agreement in consideration of Owner’s receipt of the assistance and further agrees that any limitations on Monthly Rents imposed on the BMR Units are in conformance with the Costa-

Hawkins Act. Owner further warrants and covenants that the terms of this Agreement are fully enforceable.

**3.6 Lease Requirements.** No later than 180 days prior to the initial lease up of the BMR Units, Owner shall submit a standard lease form to the City for approval by the Deputy Director or his/her designee. The City shall reasonably approve such lease form upon finding that such lease form is consistent with this Agreement and contains all of the provisions required pursuant to the Guidelines. The City's failure to respond to Owner's request for approval of the standard lease form within thirty (30) business days of City's receipt of such lease, shall be deemed City's approval of such lease form. Owner shall enter into a written lease, in the form approved by the City, with each new tenant of a BMR Unit prior to a tenant or tenant household's occupancy of a BMR Unit. Each lease shall be for an initial term of not less than one year which may be renewed pursuant to applicable local and State laws, and shall not contain any of the provisions which are prohibited pursuant to the Guidelines, local, state and Federal laws.

**3.7 Selection of Tenants.** Each BMR Unit shall be leased to tenant(s) selected by Owner who meet all of the requirements provided herein, and, to the extent permitted by law, with priority given to those eligible households (i) with a minimum of one household member who is a senior of age [ ] and above, and (ii) who either live or work in the City of Menlo Park, or meet at least one of the other preferences identified in the Guidelines. The City's BMR Administrator, on behalf of the City will provide to Owner the names of persons who have expressed interest in renting BMR Units for the purposes of adding such interested persons to Owner's waiting list, to be processed in accordance with Owner's customary policies. Owner shall not refuse to lease to a holder of a certificate or a rental voucher under the Section 8 program or other tenant-based assistance program, who is otherwise qualified to be a tenant in accordance with the approved tenant selection criteria.

#### **4. DEFAULT AND REMEDIES**

**4.1 Events of Default.** The following shall constitute an "Event of Default" by Owner under this Agreement: there shall be a material breach of any condition, covenant, warranty, promise or representation contained in this Agreement and such breach shall continue for a period of thirty (30) days after written notice thereof to the Owner without the Owner curing such breach, or if such breach cannot reasonably be cured within such 30 day period, commencing the cure of such breach within such 30 day period and thereafter diligently proceeding to cure such breach; provided, however, that if a different period or notice requirement is specified for any particular breach under any other paragraph of Section 4 of this Agreement, the specific provision shall control.

**4.2 Remedies.** The occurrence of any Event of Default under Section 4.1 shall give the City the right to proceed with an action in equity to require the Owner to specifically perform its obligations and covenants under this Agreement or to enjoin acts or things which may be unlawful or in violation of the provisions of this Agreement, and the right to terminate this Agreement.

**4.3 Obligations Personal to Owner.** The liability of Owner under this Agreement to any person or entity is limited to Owner's interest in the Project, and the City and any other such

persons and entities shall look exclusively thereto for the satisfaction of obligations arising out of this Agreement or any other agreement securing the obligations of Owner under this Agreement. From and after the date of this Agreement, no deficiency or other personal judgment, nor any order or decree of specific performance (other than pertaining to this Agreement, any agreement pertaining to any Project or any other agreement securing Owner's obligations under this Agreement), shall be rendered against Owner, the assets of Owner (other than Owner's interest in the Project), its partners, members, successors, transferees or assigns and each of their respective officers, directors, employees, partners, agents, heirs and personal representatives, as the case may be, in any action or proceeding arising out of this Agreement or any agreement securing the obligations of Owner under this Agreement, or any judgment, order or decree rendered pursuant to any such action or proceeding. No subsequent Owner of the Project shall be liable or obligated for the breach or default of any obligations of Owner under this Agreement on the part of any prior Owner. Such obligations are personal to the person who was the Owner at the time the default or breach was alleged to have occurred and such person shall remain liable for any and all damages occasioned thereby even after such person ceases to be the Owner. Each Owner shall comply with and be fully liable for all obligations the Owner hereunder during its period of ownership of the Project.

**4.4 Force Majeure.** Subject to the party's compliance with the notice requirements as set forth below, performance by either party hereunder shall not be deemed to be in default, and all performance and other dates specified in this Agreement shall be extended, where delays or defaults are due to causes beyond the control and without the fault of the party claiming an extension of time to perform, which may include, without limitation, the following: war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, assaults, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually severe weather, inability to secure necessary labor, materials or tools, acts or omissions of the other party, or acts or failures to act of any public or governmental entity (except that the City's acts or failure to act shall not excuse performance of the City hereunder). An extension of the time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within 30 days of the commencement of the cause.

**4.5 Attorneys' Fees.** In addition to any other remedies provided hereunder or available pursuant to law, if either party brings an action or proceeding to enforce, protect or establish any right or remedy hereunder, the prevailing party shall be entitled to recover from the other party its costs of suit and reasonable attorneys' fees. This Section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

**4.6 Remedies Cumulative.** No right, power, or remedy given by the terms of this Agreement is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy shall be cumulative and in addition to every other right, power, or remedy given by the terms of any such instrument, or by any statute or otherwise.

**4.7 Waiver of Terms and Conditions.** The City may, in its sole discretion, waive in writing any of the terms and conditions of this Agreement. Waivers of any covenant, term, or

condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition.

**4.8 Non-Liability of City Officials and Employees.** No member, official, employee or agent of the City shall be personally liable to Owner or any occupant of any BMR Unit, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Owner or its successors, or on any obligations under the terms of this Agreement.

**4.9 Cure Rights.** Notwithstanding anything to the contrary contained herein, City hereby agrees that any cure of any default made or tendered by (i) Owner’s limited partner, or (ii) Owner’s senior mortgage lender, shall be deemed to be a cure by Owner and shall be accepted or rejected on the same basis as if made or tendered by Owner.

**5. GENERAL PROVISIONS**

**5.1 Below Market Rate Guidelines (“Guidelines”).** This Agreement incorporates by reference the Guidelines as of the date of this Agreement and any successor sections as the Guidelines may be amended from time to time. In the event of any conflict or ambiguity between this Agreement, the requirements of state and federal fair housing laws and the Guidelines, the terms and conditions of this Agreement and the requirements of state and federal fair housing laws shall control.

**5.2 Time.** Time is of the essence in this Agreement.

**5.3 Notices.** Unless otherwise indicated in this Agreement, any notice requirement set forth herein shall be deemed to be satisfied three days after mailing of the notice first-class United States certified mail, postage prepaid, or at the time of personal delivery, addressed to the appropriate party as follows:

Owner: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Email: [ \_\_\_\_\_ ]

City : City of Menlo Park  
701 Laurel Street  
Menlo Park, California 94025-3483  
Attention: City Manager

Such addresses may be changed by notice to the other party given in the same manner as provided above.

**5.4 Successors and Assigns.** This Agreement constitutes a covenant and legal restriction on the Property and shall run with the land, provided the Project remains on the

Property, and all of the terms, covenants and conditions of this Agreement shall be binding upon Owner and the permitted successors and assigns of Owner.

**5.5 Intended Beneficiaries.** The City is the intended beneficiary of this Agreement and shall have the sole and exclusive power to enforce this Agreement. It is intended that the City may enforce this Agreement in order to, satisfy its obligations to improve, increase and preserve affordable housing within the City, as required by the Guidelines, and to provide that a certain percentage of new housing is made available at affordable housing cost to persons and families of very low, low and moderate incomes as required by the Guidelines. No other person or persons, other than the City and Owner and their assigns and successors, shall have any right of action hereon.

**5.6 Partial Invalidity.** If any provision of this Agreement shall be declared invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

**5.7 Governing Law.** This Agreement and other instruments given pursuant hereto shall be construed in accordance with and be governed by the laws of the State of California. Any references herein to particular statutes or regulations shall be deemed to refer to successor statutes or regulations, or amendments thereto. The venue for any action shall be the County of San Mateo.

**5.8 Amendment.** This Agreement may not be changed orally, but only by agreement in writing signed by Owner and the City.

**5.9 Approvals.** Where an approval or submission is required under this Agreement, such approval or submission shall be valid for purposes of this Agreement only if made in writing. Where this Agreement requires an approval or consent of the City, such approval shall not be unreasonably withheld may be given on behalf of the City by the City Manager or his or her designee. The City Manager or his or her designee is hereby authorized to take such actions as may be necessary or appropriate to implement this Agreement, including without limitation the execution of such documents or agreements as may be contemplated by this Agreement, and amendments which do not substantially change the uses or restrictions hereunder, or substantially add to the costs of the City hereunder.

**5.10 Indemnification.** To the greatest extent permitted by law, Owner shall indemnify, defend (with counsel reasonably approved by City) and hold the City, its heirs, successors and assigns (the “**Indemnitees**”) harmless from and against any and all demands, losses, claims, costs and expenses, and any other liability whatsoever, including without limitation, reasonable accountants’ and attorneys’ fees, charges and expense (collectively, “**Claims**”) arising directly or indirectly, in whole or in part, as a result of or in connection with Owner’s construction, management, or operation of the Property and the Project or any failure to perform any obligation as and when required by this Agreement. Owner’s indemnification obligations under this Section 6.10 shall not extend to Claims to the extent resulting from the gross negligence or willful misconduct of Indemnitees. The provisions of this Section 6.10 shall survive the expiration or earlier termination of this Agreement, but only as to claims arising from events occurring during the Affordability Period.

**5.11 Insurance Coverage.** Throughout the Affordability Period, Owner shall comply with the insurance requirements set forth in Exhibit D, attached hereto and incorporated herein by this reference, and shall, at Owner's expense, maintain in full force and effect insurance coverage as specified in Exhibit D.

**5.12 Transfer and Encumbrance.**

5.12.1 Restrictions on Transfer and Encumbrance. During the term of this Agreement, except as permitted pursuant to this Agreement, Owner shall not directly or indirectly, voluntarily, involuntarily or by operation of law make or attempt any total or partial sale, transfer, conveyance, assignment or lease (other than a lease of a BMR Unit on an approved form under Section 3.6 hereof to a qualified tenant as described in Section 3.7 hereof) (collectively, "Transfer") of the whole or any part of any BMR Unit, without the prior written consent of the City, which approval shall not be unreasonably withheld. In addition, prior to the expiration of the term of this Agreement, except as expressly permitted by this Agreement, Owner shall not undergo any significant change of ownership without the prior written approval of City. For purposes of this Agreement, a "significant change of ownership" shall mean a transfer of the beneficial interest of more than twenty-five percent (25%) in aggregate of the present ownership and /or control of Owner, taking all transfers into account on a cumulative basis; provided however, neither the admission of an investor limited partner, nor the transfer by the investor limited partner to subsequent limited partners shall be restricted by this provision.

5.12.2 Permitted Transfers. The prohibitions on Transfer set forth herein shall not be deemed to prevent: (i) the granting of easements or permits to facilitate development of the Property; or (ii) assignments creating security interests for the purpose of financing the acquisition, construction, or permanent financing of the Project or the Property, or Transfers directly resulting from the foreclosure of, or granting of a deed in lieu of foreclosure of, such a security interest.

5.12.3 Requirements for Proposed Transfers. The City may, in the exercise of its reasonable discretion, consent to a proposed Transfer of this Agreement and/or a BMR Unit if all of the following requirements are met (provided however, the requirements of this Section 5.12.3 shall not apply to Transfers described in clauses (i) or (ii) of Section 5.12.2.

(i) The proposed transferee demonstrates to the City's satisfaction that it has the qualifications, experience and financial resources necessary and adequate as may be reasonably determined by the City to competently complete and manage the Project and to otherwise fulfill the obligations undertaken by the Owner under this Agreement.

(ii) The Owner and the proposed transferee shall submit for

City review and approval all instruments and other legal documents proposed to effect any Transfer of all or any part of or interest in the BMR Unit or this Agreement together with such documentation of the proposed transferee's qualifications and development capacity as the City may reasonably request.

(iii) The proposed transferee shall expressly assume all of the rights and obligations of the Owner under this Agreement arising after the effective date of the Transfer and all obligations of Owner arising prior to the effective date of the Transfer (unless Owner expressly remains responsible for such obligations) and shall agree to be subject to and assume all of Owner's obligations pursuant to conditions, and restrictions set forth in this Agreement.

(iv) The Transfer shall be effectuated pursuant to a written instrument satisfactory to the City in form recordable in the Official Records.

Consent to any proposed Transfer may be given by the City's Authorized Representative unless the City's Authorized Representative, in his or her discretion, refers the matter of approval to the City Council. If the City has not rejected a proposed Transfer or requested additional information regarding a proposed Transfer in writing within forty-five (45) days following City's receipt of written request by Owner, the proposed Transfer shall be deemed approved.

5.13 Effect of Transfer without City Consent. In the absence of specific written agreement by the City, no Transfer of any BMR Unit shall be deemed to relieve the Owner or any other party from any obligation under this Agreement. This Section 5.12 shall not apply to Transfers described in Section 5.12.2.

5.14 Recovery of City Costs. Owner shall reimburse City for all reasonable City costs, including but not limited to reasonable attorneys' fees, incurred in reviewing instruments and other legal documents proposed to effect a Transfer under this Agreement and in reviewing the qualifications and financial resources of a proposed successor, assignee, or transferee within ten (10) days following City's delivery to Owner of an invoice detailing such costs.

5.15 [Satisfaction of Project Wide Affordable Housing Agreement Requirements. The City hereby acknowledges and agrees that Owner's execution and delivery of this Agreement and the performance of Owner's obligations herein, satisfies Project Wide Developer's obligation to execute and record a Below Market Rate Housing Agreement and Declaration of Restrictive Covenants against the Property as set forth in Section 5 of the Project Wide Affordable Housing Agreement.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year set forth above.

SIGNATURES ON FOLLOWING PAGE(S).



**OWNER:**

[ \_\_\_\_\_ ], a  
[ \_\_\_\_\_ ]

By: \_\_\_\_\_

Its:

**CITY:**

**CITY OF MENLO PARK**, a California municipal corporation

By: \_\_\_\_\_  
City Manager

**ATTEST:**

By: \_\_\_\_\_  
City Clerk

**List of Exhibits:**

- Exhibit A: Property Description
- Exhibit B: Allocation of the BMR Units
- Exhibit C: BMR Unit Locations
- Exhibit D: Insurance Requirements



**Exhibit A**  
**Property Description**

**Exhibit B**  
**Allocation of BMR Units in the Project**

<b>BMR Units</b>	Extremely Low	Very Low	Manager's Unit
Studio apartment			
1 bedroom apartment			
2 bedroom apartment			1
<b>Total - BMR Units</b>	<b>82</b>	<b>37</b>	

**Exhibit C**  
**BMR Unit Locations**

Exhibit D  
Insurance Requirements

Prior to initiating work on the Project and continuing throughout the Affordability Period, Owner shall obtain and maintain the following policies of insurance and shall comply with all provisions set forth in this Exhibit.

1. General Requirements. Owner shall procure and maintain the following insurance providing coverage against claims for injuries to persons or damages to property that may arise from or in connection with the Project, construction, management, or operation of the Property by the Owner or the Owner's agents, representatives, employees and contractors, or subcontractors, including the following:

(a) Commercial General Liability: The Owner and all contractors working on behalf of Owner on the Property shall maintain a commercial general liability policy in an occurrence policy for protection against all claims arising from injury to person or persons not in the employ of the Owner and against all claims resulting from damage to any property due to any act or omission of the Owner, its agents, or employees in the conduct or operation of the work or the execution of this Agreement. Such insurance shall include products and completed operations liability, blanket contractual liability, personal injury liability, and broad form property damage coverage. Coverage shall be at least as broad as Insurance Services Office Commercial General Liability coverage.

(b) Commercial Automobile Liability: The Owner and all contractors working on behalf of Owner on the Property shall maintain insurance for protection against all claims arising from the use of vehicles, owned, hired, non-owned, or any other vehicle in connection with the Project, construction, operation or management of the Property. Such insurance shall cover the use of automobiles and trucks on and off the site of the Property. Coverage shall be at least as broad as Insurance Services Office covering Commercial Automobile Liability, any auto, owned, non-owned and hired auto.

(c) Workers' Compensation Insurance: The Owner (and the general partners thereof) shall furnish or cause to be furnished to City evidence satisfactory to City that Owner (and the general partners thereof), and any contractor with whom Owner has contracted for the performance of work on the Property or otherwise pursuant to this Agreement, shall maintain Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance.

(d) Builder's Risk: Upon commencement of any construction work on the Property, Owner and all contractors working on behalf of Owner shall maintain a policy of builder's all-risk insurance in an amount not less than the full insurable cost of the Project on a replacement cost basis naming City as loss payee as its interests may appear.

(e) Professional Liability/Errors and Omissions: Owner shall require any architects, engineers, and general contractors working on the Property to maintain Professional Liability/Errors and Omissions insurance with limits not less than Two Million Dollars (\$2,000,000) each claim. Certificates evidencing this coverage must reference both the Owner and the Indemnitees. If the professional liability/errors and omissions insurance is written on a

claims made form: (i) the retroactive date must be shown and must be before the Effective Date, (ii) insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of Project construction, and (iii) if coverage is cancelled or non-renewed and not replaced with another claims made policy form with a retroactive date prior to the Effective Date, Owner must purchase, or require the provision of, extended period coverage for a minimum of three (3) years after completion of construction.

(f) Property: Owner shall maintain property insurance covering all risks of loss, including earthquake and flood (if required) for 100% of the replacement value of the Project with deductible, if any, in an amount acceptable to City, naming City as loss payee as its interests may appear.

2. Minimum Limits; Adjustments. Insurance shall be maintained with limits no less than the following:

(a) Commercial General Liability and Property Damage: \$2,000,000 per occurrence and \$5,000,000 annual aggregate for bodily injury, personal injury and property damage; provided however, with City's advance written approval, subcontractors may maintain liability coverage with limits not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate.

(b) Products and Completed Operations: \$3,000,000 per occurrence/aggregate.

(c) Commercial Automobile Liability: \$2,000,000 combined single limit.

(d) Employer's Liability:

Bodily Injury by Accident - \$1,000,000 each accident.

Bodily Injury by Disease - \$1,000,000 policy limit.

Bodily Injury by Disease - \$1,000,000 each employee.

(e) Professional Liability/Errors and Omissions: \$2,000,000 per occurrence or claim. If the policy provides coverage on a claims-made basis, the retroactive date must be shown and must be before the date of the Agreement or the beginning of the contract work.

Coverage limits, and if necessary, the terms and conditions of insurance, shall be reasonably adjusted from time to time (not less than every five (5) years after the Effective Date nor more than once in every three (3) year period) to address changes in circumstance, including, but not limited to, changes in inflation and the litigation climate in California. City shall give written notice to Owner of any such adjustments, and Owner shall provide City with amended or new insurance certificates or endorsements evidencing compliance with such adjustments within thirty (30) days following receipt of such notice.

3. Deductibles and Self-Insured Retention. Any deductibles or self-insured retention must be

declared to, and approved by, the City. Payment of all deductibles and self-insured retentions will be the responsibility of Owner. If the City determines that such deductibles or retentions are unreasonably high, either the insurer shall reduce or eliminate such deductibles or self-insurance retentions as respects the Indemnitees or Owner shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense.

4. Additional Requirements. The required general liability and automobile policies shall contain, or be endorsed to contain, the following provisions:

(a) The Indemnitees are to be covered as Additional Insureds as respects: liability arising out of activities performed by or on behalf of the Owner; products and completed operations of the Owner; premises owned, occupied or used by the Owner; or automobiles owned, leased, hired or borrowed by the Owner. The coverage shall contain no special limitations on the scope of protection afforded to the Indemnitees. Additional insured endorsements for the general liability coverage shall use Insurance Services Office (ISO) Form No. CG 20 09 11 85 or CG 20 10 11 85, or equivalent, including (if used together) CG 2010 10 01 and CG 2037 10 01; but shall not use the following forms: CG 20 10 10 93 or 03 94.

(b) All insurance shall be primary insurance as respects the Indemnitees. Any insurance or self-insurance maintained by the Indemnitees shall be excess of the Owner's/contractor's insurance and shall not contribute with it.

(c) Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the Indemnitees.

(d) The Owner's insurance shall apply separately to each insured against whom claim is made or suit is brought except, with respect to the limits of the insurer's liability.

(e) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

(f) If any insurance policy or coverage required hereunder is canceled or reduced, Owner shall, within five (5) days after receipt of notice of such cancellation or reduction in coverage, but in no event later than the effective date of cancellation or reduction, file with City a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies. Upon failure to so file such certificate, City may, without further notice and at its option, procure such insurance coverage at Owner's expense, and Owner shall promptly reimburse City for such expense upon receipt of billing from City.

(g) Owner agrees to waive subrogation rights for commercial general liability, automobile liability and worker's compensation against Indemnitees regardless of the applicability of any insurance proceeds, and to require all contractors, subcontractors or others involved in any way with any construction on the Property to do likewise. Each insurance policy shall contain a

waiver of subrogation for the benefit of City. If any required insurance is provided under a form of coverage that includes an annual aggregate limit or provides that claims investigation or legal defense costs are included in such annual aggregate limit, such annual aggregate limit shall be three times the applicable occurrence limits specified above.

(h) It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirement and/or limits shall be available to the additional insured. Furthermore, the requirement for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured; whichever is greater. For all liability insurance required by this Agreement, Owner (and Owner's contractors, as applicable) shall obtain endorsements that name the Indemnitees as additional insured in the full amount of all applicable policies, notwithstanding any lesser minimum limits specified in this Agreement. This Agreement requires Owner (and Owner's contractors, as applicable) to obtain and provide for the benefit of the Indemnitees, additional insured coverage in the same amount of insurance carried by Owner (or Owner's contractors, as applicable), but in no event less than the minimum amounts specified in this Agreement. In the event that Owner (or Owner's contractors as applicable) obtains insurance policies that provide liability coverage in excess of the amounts specified in this Agreement, the actual limits provided by such policies shall be deemed to be the amounts required under this Agreement. Without limiting the foregoing, the limits of liability coverage specified in this Agreement are not intended, nor shall they operate, to limit City's ability to recover amounts in excess of the minimum amounts specified in this Agreement.

(i) The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

5. Acceptability of Insurers. Companies writing the insurance required hereunder shall be licensed to do business in the State of California. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII.

6. Verification of Coverage. Prior to the Effective Date of this Agreement, Owner shall furnish City with certificates of insurance in form acceptable to City evidencing the insurance coverage required under paragraphs (a), (b), (c), and (e) of Section 1 above, duly executed endorsements evidencing the Indemnitees' status as additional insured, and all other endorsements and coverage required hereunder pertaining to such coverage. Prior to commencement of any construction work on the Property, Owner shall furnish City with certificates of insurance in form acceptable to City evidencing the insurance coverage required under paragraphs (d) and (g) of Section 1 above. Prior to City's issuance of a final certificate of occupancy or equivalent for the Project, Owner shall furnish City with certificates of insurance in form acceptable to City evidencing the insurance coverage required under paragraph (f) of Section 1 above. Owner shall

furnish the City with original endorsements effecting coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf.

7. Insurance Certificates and Endorsements. Owner shall submit to the City all of the necessary insurance documents, including the applicable amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of required Owner policies listing all required policy endorsements to the City. Insurance Certificates and Endorsements are to be received and approved by the City within the time periods specified in Section 6 above. Should Owner cease to have insurance as required at any time, all work by Owner pursuant to this Agreement shall cease until insurance acceptable to the City is provided. Upon City's request, Owner shall, within thirty (30) days of the request, provide or arrange for the insurer to provide to City, complete certified copies of all insurance policies required under this Agreement. City's failure to make such request shall not constitute a waiver of the right to require delivery of the policies in the future.



**RECORDING REQUESTED BY**

Peninsula Innovation Partners, LLC  
1 Hacker Way  
Menlo Park, California 94025  
Attention: \_\_\_\_\_

*(Space Above for Recorder's Use)*

APN/Parcel ID: \_\_\_\_\_

**PARTIAL RELEASE**  
**OF**  
**PROJECT WIDE AFFORDABLE HOUSING AGREEMENT**

THIS PARTIAL RELEASE OF PROJECT WIDE AFFORDABLE HOUSING AGREEMENT (“**Release**”) is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 202\_ by THE CITY OF MENLO PARK, a California municipal corporation (“**City**”) in favor of PENINSULA INNOVATION PARTNERS, LLC, a Delaware limited liability company (“**Project Wide Developer**”) and its successors and assigns with reference to the following:

**RECITALS**

A. Pursuant to that certain Project Wide Affordable Housing Agreement executed by Project Wide Developer and City, recorded on \_\_\_\_\_ as Instrument No. \_\_\_\_\_ of the County Recorder of San Mateo County, California (the “**Instrument**”), the City imposed certain covenants, conditions and/or restrictions upon the real property described therein, a portion of which is more particularly described in Exhibit A attached hereto (the “**Released Property**”).

B. As provided for in [Section 5]/[Section 16] of the Instrument, the City has agreed to release a portion of the real property from the Instrument.

**AGREEMENT**

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and Project Wide Developer hereby agree that the restrictions contained in the Instrument as they relate only to the Released Property are hereby unconditionally and irrevocably released and terminated as to the Released Property.

[Remainder of Page Intentionally Left Blank; Signature Pages Follow]

IN WITNESS WHEREOF, this Release is made and executed as of this \_\_\_\_ day of \_\_\_\_\_, 202\_.

[ALL SIGNATURES TO BE ACKNOWLEDGED]

**PROJECT WIDE DEVELOPER:**

PENINSULA INNOVATION PARTNERS, LLC, a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**CITY:**

CITY OF MENLO PARK, a California municipal corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: City Manager

**ATTEST:**

\_\_\_\_\_  
City Clerk

Date: \_\_\_\_\_

**CALIFORNIA ACKNOWLEDGMENTS**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of \_\_\_\_\_  
County of \_\_\_\_\_

On \_\_\_\_\_, 2022, before me, \_\_\_\_\_, a notary public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that s/he executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of \_\_\_\_\_ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

**CALIFORNIA ACKNOWLEDGMENTS**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of \_\_\_\_\_  
County of \_\_\_\_\_

On \_\_\_\_\_, 2022, before me, \_\_\_\_\_, a notary public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that s/he executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of \_\_\_\_\_ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

**EXHIBIT A**

## Exhibit "D"

## Phase 1

	<b>Market Rate Units</b>	<b>Affordable Units</b>
<b>Parcel 2</b>	<b>293</b>	<b>34</b>
<b>Parcel 3</b>	<b>376</b>	<b>43</b>
<b>Parcel 6</b>	<b>158</b>	<b>20</b>
<b>Parcel 7</b>	<b>1 (manager's unit)</b>	<b>119</b>

## Phase 2

	<b>Market Rate Units</b>	<b>Affordable Units</b>
<b>Parcel 4</b>	<b>378</b>	<b>62</b>
<b>Parcel 5</b>	<b>212</b>	<b>34</b>

Recording Requested by and  
When Recorded Return to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**ASSIGNMENT AND ASSUMPTION AGREEMENT -  
PROJECT WIDE AFFORDABLE HOUSING AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (“**Agreement**”) is made and entered into as of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_, a \_\_\_\_\_ company (“**Assignor**”), and \_\_\_\_\_, a \_\_\_\_\_ company (“**Assignee**”).

**RECITALS**

A. Assignor owns that real property located in the City of Menlo Park (“**City**”), County of San Mateo, State of California, and more particularly described in Exhibit A attached hereto (the “**Property**”).

B. On the date hereof, Assignee is acquiring approximately \_\_ acres of the Property as more particularly described in Exhibit B attached hereto (the “**Assigned Property**”).

C. The City and Peninsula Innovation Partners, LLC, a Delaware limited liability company, entered into that certain Project Wide Affordable Housing Agreement dated as of \_\_\_\_\_, 202\_\_ and recorded against the Property on \_\_\_\_\_, 202\_\_ as Instrument No. \_\_\_\_\_ in the San Mateo County Recorder’s Office (the “**Project Wide Affordable Housing Agreement**”).

D. Assignor desires to assign to Assignee all of Assignor’s rights, duties and obligations under the Project Wide Affordable Housing Agreement with respect to the Assigned Property only (the “**Assigned Rights and Obligations**”), and Assignee desires to accept and assume Assignor’s rights and obligations under the Project Wide Affordable Housing Agreement with respect to the Assigned Property only (the “**Assumed Rights and Obligations**”), such assignment and assumption to be effective on the Effective Date (as defined in Section 1.3 below). The Assigned Rights and Obligations and the Assumed Rights and Obligations are referred to collectively herein as the “**Assigned Property Rights and Obligations**”.

NOW THEREFORE, in consideration of these promises, and of the agreements, covenants and conditions contained in this Agreement and other good and valuable consideration, the parties agree as follows:

**ARTICLE 1**

**ASSIGNMENT AND ASSUMPTION OF  
THE ASSIGNED PROPERTY RIGHTS AND OBLIGATIONS**

**1.1 Assignment.** Assignor assigns to Assignee, as of the Effective Date (as defined in Section 1.3 below), all of Assignor’s rights, title and interest in and to the Assigned Property Rights and Obligations.

**1.2 Assumption.** As of the Effective Date, Assignee accepts Assignor’s assignment of the Assigned Rights and Obligations and assumes the Assumed Rights and Obligations. From and after the Effective Date, Assignee shall keep and perform all covenants, conditions and provisions of the Project Wide Affordable Housing Agreement relating to the Assigned Property.**Effective Date.** For purposes of this Agreement, the “**Effective Date**” shall be the later to occur of (1) the date on which the deed from Assignor to Assignee for the Assigned Property is recorded in the Office of the Recorder of the County of San Mateo; or (2) the date of the execution of this Agreement by all parties; provided, however, that this Agreement shall have no force and effect without the written approval of the City, as evidenced by the full execution by the City’s representatives of the form entitled City of Menlo Park’s Consent, attached hereto as Exhibit C.

**RIGHTS AND REMEDIES**

**2.1 Assignor’s Release; No Assignor Liability or Default for Assignee Breach.** Pursuant to Section 11 of the Project Wide Affordable Housing Agreement, Assignor shall be released from the Project Wide Affordable Housing Agreement with respect to the Assigned Property and the Assumed Rights and Obligations as of the Effective Date. Any default or breach by Assignee under the Project Wide Affordable Housing Agreement following the Effective Date with respect to the Assigned Property or the Assumed Rights and Obligations (“**Assignee Breach**”) shall not constitute a breach or default by Assignor under the Project Wide Affordable Housing Agreement and shall not result in (a) any remedies imposed against Assignor, or (b) modification or termination of the Project Wide Affordable Housing Agreement with respect to that portion of the Property retained by Assignor after the conveyance of the Assigned Property, if any (the “**Assignor Property**”). **No Assignee Liability or Default for Assignor Breach.** As of the Effective Date, any default or breach by Assignor under the Project Wide Affordable Housing Agreement prior to or after the Effective Date (“**Assignor Breach**”), shall not constitute a breach or default by Assignee under the Project Wide Affordable Housing Agreement, and shall not result in (a) any remedies imposed against Assignee, including without limitation any remedies authorized in the Project Wide Affordable Housing Agreement, or (b) modification or termination of the Project Wide Affordable Housing Agreement with respect to the Assigned Property.

**INTENTIONALLY OMITTED**



**ARTICLE 4**  
**AMENDMENT OF THE PROJECT WIDE AFFORDABLE HOUSING AGREEMENT**

**4.1 Assignor.** Assignor shall not request, process or consent to any amendment to the Project Wide Affordable Housing Agreement that would affect the Assigned Property or the Assigned Property Rights and Obligations without Assignee's prior written consent, which consent shall not be withheld unreasonably. The foregoing notwithstanding, Assignor may process any amendment that does not affect the Assigned Property, and, if necessary, Assignee shall consent thereto and execute all documents necessary to accomplish said amendment, provided that said amendment does not adversely affect the Assigned Property or any of Assignee's Assigned Property Rights and Obligations pursuant to the Project Wide Affordable Housing Agreement.**Assignee.** Assignee shall not request, process or consent to any amendment to the Project Wide Affordable Housing Agreement that would affect the Assignor Property or the Assignor's remaining rights and obligations pursuant to the Project Wide Affordable Housing Agreement without Assignor's prior written consent, which consent shall not be withheld unreasonably. The foregoing notwithstanding, Assignee may process any amendment that does not affect the Assignor Property or any of Assignor's remaining rights and obligations pursuant to the Project Wide Affordable Housing Agreement, and, if necessary, Assignor shall consent thereto and execute all documents necessary to accomplish said amendment.

**GENERAL PROVISIONS**

**5.1 Notices.** All notices, invoices and other communications required or permitted under this Agreement shall be made in writing, and shall be delivered either personally (including by private courier) or by nationally recognized overnight courier service to the following addresses, or to such other addresses as the parties may designate in writing from time to time: If to Assignee:

with copies to:

If to Assignor:

with a copies to:

Notices personally delivered shall be deemed received upon delivery. Notices delivered by courier service as provided above shall be deemed received twenty-four (24) hours after the date of deposit. From and after the Effective Date and until further written notice from Assignee to the City pursuant to the terms of the Project Wide Affordable Housing Agreement, Assignee hereby designates as its notice address for notices sent by the City pursuant to Section 17(k) of the Project Wide Affordable Housing Agreement, the notice address set forth above.

**5.2 Estoppel Certificates.** Within ten (10) days after receipt of a written request from time to time, either party shall execute and deliver to the other, or to an auditor or prospective lender or purchaser, a written statement certifying to that party's actual knowledge: (a) that the Project Wide Affordable Housing Agreement is unmodified and in full force and effect (or, if there have been modifications, that the Project Wide Affordable Housing Agreement is in full force and effect, and stating the date and nature of such modifications); (b) that there are no current defaults under the Project Wide Affordable Housing Agreement by the City and either Assignor or Assignee, as the case may be (or, if defaults are asserted, so describing with reasonable specificity) and that there are no conditions which, with the passage of time or the giving of notice, or both, would constitute a default; (c) that this Agreement is unmodified and in full force and effect (or, if there have been modifications, that this Agreement is in full force and effect, and stating the date and nature of such modifications); and (d) such other matters as may be reasonably requested.**Attorneys' Fees.** In the event of any legal or equitable proceeding in connection with this Agreement, the prevailing party in such proceeding shall be entitled to recover its reasonable costs and expenses, including without limitation reasonable attorneys' fees, costs and disbursements paid or incurred in good faith at the arbitration, pre-trial, trial and appellate levels, and in enforcing any award or judgment granted pursuant thereto. **No Waiver.** No delay or omission by either party in exercising any right, remedy, election or option accruing upon the noncompliance or failure of performance by the other party under the provisions of this Agreement shall constitute an impairment or waiver of any such right, remedy, election or option. No alleged waiver shall be valid or effective unless it is set forth in a writing executed by the party against whom the waiver is claimed. A waiver by either party of any of the covenants, conditions or obligations to be performed by the other party shall not be construed as a waiver of any subsequent breach of the same or any other covenants, conditions or obligations.**Amendment.** This Agreement may be amended only by a written agreement signed by both Assignor and Assignee, and subject to obtaining the City's consent.

**5.6 Successors and Assigns.** This Agreement runs with the land and shall be binding on and inure to the benefit of the parties and their respective successors and assigns. **No Joint Venture.** Nothing contained herein shall be construed as creating a joint venture, agency, or any other relationship between the parties hereto other than that of assignor and assignee.**Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance is found by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and enforceable to the full extent permitted by law; provided that, if the invalidation or unenforceability would deprive either Assignor or Assignee of material benefits derived from

this Agreement or make performance under this Agreement unreasonably difficult, then Assignor and Assignee shall meet and confer and shall make good faith efforts to modify this Agreement in a manner that is acceptable to Assignor, Assignee and the City. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California.**Third Party Beneficiaries.** Assignor and Assignee acknowledge that the City is a third party beneficiary of the terms and conditions of this Agreement to the extent necessary for City to enforce the terms and conditions of the Project Wide Affordable Housing Agreement. This Agreement shall not be deemed or construed to confer any rights, title or interest, including without limitation any third party beneficiary status or right to enforce any provision of this Agreement, upon any person or entity other than Assignor, Assignee and the City.**Time of the Essence.** Time is of the essence in the performance by each party of its obligations under this Agreement.**Authority.** Each party represents that the individuals executing this Agreement on behalf of such Party have the authority to bind his or her respective party to the performance of its obligations hereunder and that all necessary board of directors', shareholders', partners' and other approvals have been obtained. **Term.** The term of this Agreement shall commence on the Effective Date and shall expire upon the expiration or earlier termination of the Project Wide Affordable Housing Agreement, subject to any obligations under the Project Wide Affordable Housing Agreement that expressly survive the expiration or termination of the Project Wide Affordable Housing Agreement. Upon the expiration or earlier termination of this Agreement, the parties shall have no further rights or obligations hereunder, except with respect to any obligation to have been performed prior to such expiration or termination or with respect to any default in the performance of the provisions of this Agreement which occurred prior to such expiration or termination or with respect to any obligations which are specifically set forth as surviving this Agreement or the Project Wide Affordable Housing Agreement.**Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signature pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document.**Default.** Any failure by either party to perform any material term or provision of this Agreement shall constitute a default (a) if such defaulting party does not cure such failure within thirty (30) days following written notice of default from the other party, where such failure is of a nature that can be cured within such thirty (30) day period, or (b) if such default is not of a nature that can be cured within such thirty (30) day period, if the defaulting party does not within such thirty (30) day period commence substantial efforts to cure such failure, or thereafter does not within a reasonable time prosecute to completion with diligence the curing of such failure. Any notice of default given hereunder shall be given in the same manner as provided in Section 5.1 hereof and shall specify in detail the nature of the failures in performance that the noticing party claims and the manner in which such failure can be satisfactorily cured.

*[remainder of page left intentionally blank – signature pages follow]*

IN WITNESS WHEREOF, Assignor and Assignee have executed this Agreement by proper persons thereunto duly authorized, to be effective as of the Effective Date.

**“Assignor”**

\_\_\_\_\_,  
**a** \_\_\_\_\_ **company**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**“Assignee”**

\_\_\_\_\_,  
**a** \_\_\_\_\_ **company**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer),

Notary Public personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

[Seal]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer),

Notary Public personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

[Seal]

**EXHIBIT A**  
**Description of the Property**  
**(Attached)**

**EXHIBIT B**

**Description of the Assigned Property**

**(Attached)**



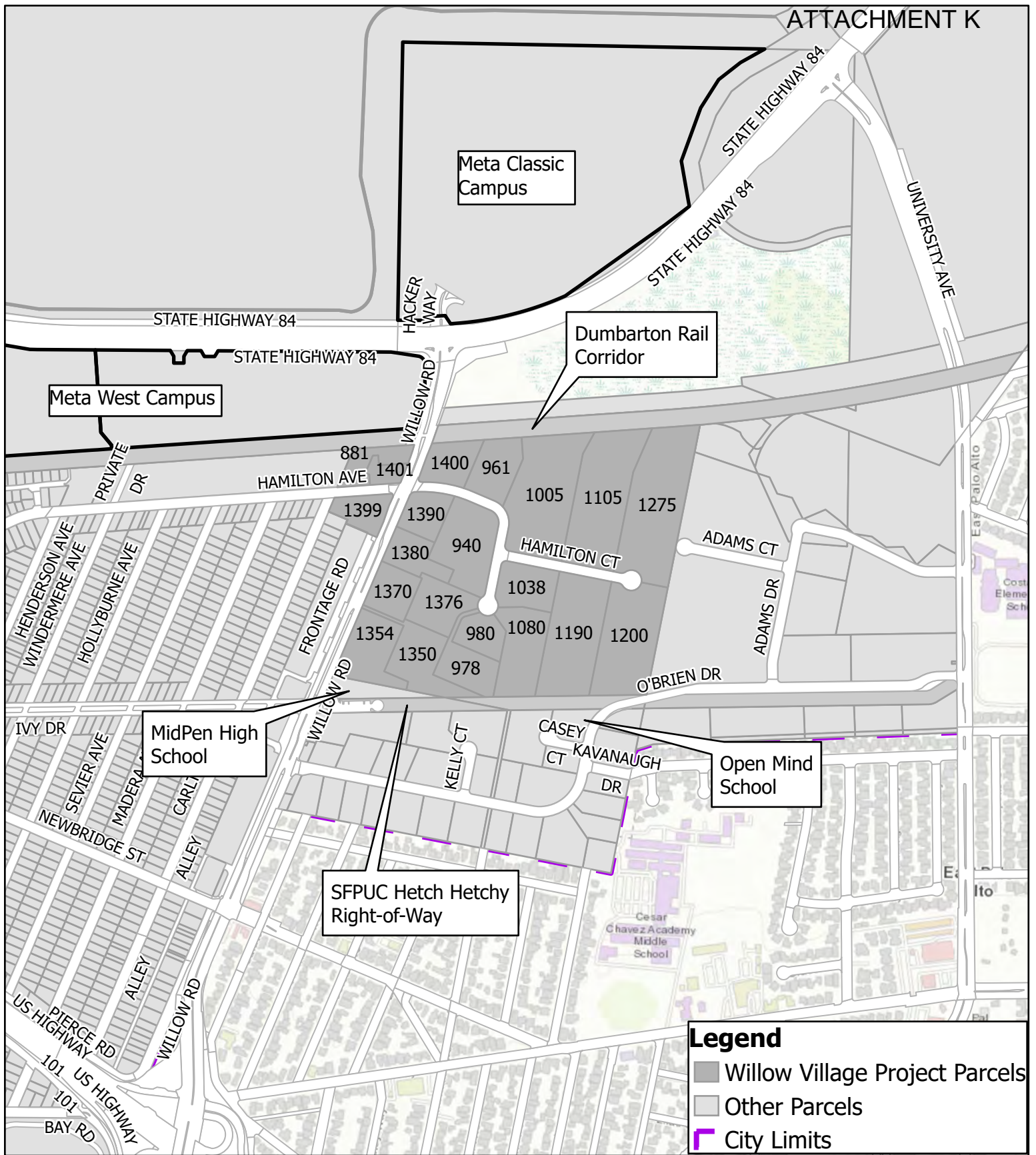
**EXHIBIT C**

**CONSENT OF CITY OF MENLO PARK**

The City of Menlo Park hereby consents to the assignment and assumption of the Assigned Property Rights and Obligations as set forth in this Agreement and agrees to the terms and conditions set forth herein.

**CITY OF MENLO PARK,**  
a California Municipal corporation

By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



# CITY OF MENLO PARK

## LOCATION MAP

### WILLOW VILLAGE



CITY OF  
MENLO PARK

Scale: 1:9,000

Drawn By: KTP

Checked By: CDS

Date: 10/24/2022 Page F.1.43



~~October 20~~ November 22, 2022

## WILLOW VILLAGE CAMPUS DISTRICT TRIP CAP MONITORING AND ENFORCEMENT POLICY

This policy applies to the Campus District of the Willow Village Project ("Project"). For purposes of this policy, the term "Willow Village Campus District" is intended to include the six office buildings (O1 – O6) and the meeting and collaboration space (MCS) that are proposed as part of the Project. This trip cap does not apply to the Town Square District or Residential/Shopping District of the Willow Village Project. There are separate trip cap monitoring and enforcement policies for the Classic and Bayfront Campuses that are independently enforced.

### DEFINITIONS

**Trip** - A single vehicle (car, truck, van, shuttle, etc.) arriving at a location in Menlo Park, whose occupant(s)' final destination is the Willow Village Campus District, or a single vehicle departing from a location in Menlo Park, whose occupant(s)' origin is the Willow Village Campus District. Therefore, for example, a roundtrip by a single vehicle arriving at a location in Menlo Park and departing from a location in Menlo Park whose occupant(s)' destination and origin is the Willow Village Campus District equals two trips. A vehicle transiting from either the Classic or Bayfront campuses to Willow Village Campus District or from the Willow Village Campus District to either the Classic or Bayfront campuses is a trip. A single shuttle coming from outside Menlo Park or from the Menlo Park Caltrain station that makes stops at multiple Meta campuses shall only count as one trip against the Daily Trip Cap. Intra-campus shuttle trips that enter or exit the Willow Village Campus District via Willow Road or University Avenue during the peak periods shall count fully against the Peak Hour Trip Caps. Trams, shuttles, or other vehicles utilizing the planned Willow Road undercrossing between the Bayfront Campus and Willow Village Campus District shall not count against either the Daily Trip Cap or the Peak Hour Trip Caps. Trips also do not include bicycles, e-bikes, scooters, or other self-powered modes of travel.

**Peak Hour Trip Cap** -The maximum number of trips allowed in each hour of the AM Peak Period or the PM Peak Period.

**Peak Period** - Roadway morning and evening commuter peak travel times:

- AM Peak Period - 7:00 AM to 9:00 AM
- PM Peak Period - 4:00 PM to 6:00 PM

**Daily Trip Cap**-The maximum number of trips per day.

**Trip Cap** - Generally refers to the AM Peak Hour Trip Caps, the PM Peak Hour Trip Caps and the Daily Trip Cap.

### TRIP CAP

The Campus District must comply with the Trip Cap and may not exceed the Trip Cap without an application for and approval of a change to the Conditional Development Permit (CDP) for Willow Village.

If the Trip Cap is exceeded without the appropriate approval, the Campus District Property Owner is in violation of the CDP.

The Trip Cap proposed as part of the Willow Village Campus District is as follows:

- AM Peak Period Trip Caps:
  - 1,670 trips are permitted between 7:00 a.m. and 8:00 a.m.
  - 1,670 trips are permitted between 8:00 a.m. and 9:00 a.m.
  
- PM Peak Period Trip Caps:
  - 1,670 trips are permitted between 4:00 p.m. and 5:00 p.m.
  - 1,670 trips are permitted between 5:00 p.m. and 6:00 p.m.
  
- Daily Trip Cap: 18,237 trips

## **MONITORING**

To monitor compliance with the Trip Cap, traffic counts shall be taken at the Willow Village Campus District. The monitoring shall be done through automated means (e.g., imbedded loop detectors in the pavement in each travel lane or video detection) approved by the City<sup>1</sup>. All vehicular entrances to the Willow Village Campus District parking facilities, transit hubs, and loading docks shall be included in the monitoring. The Campus District Property Owner shall be solely responsible for paying all costs related to monitoring, including, but not limited to, development, installation, maintenance, and repair of all monitoring equipment.

In addition to monitoring the Campus District parking structures, adjustments will need to be made for Campus District visitors that use the shared parking structures or arrive via ride hailing services (Uber, Lyft, or taxis). Since these activities will occur in areas shared by multiple land uses, they will be accounted for in the reliability (sensitivity) factors described later in this document.

The City reserves the option to require the Campus District Property Owner to monitor neighborhood parking intrusion in the Belle Haven neighborhood, parking on other public streets in the City, or parking at any off- site parking lot(s) in Menlo Park (other than any property or properties leased or owned by and occupied by any affiliate of the Campus District Property Owner) if it is observed or suspected that vehicles whose occupant(s)' final destination is the Willow Village Campus District are parking at any of these locations. If the City requires monitoring of these off-site locations and, after investigation, it is confirmed that vehicle occupant(s) whose final destination is the Willow Village Campus District are parking vehicles at these off-site locations (other than a property or properties leased or owned and

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<sup>1</sup> City approvals related to monitoring equipment will be through the Director of Public Works or his/her designee.

occupied by any affiliate of the Campus District Property Owner), the trips to these locations will be counted toward the Trip Cap.

Monitoring program details are as follows:

- **Monitoring Days/Times**- Each hour within the AM Peak Period, each hour within the PM Peak Period and total daily trips will be monitored on all non-holiday weekdays. Holidays are those days identified as State holidays in California Government Code Section 6700.
- **Exclusions** - ~~Two~~Three types of exclusions from the Trip Cap shall be permissible as discussed below:
  - **Special Events:** To account for special events and their effect on trips, the Campus District Property Owner may have up to 25 special event exclusions per year or 25 days on which one or more of the AM Peak Hour Trip Caps, PM Peak Hour Trip Caps or Daily Trip Cap are exceeded, but are not considered violations of the Trip Cap. These special events do not represent typical operating conditions at the Willow Village Campus District. A special event will be defined as an activity that is not typical of the normal operations of the Willow Village Campus District and may involve more than Meta workers. If the Trip Cap has been violated as a result of a special event, the Campus District Property Owner shall provide documentation to the City that a special event took place. Upon City review and approval, in the City's reasonable discretion, an exclusion for a special event shall apply.
  - **Non-event exclusions:** For non-special events, the Campus District Property Owner will be allowed three days on which one or more of the AM Peak Hour Trip Caps, PM Peak Hour Trip Caps or Daily Trip Cap are exceeded within a 180-day period without incurring penalties. These non-event exclusion days are intended to allow the Campus District Property Owner time to correct the Trip Cap violation. If the Campus District Property Owner exceeds the Trip Cap on more than three days within a 180-day period, then the non-event exclusion is exhausted, and penalties will be imposed for violations of the Trip Cap until compliance is reached for a consecutive 180-day period. Additional violations, if any, within the 180-day compliance period, will re-set the 180-day compliance period. If after a consecutive 180-day period, the Campus District Property Owner remains in full compliance with the Trip Cap, then the three days of non-event exclusions will become available again.
  - **MCS Community Events:** The Campus District Property Owner shall be entitled to an exclusion from the Trip Cap for MCS Community Events as defined in Section 5.3.I of the Development Agreement between the Property Owner and the City.
- **Count Equipment** - Automated count equipment will be designed and constructed at the Campus District Property Owner's sole expense to collect data on the number of trips at each of the Willow Village Campus District driveways including parking structures, underground parking, and loading areas, and send the data back to the City offices. The type of count equipment (initial

and any future changes) shall be approved by the City, in consultation with the Campus District Property Owner and considering the latest technologies for detection, counting and reporting. The City shall not unreasonably withhold approval of initial count equipment or any future equipment which achieves the result envisioned in this document. The City shall also approve the count equipment that will be used to monitor off-site locations, if the City exercises the option to require such monitoring. The City shall not unreasonably withhold approval of such additional count equipment.

- **Initial Calibration Process** - Once any new count equipment has been established, a calibration process will be undertaken to determine the reliability and accuracy of the count equipment. Depending on the type of equipment, the count accuracy can be affected by a number of environmental factors which will need to be confirmed. This calibration process would be conducted prior to issuance of the occupancy permit for the final Willow Village Campus District office building.
  
- **Determination of Reliability (Sensitivity) Factor** - Based on the calibration analysis, the City and the Campus District Property Owner will agree to a reliability factor for the count stations which will be used to evaluate the count results consistent with what the City and Meta have historically agreed upon for the Classic and Bayfront campus trip cap monitoring. The reliability factor would represent the margin of error inherent in the vehicle counting equipment, address the exclusion of shuttle trips that serve multiple Meta campuses, and address the inclusion of trips to and from the Campus District that do not use the office worker parking (Campus District visitors and ride hailing passengers). Periodically, the reliability factor will be updated using data provided by the Campus District Property Owner or collected by a third-party for the following trip types:
  - **Worker shuttles serving multiple Meta campuses.** The reliability factor would account for single shuttles coming from outside Menlo Park or from the Menlo Park Caltrain station and making stops at multiple campuses. Periodically, the reliability factor, based on reporting from Meta, may be modified to address the anticipated or actual number of shuttles coming from outside Menlo Park or from the Menlo Park Caltrain station making stops as part of one trip at multiple campuses outside of the peak period. At a minimum, Meta shall provide an annual report to the City Transportation Manager for each upcoming year that provides data on the proposed number of shuttle trips so that the City may analyze whether the reliability factor is accurately accounting for single shuttles coming from outside Menlo Park or from the Menlo Park Caltrain station and making stops at multiple campuses.
  - **Willow Road Tunnel Adjustments.** The reliability factor will need to be adjusted for vehicles that access the Campus District via the Willow Road tunnel. The trips that use the Willow Road tunnel to access the Willow Village Campus District will not be adding traffic to Willow Road or Bayfront Expressway. These trips may include intra-



campus trams, on-demand vehicles, and maintenance and security vehicles. These vehicles may be captured by one of the count locations, but would not count against the trip cap.

Some, or all, of the intra-campus trams will be routed through one or both of the Willow Village Campus District transit hubs. In addition, other Meta transportation vehicles (e.g. Campus Cars or Candidate Cars) may use the Willow Road tunnel and drop off or pick up passenger within the transit hubs. By using the Willow Road tunnel, these trips do not impact the public roadways. Similar to the workers shuttles, any intra-campus trams that use public roads (Willow Road or Bayfront Expressway) will need an adjustment factor to account for these trams passing through both of the Willow Village Campus District transit hubs. Meta will report the tram schedules, track on-demand trips, and provide adjustment factors during the annual reporting to account for these tram and on-demand trips.

- **Maintenance and security vehicle trip adjustments.** On the Classic and Bayfront campuses, many of the maintenance and security trips travel between origins and destinations within a single campus. These are internal trips to the Meta campuses so they never pass over a monitoring station. In addition, these trips do not travel on public roadways (e.g. Bayfront Expressway and Willow Road). The maintenance and security trips passing through the Willow Road tunnel will avoid travelling on Bayfront Expressway and Willow Road, but they would be counted entering and existing the parking structures or loading areas. Therefore, these trips should not be included in the trip cap. A process will be developed to account for these trips and subtract them from the driveway counts. The adjustment process will be included in the development of the annual reliability factor.
- **Campus District Visitor Parking** – Visitors to the Campus District will use the Town Square shared parking. The Campus District Property Owner will establish a system to track the Campus District visitor parking activity that is approved by the Public Works Director. The system will need to track the number of daily visitor trips and record the activity and provide the data to the City when the reliability factor is calculated. The shared parking areas will include control systems that will collect data on vehicles using the Town Square parking structure. Campus District visitors will be required to validate their parking when they check-in at the Campus District entrances. This data will be used to account for Campus District visitor parking.
- **Campus District Visitor Ride Hailing** – Meta currently monitors ride hailing trips at their campuses as part of the trip cap monitoring for the Classic and Bayfront campuses. The existing ride hailing monitoring includes vehicle counts and origin-destination surveys conducted at ride hailing lounges located at Meta buildings within in Menlo Park. A similar survey approach will be used to monitor ride hailing activity at the Willow Village Campus District. Unlike the other two campuses, ride

hailing at the Willow Village Campus District will occur on public streets that are shared with the other Willow Village districts. Therefore, a survey will be used to capture the number of vehicles and information on the origin/destination of passengers to determine if the trip is related to the Campus District or the other Willow Village Districts. The annual survey will be conducted of the ride hailing activity at the same time the reliability factor is developed. The Campus District Property Owner will establish a survey procedure that is approved by the Public Works Director. This is consistent with the procedure used for the Classic and Bayfront Campuses.

To capture the ride hailing activity for events, the Campus District Property Owner in consultation with City staff shall once a quarter select either a medium (1,001 -2,500 persons) or large (2,501 -5,000 persons) event to survey ride hailing trips for a minimum of two years after buildout of the Office Campus. During each twelve-month period, at least one survey shall occur during a large event. In addition, surveys for two smaller events of less than 1,000 persons shall be conducted during each twelve-month period. The surveys should include rideshare location, arrival/departure date and time, drop-off or pick-up, and number of passengers.

- **Periodic Count Equipment Testing/Recalibration** - The vehicle detection system will be periodically tested to ensure the accuracy of the monitoring counts. During the first two years of operation, testing will be conducted at six-month intervals. If these tests show that the system is operating reliably, then testing can be reduced to once a year. If the equipment is thought to be out of calibration, the Campus District Property Owner will work with the City to test and calibrate the equipment if necessary. The City will have final approval, which approval shall be granted or withheld in a reasonable manner, on all testing and calibration.
- **Installation and Repairs** - New count equipment shall be installed and in good working order prior to final building permit sign-off for occupancy of first Willow Village Campus District office building. The City shall have final approval, which approval shall be granted or withheld in a reasonable manner, of the contractor completing the installation and the maintenance contractor completing any repairs. Non-emergency repairs and maintenance of the monitoring equipment shall occur only on evenings and weekends, unless otherwise approved by the City. The Transportation Division shall be notified at least 48 hours in advance of any non-emergency repairs or maintenance work. The City Transportation Division shall be notified within 24 hours of any emergency repairs. City inspection and approval of any repairs or maintenance is required. Failure to keep monitoring equipment operational in good working order will be considered a violation of the Trip Cap after two working days, unless the repairs/maintenance require additional time as approved by the City and the Campus District Property Owner is diligently pursuing such repairs/maintenance. The Trip Cap penalty will not be enforced during the repair/maintenance of the monitoring equipment. If the City, in its sole and reasonable discretion,



determines that the Campus District Property Owner is not diligently pursuing the repairs/maintenance, the City may elect to perform the repairs/maintenance and charge the cost of the repair/maintenance, staff time, and 15 percent penalty fee to the Campus District Property Owner.

- **Access to Count Equipment/Reporting**- The City shall have the ability to access the count equipment at any time after reasonable prior notice to the Campus District Property Owner. The Campus District Property Owner will not have access to the count equipment, unless approved by the City or in case of the need for emergency repairs. The City shall not unreasonably withhold approval of access for repair/maintenance contractors. The Campus District Property Owner shall have "read-only" access to the reporting data but shall have the ability to record such data and run history reports in order to track trends. Reporting data shall be provided to the Campus District Property Owner and the City in real time. Real time data will provide the Campus District Property Owner the opportunity to take immediate action, if necessary, to avoid violating the Trip Cap.

## ENFORCEMENT

The Campus District Property Owner shall be responsible not only for monitoring, but also for achieving compliance with the Trip Cap, which includes, by definition, all trip cap measurements on a daily basis (the AM Peak Hour Trip Caps, the PM Peak Hour Trip Caps and the Daily Trip Cap). The City shall enforce compliance with the Trip Cap.

If, on a given day, the results of the monitoring indicate that the number of trips is at or below the Trip Cap, considering the reliability factor, then the Campus District Property Owner is considered in compliance. If, however, the monitoring, considering the reliability factor, reveals that any of the AM Peak Hour Trip Caps or the PM Peak Hour Trip Caps or the Daily Trip Cap has been exceeded (after accounting for any permitted exclusions), the Campus District Property Owner is in violation of its CDP and the City may take steps to enforce the Trip Cap.

The specifics for enforcement are as follows:

- **Threshold** - If there are any AM Peak Hour Trip Cap, PM Peak Hour Trip Cap or Daily Trip Cap violations that do not qualify for an exclusion as discussed above, then penalties will be imposed.
- **Penalties** - Monetary penalties will be imposed for violations of the Trip Cap in excess of the threshold. Penalties are calculated on a per trip basis and progressively increasing penalties will be imposed for subsequent violation(s) of the Trip Cap based on a tiered system described in the table below. Penalties will be applied for each violation including the AM Peak Hour, PM Peak Hour, and the Daily Period. If any of the AM Peak Hour Trip Caps, and/or PM Peak Hour Trip Caps and Daily Trip Cap are exceeded on the same day, the penalty paid shall be the greater of the sum of the penalties for the AM Peak Hour and PM Peak Hour or the Daily penalty. The penalty payment schedule is shown in the table below.

Penalty Tier <sup>1</sup>	Applicability	Penalty Amount per Trip per Day
Tier 1	Tier 1 is the default tier and applies for the month unless one of the other tiers is applicable.	\$66.26 per trip per day
Tier 2	Tier 2 applies for the month if either (a) penalties were imposed in both of the 2 months immediately preceding that month or (b) penalties were imposed in any 4 of the 6 months immediately preceding that month. Tier 2 will not apply if Tier 3 applies.	\$132.56 per trip per day
Tier 3	Tier 3 applies for the month if penalties were imposed in each of the 6 months immediately preceding that month.	\$265.11 per trip per day

1 - Only one tier is applicable for any given violation. In addition, the penalty amounts are shown in 2022 dollars based on the original 2012 penalty amounts that applied to the original project approvals for Building 20 adjusted by CPI.

An example table showing the penalty amounts:

Penalty Cost Per Day			
Vehicles Over Trip Cap	Tier 1	Tier 2	Tier 3
100	\$6,626	\$13,256	\$26,511
500	\$33,130	\$66,280	\$132,555
1000	\$66,260	\$132,560	\$265,110
2000	\$132,520	\$265,120	\$530,220

Example calculation:

AM Peak Period exceeds AM Peak Period Trip Cap by 100 trips

PM Peak Period exceeds PM Peak Period Trip Cap by 50 trips

Daily trips exceed the Daily Trip Cap by 400 trips

$$\text{AM penalty} = 100 \text{ trips} \times \$66.26 = \$6,626$$

$$\text{PM penalty} = 50 \text{ trips} \times \$66.26 = \$3,313$$

$$\text{Daily penalty} = 400 \text{ trips} \times \$66.26 = \$26,504$$

The Payment would be:

$$\text{AM + PM penalties} = \$9,939$$

$$\text{Daily penalty} = \$26,504 - \$9,939 = \$16,565$$

$$\text{Total Penalty} = \$9,939 \text{ (Peak Period Penalty)} + \$16,565 \text{ (Daily Penalty)} = \$26,504$$

The base penalties are stated in 2022 dollars (based on the original 2012 penalty amounts that applied to the approval of Meta's Building 20, as adjusted by CPI) and shall be adjusted annually per the Consumer Price Index for All Urban Consumers All Items in the San Francisco-Oakland-San Jose Metropolitan Area [1982-84=100] (the intent is for the same penalty rate to apply to Classic, Bayfront and Willow Village Campuses). Penalties are due and payable to the City within 30 days of the issuance of an invoice, which the City shall issue on a monthly basis. The City shall use the penalties collected for programs or projects designed to reduce trips or traffic congestion within Menlo Park and the City shall share 25 percent of the penalties collected with the City of East Palo Alto for use on transportation systems and solutions that help reduce traffic in the City of East Palo Alto around the Classic, Bayfront and Willow Village Campuses. In addition to monetary penalties, failure to comply with the Trip Cap is considered a violation of the CDP and could result in revocation of the CDP.

Violations of the Trip Cap for Willow Village are independent of violations of the Classic and Bayfront Trip Caps. This means, for instance, that if there are violations of the Trip Cap at the Classic and Bayfront campuses for the six months immediately preceding a particular month, but there are no violations of the Trip Cap at the Willow Village Campus District during that same period, Tier 3 would be applicable to the Classic and/or Bayfront Campuses and Tier 1 would be applicable to the Willow Village Campus District.

- **Interim Measure** - If the Campus District Property Owner determines that it needs to secure parking in another location as an interim measure to maintain compliance with the Trip Cap, the Campus District Property Owner may, through the City's entitlement process, obtain approval for the use of another private property in Menlo Park (not the Classic, Bayfront or Willow Village campuses) that includes both a building and associated parking. Trips to such an off-site location will not count toward the Trip Cap only if there will be no more trips to that off-site location than is allowed under the then current use of that property.
- **Compliance** - If after non-compliance, the Campus District Property Owner comes back into compliance with the Trip Cap and maintains compliance for 180 consecutive days, the scale of penalties will revert to the base level and the relevant threshold would once again apply before there is non-conformance and the onset of penalties.

**Perata, Kyle T**

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**From:** Alan Brown <adbrown1967@yahoo.com>  
**Sent:** Friday, November 18, 2022 1:43 PM  
**To:** \_CCIN  
**Cc:** Willow Village; Perata, Kyle T; Murphy, Justin I C  
**Subject:** Willow Village shuttle suggestion

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

**CAUTION: This email originated from outside of the organization. Unless you recognize the sender's email address and know the content is safe, DO NOT click links, open attachments or reply.**

Hello,

I understand that Willow Village approval is still under negotiation. I have a suggestion for this.

I know Meta runs a number of electric shuttles through its properties. I have also noticed that there are lot of large residences being built in the are, not necessarily Facebook.

There have been a few concerns about traffic, grocery store utilization, and air pollution on this project.

I was wondering if there could be electric shuttles that use roads on Meta properties, that could be used by residents of these other large buildings to use the grocery store and other amenities. The advantage of using these paths are that they, for the most part, avoid local streets which may become clogged. Shuttles which service these apartment buildings would encourage the residents of these buildings to make use of this retail and other services, while not adding to traffic to the other roads. Opening it up to residents of these buildings would result in higher utilization of the shuttles and amenities of Willow Village, while not adding to overall traffic.

I suppose they could restrict usage to these residents (they might need an electronic card), and even charge a modest fee - so they could feel confident in security, and make it work well financially. Higher usage would justify improved frequency.

Sincerely,  
Alan Brown  
1155 Carlton Ave, Menlo Park, Ca 94025

**Perata, Kyle T**

---

**From:** Chow, Deanna M  
**Sent:** Monday, November 28, 2022 5:50 PM  
**To:** Perata, Kyle T  
**Subject:** FW: Please Support Willow Village - Housing Leadership Council of San Mateo County  
**Attachments:** Housing Leadership Council - Support Willow Village.pdf



**Deanna M. Chow**  
Assistant Community Development Director  
City Hall - 1st Floor  
701 Laurel St.  
tel 650-330-6733  
[menlopark.gov](http://menlopark.gov)

---

**From:** Ken Chan [mailto:kchan@hlscmc.org]  
**Sent:** Monday, November 21, 2022 8:37 PM  
**To:** \_CCIN <city.council@menlopark.org>  
**Subject:** Please Support Willow Village - Housing Leadership Council of San Mateo County

**CAUTION: This email originated from outside of the organization. Unless you recognize the sender's email address and know the content is safe, DO NOT click links, open attachments or reply.**

Dear Members of the Menlo Park City Council,

Please see the attached support letter regarding the Willow Village proposal set for discussion at the upcoming November 30, 2022 City Council Special meeting.

**You may also find the text of the letter below:**

Dear Mayor Nash and Members of the Menlo Park City Council,

The Housing Leadership Council of San Mateo County (HLC) works with our communities and their leaders to produce and preserve quality affordable homes.

On behalf of HLC, and as expressed in our previous communications, I'm writing to express our support for the Willow Village proposal by Peninsula Innovation Partners and Signature Development Group. Of the potential 1,730 homes, a total of **312 will be affordable, including 119 set aside for your senior community members at both the Very Low (VLI) and Extremely-Low Income (ELI) levels.** These homes, combined with the newly increased **\$6 million in additional funding for**

**affordable housing** for your community members in Menlo Park and rent subsidies for local teachers, can provide the City of Menlo Park with the much-needed relief against the job-housing imbalance that all your residents are collectively experiencing at this moment.

In addition, by approving the Willow Village, you have the opportunity to help **ensure that your city will achieve a legally compliant Housing Element in January 2023**. HLC has been closely following the City of Menlo Park’s 6<sup>th</sup> Cycle (2023-2031) RHNA obligations and Housing Element Update process over the past year. The City Council is scheduled to adopt the updated Housing Element on December 6, 2022 and the statutory deadline for HDC to certify updated Housing Element is no later than January 31, 2023.

As you may know, this proposal alone represents 1) 59% of Menlo Park’s total 6<sup>th</sup> Cycle 2023-2031 RNHA obligation, 2) 16% of the City’s VLI RNHA obligation, and 3) 19% of Menlo Park’s VLI to Moderate (MOD) (“BMR”) RNHA obligation. Please see Table 7-1 RNHA Allocation below.

**Table 7-1: RNHA Allocation**

	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	51-80% AMI	81-120% AMI	>120% AMI		
<b>6th Cycle RNHA</b>	740	426	496	1,284	2,946	1,662
<b>Willow Village Units</b>	119	76	117	1,418	1,730	312
<b>% of RNHA</b>	16%	18%	24%	110%	59%	19%

It has taken more than five years of input from your community members and fellow city leaders, and revisions by the developer, for Willow Village to get to this juncture; leading to its overlap with the aforementioned and upcoming Housing Element. With your support of this proposal, you can avoid the onerous task of revising your City’s Housing Element and the need to identify new housing sites throughout your city to fulfill it’s RNHA obligations,

We also caution you to fully comply with California State housing law and adopt a realistic Housing Element with viable versus theoretical housing sites, as the consequences, such as what has occurred in Santa Monica over the past year, are pronounced. Any city that does not have an adopted Housing Element by January 31, 2023 is subject to the “builder’s remedy.” Under California State law and the builder’s remedy application process, your authority to approve or reject certain housing proposals can temporarily be taken out of your control.

A builder’s remedy proposal also **DOES NOT** need to comply with your city’s Zoning or General Plan standards — it can be much larger than Menlo Park would otherwise permit **AND** you will not be able to deny a builder’s remedy proposal solely on the basis that it does not comply with those standards. The only grounds for the rejection of a proposal is if it can be proven to “have a specific, adverse impact upon the public health or safety,” which is a much higher standard than California Environmental Quality Act (CEQA) and a very difficult finding to make with a housing proposal.

According to the Department of Housing and Community Development (HCD), any housing proposals submitted after a city fails to meet its compliance deadline, will **earn automatic permit approval** if they meet the standards for serving low- and moderate-income households by committing least 20%

of their homes as affordable to lower income households or 100% as affordable to moderate income households. In addition, these proposals are **not necessarily subject to community amenities requirements and may not be required to provide any**; like the ones included in Willow Village. If a jurisdiction were to receive a housing proposal while it's Housing Element is out of compliance, any potential benefits afforded to the applicant as a result of the jurisdiction's noncompliant status would remain throughout the entitlement process even if the jurisdiction subsequently achieves compliance during the entitlement process according to HCD. If Menlo Park falls into this category, it would make it that much harder for you to make impactful and meaningful land use decisions for your community.

To illustrate the "builder's remedy" in action: while the City of Santa Monica was out of compliance with Housing Element law, leaders had no choice but to approve 12 development proposals in just this year alone - totaling nearly 4,000 homes. Please see: [Developers capitalize on Housing Element fiasco to force 3,968 undeniable units into the city's pipeline.](#)

With your support of the Willow Village proposal, Menlo Park can avoid the consequences experienced by your counterparts in Santa Monica and also provide much-needed quality affordable homes for your community members. We urge you to take all the necessary steps to approve this proposal at the November 30, 2022 City Council meeting.

Sincerely,  
Ken Chan

--  
Ken Chan  
he/him/his  
Senior Organizer  
Housing Leadership Council of San Mateo County  
2905 S El Camino Real  
San Mateo, CA 94403  
(408) 421 - 0586  
[www.hlcsmc.org](http://www.hlcsmc.org)



November 21, 2022

The Honorable Betsy Nash and Members of the Menlo Park City Council  
City of Menlo Park  
701 Laurel St.  
Menlo Park, CA 94025  
Via Email: [city.council@menlopark.org](mailto:city.council@menlopark.org)

**Re: Support Willow Village – Menlo Park RNHA Obligations / Housing Element Compliance - Housing Leadership Council of San Mateo County**

Dear Mayor Nash and Members of the Menlo Park City Council,

The Housing Leadership Council of San Mateo County (HLC) works with our communities and their leaders to produce and preserve quality affordable homes.

On behalf of HLC, and as expressed in our previous communications, I'm writing to express our support for the Willow Village proposal by Peninsula Innovation Partners and Signature Development Group. Of the potential 1,730 homes, a total of **312 will be affordable, including 119 set aside for your senior community members at both the Very Low (VLI) and Extremely-Low Income (ELI) levels.** These homes, combined with the newly increased **\$6 million in additional funding for affordable housing** for your community members in Menlo Park and rent subsidies for local teachers, can provide the City of Menlo Park with the much-needed relief against the job-housing imbalance that all your residents are collectively experiencing at this moment.

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We also caution you to fully comply with California State housing law and adopt a realistic Housing Element with viable versus theoretical housing sites, as the consequences, such as what has occurred in Santa Monica over the past year, are pronounced. Any city that does not have an adopted Housing Element by January 31, 2023 is subject to the “builder’s remedy.” Under California State law and the builder’s remedy application process, your authority to approve or reject certain housing proposals can temporarily be taken out of your control.

A builder’s remedy proposal also **DOES NOT** need to comply with your city’s Zoning or General Plan standards — it can be much larger than Menlo Park would otherwise permit **AND** you will not be able to deny a builder’s remedy proposal solely on the basis that it does not comply with those standards. The only grounds for the rejection of a proposal is if it can be proven to “have a specific, adverse impact upon the public health or safety,” which is a much higher standard than California Environmental Quality Act (CEQA) and a very difficult finding to make with a housing proposal.

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With your support of the Willow Village proposal, Menlo Park can avoid the consequences experienced by your counterparts in Santa Monica and also provide much-needed quality affordable homes for your community members. We urge you to take all the necessary steps to approve this proposal at the November 30, 2022 City Council meeting.

Sincerely,  
Ken Chan

A handwritten signature in black ink, appearing to read 'Ken Chan', is placed over a light green rectangular background.

Senior Organizer

## Perata, Kyle T

---

**From:** Perata, Kyle T  
**Sent:** Monday, November 28, 2022 6:11 PM  
**To:** Perata, Kyle T  
**Subject:** Willow Village Undermines the Housing Element

On Nov 27, 2022, at 5:14 PM, Patti Fry <[Patti.L.Fry@gmail.com](mailto:Patti.L.Fry@gmail.com)> wrote:

City Council,

Your decisions related to Willow Village and the ConnectMenlo General Plan will communicate to our community - and to the State – your dedication to remedy the housing shortage.

Our city's final Housing Element to be submitted to the State in January needs to be a lot more realistic - and convincing. It must describe strategies such as the five listed below that would repair ConnectMenlo's rules that have already led to a 20% worsened jobs/housing imbalance in the six years since ConnectMenlo was adopted in 2015. Your Council can demonstrate that large projects are approved only when they improve the City's ratio of housing to jobs.

The draft Housing Element Menlo Park submitted last summer did not include strategies that other cities have adopted to address jobs/housing imbalances:

1. Capping office growth when the jobs/housing ratio exceeds 2.0; Menlo Park's ratio was 2.9 in 2021 without a cap
2. Adjusting the ConnectMenlo Maximum Buildout so that the potential cumulative non-residential square feet is reduced when housing replaces non-residential square feet
3. Revising industrial and office zoning to reflect contemporary worker density practices by reducing the total allowable square feet
4. Enlarging mixed use zoning districts, while shrinking office-only zoning districts
5. Revising mixed-use zoning so that housing densities would exceed new demand from non-residential elements

If the pending large projects such as Willow Village and Parkline are approved as currently proposed, the State would have evidence that Menlo Park is not serious about correcting its part in the regional jobs/housing imbalance. Each project worsens the housing shortage – and you have the power to require a different result.

You will not want to have your names attached to hefty RHNA allocations that will affect every District and neighborhood of Menlo Park. You will not want to be held accountable for large projects that worsen the jobs/housing imbalance. You will not want to be blamed for inherent problems in ConnectMenlo's zoning that have not been addressed during your tenure.

Use this opportunity to get the City on the right path by beginning to unravel the mistakes of former Councils. This is the time and this is your moment.

Sincerely,  
Patti Fry, former Menlo Park Planning Commissioner



**Kyle T. Perata**  
Planning Manager  
City Hall - 1st Floor  
701 Laurel St.  
tel 650-330-6721  
[menlopark.gov](http://menlopark.gov)

**Perata, Kyle T**

---

**From:** Perata, Kyle T  
**Sent:** Monday, November 28, 2022 6:04 PM  
**To:** Perata, Kyle T  
**Subject:** RE: Willow Village

**From:** Paul Collacchi [<mailto:pjcoll@comcast.net>]  
**Sent:** Monday, November 28, 2022 1:06 PM  
**To:** \_CCIN <[city.council@menlopark.org](mailto:city.council@menlopark.org)>  
**Subject:** Willow Village

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Council Members,

Here are my recommendations for Willow Village

- ❖ Deny unmitigated project configurations
- ❖ Move to cap ConnectMenlo (Bayfront) development as part of the Housing Element SEIR process.

**1.) DENY UNMITIGATED PROJECT CONFIGURATIONS**

As configured, the Willow Village project will worsen the housing deficit, displace low-income families, gentrify District 1, and unleash Bayfront development beyond the ConnectMenlo Program EIR envelope into the enormous uncapped, unplanned ConnectMenlo zoning envelope.

I would urge you to deny Willow Village unless it contains the following mitigations:

- A reduced office footprint to eliminate the net housing deficits and displacement caused by the project,
- A requirement that the applicant build all proposed housing units, and link office build-out to housing unit build-out, and
- A valid mechanism to monitor and enforce off-site employment caps.

Denying the project might seem to require courage, but council might take a lesson from the most recent Stanford GUP approval process in which Supervisor Simitian led the call for full mitigation of that project, a call which then Mayor Taylor and Vice Mayor Nash joined. As with the Stanford GUP, denied or withdrawn projects don't go away, they return with more favorable configurations. Sometime denial is required as part of the process of setting community boundaries.

**2.) MOVE TO CAP CONNECTMENLO (BAYFRONT) DEVELOPMENT AS PART OF THE HOUSING ELEMENT SEIR PROCESS**

The future growth potential under the uncapped ConnectMenlo zoning envelope is staggering. In my view, and apparently in the view of at least three of you, ConnectMenlo is objectionable local land use policy. It enables unneeded levels of office development with little local benefit and large, permanent negative impacts. ConnectMenlo

housing development will forever change the character of District 1, and ConnectMenlo office development will create perpetual housing pressure with RHNA-driven political strife throughout the city.

Development in Bayfront should be capped and metered similarly to the way downtown development is capped and metered, and the caps should insure full housing mitigation during build out.

Rather than creating a separate process to revisit ConnectMenlo, council could move to create a subcommittee of council members to work with staff to create area development caps in Bayfront similar to those in the Downtown Specific Plan. These could be approved in conjunction with the Housing Element SEIR process.

At one time or another, three of you, members Mueller, Taylor, and Nash have expressed disapproval over ConnectMenlo Bayfront development. Your legacy will be defined by your actions or inactions to make it right when you had that chance.

Thank you for your consideration.

Sincerely,

Paul Collacchi



Virus-free [www.avast.com](http://www.avast.com)



**Kyle T. Perata**  
Planning Manager  
City Hall - 1st Floor  
701 Laurel St.  
tel 650-330-6721  
[menlopark.gov](http://menlopark.gov)



## STAFF REPORT

### City Council

**Meeting Date:** 12/6/2022  
**Staff Report Number:** 22-235-CC

**Regular Business:** Authorize the city manager to execute a community funding agreement and approve budget amendment

### Recommendation

Staff recommends that the City Council authorize the city manager to execute the community funding agreement among City of Menlo Park (“City”), Menlo Park City School District (MPCSD) and Menlo Park Atherton Education Foundation (MPAEF) and approve a budget amendment.

### Policy Issues

The City Council is required to approve all changes in the budget that increase appropriations and move monies between funds.

### Background

The City and Stanford University entered into a development agreement effective November 9, 2017 governing the development of the Middle Plaza Project. This project involves redevelopment of an 8.4-acre parcel located at 300 through 550 El Camino Real consisting of retail/restaurant, office and residential units. Following MPCSD’s expressed concerns that Stanford’s funding would not fully address project impacts and request for additional support, the City Council directed a budget amendment in fiscal year 2017-18 in the amount of \$1.0 million which established a reserve. The fiscal year 2022-23 adopted fund balance schedule (Attachment B) demonstrates this General Fund reserve (Project related, encumbrance) has been maintained.

The Middle Plaza Project is nearing completion and will begin initial occupancy coming months. The June 13, 2022, staff report for the Planning Commission’s annual review of the development agreement referenced the status of the \$1.0 million reserve.

### Analysis

The community funding agreement (Attachment A) outlines the terms of acceptance and performance:

- confirms that the city has approved, appropriated and allocated \$1.0 million in grant funding,
- ensures that the grant will be deposited into the endowment fund,
- establishes the purpose and use of funds, and
- specifies accounting and reporting requirements.

The work of MPAEF in support of MPCSD provides a direct benefit to the educational programs, services and activities afforded to the citizens of the City of Menlo Park; therefore, the grant serves a public purpose consistent with the California Constitution.

### **Impact on City Resources**

The agreement will reduce it's the General Fund's assigned reserve balance (Project related, encumbrance) by \$1 million as demonstrated in Attachment B.

### **Environmental Review**

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

### **Public Notice**

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

### **Attachments**

- A. Community funding agreement
- B. Fiscal year 2022-23 budgeted fund balances

Report prepared by:

Marvin Davis, Interim Finance Director

Mary Morris-Mayorga, Interim Administrative Services Director



## COMMUNITY FUNDING AGREEMENT

This Community Funding Agreement (“**Funding Agreement**”), is entered into by and among the CITY OF MENLO PARK, a California municipal corporation (“**City**”), MENLO PARK CITY SCHOOL DISTRICT, a California local school district (“**District**”), and MENLO PARK ATHERTON EDUCATION FOUNDATION, a California non-profit public benefit corporation (“**Foundation**”), effective as of the date of execution by the City (“**Effective Date**”), with reference to the following facts:

### RECITALS

A. Pursuant to State Planning and Zoning Law, California Government Code §65000 *et seq.*, the City plans for and regulates the physical development of land within its boundaries as more particularly set forth in Title 15 (Subdivisions) and Title 16 (Zoning) of the City of Menlo Park Municipal Code (“**Code**”).

B. Stanford University (“**Stanford**”) applied for and secured required discretionary land use approvals from the City as required by the Code in connection with its redevelopment of an 8.4-acre parcel of real property located at 300 through 550 El Camino Real, with approximately 10,286 square feet of retail/restaurant, 142,840 square feet of non-medical office, and 215 residential units (“**Middle Plaza Project**”).

C. In accordance with the Code, effective November 9, 2017, the City and Stanford also entered into a Development Agreement (“**Development Agreement**”) governing the development of the Middle Plaza Project, and said Development Agreement provided for various financial contributions by Stanford as a means to address concerns regarding the effect of the Middle Plaza Project on the community beyond those measures imposed to mitigate the significant effects of the Middle Plaza Project on the environment in accordance with the California Environmental Quality Act (“**CEQA**”).

D. As set forth in Section 6 of the Development Agreement, Stanford agreed to provide initial funding of \$1.5 million to the Foundation to be placed in an endowment fund created and established for the support of the District (the “**Endowment Fund**”), and a second payment of up to \$1 million, derived from any savings associated with the construction of the “**Crossing**” (as defined in the Development Agreement), also to be deposited into the Endowment Fund. However, as of the date of this Funding Agreement, the District and Foundation acknowledge that the City does not anticipate that there will be any savings associated with the construction of the Crossing that will be available for deposit to the Endowment Fund.

E. Notwithstanding the City’s good faith efforts to secure monetary exactions from Stanford pursuant to the Development Agreement to address community concerns beyond what the City may legitimately impose as proportional, reasonable and rationally related mitigation pursuant to CEQA, the District continued to express concern that the amount of funding to be provided by Stanford to the Foundation for the support of the District pursuant to the

Development Agreement does not fully address the impacts of the Middle Plaza Project on the District; specifically, the District sought an additional \$1 million beyond the amount to be provided pursuant to the Development Agreement.

F. As part of the City Council's discussion of the proposed 2018-2019 fiscal year budget, the Council discussed and directed that a budget amendment for fiscal year 2017-2018 include funding from the City for the support of the District in the amount of \$1 million to be derived from an estimated budget surplus of \$3.5 million as of the end of said 2017-2018 fiscal year.

G. The City Council hereby finds that the work of the Foundation in support of the District provides a direct benefit to the educational programs, services and activities afforded to the citizens of the City of Menlo Park and thus the grant of \$1 million provided by this Funding Agreement to the Foundation serves a public purpose consistent with the California Constitution.

Therefore, City, District and Foundation hereby agree as follows:

### **AGREEMENT**

1. **Incorporation of Recitals.** The above Recitals are true and correct, and the Recitals and all defined terms identified and set forth therein are hereby incorporated into this Funding Agreement.

2. **Grant.** City hereby confirms to District and Foundation that the City has approved, appropriated and allocated funding in an amount of one million and 00/100 dollars (\$1,000,000.00) ("**Grant**") from the City's General Fund for distribution to Foundation for deposit into the Endowment Fund to be used to support the educational programs, services and activities carried out by the District within the cities of Menlo Park and Atherton. District and Foundation hereby represent and warrant that they will take all steps necessary to ensure the Grant will be deposited into the Endowment Fund which shall be utilized to carry out and implement educational programs, services and activities carried out by the District within the cities of Menlo Park and Atherton.

3. **Disbursement of Grant.** Within thirty (30) calendar days following the approval and execution of this Funding Agreement by the Parties, District and/or Foundation shall provide to City, in writing, wiring instructions for the disbursement of the Grant from the City to the Endowment Fund ("**Instructions**"). Within thirty (30) calendar days following City's receipt of the Instructions, City shall cause the Grant to be deposited to the Endowment Fund.

4. **Changes to Use of Grant.** Neither District nor Foundation shall redistribute all or any portion of the Grant to any purpose or fund of either Party, other than the Endowment Fund, without the prior written consent of City, which consent may be granted or withheld in the sole discretion of the City. The foregoing notwithstanding, in no event shall all or any portion of the Grant be used for any purpose that is not directly related to supporting the educational

programs, services and activities carried out by the District within the cities of Menlo Park and Atherton.

5. **Annual Report and Financial Statement.** Foundation shall make available to City within one-hundred-twenty (120) calendar days following the end of each fiscal year (i.e. July 1 through June 30) an annual financial statement and analysis setting forth in detail the manner in which, and the specific purposes for which, the Endowment Fund was expended to the date of such accounting, the balance of the Endowment Fund as of the date of such accounting, and such other data as the City may reasonably request from time to time.

6. **Audit; Monitoring.** City may audit the records and accounts of Foundation for the purpose of verifying expenditures from the Endowment Fund or verifying statements or analyses made or provided by Foundation.

7. **Lobbying Prohibited.** The Grant provided under this Funding Agreement shall not be used by Foundation or District for publicity or propaganda purposes designed to support or defeat legislation pending before federal, state, or local government.

8. **Religious Activity Prohibited.** There shall be no religious worship, instruction or proselytizing as a part of, or in connection with the performance of this Funding Agreement.

9. **Events of Default.** Failure by either Party to perform any action or covenant required by this Funding Agreement within the time periods provided herein following notice and expiration of the applicable cure period described below, shall constitute a "default" under this Funding Agreement. A Party claiming a default shall give written notice of default to the other Party specifying the default complained of. The other Party shall not be in default if (a) in the case of a monetary default, the defaulting Party cures the default within ten (10) days following receipt of the notice of default, or (b) in the case of a non-monetary default, the defaulting Party fully cures, corrects or remedies the default within thirty (30) days following receipt of such notice of default or, if the non-monetary default cannot be cured within 30 days, the defaulting Party commences to cure the default within such 30-day period and thereafter diligently and continuously prosecutes such cure to completion.

10. **Non-Binding Mediation.** If the Parties are unable to resolve any dispute arising in connection with this Funding Agreement, the Parties agree to submit such dispute to a mutually acceptable professional mediator and to negotiate in good faith toward reaching a resolution of the dispute prior to taking legal action pursuant to Section 11, below. Each Party shall pay an equal share of the mediator's fees and expenses. Each Party shall be responsible for any other fees or costs such Party incurs in connection with participation in the mediation. The time between a Party's written request for mediation and the mediation itself, not to exceed ninety (90) days, shall toll the running of any applicable period of limitations for filing a claim or action.

11. **Remedies.** If either Party is in default under this Funding Agreement following notice and expiration of applicable cure periods, the non-defaulting Party, following completion of

the non-binding mediation conducted in accordance with Section 10 above, shall be entitled to pursue all remedies provided herein or available at law or in equity. Any legal actions under this Funding Agreement shall be instituted in the Superior Court of San Mateo County, State of California. Any failure or delay by either Party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or deprive either such Party of its rights to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies. The rights and remedies of the Parties are cumulative, and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the other Party. Notwithstanding any other provision hereof to the contrary, neither Party shall be entitled to recovery of, and each Party hereby waives are right to pursue, any consequential, special or punitive damages in the event of a default by the other Party.

12. **No Member Liability.** No member, official, officer, employee, agent or volunteer of either Party shall be personally liable to the other in the event of any default or breach by the defaulting Party or for any amount to which the non-defaulting Party may become due under the terms of this Funding Agreement.

13. **Entire Agreement; Amendment.** This Funding Agreement and the other documents referenced in this Funding Agreement, constitute the entire understanding and agreement of the Parties, and supersede all negotiations or previous agreement between the Parties with respect to all or any part of the subject matter hereof. This Funding Agreement and the other documents referenced in this Funding Agreement, may be amended only in writing signed by authorized representatives of City, District and Foundation.

14. **Notice.** Any notice required or authorized under this Funding Agreement shall be effective if, and only if, in writing and if, and only if, mailed, postage prepaid, by registered or certified mail or sent via overnight courier, to the Party in question at the then current primary business of such Party, or at such other address as that Party may later designate by notice. The current primary business addresses of the Parties are shown below:

District:                      Menlo Park City School District  
   181 Encinal Avenue  
   Atherton, CA 94027  
   Attention: Superintendent

with a copy to:              County of San Mateo  
   County Attorney's Office  
   400 County Center  
   Redwood City, CA 94063  
   Attention: Ilana Mandelbaum, Deputy County Attorney

Foundation: Menlo Park Atherton Education Foundation  
PO Box 584  
Menlo Park, CA 94026  
Attention: Carrie Chen, Executive Director

City: City of Menlo Park  
701 Laurel Street  
Menlo Park, CA 94025  
Attention: City Manager

with a copy to: Burke, Williams & Sorensen, LLP  
181 Third Street  
San Rafael, CA 94901-6587  
Attention: Nira F. Doherty, City Attorney

Notices shall be effective three business days after mailing if sent by registered or certified mail or one business day after mailing if sent via overnight courier.

15. **Severability**. Should any provision of any of this Funding Agreement be found invalid by a court or other body of competent jurisdiction, said invalidity or ineffectiveness shall not affect the validity of the remaining provisions of this Funding Agreement which shall remain in force to the maximum extent possible.

16. **Interpretation**. The Parties acknowledge that each Party and its counsel have reviewed and revised this Funding Agreement and that the rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Funding Agreement or any document executed and delivered by either Party in connection with this Funding Agreement. The captions in this Funding Agreement are for convenience of reference only and shall not be used to interpret such Funding Agreement. The defined terms in this Funding Agreement shall apply equally to both the singular and the plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include" and "including" shall be deemed to be followed by the phrase "without limitation." The words "approval," "consent" and "notice" shall be deemed to be preceded by the word "written."

17. **Governing Law**. This Funding Agreement shall be governed by and construed in accordance with the laws of the State of California.

18. **No Conflicts of Interest**. No member, official, officer, employee, agent or volunteer of the City, District or Foundation who exercises any function or responsibility with respect to this Funding Agreement or Endowment Fund during his or her tenure, or for one year thereafter, shall have any interest, direct or indirect, in this Funding Agreement, Endowment Fund or a related subcontract agreement, or the proceeds thereof. District and Foundation shall incorporate, or cause to be incorporated, in all contracts funded by the Endowment Fund a provision prohibiting such interest pursuant to the purposes of this certification.

19. **Counterparts**. This Funding Agreement may be executed in any number of counterparts and by different Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

20. **Further Assurances**. From and after the Effective Date of this Funding Agreement, the Parties agree to do such things, perform such acts, and make, execute, acknowledge and deliver such documents as may be reasonably necessary or proper and usual to timely complete the actions contemplated by this Funding Agreement.

21. **Authorized Representatives**. Whenever under the provisions of this Funding Agreement the approval of the City is required, or the City is required to take some action at the request of District or Foundation, such approval or request shall be given for the City by the City Manager or his or her designee, and District and Foundation shall be authorized to rely upon such approval or request.

22. **No Assignment**. District and Foundation may not assign its rights or obligations under this Funding Agreement without the express written consent of the City, which may be granted or denied in its sole discretion.

23. **Authority**. Each Party represents that the signatory has the authority to bind each respective entity, and assents to each and every term contained within this Funding Agreement.

24. **No Third Party Beneficiaries**. It is the intention of the Parties that under no circumstances are any rights created for persons or entities who are not parties to this Funding Agreement and City owes no duty to any persons or entities not parties to this Funding Agreement under a third party beneficiary theory or under any other theory of law.

25. **Attorneys' Fees**. If either Party commences any legal action against the other party arising out of this Funding Agreement or the performance thereof, the prevailing party in such action shall be entitled to recover all litigation expenses, including but not limited to court costs, expert witness fees, discovery expenses and reasonable attorneys' fees.

26. **No Joint Venture**. It is expressly understood and agreed that neither Party shall become as a result of this Funding Agreement a partner of the other nor a joint venturer with the other Party in the conduct of such Party's business or otherwise. This Funding Agreement is not intended, and shall not be construed, to create the relationship of principal and agent, partnership, joint venture, or association as between City, District and Foundation.

27. **Successors and Assigns**. Subject to the restrictions on assignment set forth in Section 22 above, all of the terms, covenants and conditions of this Funding Agreement shall be binding upon City, District and Foundation and their respective permitted successors and assigns.

(Remainder of page intentionally left blank)

**CITY:**

CITY OF MENLO PARK,  
a California municipal corporation

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Justin I. C. Murphy, City Manager

\_\_\_\_\_  
Nira F. Doherty, City Attorney

Date: \_\_\_\_\_, 2022

**DISTRICT:**

MENLO PARK CITY SCHOOL DISTRICT,  
a California local school district

APPROVED AS TO FORM:

By: \_\_\_\_\_

\_\_\_\_\_  
Ilana P. Mandelbaum  
Deputy County Attorney

Name: Erik Burmeister

Its: Superintendent

Date: \_\_\_\_\_, 2022

**FOUNDATION:**

MENLO PARK ATHERTON  
EDUCATION FOUNDATION,  
a California non-profit public benefit corporation

By: \_\_\_\_\_  
Name: Carrie Chen

Its: Executive Director

Date: \_\_\_\_\_, 2022



Fund Name and Category	FY 2021-22 Fcst	FY 2022-23 Budget					6/30/2023
	6/30/2022	Rev & TI	Exp & TO	CIP Rev	CIP Exp	Sur/(Def)	
<b>100 General</b>	\$ 38,304,402	\$ 74,002,730	\$ 80,430,226	\$ -	\$ -	\$ (6,427,496)	\$ 31,876,906
Non-spendable prepaids	458,698						458,698
Project related, encumb	4,010,180						1,000,000
Strategic pension funding	3,250,860					Actual %	2,250,860
Emergency (Policy: 15-20%)	10,300,000					15%	11,800,000
Economic (Policy: 20-25%)	12,711,700					20%	16,000,000
Unassigned	7,572,964						367,348
Total Reserve Breakdown	38,304,402						31,876,906
<b>One-time, Developer, In-lieu</b>							
111 One-time	1,686,000	1,350,000	-	-	-	1,350,000	3,036,000
258 CRRSA	19,833	-	-	-	-	-	19,833
332 Bayfront Mitigation	6,932,487	2,561,226	-	-	-	2,561,226	9,493,713
353 Downtown Public Amenity	2,503,706	10,000	-	-	300,000	(290,000)	2,213,706
369 Community Amenities	9,405,000	20,900,000	-	-	-	20,900,000	30,305,000
395 Developer Funded Projects	-	2,250,000	2,250,000	-	-	-	-
397 American Rescue Plan Act	7,382,917	-	3,717,830	-	-	(3,717,830)	3,665,087
201 EIR Fees	11,455	-	-	-	-	-	11,455
202 Miscellaneous Trust	249,134	-	145,000	-	-	(145,000)	104,134
<b>Housing Activity</b>							
221 Housing Special Revenue	6,675,298	1,000	24,000	-	-	(23,000)	6,652,298
222 Below Mrkt Rt Housing Spec Rev	32,410,871	6,800,000	583,432	-	-	6,216,568	38,627,440
223 Federal Revenue Sharing	124,814	500	4,000	-	-	(3,500)	121,314
224 Community Devlpmt Block Grant	1,380,789	1,500	4,000	-	-	(2,500)	1,378,289
364 HUT Repair and Maintenance	533,072	793,824	-	-	950,000	(156,176)	376,896
<b>Library &amp; Community Service</b>							
203 Donations - Library and CS	(3,814)	145,000	-	-	-	145,000	141,186
251 Big Lift (Library)	23,670	295,000	260,109	-	-	34,891	58,561
252 Childcare Food (Library & CS)	-	85,000	85,000	-	-	-	-
253 Belle Haven Child Devlpmt Ctr	61,696	2,003,000	1,432,295	-	-	570,705	632,401
254 Preschool-QRIS	8,936	12,000	-	-	-	12,000	20,936
256 Recreation In-Lieu	5,974,203	88,200	3,000,000	-	2,682,709	(5,594,509)	379,694
304 Menlo Park Community Campus	13,621,837	3,000,000	79,163	-	16,440,716	(13,519,879)	101,958
305 Diverse Literature LSTA	19,216	20,000	20,000	-	-	-	19,216
<b>Police Enforcement</b>							
327 Supp Law Enforcement Services	253,036	-	-	-	-	-	253,036
328 Downtown Parking Permits	4,635,473	100,000	195,600	-	2,400,000	(2,495,600)	2,139,873
<b>Transportation. Streets, Maint</b>							
211 Heritage Tree (Transportation related)	465,236	10,000	-	-	135,000	(125,000)	340,236
255 Senior Transportation	(37,768)	43,700	-	-	-	43,700	5,932
351 Transportation Impact Fees	9,714,257	983,000	-	5,000,000	10,934,567	(4,951,567)	4,762,690
352 Transportation	913,991	-	-	-	909,692	(909,692)	4,299
354 Storm Drainage Fees	96,760	1,800	97,000	-	-	(95,200)	1,560
355 Shuttle Program	202,289	1,293,151	1,192,227	-	-	100,924	303,212
356 County Transp Tax (Measure A)	1,036,672	1,000,000	1,473,999	-	404,940	(878,939)	157,733
357 Highway Users (Gas Tax)	3,061,738	1,021,080	19,613	-	4,050,940	(3,049,473)	12,265
358 Landscape/Tree Assessment	893,050	1,287,457	1,503,667	-	-	(216,210)	676,840
359 Sidewalk Assessment	361,728	305,838	27,050	-	302,512	(23,724)	338,004
360 Measure M	135,524	140,000	140,000	-	-	-	135,524
361 Storm Water Management	358,136	375,862	458,137	-	-	(82,275)	275,860
362 Construction Impact Fee	5,227,809	865,000	85,775	-	3,787,020	(3,007,795)	2,220,014
363 Measure W	1,001,467	425,000	-	-	750,000	(325,000)	676,467
365 Landfill Post-Closure	8,049,089	932,083	521,775	-	3,801,155	(3,390,847)	4,658,242
366 Vintage Oaks Landscape	-	-	-	-	-	-	-
367 Sharon Hills Park	60	-	-	-	-	-	60
375 CA Coastal Conserv Priority Grant	(8,248)	-	-	500,000	-	500,000	491,752
376 Caltrans	-	-	-	426,000	-	426,000	426,000
368 Bayfront Park Maintenance	708,317	3,000	258,916	-	-	(255,916)	452,401
370 Haven Avenue Streetscape Grant	600,000	-	-	-	600,000	(600,000)	-
377 California State Parks Dept	-	-	-	798,950	-	798,950	798,950
396 CA Arrearage Program Water Res	52,379	-	-	-	-	-	52,379

**Attachment B: FY 2022-23 Budgeted Fund Balances**

Fund Name and Category	FY 2021-22 Fcst	FY 2022-23 Budget					6/30/2023
	6/30/2022	Rev & TI	Exp & TO	CIP Rev	CIP Exp	Sur/(Def)	
<b>Transportation. Streets, Maint</b>							
501 General Capital Improvement	27,211,101	6,450,500	429,476	5,015,300	37,469,788	(26,433,464)	777,637
521 SMC Transportation Authority	(4,991)	-	-	170,000	-	170,000	165,009
525 CA Coastal Consv Priority Grt	1,353	-	-	-	-	-	1,353
<b>Debt Service</b>							
400 Library GO Bond 1990	362,585	12,545	-	-	-	12,545	375,130
401 Recreation GO Bond	3,447,590	2,375,456	2,350,456	-	-	25,000	3,472,590
500 Measure T 2002 GO Bond	2,049	1,500	-	-	-	1,500	3,549
510 Library Addition	122,446	750	-	-	-	750	123,196
<b>Water Activity</b>							
600 Water Capital	17,271,936	1,919,425	196,894	500,000	17,287,319	(15,064,788)	2,207,148
601 Water Operations	32,561,137	13,914,073	10,933,719	-	-	2,980,354	35,541,491
610 Solid Waste Service	2,792,268	674,038	276,505	-	-	397,533	3,189,801
<b>Internal Services</b>							
701 Workers' Compensation	1,217,654	923,217	1,819,722	-	-	(896,505)	321,149
702 General Liability	(1,062,791)	2,582,824	1,286,150	-	-	1,296,674	233,883
703 Other Post Employment Benefits	934,981	-	934,980	-	-	(934,980)	(0)
704 IT Internal Service	2,568,780	3,625,584	5,751,762	-	-	(2,126,178)	442,602
705 Vehicle Replacement	2,713,794	1,396,380	1,570,000	-	-	(173,620)	2,540,174



**STAFF REPORT**

**City Council**

**Meeting Date:**

**12/6/2022**

**Staff Report Number:**

**22-236-CC**

**Study Session:**

**Provide direction regarding revisions to the City's draft Housing Element in response to comments from the State Department of Housing and Community Development, and potential Zoning Ordinance and El Camino Real/Downtown Specific Plan amendments associated with the Housing Element Update project**

**Recommendation**

Staff recommends the City Council review and provide feedback on proposed revisions to the City's draft Housing Element in response to comments from the State of California Department of Housing and Community Development (HCD.) Staff also recommends the City Council provide feedback regarding potential Zoning Ordinance and El Camino Real/Downtown Specific Plan (Specific Plan) amendments associated with the Housing Element Update project.

**Policy Issues**

State law requires the City to have and maintain a general plan with specific contents in order to provide a vision for the City's future and inform local decisions about land use and development. The Housing Element is one of the state-mandated elements of the General Plan, and the Housing Element for the 2015 to 2023 planning period was adopted in 2014. State law requires the City to update and adopt the Housing Element for the eight-year planning period from 2023 to 2031 (also called the 6<sup>th</sup> Cycle) by January 31, 2023, while making any changes to other elements of the General Plan needed to maintain internal consistency and any related changes to zoning.

In compliance with state law, the City is also preparing an update to the General Plan Safety Element (as required by Senate Bill (SB) 379) and a new Environmental Justice Element (as required by SB 1000.)

**Background**

The City is updating its Housing Element to comply with the requirements of state law by analyzing existing and projected housing needs and identifying how to meet its regional housing needs allocation (RHNA), and updating goals, policies, objectives, and implementation programs for the preservation, improvement, and development of housing for all income categories. On July 25, 2022, the City submitted an initial draft Housing Element to HCD (Attachment A), which initiated a 90-day review period for HCD to evaluate the document and return any comments to the City. On October 21, 2022 the City received a letter from HCD with a list of revisions requested in order to comply with state law (Attachment B.) Since then, the project team has been evaluating the requested revisions, performing additional research, gathering data, and preparing text modifications for a second draft Housing Element.

On December 1, 2022, the Planning Commission held a study session to provide feedback and receive

public comments on an overview of potential modifications to the Zoning Ordinance and El Camino Real/Downtown Specific Plan (Specific Plan.) These modifications could provide the capacity for up to 4,000 net new housing units on housing opportunity sites and zoning districts identified in the initial draft Housing Element and studied in the Housing Element Update project subsequent environmental impact report (SEIR.) Zoning changes would be necessary in order to make the development in the draft Housing Element feasible. A copy of the Planning Commission study session staff report is available as Attachment C. At the December 1 meeting, Planning Commissioners provided the following general comments:

- Proposed zoning modifications to densities, floor area ratios (FARs), and heights in the Specific Plan area should be increased beyond those discussed in the staff report. Densities in the range of 150 to 200 dwelling units per acre (du/ac) were suggested to be explored, with corresponding increases in FARs and heights to make development at those densities feasible.
- When considering higher residential densities, thought should be given to creating adequate areas for open space and recreation for residents as part of projects and also off-site throughout the community.
- Building façade heights adjacent to low density residential areas should remain lower than the maximum potential building heights to provide a more gradual transition to denser development.
- Minimum parking rates should be removed in the Specific Plan area and new maximum parking rates created.
- Consideration should be given to removing the Zoning Ordinance requirement that certain single-family residential projects receive use permits from the Planning Commission.
- Tentative support was expressed for combining parcels of a similar size and urban context in the C-1-A, C-2, C-2-A, C-2-B, C-2-S and C-4 zoning districts into a single zoning district utilizing the existing mixed-use C-2-B development regulations as a starting point. It was recommended that the project team explore increasing the density above the 30 du/ac currently allowed in the C-2-B district if the development community indicates it would be more likely to result in residential development on the parcels.

## Analysis

The October 2022 HCD letter indicates that the initial draft Housing Element addresses many statutory requirements, but HCD believes that revisions are necessary to bring the document into compliance with Article 10.6 of the Government Code (state housing element law.) HCD grouped the requested revisions into four topic areas:

- Housing needs, resources and constraints;
- Housing programs;
- Quantified objectives; and
- Public participation.

A brief narrative summary of the major revisions proposed in each topic area is provided below. A detailed response matrix with a note and document chapter and subsection reference for each HCD comment is provided as Attachment D, and a working copy of the revised draft Housing Element with red-lined text edits is provided as Attachment E.

The December 6 meeting is primarily intended to serve as a check-in with the City Council on the proposed responses to HCD's comment letter, with a secondary aim to receive feedback on the associated zoning modifications necessarily to implement the Housing Element. The attached red-lined copy of the Housing Element is a working draft that is intended to be further revised and refined to address comments and based on feedback and guidance from the City Council.

### Housing needs, resources and constraints

The bulk of HCD's comments on the draft Housing Element are related to three primary topic areas: 1) affirmatively furthering fair housing, 2) the housing opportunity sites inventory and realistic capacity methodology, and 3) the analysis of potential and actual constraints that would hinder housing development in the city. In order to address these comments, the project team has made proposed revisions primarily to the following chapters of the draft Housing Element:

- Chapter 3, "Housing Conditions and Trends;"
- Chapter 4, "Affirmatively Furthering Fair Housing;"
- Chapter 5, "Actual and Potential Constraints to Housing;" and
- Chapter 7, "Site Inventory and Analysis."

Additional narrative and data has been added in Chapter 3 regarding extremely low income households, their incomes and housing tenure (i.e., percentage of renters and owners.) The chapter also analyzes the number of households overpaying by tenure and discusses overcrowding in households. Finally, the chapter includes an analysis of current market rents for residents based on various sources and websites. These changes were made in response to HCD comments requesting more analysis of population and employment trends, and documentation of the City's projected needs for housing at all income levels.

Chapter 4 has been updated to provide a more detailed discussion of integration and segregation in the city due to restrictive covenants, federal discrimination, the expansion of U.S. 101, and other factors that concentrated Hispanic/Latinx and Black/African American resident's north of U.S. 101. Additional data and maps have also been provided on household incomes, familial status, disabilities, segregation, isolation, cost burdens, displacement, and other factors that tend to highlight the disparity between areas of the city north and south of Highway U.S. 101. The chapter also includes an updated table (Table 4-24) of fair housing issues, contributing factors and proposed City actions. This table describes the contributing factors aggregated through an affirmatively furthering fair housing analysis and their connections to three fair housing issues affecting Menlo Park: fair housing outreach; the need for affordable housing options throughout Menlo Park to promote mobility; and the need for community conservation and revitalization in low and moderate resource neighborhoods located north of U.S. 101. This table includes proposed City actions that will be taken during the planning period in order to address the identified fair housing issues. Although there is a degree of overlap between the actions in Chapter 4 and the programs in Chapter 8, HCD requires the City to undertake these actions in addition to the goals, policies, and programs identified in the Housing Element.

Chapter 5 includes responses to alleviate existing governmental constraints as applicable, many of which are now addressed as programs in Chapter 8 (some of which are highlighted in the next subsection of this report.) New descriptions of small employee housing (a state requirement that jurisdictions permit housing for six or fewer employees as a single-family use in zoning districts where single-family uses are allowed) and emergency shelters for the homeless have also been added. Existing potential zoning constraints have been further detailed, such as a description explaining how the Conditional Development District (X) is used, confirmation that the City complies with the provisions of SB 330 to streamline discretionary housing projects, and clarifications around the single-family and multifamily use permit and architectural control review process.

Finally, Chapter 7 includes a change to the realistic capacity methodology used to estimate how many units could be developed on the 69 housing opportunity sites in the draft Housing Element site inventory. The City determined if each site was eligible for allocation of lower-income units using the following general HCD

criteria:<sup>1</sup>

- The site allows a density of at least 30 du/ac. (This is called a “default” density but is not used to determine a site’s residential unit capacity.)
- The site is between 0.5 and 10 acres in size.

Then, the City determined site capacity according to methodology laid out by HCD, where the maximum unit capacity (developable acreage multiplied by maximum density) is multiplied by several adjustment factors (land use controls, realistic capacity, typical densities, infrastructure availability and environmental constraints.) The initial draft used adjustment factors taken from Association of Bay Area Government’s (ABAG) Realistic Capacity Methodology.

HCD indicated that although the method is consistent with state statute, the percentages of the adjustments provided by ABAG were believed to be high, did not discount from the maximum allowable density on sites, and should be more clearly and conservatively analyzed. In response, the second draft of the Housing Element uses more conservative adjustment factors that are consistent with the guidance provided by HCD in their Site Inventory Guidebook.

The five updated adjustment factors, based on HCD’s Site Inventory Guidebook, are:

- Land use controls – This factor considers how any development standards (e.g., height, FAR, etc.) impact the realistic development capacity on a site. Based on an analysis of the current zoning code and potential modifications to development standards in the Zoning Ordinance and Specific Plan, there is not anticipated to be an effect that would reduce 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 – The realistic capacity factor analyzes the potential for residential development on sites that allow mixed uses, require redevelopment (i.e., non-vacant sites), and/or other aspects that could affect development capacity on sites. In Menlo Park, there are very few vacant parcels, and most opportunities for new development occur throughout the redevelopment of sites with existing structures. Of the 51 recent developments in the city, 30 have a residential component and 21 do not. The mixed use developments outside the Specific Plan area have much higher proportions of residential uses than those in the El Camino Real/Downtown Specific Plan Area. Therefore, the realistic capacity factor for areas outside the Specific Plan area is set at 90 percent, but sites inside the Specific Plan area are set at 80 percent.
- Typical densities – This factor examines typically built densities of existing or approved residential development at a similar affordability level. Lower and moderate income housing in San Mateo County (including recent affordable development in Menlo Park) is typically built at densities greater than those densities permitted by the zoning of the subject sites. According to data collected by the ABAG and the Metropolitan Transportation Commission (MTC) for San Mateo County, 14 lower-income projects were built on average at 107 percent of maximum allowable density. 19 moderate-income projects were built at an average of 125 percent of maximum allowable density. A "Typical Densities" factor of 95 percent can be considered conservative. For areas within the Specific Plan, which tend to be smaller parcels that have historically developed at less than the maximum density, a factor of 90 percent is provided.
- Infrastructure availability – The infrastructure availability factor accounts for the availability and accessibility of utilities to serve a site. There were no identified constraints on infrastructure availability,

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<sup>1</sup> All sites but Site #38, the Ravenswood City School District site, would allow a density of at least 30 du/ac to meet or exceed the HCD default density. Because Site #38 would permit a density at less than 30 du/ac, it is allocated for Moderate Income Housing. One site, Site #64 (Veterans’ Affairs Hospital), is larger than 10 acres but has a portion of the site smaller than 10 acres eligible for residential development. Therefore, it is allocated for lower-income housing.



- so a factor of 100 percent has been used, and supporting analysis is being developed in Chapter 7.
- Environmental constraints – This factor accounts for any environmental factors that cannot be mitigated that may limit development on a site, such as the presence of hazards, wetlands or other constraints. There were no identified constraints based on environmental factors, so an adjustment factor of 100 percent has been used, and supporting analysis is being developed in Chapter 7.

As a result of the modified adjustment factors above, sites would receive a total adjustment indicated in Table 1, which is multiplied by the maximum unit capacity described above.

Table 1: 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	<b>0.684</b>
Elsewhere in City	0.95	0.90	0.95	1	1	<b>0.812</b>

In the initial draft Housing Element, the Affordable Housing Overlay (AHO) was not applied when evaluating potential development on the housing opportunity sites because it was structured as an alternative to the state density bonus program and could not be assumed to be available for projects where the developer elects to use the state density bonus instead. For the second draft Housing Element, the AHO is being modified to work in combination with the state density bonus (as requested by HCD to bring it into compliance with state law), and as a result, HCD allows the City to include the AHO density into the development potential for the opportunity sites.

The increased density due to the application of the AHO to all housing opportunity sites, even when multiplied by the reduced adjustment factors in response to HCD comments, increases the total number of affordable units that could be developed during the 6<sup>th</sup> Cycle planning period from 2,108 in the initial draft Housing Element to 2,906 affordable units in the revised draft Housing Element. The 2,906 amount is above the 1,490 affordable units (very low, low and moderate income) required to meet the City’s RHNA and is within the envelope of 4,000 net new units studied in the project environmental impact report (EIR.)

Early in the Housing Element outreach process, staff considered an alternative method to calculate site capacity using a minimum density of 30 du/ac for all sites. In order to utilize this minimum density approach instead of the adjustment factors approach prepared for the initial draft Housing Element and proposed to be modified as described above, the City would need to adopt regulations requiring that development on housing opportunity sites contain a minimum residential density of 30 du/ac. As an example, a one-acre Specific Plan parcel in the Downtown area would be required to develop at least 30 housing units as part of any development on the site. HCD would then accept the site acreage multiplied by the minimum density as the site capacity of the housing opportunity sites under this method.

The site inventory includes 83 parcels (69 sites) totaling 72.6 acres of developable land in the city. The minimum density method would allow for 2,178 affordable units, which would be sufficient in conjunction with projected accessory dwelling units (ADUs) (85 units) and pipeline projects (3,644 units) to meet the City’s RHNA with a 30 percent buffer (3,830 units.) However, at this time, a required minimum residential density of 30 du/ac for all of the housing opportunity sites has not been considered as part of the land use strategies or zoning modifications anticipated for the Housing Element Update project. Applying a required minimum residential density to the Housing Element opportunity sites may impact how, if, and/or when

building additions and modifications, changes of use, and/or complete redevelopment could occur on the opportunity sites and may necessitate outreach to property owners. The 2,178-unit total using the minimum density method would also fall within the envelope of 4,000 net new units studied in the project SEIR.

### Housing programs

The project team has revisited the goals, policies, and programs in Chapter 8 and provided greater specificity, concrete actions, quantified objectives, and clearer timelines for the programs identified in the HCD letter, and other programs where applicable. New programs have also been added to address comments received from community members, agencies, and organizations that submitted feedback on the initial draft Housing Element. In addition to the changes to programs H2.A and H2.C described in the next subsection of this staff report, quantified objectives, major highlights of the updated housing programs include:

- Program H2.D – ADU amnesty program. A description of public outreach and marketing for an amnesty program for unpermitted ADUs has been added, and the outreach and any necessary modifications to the Zoning Ordinance to allow the program has been scheduled to occur before the end of 2024.
- Program H2.E – Anti-Displacement strategy. The program now includes an outreach component and specifies a focus on the Belle Haven neighborhood. The updated actions include consideration to continue funding for the Menlo Park Housing Assistance Program beyond 2024 for lower income tenants and homeowners facing displacement. Implementation of the program has been set to occur no later than December 2026, with operations beginning in 2027.
- Program H3.F – Work with the U.S. Department of Veterans Affairs on homeless issues. Provision of 60 supportive homes for very low income (30 to 50 percent of area median income [AMI]) veterans and their families who were formerly homeless or at-risk for homelessness, in cooperation with MidPen Housing has been added to the program. The program includes a goal of project construction in 2024 and project opening in 2025.
- Program H3.G – Zoning text amendments for special needs housing. This is a new program that would undertake updates to the Municipal Code to explicitly allow transitional and supportive housing in all zoning districts allowing residential uses, allow supportive housing by-right in multi-family and mixed use zones, allow small employee housing (6 or fewer persons) in all residential zones, and other modifications to permit more types of special needs housing as required by state law. The modifications to the Municipal Code would be made by 2024.
- Program H4.A – Amend the below market rate (BMR) Inclusionary Housing Regulations. New text has been added to the program to consider implementing a sliding scale requiring increased percentages of BMR units for larger projects. A nexus study would be completed by 2024 to determine the cost of an updated BMR in-lieu fee, and the BMR inclusionary housing regulations would be updated within two years of the Housing Element adoption.
- Program H4.E – Streamlined project review. This is a new program that would result in the creation and adoption of objective design and development standards to be applied to all 100 percent affordable residential projects; allow ministerial review for 100 percent affordable housing developments; eliminate the current use permit requirement for multi-family projects in the R-3, R-3-A and R-4 zoning districts; and develop written procedures and objective development standards that would allow for a streamlined ministerial review process for SB 35 housing development applications (in the event that the City becomes subject to SB 35 in the future for not meeting RHNA targets.) Implementation of this program would be phased from 2024 through 2026.
- Program H4.G – Consider City-Owned land for housing (Downtown Parking Lots.) This program has been updated to include adherence to the Surplus Lands Act procedures, and includes more specific



milestones such as site identification in 2023, issuance of a request for proposals (RFP) by the end of 2024, completion of entitlements by 2026, and development on some or all eight of the City-owned parking lots by 2028 in order to produce 345 or more affordable housing units.

- Program H5.D – Address rent conflicts. The program now includes support for Project Sentinel in expanding fair housing outreach to residents and landlords by providing multilingual fair housing information at City facilities, conducting workshops, and providing information to rental property owners at multiple points throughout the Housing Element planning period.
- Program H5.F – First-Time homebuyer program. The program specifies the City’s partnership with the Housing Endowment and Regional Trust of San Mateo County (HEART) to offer first-time, moderate-income homebuyers down-payment assistance loans. The program now also indicates that information on the HEART program will be added to the City’s website and other channels promote the program.

Other programs have been supplemented with additional information and are fully described in the draft red-lined text changes in Chapter 8 of the revised draft Housing Element document (Attachment E.)

### Quantified objectives

A new “Summary of Quantified Objectives” subsection has been added to Chapter 7 of the draft Housing Element. The subsection has been revised as requested by HCD to include a new construction objective for housing affordable to extremely low income households (zero to 30 percent of AMI), which has been set at 449 units. New rehabilitation and conservation objectives have also been established. For rehabilitation, a goal of assistance to 20 very low income homeowners in Belle Haven has been created, which would be accomplished by providing City funding to Habitat for Humanity’s Homeownership Preservation Program (included as Program H2.C in Chapter 8.) For conservation, Crane Place Apartments, a senior low income apartment complex, has been identified as being at moderate risk for conversion to market-rate prices. A goal has been set to preserve the 93 units of senior low income housing in the building as described in Program H2.A in Chapter 8.

### Public participation

In Chapter 1 of the draft Housing Element, a new subsection called “Consideration of Public Comment” has been added, which describes revisions that were made to the draft Housing Element in response to 108 comments from individuals, agencies, and organizations received through July 5, 2022. In general, several new policies and programs were added to the document to remove constraints on the development of affordable housing; increase housing equity through transitional housing, inclusionary housing and anti-displacement strategies; provide support for special needs populations; increase coordination with schools; and increase opportunities for childcare facilities. A full list of public comments is also being created and will be provided as a new Appendix 1-1 to the draft Housing Element.

### Correspondence

Following the receipt of HCD’s October 21, 2022 letter, the City received nine items of correspondence with feedback on the Housing Element. These letters and emails are included as Attachment F and cover a range of concerns and suggestions regarding potential revisions to the draft Housing Element.

Among the correspondence received is a request from a property owner, Divco, to have housing opportunity sites at 2400 Sand Hill Road (Quadrus, Site #4) and 2700 Sand Hill Road (formerly Site #48, now Site #49) removed from the draft Housing Element. Another property owner, Bohannon Development Company, has requested to add the property at 3750 Haven Avenue to the Housing Element site inventory. In addition, City staff has had conversations with the owners of the First Church of Christ, Scientist at 201 Ravenswood Avenue, who expressed interest in having the property added to the City’s site inventory. At this time, no sites are being added or removed from the site inventory in the draft Housing Element, unless directed

otherwise by City Council.

### Next steps

Following this study session, the project team will continue updating the draft Housing Element to respond to comments and incorporate City Council feedback. The City also intends to release drafts of the Safety Element and Environmental Justice Element for public review in December 2022.

A Planning Commission meeting is scheduled for January 12, 2023 and is anticipated to be a joint meeting with the Housing Commission to consider and take action on the following:

- Housing Commission recommendation to the City Council on adoption of the Housing Element; and
- Planning Commission recommendation to the City Council on:
  - Certification of the SEIR;
  - Adoption of the Housing Element and other General Plan elements, including updates needed for consistency with the new and revised elements; and
  - Adoption of Zoning Ordinance and Specific Plan amendments and rezoning of certain housing opportunity sites to allow multifamily or mixed-use developments.

A City Council meeting is scheduled for January 31, 2023 for the City Council to consider the recommendations of the Housing Commission and Planning Commission and take action on the following:

- Certification of the SEIR;
- Adoption of the Housing Element and other General Plan elements, including updates needed for consistency with the new and revised elements; and
- Introduction and first reading of the Zoning Ordinance and Specific Plan amendments and rezoning of applicable parcels.

### **Impact on City Resources**

As part of the fiscal year 2020-21 budget, the City Council appropriated \$1.5 million from the general fund to support the Housing Element Update (including preparation of the SEIR), which is a City Council priority. A budget amendment request for work related to the project SEIR and water supply assessment is being prepared and will be brought forward for consideration by City Council in early 2023.

### **Environmental Review**

This study session is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines § § 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment. A draft subsequent SEIR was released for the Housing Element Update project November 4, 2022 and a 45-day public comment period is currently underway, ending Monday, December 19, 2022. The notice of availability is included as hyperlink Attachment G. A copy of the draft SEIR is available as hyperlink Attachment H. Comments may be submitted through the web form (Attachment I) or by letter to Principal Planner Tom Smith, Community Development Department, 701 Laurel Street, Menlo Park, CA 94025. Following the close of the 45-day comment period, the project team will consider and respond to substantive comments received on the draft SEIR and compile a response to comments document. Once the responses and revisions are complete, a final SEIR will be released, consisting of the response to comments document and the draft SEIR. The final SEIR will be considered by the City Council for certification in compliance with CEQA.

## Public Notice

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

## Attachments

- A. Hyperlink –Initial HCD review Draft Housing Element, submitted July 25, 2022:  
[menlopark.gov/files/sharedassets/public/community-development/documents/projects/housing-element-update/menlo-park-2023-2031-housing-element-primary-hcd-review-draft.pdf](https://menlopark.gov/files/sharedassets/public/community-development/documents/projects/housing-element-update/menlo-park-2023-2031-housing-element-primary-hcd-review-draft.pdf)
- B. Hyperlink – HCD review letter, dated October 21, 2022:  
[menlopark.gov/files/sharedassets/public/community-development/documents/projects/housing-element-update/20221021hcd-review-letter-for-draft-housing-element.pdf](https://menlopark.gov/files/sharedassets/public/community-development/documents/projects/housing-element-update/20221021hcd-review-letter-for-draft-housing-element.pdf)
- C. Hyperlink December 1, 2022 Planning Commission zoning study session staff report:  
<https://menlopark.gov/files/sharedassets/public/agendas-and-minutes/planning-commission/2022-meetings/agendas/20221201-planning-commission-agenda-packet.pdf#page=3>
- D. HCD comment response matrix
- E. Working copy of revised draft Housing Element with red-lined text edits
- F. Correspondence on the draft Housing Element since October 2022
- G. Hyperlink – Notice of availability: [menlopark.gov/files/sharedassets/public/community-development/documents/projects/housing-element-update/20221104-housing-element-update-notice-of-availability.pdf](https://menlopark.gov/files/sharedassets/public/community-development/documents/projects/housing-element-update/20221104-housing-element-update-notice-of-availability.pdf)
- H. Hyperlink – Draft SEIR: [menlopark.gov/files/sharedassets/public/community-development/documents/projects/housing-element-update/menlo-park-housing-element-update-draft-seir.pdf](https://menlopark.gov/files/sharedassets/public/community-development/documents/projects/housing-element-update/menlo-park-housing-element-update-draft-seir.pdf)
- I. Hyperlink – Comment submission web form: [menlopark.gov/HousingElementDEIRComments](https://menlopark.gov/HousingElementDEIRComments)

Report prepared by:

Tom Smith, Principal Planner

Report reviewed by:

Mary Wagner, Assistant City Attorney

Deanna Chow, Assistant Community Development Director

Section	#	HCD Comment	Comment Response
A – Housing Needs, Resources, and Constraints	1.1	<u>Integration and Segregation</u> : The element reports and maps data on components of the assessment of fair housing but should evaluate patterns and trends. The element should describe what contributes to the concentration of Hispanic residents within the City, as well as what contributes to the identified segregation in the Belle Haven neighborhood. In addition, the element should describe what contributes to the concentration of female headed households north of Highway 101. The element should also describe the concentration of low-income residents east of Highway 101 as well as describe and analyze the City’s high median income in relation to the immediate surrounding region (i.e., East Palo Alto, Palo Alto, Redwood City).	A detailed discussion of integration and segregation is available in Chapter 4 (Affirmatively Furthering Fair Housing) within the “Integration and Segregation Patterns and Trends” subsection. It includes detailed local histories as assembled by Menlo Together and other local organizations, and includes all items in the ABAG/MTC Affirmatively Furthering Fair Housing Data Checklist from December 13, 2021.
A – Housing Needs, Resources, and Constraints	1.2	<u>Racial/Ethnic Areas of Concentration of Affluence (RCAA)</u> : The element currently states that there are no RCAAs within the City. However, HCD’s fair housing data viewer indicates that the City and much of the surrounding region is considered a RCAA. The analysis should include updated data regarding the City’s RCAA designations and as noted above this should be analyzed relative to the broader region, County, and neighboring communities including the City’s eastern neighbors. For more information, please visit: <a href="https://affh-data-resources-cahcd.hub.arcgis.com">https://affh-data-resources-cahcd.hub.arcgis.com</a> .	A detailed discussion of racial or ethnic areas of concentrated affluence and poverty is available in Chapter 4 (Affirmatively Furthering Fair Housing) within the “Racially or Ethnically Concentrated Areas” subsection. 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).
A – Housing Needs, Resources, and Constraints	1.3	<u>Disparities in Access to Opportunity</u> : While the element included some data, additional information is required. The element should analyze the identified disparities in access to opportunity locally as well as include a regional analysis (City compared to the broader region). In addition, the element should describe whether there is access to jobs for protected classes and analyze the relationship between the least positive economic outcomes located in the same areas with the highest proximity to jobs. The element should also describe availability and access to transit geographically within the City and whether protected classes have access to transit. Lastly, the element must describe what contributes to the low environmental scores other than location of the highway.	Updated analysis regarding disparities in access to opportunity is available in Chapter 4 (Affirmatively Furthering Fair Housing) within the “Disparities in Access to Opportunity” subsection. Analysis regarding schools, jobs, transportation, environment, and disability is provided. Discussion of Opportunity Area Maps prepared by HCD and the State Tax Credit Allocation Committee (TCAC) is also provided. The highest resource tracts are primarily concentrated in central neighborhoods. All the neighborhoods east of Highway 101 are considered low or moderate resource tracts.
A – Housing Needs, Resources, and Constraints	1.4	<u>Disproportionate Housing Needs including Displacement</u> : While the element reports some data on disproportionate needs, it should analyze what contributes to the concentration of cost burdened renters and owners. In addition, the element should analyze the identified concentration of substandard housing and provide a regional analysis. The element should also describe and analyze disproportionate housing needs for persons experiencing homelessness, including impacts on protected characteristics and patterns or areas of higher need relative to access to transportation and services. Lastly, the element must also describe and analyze areas sensitive to displacement, including displacement risk due to disaster (e.g., earthquake, fire, and flood).	Updated analysis regarding disproportionate housing needs, including displacement, is available in Chapter 4 (Affirmatively Furthering Fair Housing) within the “Disproportionate Housing Needs and Displacement Risk” subsection. District 1 (east of Highway 101) is disproportionately impacted by equity issues, including being comparatively lower resourced and having a higher risk for displacement than the rest of the city west of Highway 101 (Districts 2 through 5). Analysis regarding cost burden, overcrowding, substandard housing, and displacement is provided. Discussion regarding homelessness/unhoused individuals, large families, and other groups with particular needs, is available in Chapter 4 within the “Special Housing Needs” subsection.
A – Housing Needs, Resources, and Constraints	1.5	<u>Affirmatively Furthering Fair Housing (AFFH) and Identified Sites</u> : While the element includes a general summary of fair housing related to the sites inventory, it must analyze how the identified sites contribute to or mitigate fair housing issues. The element must identify and analyze sites throughout the community to foster inclusive communities and affirmatively further fair housing. An analysis should address <b>all of the income categories of identified sites with respect to location, the number of units by all income groups</b> and how that affects the existing patterns for all components of the assessment of fair housing (e.g., segregation and integration, access to opportunity). If sites exacerbate conditions, the element should identify further program actions that will be taken to promote equitable quality of life throughout the community (e.g., anti-displacement and place-based community revitalization strategies).	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. 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 for Affirmatively Furthering Fair Housing (AFFH). A detailed discussion regarding AFFH and identified housing opportunity sites is available in Chapter 7 (Site Inventory and Analysis) within the “Affirmatively Furthering Fair Housing” subsection; Chapter 4 (Affirmatively Furthering Fair Housing); and Appendix 4-2 (City of Menlo Park Assessment of Fair Housing).  Within Chapter 7, new text relating the AFFH data and population makeup to the Site Inventory is provided; references are made to Chapter 4 and Appendix 4-2 which provide further fair housing analysis; and a new “Site Inventory and Existing Social Patterns” subsection is included to discuss how the identified sites contribute to or mitigate fair housing issues.
A – Housing Needs, Resources, and Constraints	1.6	<u>Goals, Actions, Metrics, and Milestones</u> : The element must be revised to add or modify goals and actions based on the outcomes of a complete analysis. Goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have	Chapter 4 includes an updated “Fair Housing Issues, Contributing Factors, and City Actions” subsection. 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 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:

Section	#	HCD Comment	Comment Response
		specific commitment, milestones, geographic targeting and metrics or numerical targets and, as appropriate, address housing mobility enhancement, new housing choices and affordability in higher opportunity or higher income areas, place-based strategies for community preservation and revitalization and displacement protection.	<p>A. Fair Housing outreach (Medium Priority);                      B. Need for affordable housing options throughout Menlo Park to promote mobility (High Priority); and                      C. Need for community conservation and revitalization in low and moderate resource neighborhoods located east of Highway 101 (Council District 1) (High Priority).</p> <p>In Progress: As a resource, the City refers fair housing enforcement inquiries to organizations such as Project Sentinel, the Legal Aid Society of San Mateo County, and Community Legal Services in East Palo Alto. The project team has requested data regarding fair housing complaints that the organization have interacted with over the last five years. The data could be used to develop/enhance programs to help address rent conflicts.</p>
<b>A – Housing Needs, Resources, and Constraints</b>	2.1	<u>Extremely Low Income (ELI)</u> : While the element includes the total number of ELI households in the City, it must include this data by tenure (i.e., renter and owner) and analyze their housing needs.	<p>Updated data regarding extremely low-income (ELI) households is available in Chapter 3 (Housing Conditions and Trends) within the “Income” and “General Housing Characteristics” subsections. Highlighted discussion points include:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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).</li> <li>• 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.</li> <li>• The City continues to encourage eligible persons to participate in the Housing Choice Voucher Program administered through the San Mateo County Housing 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.</li> </ul>
<b>A – Housing Needs, Resources, and Constraints</b>	3.1	<u>Overpayment</u> : The element must quantify and analyze the number of lower-income households overpaying by tenure (i.e., renter and owner).	<p>Updated data regarding overpayment is available in Chapter 3 (Housing Conditions and Trends) within the “Affordability” subsection. 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).</p>
<b>A – Housing Needs, Resources, and Constraints</b>	3.2	<u>Overcrowding</u> : The element must quantify the total number of overcrowded households within the City and analyze their housing needs.	<p>Updated data regarding overcrowding is available in Chapter 3 (Housing Conditions and Trends) within the “Overcrowding” subsection. 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. About 3.1 percent of renters experience moderate overcrowding, compared to 1.7 percent for those that own. A new Table 3-8 (Overcrowding by Income Level and Severity in Menlo Park) is provided.</p>
<b>A – Housing Needs, Resources, and Constraints</b>	3.3	<u>Housing Costs</u> : While the element includes estimated rents for residents, it utilizes American Community Survey (ACS) data. The element should supplement census data with other sources (e.g., local knowledge) to reflect more current market conditions.	<p>Updated data regarding housing costs is available in Chapter 3 (Housing Conditions and Trends) within the “Typical Home Values and Rents” subsection. Highlighted discussion points include:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• 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).</li> </ul>
<b>A – Housing Needs,</b>	4.1	<u>Progress in Meeting the Regional Housing Need Allocation (RHNA)</u> : As you know, the City's RHNA may be reduced by the number of new units built since June 30,	<p>The housing opportunity sites, along with the “Pipeline Projects” identified in Chapter 7 (Site inventory and Analysis), detailed within the “Site Inventory Analysis and Methodology” subsection of the chapter, provide sufficient site capacity to meet Menlo</p>



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<b>Resources, and Constraints</b>		2022, however, the element must demonstrate the affordability and availability of units in the planning period. The availability or likelihood the units will be built in the planning period should account for any barriers to development, phasing, anticipated build out horizons, market conditions and other relevant factors. This analysis should specifically address proposed projects, particularly the 1,729 units in Willow Village, rescale assumptions if appropriate and, given the magnitude of the project relative to the RHNA, should include a program to monitor progress and make adjustments as appropriate.	Park's RHNA with an additional 30 percent buffer, as recommended by HCD. Table 7-4 (Pipeline Projects) includes updated unit counts and footnotes with information regarding the availability or likelihood the units will be built in the planning period.
<b>A – Housing Needs, Resources, and Constraints</b>	4.2	<u>Realistic Capacity:</u> The element must include a methodology for calculating the realistic residential capacity on identified sites. The methodology must account for land use controls and site improvements, typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction, and on the current or planned availability and accessibility of sufficient water, sewer, and dry utilities. The element includes a methodology that essentially starts with developable area then multiplies that area by maximum densities then a series of adjustments. This method can be generally consistent with statute. However, in many cases the adjustments are 100 percent or more, do not appear to discount from the maximum allowable density and conflate non-residential likelihood and nonvacant development potential in a manner that the reasoning for the assumption is indiscernible. To address this requirement, the element could utilize a minimum density and HCD shall accept that methodology without any analysis or demonstration or the element could utilize a conservative methodology that will also assist in maintaining sites throughout the planning period pursuant to Government Code section 65863. Otherwise, the element must provide adequate supporting information for the various adjustment factors, rescale assumptions as appropriate and should separate the non-residential and nonvacant adjustment factor. Adequate supporting information would include a listing of <u>all</u> recent developments in the City by acreage, zone, allowable density, built density and affordability and then relate that information to the assumptions utilized in the inventory. For example, if the characteristics of past development are not similar to identified sites then the assumptions should not be utilized. With respect to the non-residential adjustment factor, the element should list or evaluate all development (residential and non-residential) to determine the likelihood for 100 percent nonresidential development than account for that trend in the adjustment factor. For example, the element could list and evaluate all recent development in the City by acreage, zone, allowable density, allowable uses, built uses, built densities and affordability.	Chapter 7 (Site Inventory and Analysis) includes a significant change to the realistic capacity methodology used to estimate how many units could be developed on the 69 housing opportunity sites in the Site Inventory. 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 multiplied by maximum density) is modified by several adjustment factors (land use controls, realistic capacity, typical densities, infrastructure availability, and environmental constraints). The adjustment factors were renamed and modified to reflect the methodology and comments provided by HCD.
<b>A – Housing Needs, Resources, and Constraints</b>	4.3	<u>Small and Large Sites:</u> Sites smaller than a half acre and larger than ten acres in size are deemed inadequate to accommodate housing for lower-income housing unless it is demonstrated that sites of equivalent size and affordability were successfully developed during the prior planning period or unless the housing element describes other evidence to HCD that the site is adequate to accommodate lower-income housing (Gov. Code, § 65583.2, subd. (c)(2)(A).). The element lists small and large sites but also evaluate whether those sites are suitable to accommodate housing for lower income households and add or modify programs as appropriate. For example, the element could list past consolidations by the number of parcels, number of owners, zone, number of units, affordability and circumstances leading to consolidation and then relate those trends to the identified sites or could explain the potential for consolidation on a site-by-site basis.	Chapter 7 (Site Inventory and Analysis) includes an enhanced “Small and Large Sites” subsection which discusses small sites (parcels less than 0.5 acres), large sites (parcels greater than 10.0 acres), and a “carveout” strategy to support the development of lower income housing on some of the larger sites.  Parcel consolidation has not been a demonstrated constraint in Menlo Park’s recent residential development history. Of the eight pipeline projects that are part of the Housing Element update, six 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 6 <sup>th</sup> Cycle Housing Element. There are two large sites – Site #12, 345 Middlefield Road (USGS), and Site #64, 795 Willow Road (VA Medical Center) that have credit taken for lower income unit allocation and these are described in the “Carveouts and Large Sites” subsection.
<b>A – Housing Needs, Resources, and Constraints</b>	4.4	<u>Suitability of Nonvacant Sites:</u> The element must include an analysis demonstrating the potential for redevelopment of nonvacant sites. While the element includes a detailed description of existing uses, it must also demonstrate the potential for additional development in the planning period. In addition, the element must analyze the extent that existing uses may impede additional	Chapter 7 (Site Inventory and Analysis) includes an enhanced “Non-vacant Sites Analysis” subsection. Non-vacant sites are grouped into six potential redevelopment types to further analyze their development potential: <ul style="list-style-type: none"> <li>• Religious Facilities</li> <li>• Parking Lots</li> <li>• Non-Residential with Carveout</li> </ul>

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		<p>residential development. For example, the element includes sites identified as religious institutions, a post office, parking lots, a supermarket, and office buildings. The element should describe how residential development is likely to occur on sites including an office building built in 2013, as well as a supermarket, and an operating post office. The element can summarize past experiences converting similar existing uses to higher density residential development, include current market demand for the existing use, provide analysis of existing leases or contracts that would perpetuate the existing use or prevent additional residential development and include current information on development trends and market conditions in the City and relate those trends to the sites identified. In addition, the element should tie the feasibility of parking lot developments mentioned in nearby cities to the sites listed in the inventory. The element should also provide additional support for development on church sites including a history of development with few units affordable to lower income, especially on the sites where there is not church interest.</p> <p>In addition, as noted in the housing element, the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households. For your information, the housing element must demonstrate existing uses are not an impediment to additional residential development and will likely discontinue in the planning period (Gov. Code, § 65583.2, subd. (g)(2).). Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the regional housing need allocation.</p>	<ul style="list-style-type: none"> <li>• Non-Residential with Complete Redevelopment</li> <li>• El Camino Real/Downtown Specific Plan Area</li> <li>• Underutilized Residential</li> </ul> <p>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.</p>
<b>A – Housing Needs, Resources, and Constraints</b>	4.5	<p><u>City-Owned Sites</u>: The element must include additional discussion on each of the City- owned sites identified to accommodate the RHNA. Specifically, the analysis should address general plan designations, allowable densities, support for residential capacity assumptions, existing uses and any known conditions that preclude development in the planning period and the potential schedule for development. If zoning does not currently allow residential uses at appropriate densities, then the element must include programs to rezone sites pursuant to Government Code section 65583.2, subdivisions (h) and (i). In addition, the housing element must include a description of whether there are any plans to sell the property during the planning period and how the jurisdiction will comply with the Surplus Land Act Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5.</p>	<p>Chapter 7 (Site Inventory and Analysis) includes an enhanced “City Owned Properties” subsection. Also addressed in Chapter 7:</p> <ul style="list-style-type: none"> <li>• Reference to Program H4.L (Modify El Camino Real/Downtown Specific Plan” is included with the default density discussion.</li> <li>• Surplus Land Act description and City compliance is included.</li> <li>• The reference to nine City-owned surface parking lots is revised. There are eight surface parking lots suitable for multifamily development.</li> <li>• Added language regarding Program H4.G, 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.</li> </ul>
<b>A – Housing Needs, Resources, and Constraints</b>	4.6	<p><u>Federally-Owned Sites and School Sites</u>: The element identifies two federally-owned sites, the USGS and Veterans Affairs hospital site in addition to the Ravenswood School District site. The element should provide additional discussion on each of the sites and address general plan designations, allowable densities, support for residential capacity assumptions, existing uses, whether lot splits are needed, and any known conditions that preclude development in the planning period and the potential schedule for development. If zoning does not currently allow residential uses at appropriate densities, then the element must include programs to rezone sites pursuant to Government Code section 65583.2, subdivisions (h) and (i). The element must provide additional support and describe whether the City has contacted the owners regarding feasibility of development on these sites and whether they will be available during the planning period.</p>	<p>Chapter 7 (Site Inventory and Analysis) includes enhanced description regarding the USGS (Site #12), VA (Site #64), and Ravenswood City School District-owned sites (Site #38). Sites #12 and #64 are described within the “Carveouts and Large Sites” subsection. Site #38, the only vacant site within the Site Inventory, is described as part of the “Non-vacant Sites Analysis” subsection.</p>
<b>A – Housing Needs, Resources, and Constraints</b>	4.7	<p><u>Replacement Housing Requirements</u>: The element identifies sites with existing residential uses. Absent a replacement housing policy, these sites are not adequate sites to accommodate lower-income households. The replacement housing policy has the same requirements as set forth in Government Code section 65915, subdivision (c), paragraph (3).</p>	<p>Chapter 7 (Site Inventory and Analysis) includes description of replacement housing requirements within the “Non-vacant Sites Analysis” subsection. 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 non-vacant 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</p>

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			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.
A – Housing Needs, Resources, and Constraints	4.8	<u>Availability of Infrastructure:</u> The element must demonstrate sufficient existing or planned water, sewer, and other dry utilities supply capacity, including the availability and access to distribution facilities, to accommodate the RHNA.	Discussion regarding the availability of infrastructure is available in Chapter 7 within the “Infrastructure” subsection. The water, sewer, and dry utilities review is taken from the Draft EIR, which was published on November 4, 2022.
A – Housing Needs, Resources, and Constraints	4.9	<u>Environmental Constraints:</u> While the element generally describes a few environmental conditions within the City, it must describe any other known environmental constraints or conditions within the City that could impact housing development in the planning period.	Discussion regarding environmental constraints is available in Chapter 7 within the “Infrastructure” subsection. The environmental constraints review is taken from the Draft EIR, which was published on November 4, 2022.
A – Housing Needs, Resources, and Constraints	4.10	<p><u>Zoning for a Variety of Housing Types:</u></p> <ul style="list-style-type: none"> <li>● <i>Emergency Shelters:</i> The element should describe the permit processing, development, and management standards of the Homeless Overlay that allows emergency shelters by-right and should provide an analysis of proximity to transportation and services for these sites, hazardous conditions, and any conditions inappropriate for human habitability. In particular, the element describes a limit of 16 beds per facility, which is a constraint. In addition, the element should describe the capacity of sites included in the overlay to accommodate the City’s need. Lastly, the element should describe how emergency shelter parking requirements comply with AB139/Government Code section 65583, subdivision (a)(4)(A) or include a program to comply with this requirement.</li> <li>● <i>Transitional and Supportive Housing:</i> Transitional housing and supportive housing must be permitted 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. (Gov. Code, § 65583, subd. (c)(3).) The element must demonstrate compliance with these requirements and include programs as appropriate.</li> <li>● <i>By-Right Permanent Supportive Housing:</i> Supportive housing shall be a use by-right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code section 65651. The element must demonstrate compliance with these requirements and include programs as appropriate.</li> <li>● <i>Housing for Employees:</i> The Employee Housing Act permits housing under specific provisions. Section 17021.5 requires employee housing for six or fewer employees to be treated as a single-family structure and permitted in the same manner as other dwellings of the same type in the same zone. Section 17021.6 requires employee housing consisting of no more than 12 units or 36 beds to be permitted in the same manner as other agricultural uses in the same zone. The element must demonstrate compliance with these requirements and include programs as appropriate.</li> <li>● <i>Accessory Dwelling Unit (ADU):</i> The element indicates the City modifies its zoning code to ease barriers to the development of ADU’s. However, after a cursory review of the City’s ordinance, HCD discovered several areas which are not consistent with State ADU Law. HCD will provide a complete listing of ADU non-compliance issues under a separate cover. As a result, the element should modify Program H4-F to update the City’s ADU ordinance to comply with state law. For more information, please consult HCD’s ADU Guidebook, published in December 2020, which provides detailed information on new state requirements surrounding ADU development.</li> </ul>	<p>Chapter 5 (Actual and Potential Constraints to Housing) provides description of zoning for a variety of housing types. Highlighted revisions include:</p> <ul style="list-style-type: none"> <li>● <i>Emergency Shelters</i> <ul style="list-style-type: none"> <li>○ Updated Table 5-1 (Land Use Controls Table).</li> <li>○ The “Emergency Shelters” subsection includes updated text describing the Emergency Shelter for the Homeless Overlay, including compliance with AB 139 (2020), as well as information regarding the 2022 Point-in-Time count and shelters in San Mateo County. In an effort to reduce potential constraints to housing, the City will amend its emergency shelter regulations to increase the size limit from 16 to 30 beds.</li> <li>○ Program H3.G (Zoning Text Amendments for Special Needs Housing) is included to reduce actual and potential constraints to emergency shelters.</li> </ul> </li> <li>● <i>Transitional and Supportive Housing and By-Right Permanent Supportive Housing</i> <ul style="list-style-type: none"> <li>○ Updated Table 5-1 (Land Use Controls Table).</li> <li>○ Program H3.G (Zoning Text Amendments for Special Needs Housing) is included to reduce actual and potential constraints to transitional and supportive housing.</li> </ul> </li> <li>● <i>Housing for Employees</i> <ul style="list-style-type: none"> <li>○ Updated Table 5-1 (Land Use Controls Table).</li> <li>○ Replaced “Housing for Agricultural Employees” subsection with “Small Employee Housing” subsection.</li> <li>○ Program H3.G (Zoning Text Amendments for Special Needs Housing) is included to reduce actual and potential constraints to housing for employees.</li> </ul> </li> <li>● <i>Accessory Dwelling Unit (ADU):</i> <ul style="list-style-type: none"> <li>○ The “Accessory Dwelling Units” subsection includes revised text: 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.</li> <li>○ Program H4.F (Modify Accessory Dwelling Unit (ADU) Development Standards and Permit Process) is included to reduce actual and potential constraints for accessory dwelling units.</li> </ul> </li> </ul>
A – Housing Needs,	5.1	<u>Land Use Controls:</u> The element must identify and analyze all relevant land use controls impacts as potential constraints on a variety of housing types. The	Chapter 5 (Actual and Potential Constraints to Housing) provides description of land use controls. Highlighted revisions include: <ul style="list-style-type: none"> <li>● Added responses to existing governmental constraints concerning General Plan policies.</li> </ul>



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<b>Resources, and Constraints</b>		analysis should analyze land use controls independently and cumulatively with other land use controls. The analysis should specifically address requirements related to parking, heights, lot coverage and limits on allowable densities. The analysis should address any impacts on cost, supply, housing choice, affordability, timing, approval certainty and ability to achieve maximum densities and include programs to address identified constraints. For example, the element should analyze the conditional use permit (CUP) requirement for multifamily development in the R4 zone where densities are allowed at 40 dwelling units per acre. In addition, the element should describe whether three stories are allowed without a use permit in the R-3, R3A, R3-C, C-2B, and R-MU zones where height limits are 35 feet or less. The element should also analyze the land use controls including landscaping, parking, and floor area ration (FAR) requirements in the R-3 zone and whether they allow maximum build out at allowed densities. The element should also describe and analyze densities and development standards that are allowed in the Affordable Housing Overlay. In addition, the element must describe and analyze the X Conditional Development District (p. 5-14) and any related land use controls. Lastly, the element should add programs as appropriate to address any identified constraints.	<ul style="list-style-type: none"> <li>Added text: 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 <i>[data analysis is in progress]</i> (page 5-16).</li> <li>Added text: 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 (page 5-17).</li> <li>Modified parking minimums in C-2-B and R-MU districts as 1 space/unit or 1 space/1,000 square feet through implementation of Program H4.M.</li> <li>Added text: 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.</li> <li>Added text: 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.</li> </ul>
<b>A – Housing Needs, Resources, and Constraints</b>	5.2	<u>Voter Initiative:</u> HCD was made aware of a proposed ballot measure in the City seeking to put any single-family rezoning to a vote, seemingly blocking affordable housing. The City must monitor and analyze the proposed ballot measure. If it passes, the element must add a program to include outreach and mitigation measures for the impact of the ballot measure on housing development throughout the planning period. The element should analyze the measure as a constraint on development based on site suitability for development and add or modify programs to address the constraint.	Measure V was a citizen-sponsored initiative measure to amend the Land Use Element of the General Plan to prohibit the City Council of the City of Menlo Park from re-designating or re-zoning certain properties designated and zoned for single family detached homes. As Measure V did not pass at the November 8, 2022 General Election, no additional analysis is provided.
<b>A – Housing Needs, Resources, and Constraints</b>	5.3	<u>Parking:</u> The element must analyze the parking requirements (p. 5-16) of more than one space per studio and one-bedroom unit and more than two spaces for two or more bedroom units. In addition, the element must describe what determines the parking requirements for C-2B and R-MU zones and analyze potential constraints. Should the analysis determine the parking standards or permit procedures are a constraint on residential development, it must include a program to address or remove any identified constraints.	<p>Implementation of Program H4.M (Update Parking Requirements and Design Standards) within Chapter 8 (Goals, Policies and Programs) 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.</p> <p>In Progress: The Community Development Department is working with the Public Works Department to assess potential modifications to parking requirements.</p>
<b>A – Housing Needs, Resources, and Constraints</b>	5.4	<u>Density Bonus:</u> The City's current density bonus ordinance should be reviewed for compliance with current state density bonus law and programs should be added as necessary. (Gov. Code, § 65915.). In addition, the City's Affordable Housing Overlay states that the overlay will be an alternative to state density bonus law. This is in conflict with state law and must be revised.	<p>Chapter 5 (Actual and Potential Constraints to Housing) includes added text regarding the City's Affordable Housing Overlay (AHO) zoning and the State's Density Bonus law. Chapter 16.97 of Menlo Park's Municipal Code lays out local compliance with State Density Bonus Law (California Government Code Sections 659115-95918).</p> <p>Program H4.D (Modify the Affordable Housing Overlay (AHO)) within Chapter 8 (Goals, Policies and Programs) describes that the AHO will be structured so that State Density Bonus incentives can be utilized in conjunction with the AHO.</p>
<b>A – Housing Needs, Resources,</b>	5.5	<u>Fees and Exaction:</u> The element must describe all required fees for single family and multifamily housing development, including impact fees, and analyze their impact as potential constraints on housing supply and affordability. While the element lists some standard fees in Table 5-4, it must list typical fees including,	Within Chapter 5 (Actual and Potential Constraints to Housing), the fees for Menlo Park are summarized within Table 5-4 (City of Menlo Park Fees (2019)) 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

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<b>and Constraints</b>		but not limited to, CUPs, zone changes, general plan amendments, variances, site plans, specific plans, affordable housing in lieu fee, lot line adjustment, and other environmental fees. In addition, the element should describe and analyze fees as a proportion to the development costs for both single family and multifamily housing. Based on the outcomes of the analysis, the element should include programs to address identified constraints.	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 (Summary of Fees).  Table 5-5 (Summary of Fees) has been updated with the project valuation estimates for the sample single family (\$900,000), multifamily (\$5,000,000), and ADU developments (\$195,000). Typical development fees as a percentage of estimated project valuation are provided. Development fees for multifamily and ADU projects (5.4% and 6.4%, respectively) are much lower, as a proportion of the project value, than development fees for single-family developments (7.9%).
<b>A – Housing Needs, Resources, and Constraints</b>	5.6	<u>Local Processing and Permit Procedures:</u> While the element describes the use permit procedure for single family housing, it must describe and analyze the City’s permit processing and approval procedures by zone and housing type (e.g., multifamily rental housing, mobilehomes, housing for agricultural employees, supportive housing). The analysis must evaluate the processing and permit procedures’ impacts as potential constraints on housing supply and affordability. For example, the analysis should consider processing and approval procedures and time for typical single- and multi-family developments, including type of permit, level of review, approval findings and any discretionary approval procedures. The element should also describe and analyze the process and approval for a CUP and architectural control review. Lastly, the element should analyze the total processing time for both single family and multifamily developments and add a program as needed.	Chapter 5 (Actual and Potential Constraints to Housing) includes additional detail regarding local processing and permit procedures. Addressed in Chapter 5: <ul style="list-style-type: none"><li>● Added responses to constraints outlined in “Existing Governmental Constraints – General Plan Policies”</li><li>● Revised Table 5-7:<ul style="list-style-type: none"><li>○ Revised title of Table 5-7 to “Single Family and Multifamily Use Permit and Architectural Control Review by Planning Commission”</li><li>○ Added text to Step 4: Determine if project requires environmental review under CEQA</li><li>○ Added text to Step 5: Continue CEQA process (if necessary)</li><li>○ Added new Step 8: Certify EIR and public hearing on entitlements</li></ul></li><li>● Added footnote describing ministerial review in M-2 Zoning District and removed reference to non-existent Policy H5.8 (Page 5-38)</li></ul> In Progress: City staff is exploring additional data to assess sample median project costs and typical processing/development timeframes. If available, this data would offer additional, conservative estimates for reference.
<b>A – Housing Needs, Resources, and Constraints</b>	5.7	<u>Design Review:</u> The element must describe and analyze the design review guidelines and process, including approval procedures and decision-making criteria, for their impact as potential constraints on housing supply and affordability. For example, the analysis could describe required findings and discuss whether objective standards and guidelines improve development certainty and mitigate cost impacts. The element must demonstrate this process is not a constraint or it must include a program to address this permitting requirement, as appropriate.	Chapter 5 (Actual and Potential Constraints to Housing) includes additional detail regarding local processing and permit procedures. Addressed in Chapter 5: <ul style="list-style-type: none"><li>● New subsection for “Project Review by Planning Commission” added to describe the applicability of Use Permit review and the required findings for granting a Use Permit.</li><li>● Architectural Control design review subsection is clarified with project applicability and required findings.</li><li>● Added clarification regarding design review generally: “The design review process is concurrent with the use permit process. Because it is not a separate process, it is not necessarily a constraint.”</li></ul>
<b>A – Housing Needs, Resources, and Constraints</b>	5.8	<u>Streamlining Provisions:</u> The element must clarify whether the City has procedures in place consistent with streamlining procedures pursuant to Government Code section 65913.4 and include programs as appropriate.	Chapter 5 (Actual and Potential Constraints to Housing) includes a new “Streamlining Provisions” subsection. Menlo Park is not currently subject to SB 35. Program H4.M (Update Parking Requirements and Design Standards) requires the development of SB 35 streamlining processes.
<b>A – Housing Needs, Resources, and Constraints</b>	5.9	<u>Codes and Enforcement:</u> The element must describe the City’s building and zoning code enforcement processes and procedures, including any local amendments to the building code, and analyze their impact as potential constraints on housing supply and affordability.	Chapter 5 (Actual and Potential Constraints to Housing) includes a new “Code Enforcement” subsection. 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 (Assist in Implementing Housing Rehabilitation Programs) directs for the connecting of individuals to housing rehabilitation programs, including Habitat for Humanity’s Homeowner Preservation Program.
<b>A – Housing Needs, Resources, and Constraints</b>	5.10	<u>Constraints on Housing for Persons with Disabilities:</u> The element must include an analysis of zoning, development standards, building codes, and process and permit procedures as potential constraints on housing for persons with disabilities. For example, the analysis must describe any zoning code definitions of family and any spacing or concentration requirements for housing for persons with disabilities. While the element describes the City’s definition of family, it should analyze the requirement of “a common housekeeping management plan based on an internally structured relationship providing organization and stability”, whether this is a potential constraint on housing for persons with disabilities and add or modify programs as appropriate. In addition, the element must describe the findings and approval procedure for the City’s Reasonable Accommodation procedure. Lastly, the element must describe and analyze how group homes for six or fewer and seven or more are allowed within the City and add programs as	Chapter 5 (Actual and Potential Constraints to Housing) has been updated. Addressed in Chapter 5: <ul style="list-style-type: none"><li>● Added note (***) to “Residential Care Facilities” in Table 5-1 (Land Use Controls Table): Individual zoning district chapters do not mention large or small residential care facilities as permitted or conditionally permitted uses.</li><li>● Added language within the “Group Homes” subsection: 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 (Zoning Text Amendments for Special Needs Housing) amends the zoning ordinance to ensure requirements for group homes of more than six persons are consistent with state law and fair housing requirements.</li><li>● Added language within the “Group Homes” subsection: 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 (Zoning Text Amendments for Special Needs Housing) 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 .</li></ul>

Section	#	HCD Comment	Comment Response
		<p>appropriate. For your information, zoning should simply implement a barrier-free definition of family instead of subjecting, potentially persons with disabilities, to special regulations such as the number of persons, population types and licenses. These housing types should not be excluded from residential zones, most notably low-density zones, which can constrain the availability of housing choices for persons with disabilities. Requiring these housing types to obtain a special use or CUP could potentially subject housing for persons with disabilities to higher discretionary exceptions processes and standards where an applicant must, for example, demonstrate compatibility with the neighborhood, unlike other residential uses.</p>	
<b>A – Housing Needs, Resources, and Constraints</b>	5.11	<p><u>Zoning Fees and Transparency</u>: The element must clarify its compliance with new transparency requirements for posting all zoning and development standards, inclusionary requirements, and fees for each parcel on the jurisdiction’s website pursuant to Government Code section 65940.1(a)(1).</p>	<p>Chapter 5 (Actual and Potential Constraints to Housing) has been updated with a new “Zoning Fees and Transparency” subsection (page 5-16). 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 (Improve Access to City Law) within Chapter 8 (Goals, Policies and Programs) directs the City to improve ease of access for the public to find fees, zoning, and development standards. The objective is to have a one-stop landing page for development information that can be easily understood by developers and members of the public.</p>
<b>A – Housing Needs, Resources, and Constraints</b>	6.1	<p><u>Developed Densities and Permit Times</u>: The element must be revised to include analysis of requests to develop housing at densities below those anticipated, and the length of time between receiving approval for a housing development and submittal of an application for building permits that potentially hinder the construction of a locality’s share of the regional housing need.</p>	<p>Chapter 5 (Actual and Potential Constraints to Housing) will be updated with a new “Requests to Develop at Densities Below Those Permitted” subsection.</p> <p>In Progress: City staff is working on developing Table 5-10 (Comparison of Zoned and Built Densities) and also collecting data to analyze the length of time between receiving approval for a housing development and submittal of an application for building permits.</p>
<b>A – Housing Needs, Resources, and Constraints</b>	7.1	<p>While the element includes Table 3-9 listing at-risk properties within the next 10 years, it must provide additional information on the expiration date on projects listed “n/a” and “beyond 2025” to help determine whether these properties are eligible to change to non- low-income housing uses during the next ten years. In addition, the element must identify public and private nonprofit corporations known to the City to have the legal and managerial capacity to acquire and manage at-risk units, as well as identify federal, state and local financing and subsidy programs.</p>	<p>Chapter 3 (Housing Conditions and Trends) includes an updated Table 3-9 (At-Risk Affordable Housing Developments in Menlo Park (2022) with added detail regarding certain properties with expiration years in “perpetuity.” 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.</p> <p>A new subsection on “Financial and Administrative Support” is included to detail public and nonprofit agencies with capacity to acquire at-risk units.</p>
<b>B – Housing Programs</b>	1.1	<p>To address the program requirements of Gov. Code section 65583, subd. (c)(1-6), and to facilitate implementation, programs should include: (1) a description of the City’s specific role in implementation; (2) definitive implementation timelines; (3) objectives, quantified where appropriate; and (4) identification of responsible agencies and officials. Programs to be revised include the following:</p> <ul style="list-style-type: none"> <li>• Program H2.C (Assist in Implementing Housing Rehabilitation Programs): The program should include proactive outreach as well as specify how often sponsors and the City will apply for funding.</li> <li>• Program H2.D (Accessory Dwelling Unit Amnesty Program): The program should include proactive outreach to owners.</li> <li>• Program H2.E (Anti-Displacement Strategy): The program should include outreach to owners and organizations in the identified neighborhoods. It should also define which neighborhoods will be the focus. Lastly, the program should include timing for implementing the actions that result from the new programs identified.</li> <li>• Program H3.E (Continue Support for Countywide Homeless Programs): The program should describe what the City is doing to implement the results of the check-in meetings. The program should also include timing of implementing the resulting actions.</li> <li>• Program H3.F (Work with the U.S. Department of Veterans Affairs on Homeless Issues): This program should include specific timing to implement the potential programs identified.</li> </ul>	<p>Chapter 8 (Goals, Policies and Programs) actions have been updated with more specific details, commitment, metrics, and milestones.</p>

Section	#	HCD Comment	Comment Response
		<ul style="list-style-type: none"> <li>Program H3.H (Inclusionary Accessible Units): This program should describe what the City will do to encourage the units and whether incentives will be provided.</li> <li>Program H3.L (Large Units): This program should include proactive outreach to developers.</li> <li>Program H5.B (Undertake Community Outreach When Implementing Housing Element Programs): This program should clarify how often outreach will occur throughout the planning period.</li> <li>Program H5.D (Address Rent Conflicts): This program should describe whether the progress is in place or include timing for implementation. The program should also include proactive outreach.</li> <li>Program H5.F (First-Time Homebuyer Program): This program should be revised to include proactive outreach. In addition, the program should include specific implementation timing.</li> <li>Program H7.A (Create Residential Design Standards): This program includes timing to start implementation two years after adoption but should also specify when the actions will be completed.</li> </ul>	
<b>B – Housing Programs</b>	2.1	<p>As noted in Finding A4, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types. In addition, the element should be revised as follows:</p> <p><u>Shortfall of Adequate Sites:</u> If the element does not identify adequate sites to accommodate the regional housing need for lower-income households, it must include a program(s) to identify sites with appropriate zoning to accommodate the regional housing need within the planning period. The program should identify the shortfall by income group, acreage, allowable densities, appropriate development standards and meet all by right requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i), including but not limited to permitting multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower income households. The element must clarify whether programs 4H.I (Create New Opportunities for Mixed-Use Development), 4H.J (Increase Residential Density), 4.HK (Maximize Development Proposals), and 4H.L (Modify El Camino Real/Downtown Specific Plan) are needed to meet the City’s RHNA, and if so, address the requirements above. In addition, program 4H.L should include specific commitment to the action, beyond considering implementation.</p> <p><u>Program H4.G (Consider City-Owned Land for Housing):</u> This program should commit to comply with surplus lands requirements for City owned sites. In addition, the program should describe when the sites will be offered, when an RFP will be issued during the planning period and include a numerical objective consistent with assumptions in the sites inventory.</p>	<p>Chapter 7 (Site inventory and Analysis) has been updated. The RHNA requirements will be met with 3,645 units in pipeline projects, 85 units in projected Accessory Dwelling Units (ADUs), and 2,906 units in potential housing opportunity sites. Table 7-12 (Quantified Objectives) summarizes Menlo Park’s quantified objectives for the 2023-2031 Housing Element planning period. The objectives include the City’s new construction, rehabilitation, and conservation objectives.</p> <p>Program H4.G (Consider City-Owned Land for Housing) within Chapter 8 (Goals, Policies and Programs) is updated. This program has been updated to include adherence to the Surplus Lands Act procedures, and includes issuance of a request for proposals (RFP) by 2025, completion of entitlements by 2026, and development on some or all eight of the City-owned parking lots by 2028 in order to produce 345 or more affordable housing units.</p>
<b>B – Housing Programs</b>	3.1	<p>As noted in Findings A5 and A6, the element requires a complete analysis of potential governmental and non-governmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints. In addition, the element should be revised as follows:</p> <p><u>Program H4.E (Ministerial Review of 100 Percent Affordable Housing):</u> This program should clarify whether creating objective design standards are included within this program. Proactive outreach should also be included throughout the planning period.</p>	<p>Chapter 5 (Actual and Potential Constraints to Housing) has been updated with additional analysis.</p> <p>Program H4.E (Streamlined Project Review) within Chapter 8 (Goals, Polices and Programs) is updated. This is a new program that would result in the creation and adoption of objective design and development standards to be applied to all 100 percent affordable residential projects; allow ministerial review for 100 percent affordable housing developments; eliminate the current use permit requirement for multi-family projects in the R-3, R-3-A, and R-4 zoning districts; and develop written procedures for SB 35 applications (in the event that the City is subject to SB 35 streamlining in the future). Implementation of this program would be phased from 2024 through 2026.</p>

Section	#	HCD Comment	Comment Response
		<p><u>Program H4.M (Update Parking Requirements and Design Standards)</u>: The program should clarify what parking requirements will be revised and ensure updates will result in addressing constraints on development.</p>	<p>Program H4.M (update Parking Requirements and Design Standards) within Chapter 8 (Goals, Policies and Programs) will be updated to clarify what parking requirements will be revised and ensure updates will result in addressing constraints on development.</p> <p>In Progress: The Community Development Department is working with the Public Works Department to assess potential modifications to parking requirements.</p>
<b>B – Housing Programs</b>	4.1	<p>As noted in Finding B1, the element must include a complete analysis of AFFH. The element must be revised to add goals and actions based on the outcomes of a complete analysis. Goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have specific commitment, metrics, and milestones as appropriate and must address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection.</p> <p>In addition, Program H5.C (Provide Multilingual Information on Housing Programs) should clarify whether the multilingual information is currently available or whether they will need to be translated. If translation needs to occur, the program should include timing related to the action.</p>	<p>Chapter 4 (Affirmatively Furthering Fair Housing) includes an updated “Fair Housing Issues, Contributing Factors, and City Actions” subsection. 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 a table of fair housing issues, their contributing factors, a priority level for the fair housing issues, and City actions to remediate the issue.</p> <p>Chapter 8 (Goals, Policies and Programs) actions have been updated with more specific details, commitment, metrics, and milestones.</p> <p>Program H5.C (Provide Multilingual Information on Housing Programs) within Chapter 8 (Goals, Policies and Programs) is updated to ensure the provision of information on the City's website that is readily translatable into multiple languages, maintaining multilingual information on programs at the City's public counters, and distributing multilingual information on programs at public locations (libraries, schools, etc.).</p>
<b>B – Housing Programs</b>	5.1	<p><u>Program H2.A (Adopt Ordinance for “At-Risk” Units)</u>: While this program commits to actions for at-risk properties, it should also include a commitment to reach out to owners to ensure compliance with state preservation notice law (Gov. Code Sections 65863.10, 65863.11, and 65863.13).</p>	<p>Program H2.A (Adopt Ordinance for “At-Risk” Units) within Chapter 8 (Goals, Policies and Programs) has been updated to include a commitment to reach out to owners to ensure compliance with state preservation notice law. The City will initiate discussions with property owners of potential "at-risk" units at least 3 years prior to expiration to monitor tenant noticing requirements.</p>
<b>C – Quantified Objectives</b>	1.1	<p>The element must include quantified objectives to establish an estimate of housing units <u>by income category</u> that can be constructed, rehabilitated, and conserved over the planning period. While the element includes these objectives by income group for very low-, low-, moderate- and above-moderate income, the element must also include objectives for extremely low-income households. In addition, while the element includes these objectives for construction, it must also include estimates for rehabilitation and conservation/preservation.</p>	<p>Chapter 7 (Site Inventory and Analysis) includes an updated “Summary of Quantified Objectives” subsection. Table 7-12 (Quantified Objectives) 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 (93 units), 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.</p>
<b>D – Public Participation</b>	1.1	<p>While the element includes a summary of public participation including outreach to the community, it must also describe how comments from public participation were considered and incorporated into the element.</p>	<p>Chapter 1 (Introduction) includes a new “Consideration of Public Comment” subsection that describes revisions that were made to the draft Housing Element in response to 108 comments from individuals, agencies, and organizations received through July 5, 2022. In general, several new policies and programs were added to the document to remove constraints on the development of affordable housing; increase housing equity through transitional housing, inclusionary housing, and anti-displacement strategies; provide support for special needs populations; increase coordination with schools; and increase opportunities for childcare facilities.</p> <p>In Progress: A full list of public comments is being created and is will be provided as a new Appendix 1-1 to the draft Housing Element.</p>

# City of Menlo Park

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

*Revised HCD Review Draft*

With redlined changes

Published: January XX, 2022

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# 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>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>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>The City Manager shall designate an Equal Opportunity Coordinator in Menlo Park with responsibility to investigate and deal with complaints.</li> <li>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>

<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>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>
	<p>affordable to extremely low, very low, low and moderate income households.</p>	<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
		<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>Program H1.I Work with Non-Profits on Housing</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. 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>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).



<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>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>	
Program H1.J Update the Housing Element	<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>	Modify to reflect the timeframe of the 2023-2031 Housing Element.
Program H1.K Address Rent	Provide for increased use and support of tenant/landlord educational and mediation opportunities and continue the	This program is desired for modification in the 2023-2031 Housing Element.	Modify references to

<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).

<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>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>	
<p>Program H2.C Amend the Zoning Ordinance to Protect Existing Housing</p>	<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>	<p>Modify to reflect the timeframe of the 2023-2031 Housing Element.</p>

<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>	<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.</p>	
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>	<p>Modify adoption language to be focused on continuation/support and to reflect the timeframe of the 2023-2031 Housing Element.</p>
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>	<p>Modify objectives to reflect existing voucher use and to reflect timeframe of the 2023-2031 Housing Element.</p>

<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.



Policy or Program	Description, Program Objectives and Timeframe	Evaluation Notes	Recommendation to Retain, Modify or Remove
	<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

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			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

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	<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>		



Policy or Program	Description, Program Objectives and Timeframe	Evaluation Notes	Recommendation to Retain, Modify or Remove
	<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>
		<p>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.</p>	
<p>H4.S Explore Creation of a Transportation Management Association</p>	<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>	<p>This program is desired for removal in the 2023-2031 Housing Element as it has been completed.</p>	<p>Remove – Completed</p>
<p>H4.T Explore Pedestrian and Bicycle Improvements</p>	<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>	<p>Modify to broaden language to apply to general multimodal improvements.</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>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.

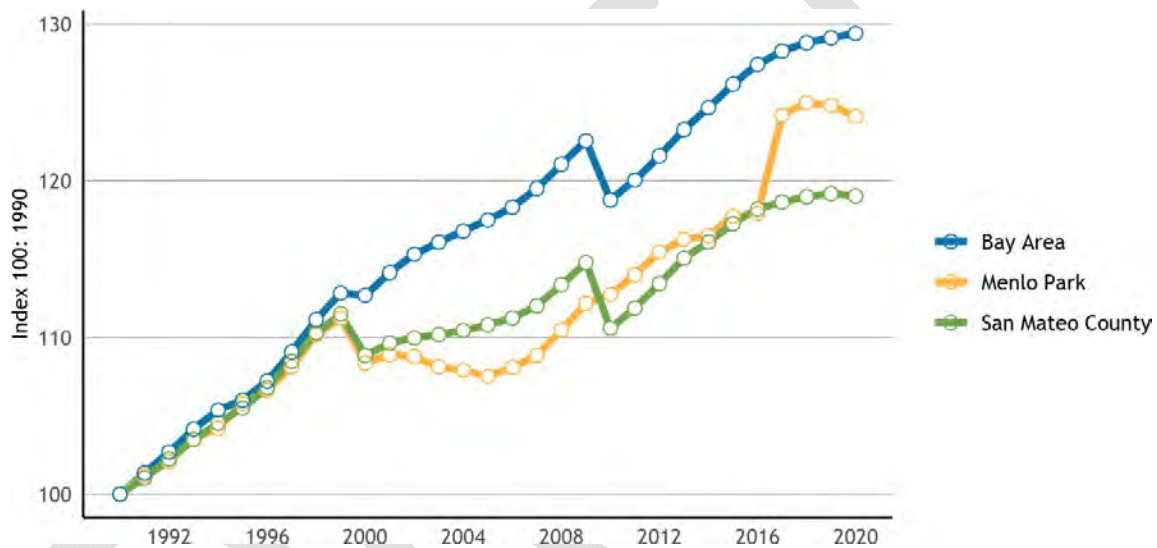
Menlo Park's population was estimated at 35,254 in 2020 (California Department of Finance). From 1990 to 2000, the population increased by 8.4 percent. Between 2000 and 2010, the population continued to increase, though at a slower rate of 4 percent. The population grew by about 10 percent from 2010 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*

Age Group	2000	2010	2019
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

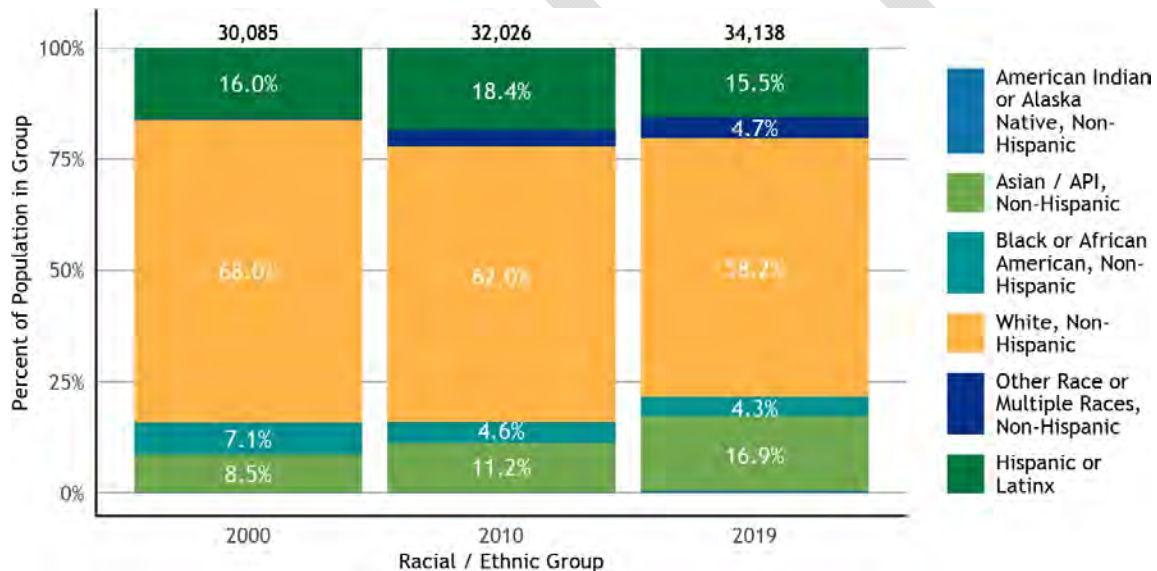
Understanding the racial makeup of a city and region is important for designing and implementing effective housing policies and programs. These patterns are shaped by both market factors and government actions, such as exclusionary

<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**



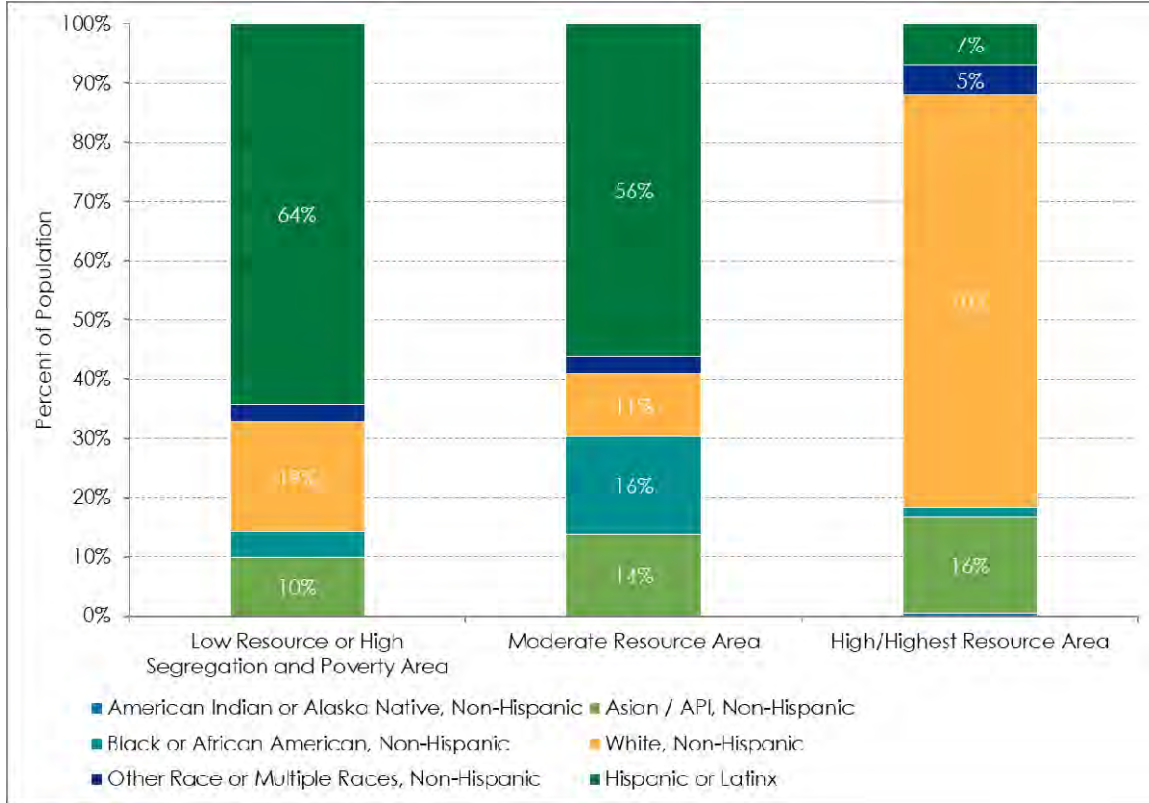
Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

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*

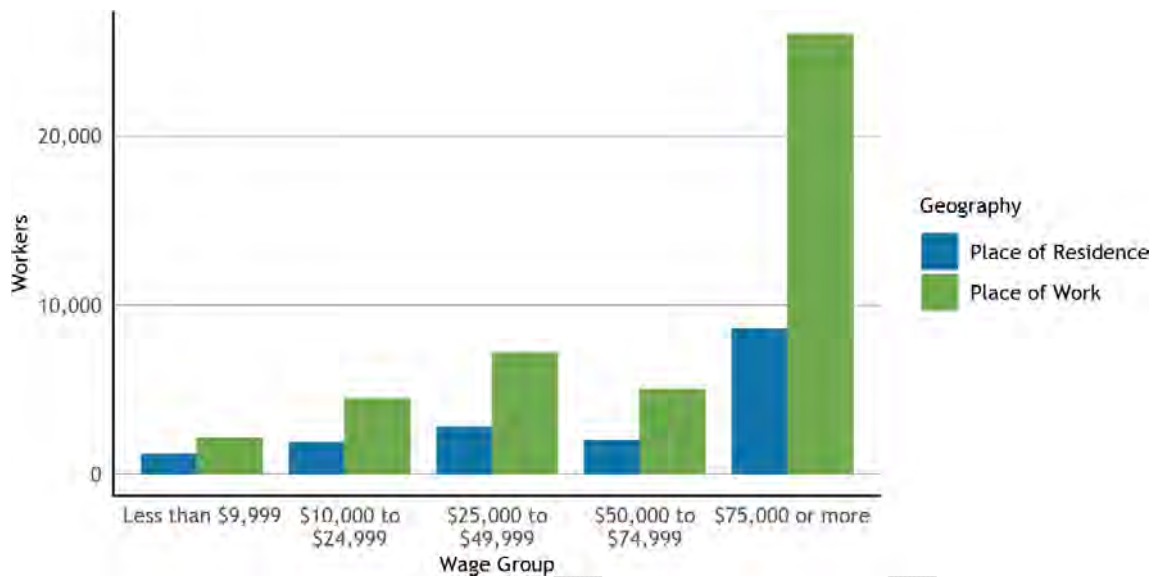
<b>Commuting Characteristics</b>	<b>Menlo Park</b>
Employed Population in Jurisdiction	15,404
Jobs in Jurisdiction	52,830
Workforce In-Commuting (%)	96.1
Population Out-Commuting (%)	87.2

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

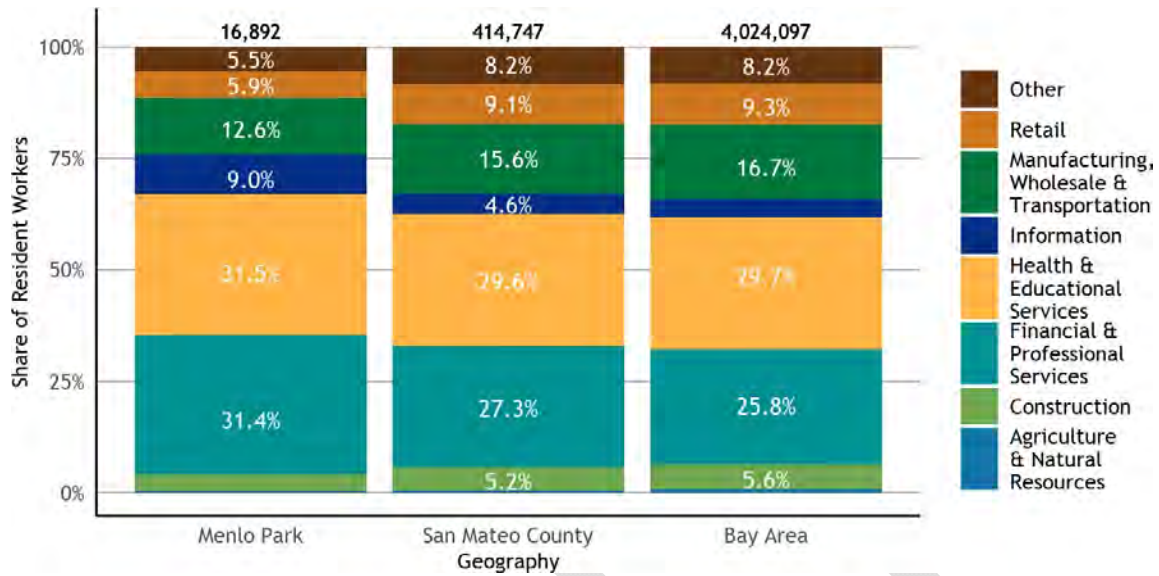


Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019, B08119, B08519

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



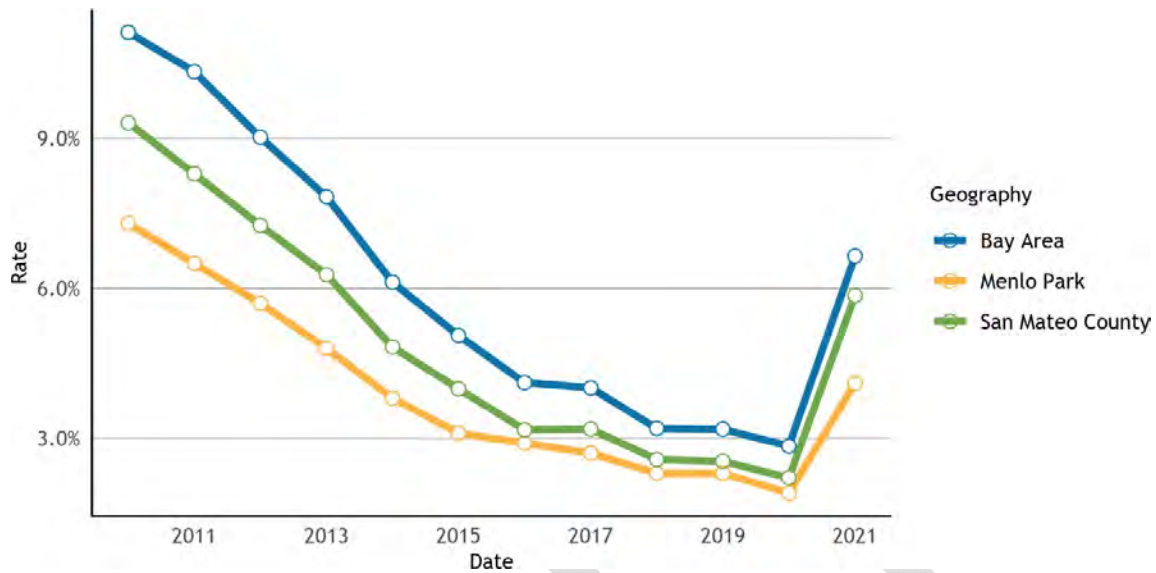
Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019

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

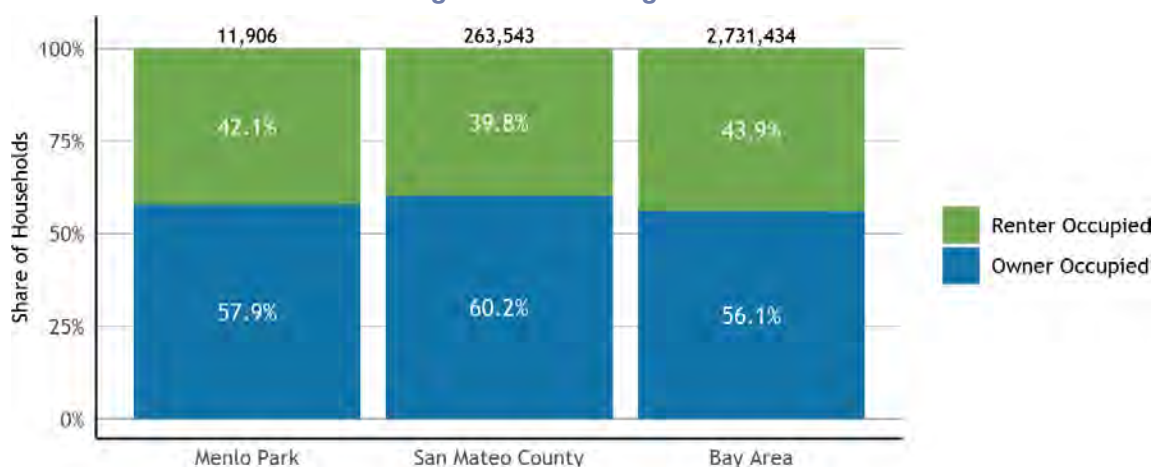
Menlo Park residents tend to be well-educated. Ninety-four percent of residents who were 25 years old or older had at least a high school degree in 2019 and close to 70 percent had at least a bachelor's degree. Approximately 67 percent of residents ages 16 and older were in the labor force in 2019, which 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

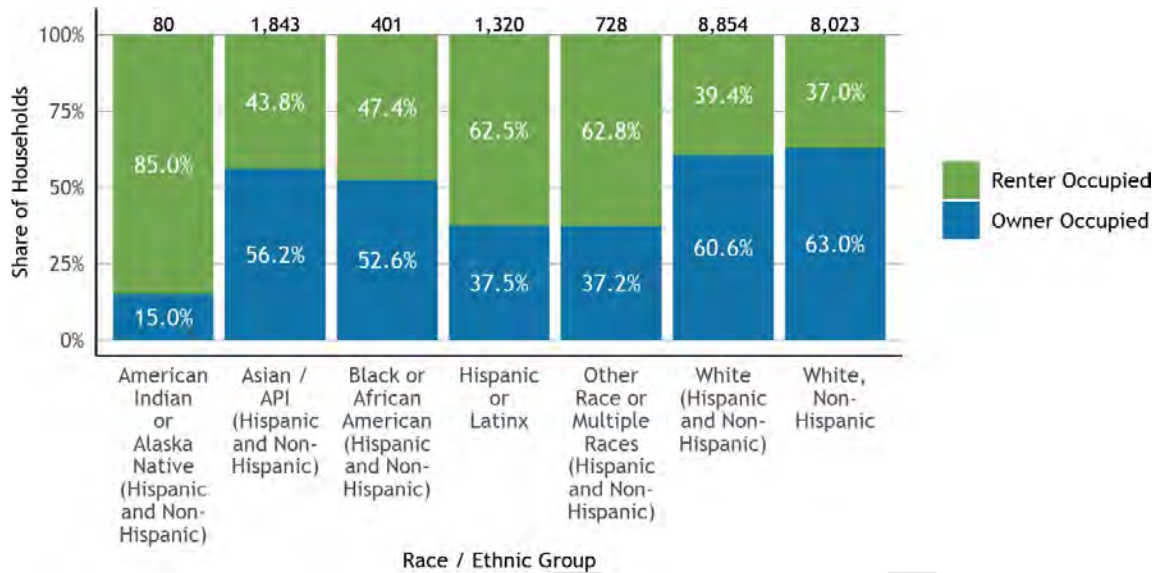
Homeownership rates often vary considerably across race and ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth but also stem from federal, state, and local policies that historically limited access to homeownership for communities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

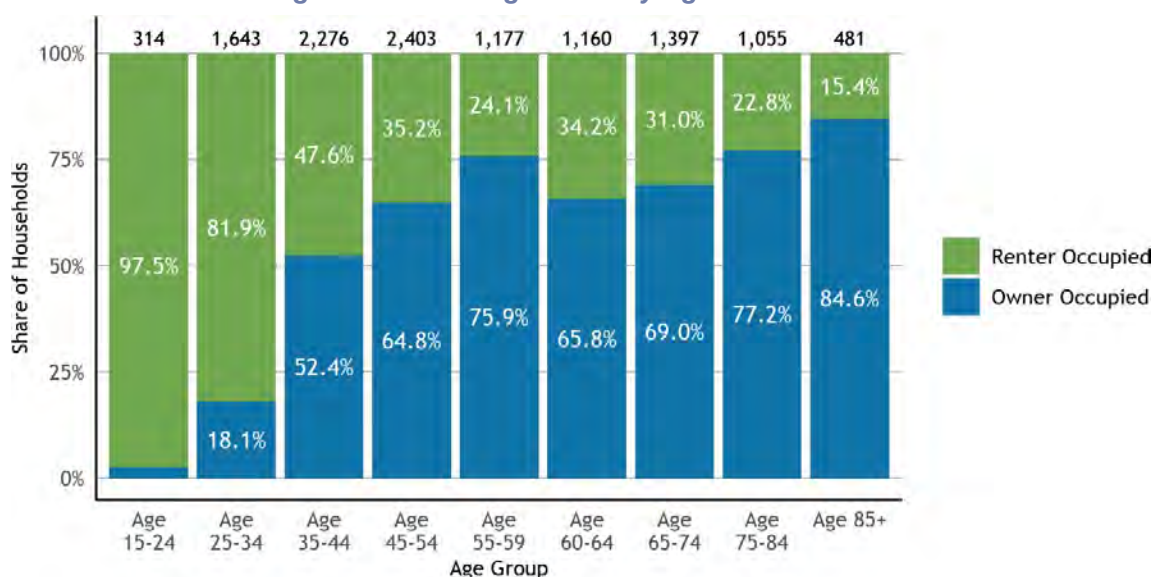


Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003

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.

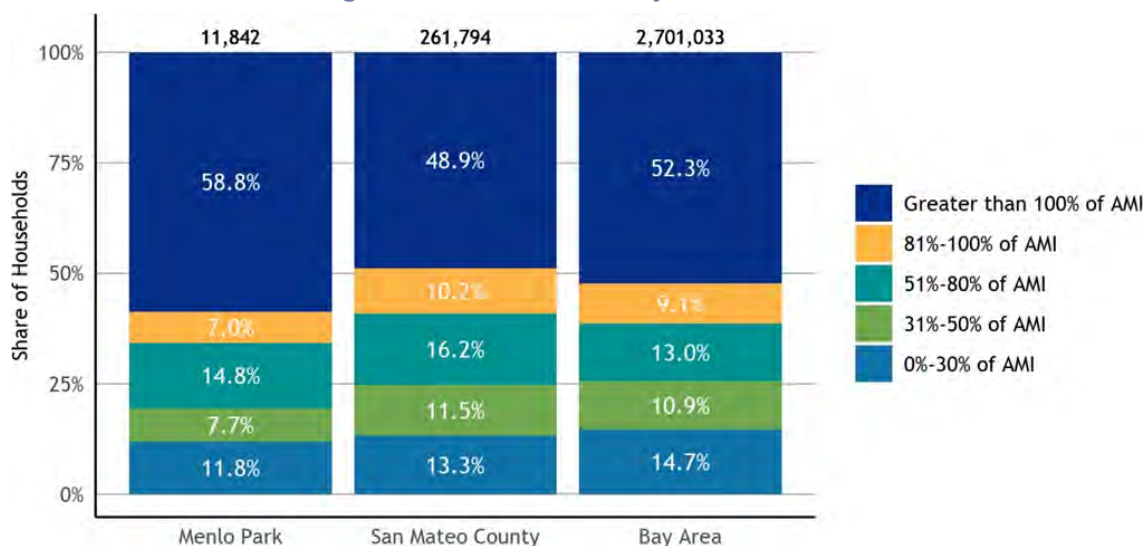
Regionally, more than half of all households make more than 100 percent AMI, while 15 percent earn less than 30 percent AMI. Per HCD data from 2021, 30 percent AMI is the equivalent to the annual income of \$54,800 for a family of four in San Mateo County. Many households with multiple wage earners – 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>

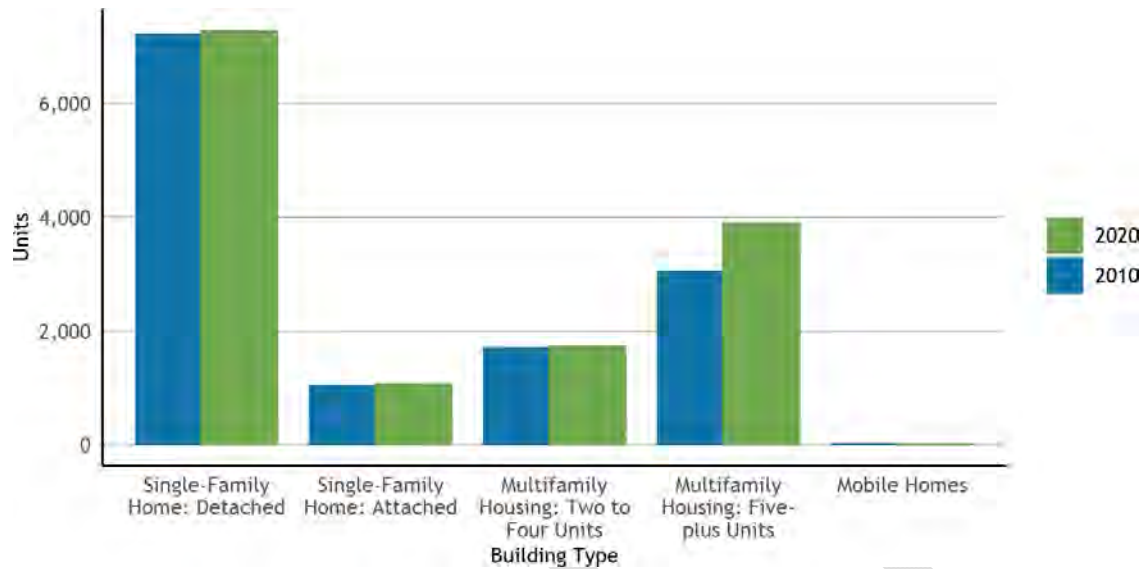
Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; California Department of Housing and Community Development (HCD), 5<sup>th</sup> Cycle Annual Progress Report Permit Summary (2020)

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

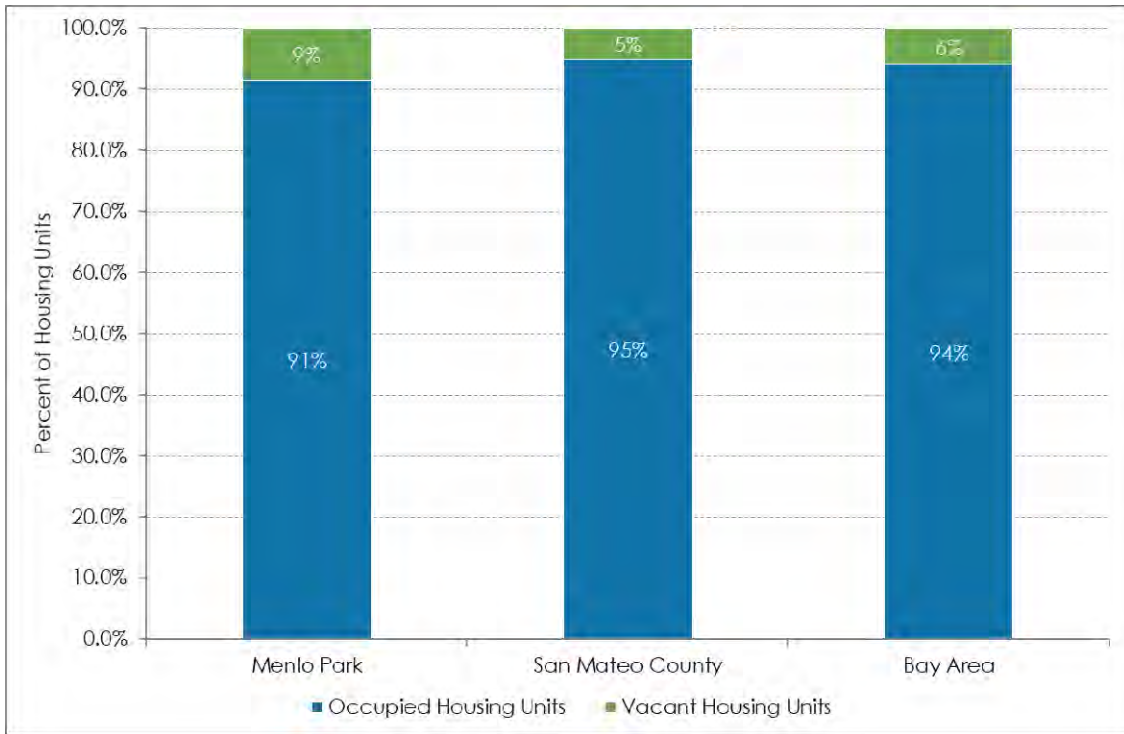


Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; California Department of Finance, E-5 series (2010, 2020)

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.

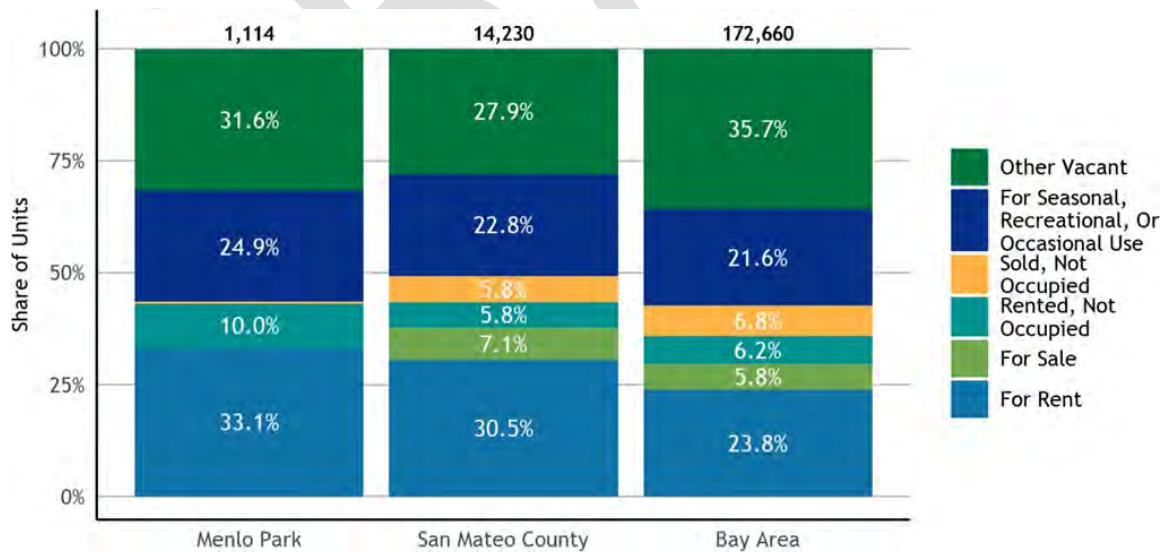
In a region with a thriving economy and housing market like the Bay Area, units being renovated or repaired and prepared for rental or sale are likely to represent a large portion of the "Other Vacant" category. Additionally, the need for seismic retrofitting in older housing stock could also influence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

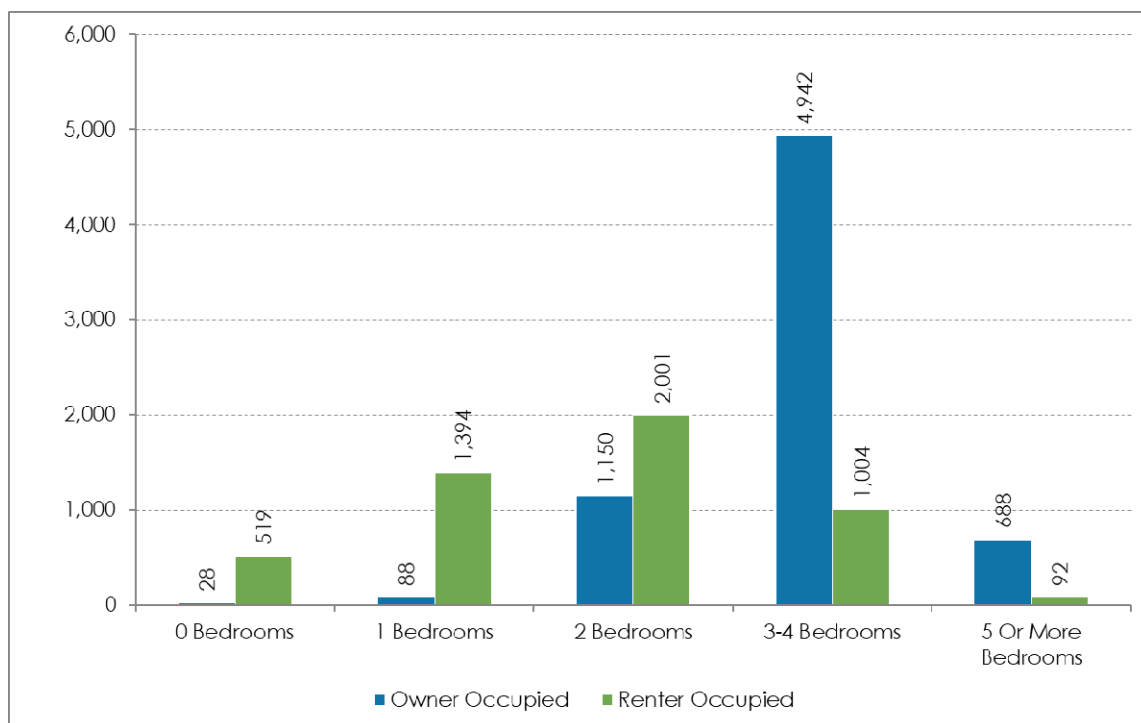
Year Built	Percent
Built 1939 Or Earlier	6.5%
Built 1940 To 1959	45.6%
Built 1960 To 1979	29.1%
Built 1980 To 1999	10.5%
Built 2000 To 2009	4.4%
Built 2010 Or Later	3.9%

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

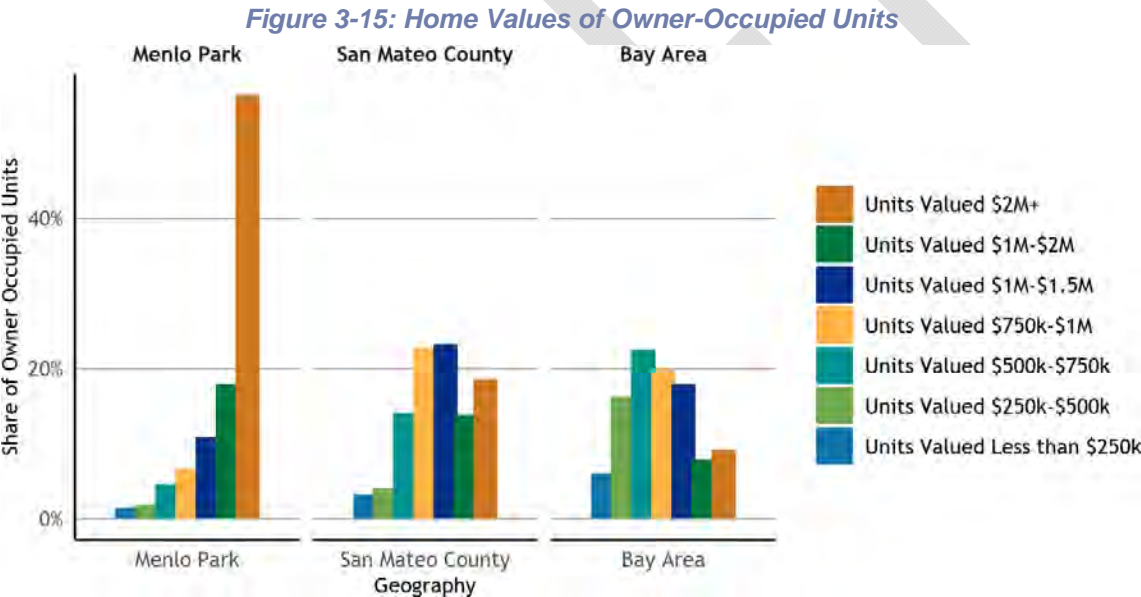
## Typical Home Values and Rents

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](#)

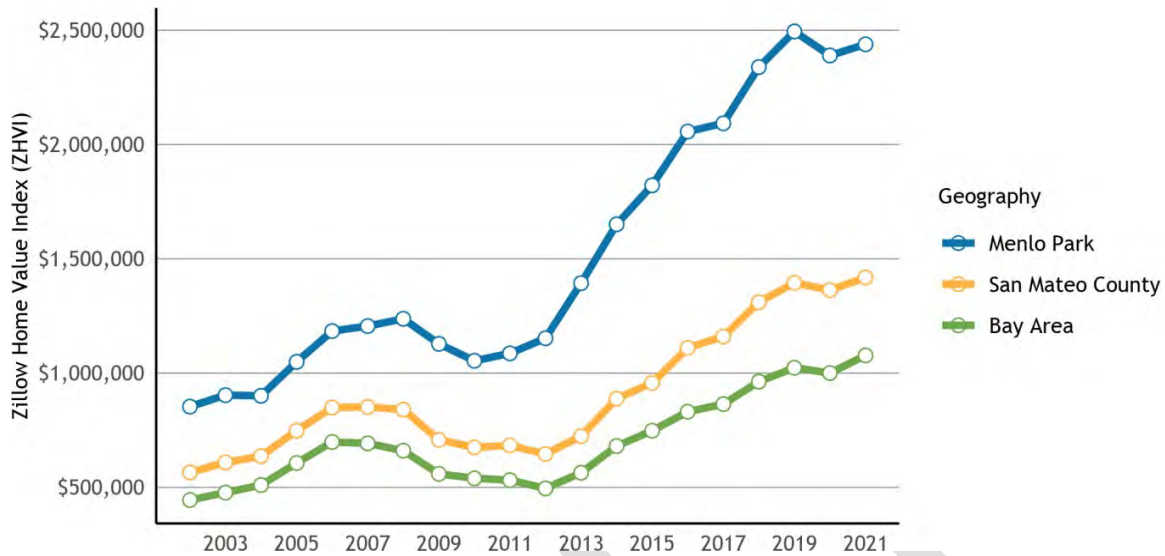
One method of determining local home values is by Zillow's home value index (ZHVI). The ZHVI is a seasonally adjusted measure of the typical home value and market changes in the region. The ZHVI includes all owner-occupied housing units, including single-family homes and condominiums, and reflects the 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.

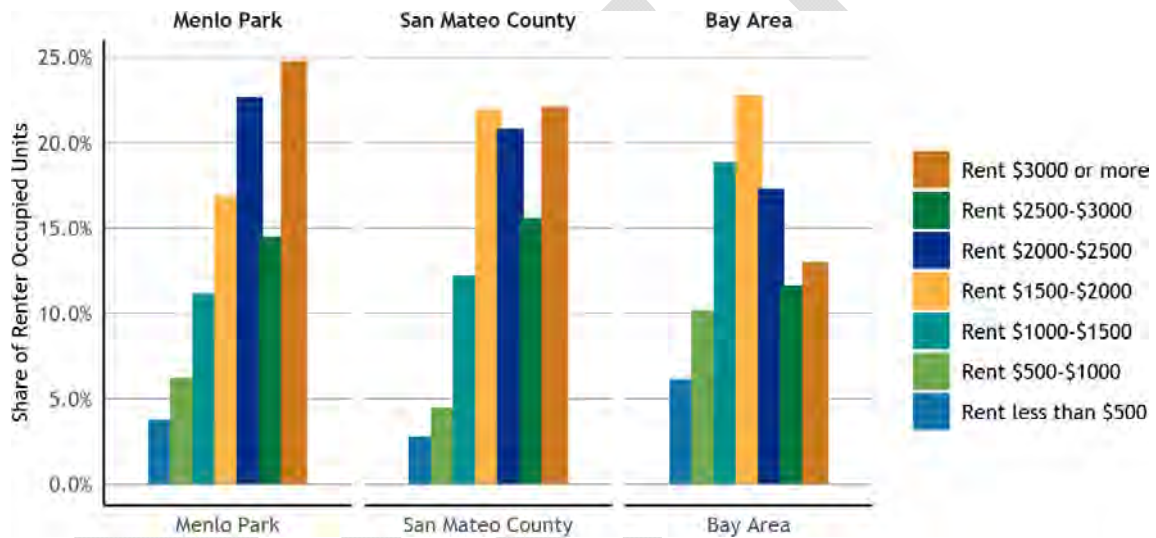
According to a review of rentals in Menlo Park using Zillow, Apartments.com, and Craigslist, rents range from \$1,825 for a studio to \$7,500 for a three-bedroom apartment. Houses can be rented for \$2,000 for a one-bedroom to \$9,000 for a four-bedroom house. There were also very few units available 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.

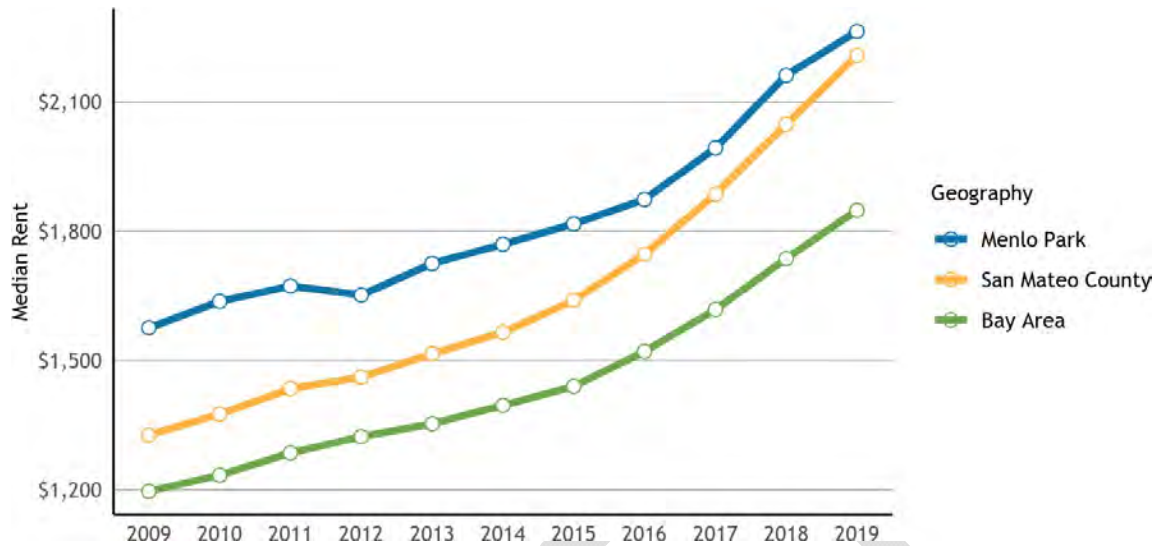
**Figure 3-17: Contract Rents for Renter-Occupied Units**



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

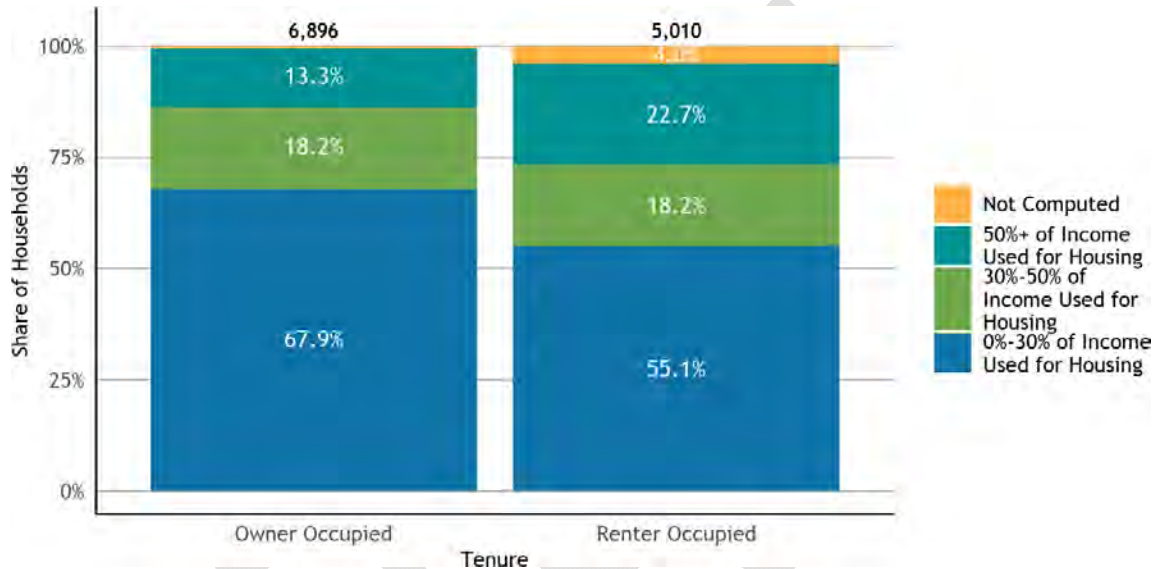
The cost of housing in Menlo Park is largely unaffordable for workers in Menlo Park and increasingly unaffordable for existing residents. As a result, people who work in the city must commute long distances resulting in increased traffic and carbon emissions. Additionally, young people who grew up in 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)

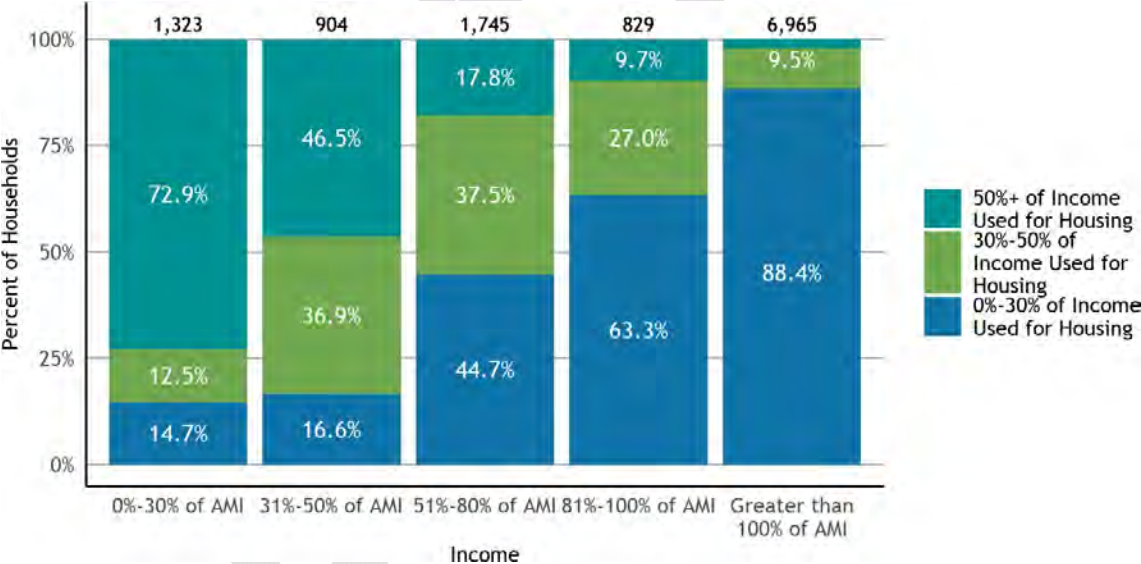
Census data only tracks "Monthly Housing Costs as a Percentage of Household Income in the Past 12 months" for income segments up to "\$75,000 or more," which is still well below the lower income limit of approximately \$128,000 in Menlo Park. The numbers of total homeowner households spending more than 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

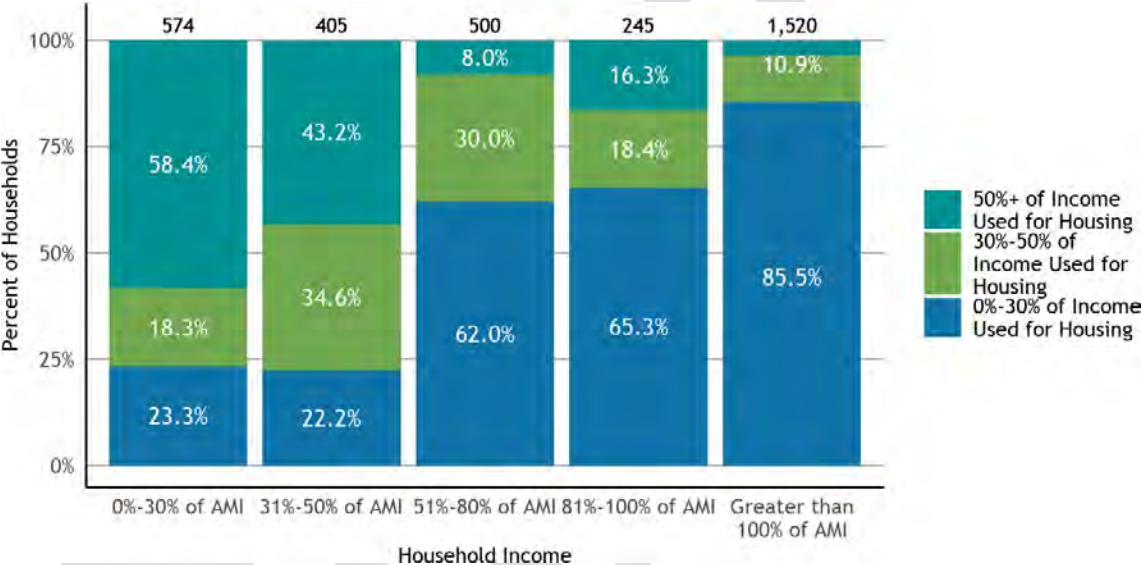


Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release



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).

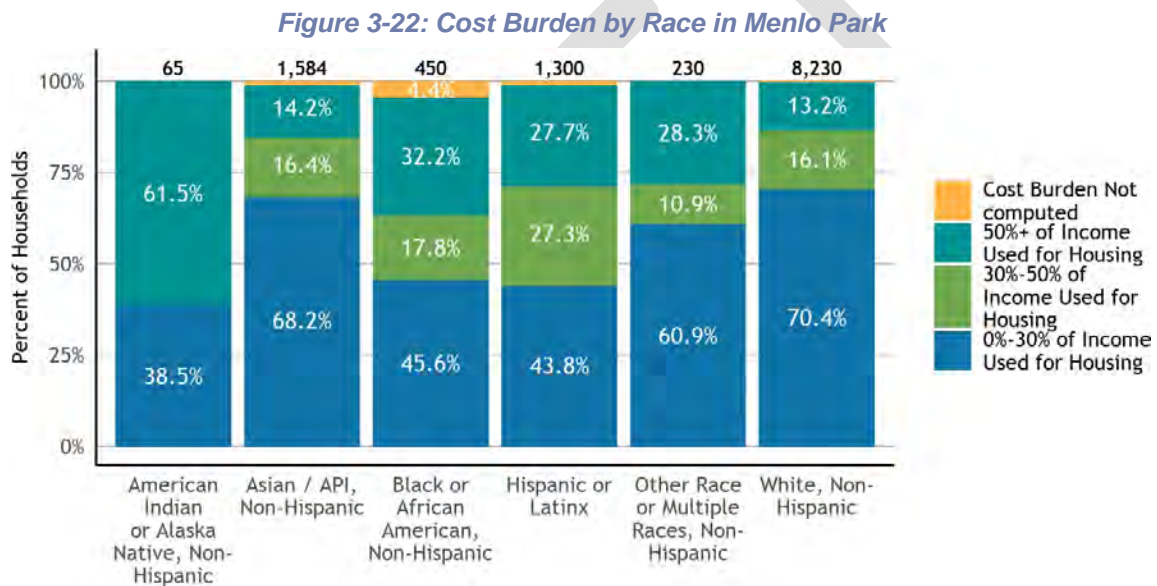
**Figure 3-21: Cost Burdened Senior Households by Income Level in Menlo Park**



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).

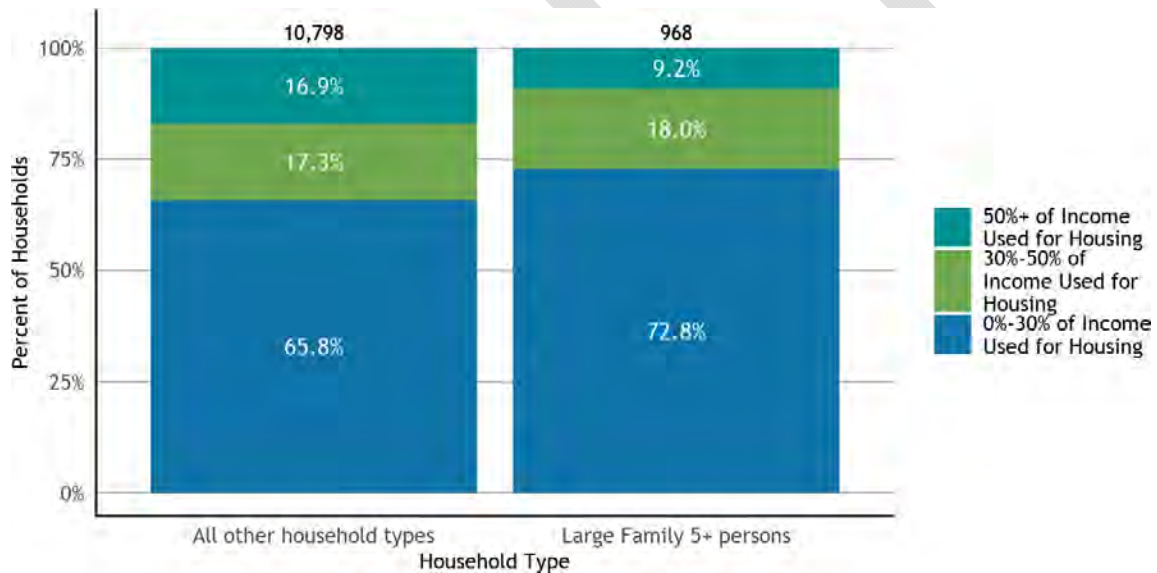


Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

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

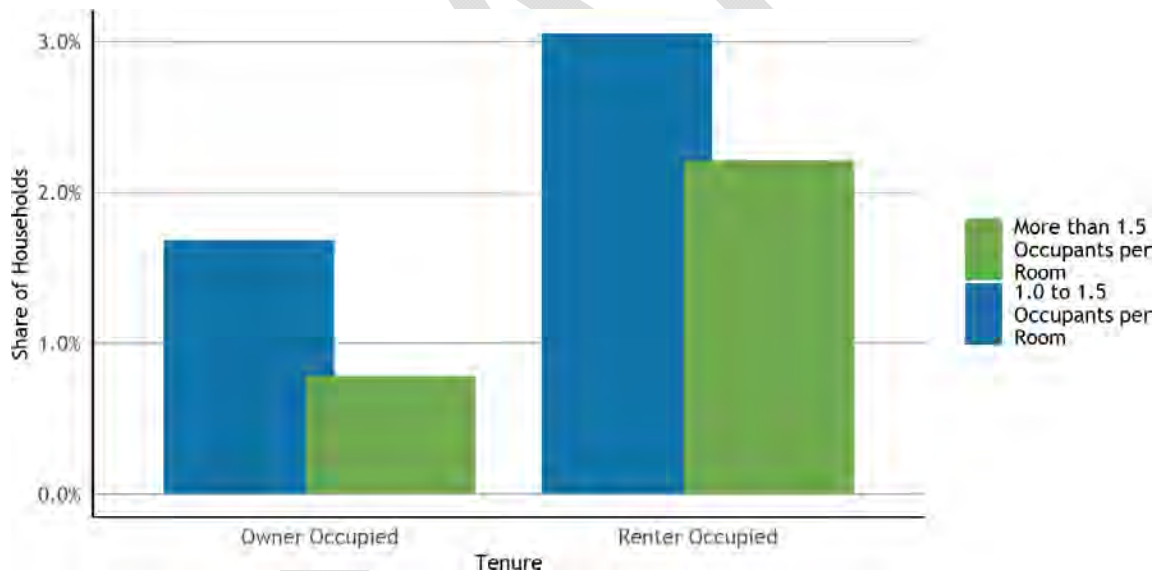
The San Mateo County Housing Authority (SMCHA) manages programs to provide housing assistance to low-income households. According to SMCHA, the Housing Authority provided rental assistance to 238 households in Menlo Park (422 individuals) as of November 2021.

## 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**

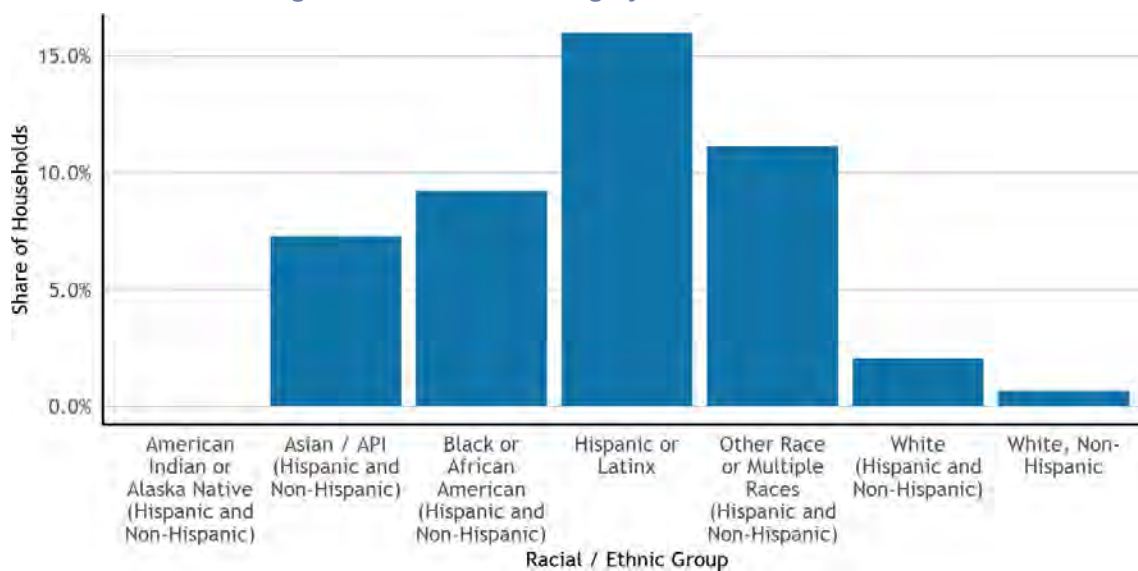
Income Group	1.0 to 1.5 Occupants per Room	More than 1.5 Occupants per Room
0%-30% of AMI	3.5%	1.4%
31%-50% of AMI	6.5%	2.7%
51%-80% of AMI	4.0%	0.0%
81%-100% of AMI	2.7%	0.5%
Greater than 100% of AMI	1.7%	0.7%

<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)

DRAFT

## 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**

	<b>Replacement/ New Construction</b>	<b>Rehabilitation/ Preservation of Existing Unit</b>
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*

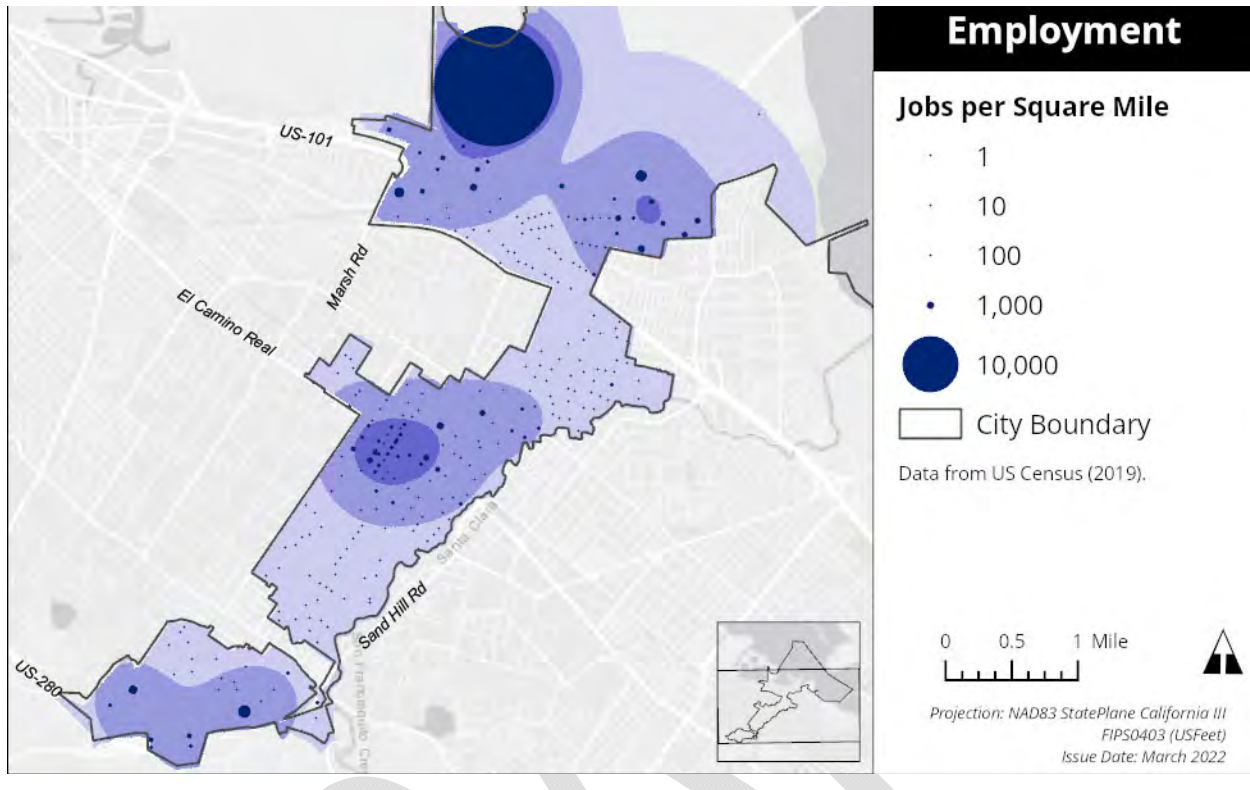
Sector	2002	2018	Change
Agriculture & Natural Resources	14	50	257%
Arts, Recreation & Other Services	2,500	3,322	33%
Construction	1,010	1,196	18%
Financial & Leasing	2,173	3,399	56%
Government	540	1,011	87%
Health & Educational Services	2,053	4,188	104%
Information	915	19,185	1997%
Manufacturing & Wholesale	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**

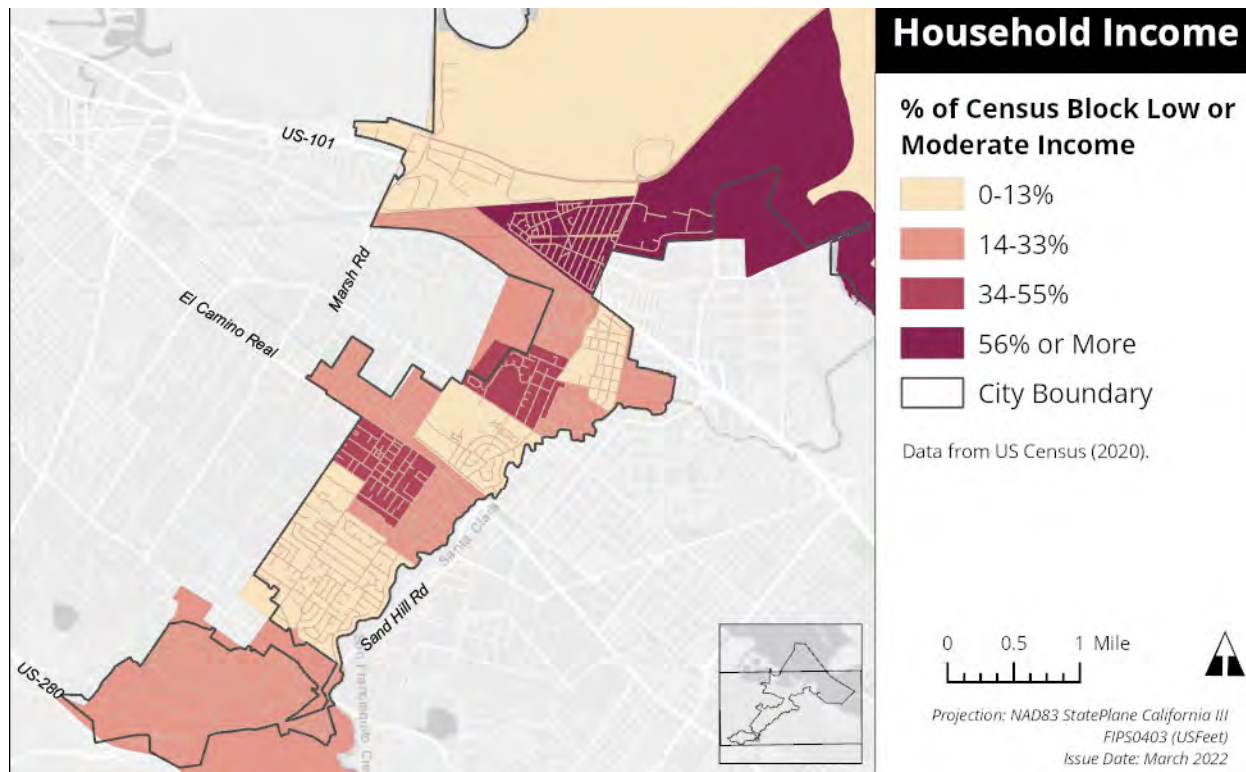
Menlo Park's population in 2020 was 35,254. This was a 10 percent increase from its population in 2010 (32,026). Menlo Park's population experienced a greater increase than both San Mateo County (7.6 percent) and the Bay Area as a whole (8.9 percent) during the same time period (2010 to 2020).

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).

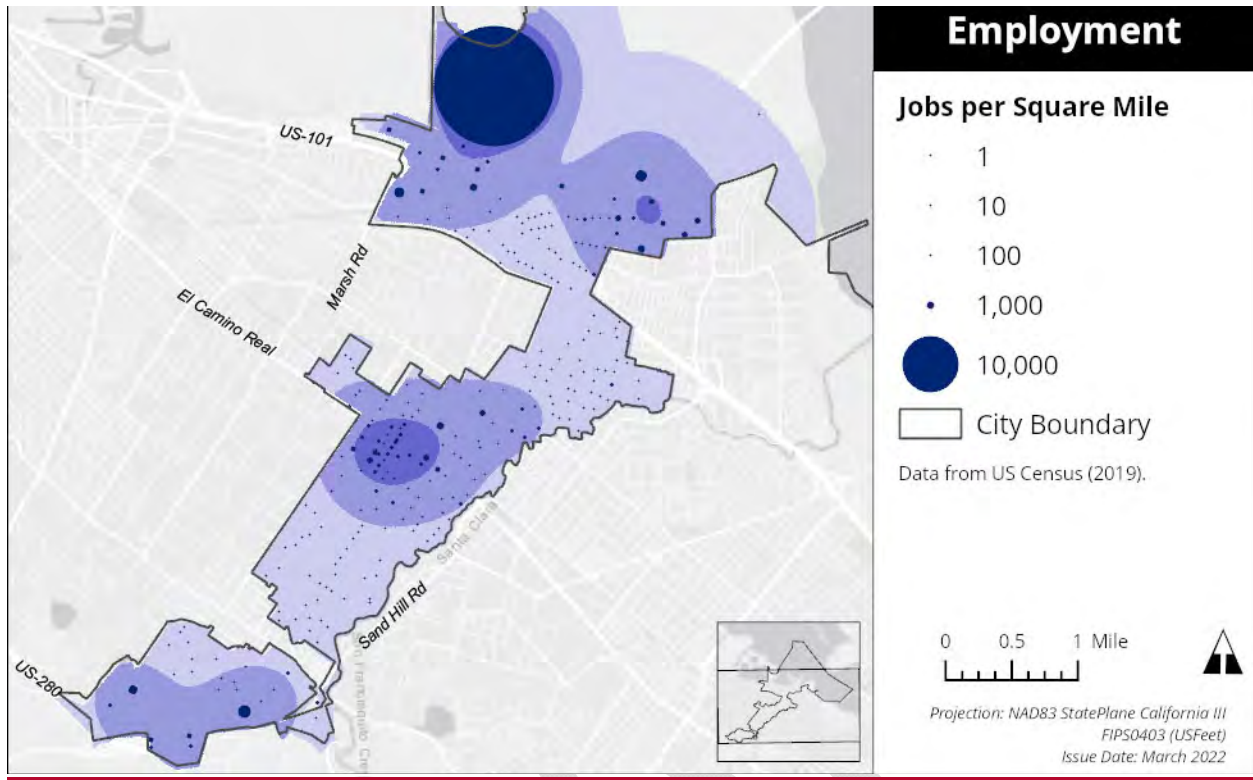
**Table 4-4: Menlo Park Job Trends, 2002-2018**

<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**

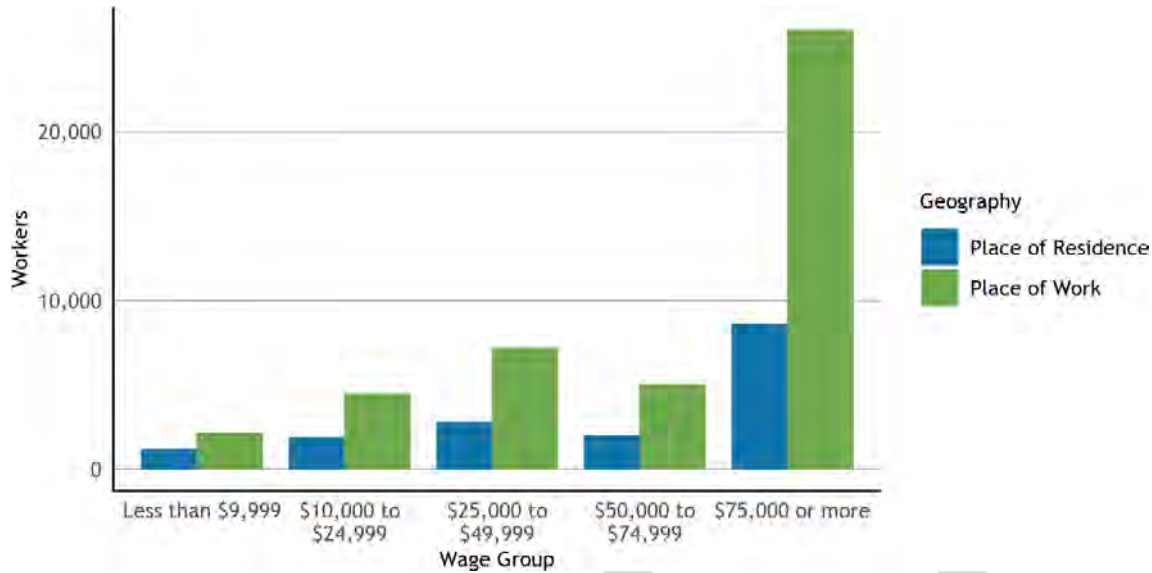


Source: U.S. Census (2019)<sup>10</sup>

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

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



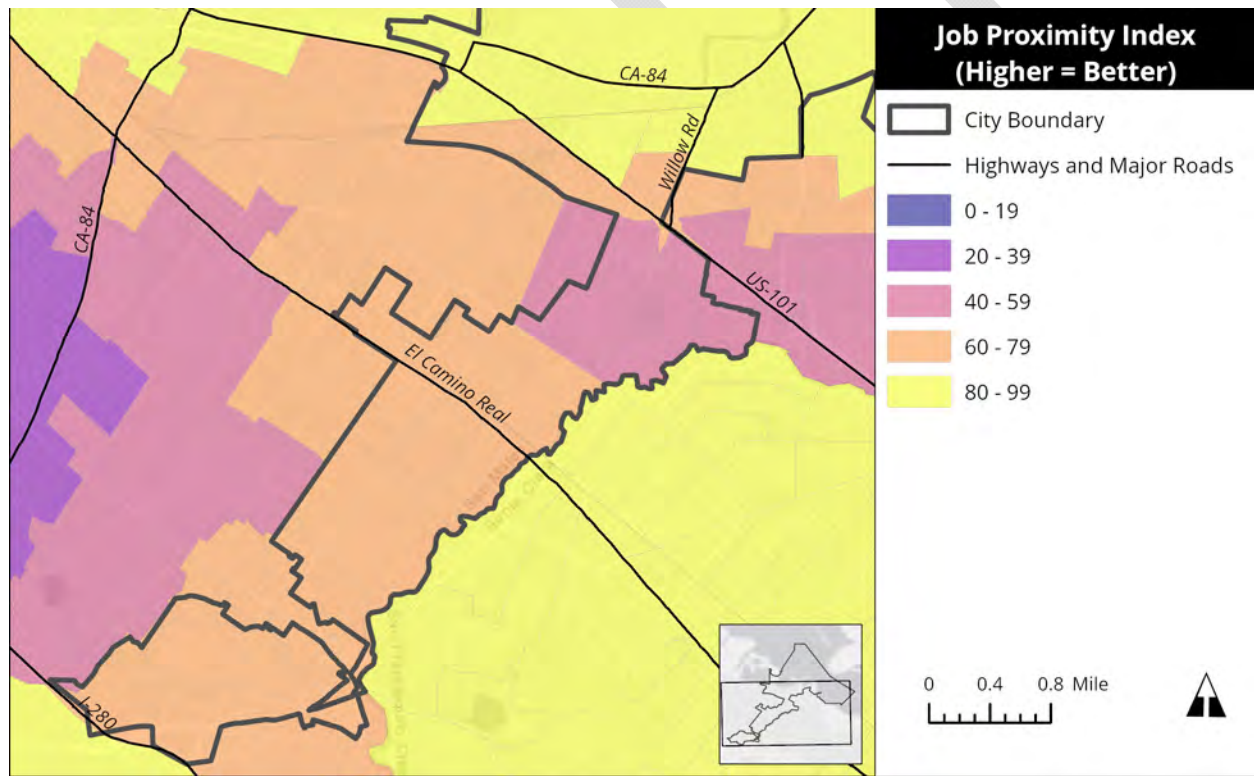
<u>Native Hawaiian/API</u>	<u>362</u>	<u>99%</u>	<u>364</u>	<u>3,422</u>	<u>80%</u>	<u>4,292</u>
<u>Other</u>	<u>944</u>	<u>96%</u>	<u>988</u>	<u>42,065</u>	<u>85%</u>	<u>49,640</u>
<u>Two or More Races</u>	<u>791</u>	<u>99%</u>	<u>800</u>	<u>43,866</u>	<u>94%</u>	<u>46,649</u>
<u>White Alone (not Hispanic)</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

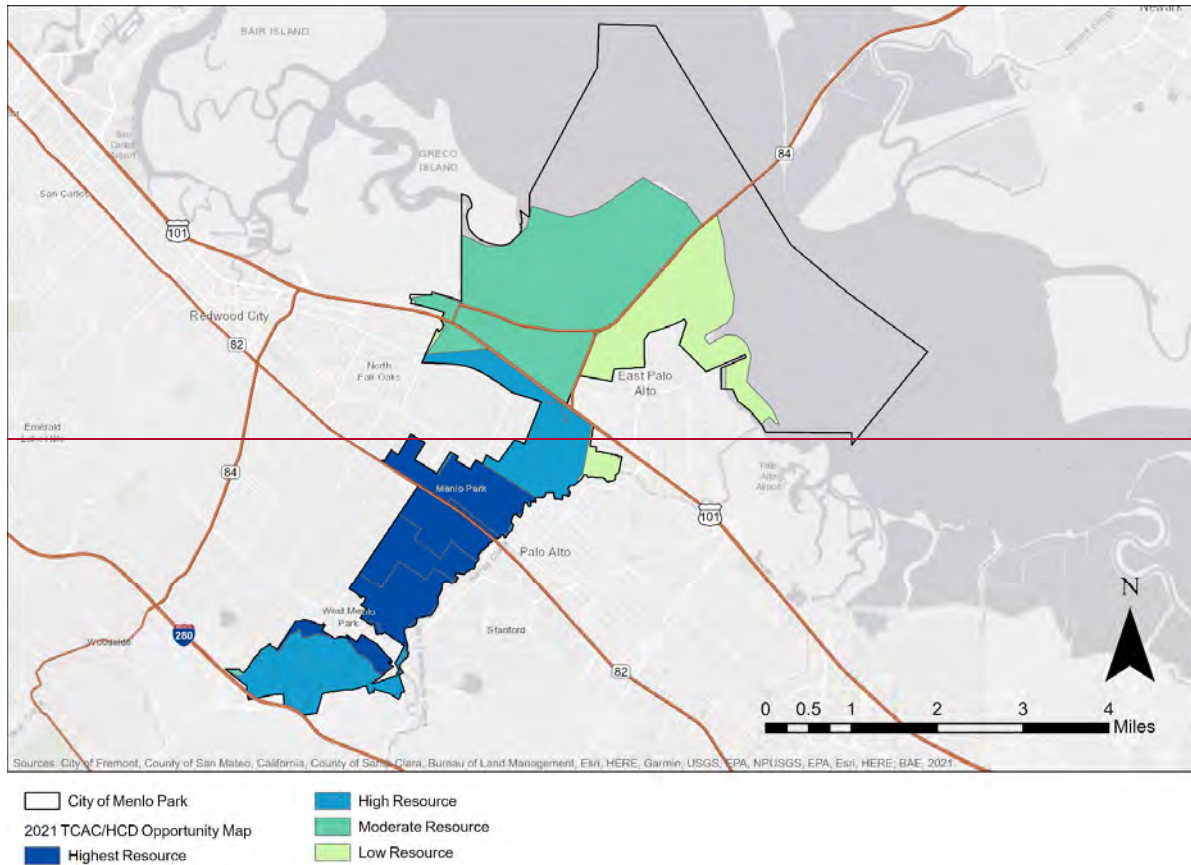
Before an area receives an Opportunity Index score, some Census tracts are filtered into the High Segregation & Poverty category. The filter identifies Census tracts where at least 30 percent of the population is below the federal poverty line and has a disproportionate share of households of color. 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.

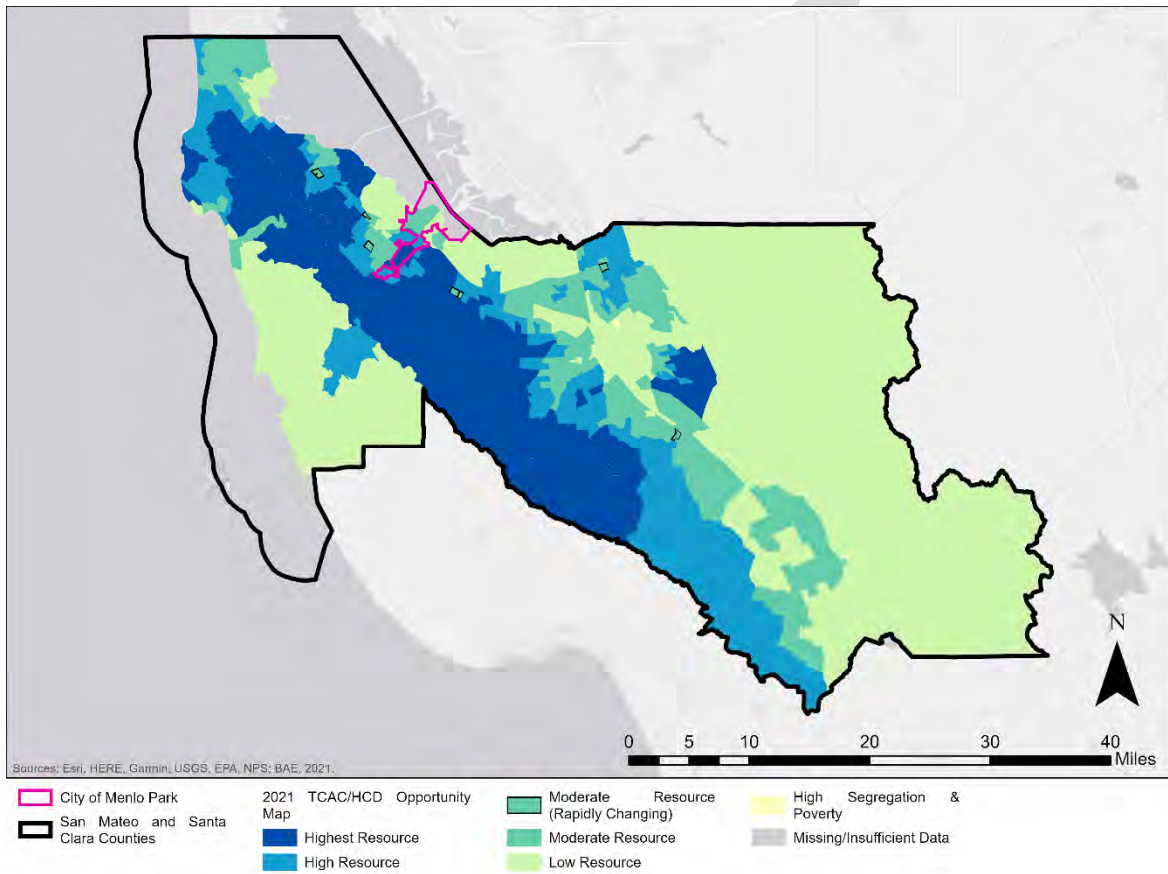
**Figure 4-34: Resource and Opportunity in Menlo Park**



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.menlotgether.org/wp-content/uploads/2021/02/MPCSD-Slides-Color-of-Law.pdf>



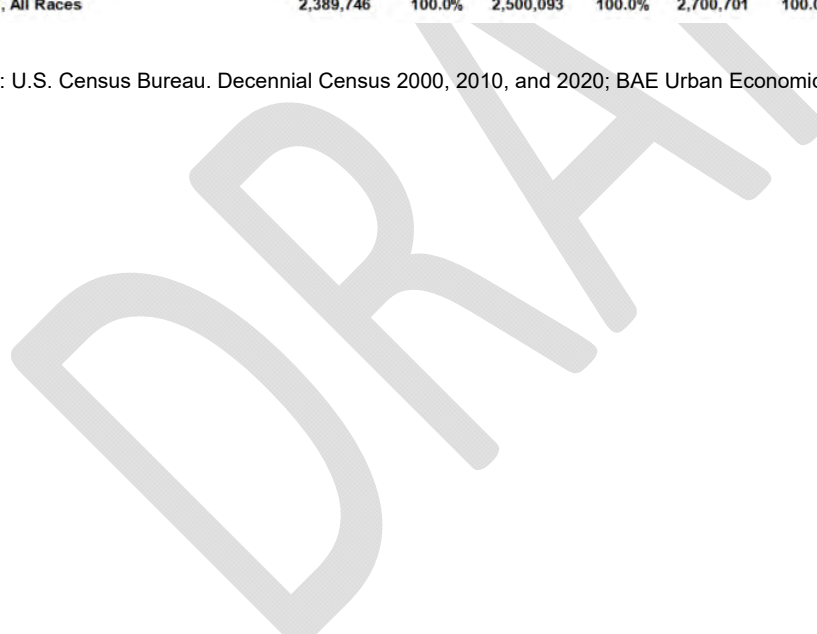
**Table 4-36: Menlo Park, San Mateo County and Santa Clara County by Race and Ethnicity 2000-2020**

	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>

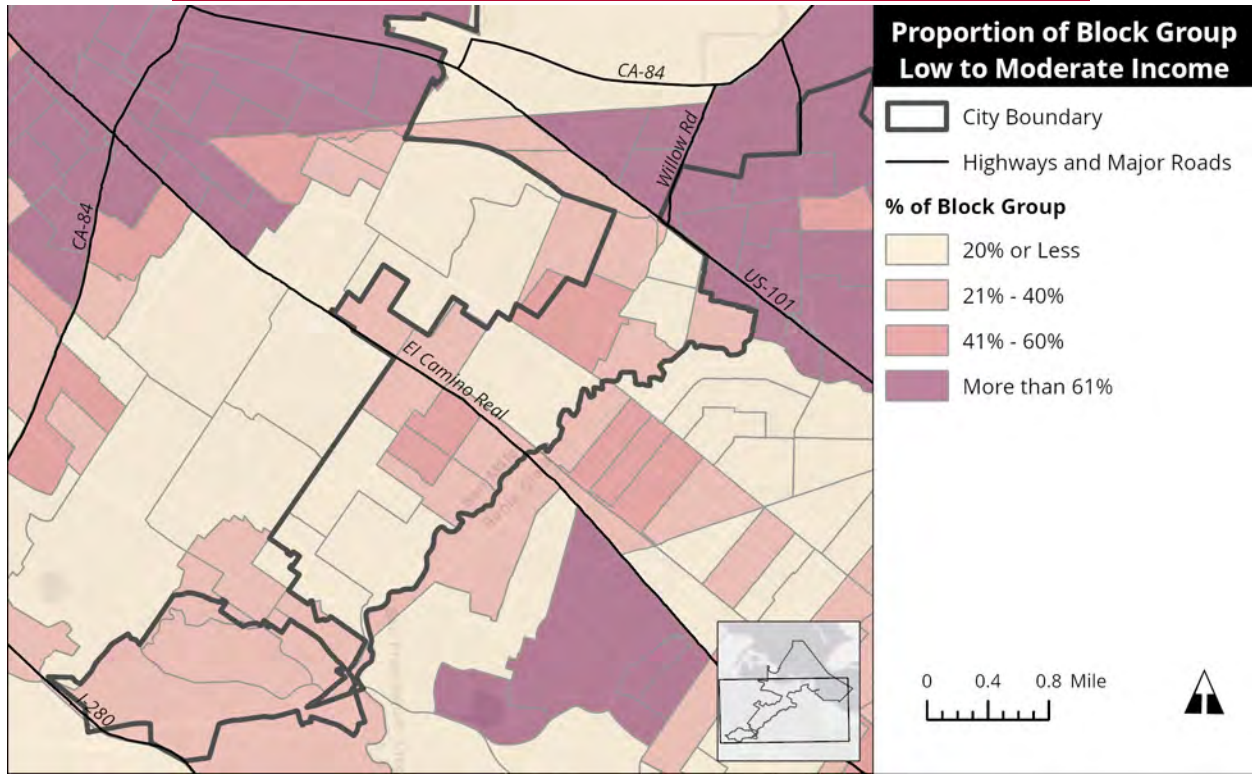
Source: U.S. Census Bureau. Decennial Census 2000, 2010, and 2020; BAE Urban Economics, 2021



## 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>

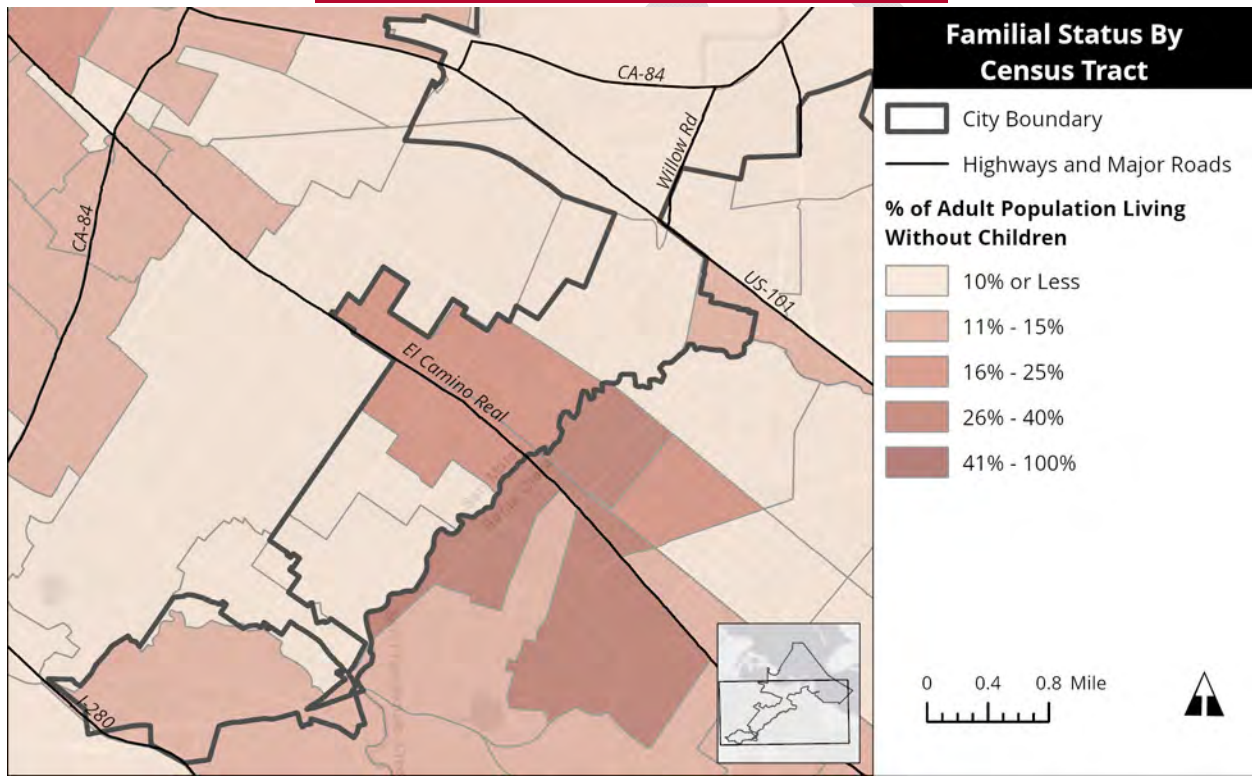
This is likely due to Menlo Park's history as a racially-exclusive suburb, albeit one that was more exclusive than some and less exclusive than others. As with most regions in

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)**



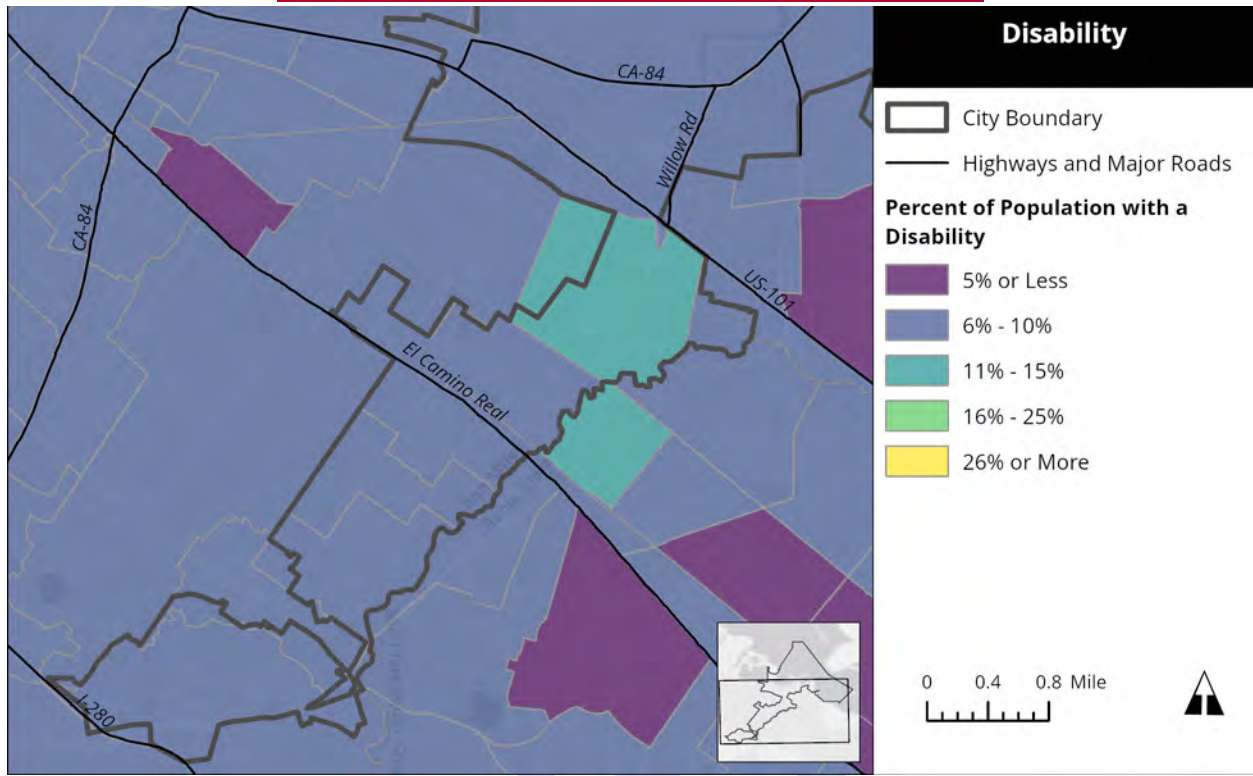
### **Disabilities**

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)**

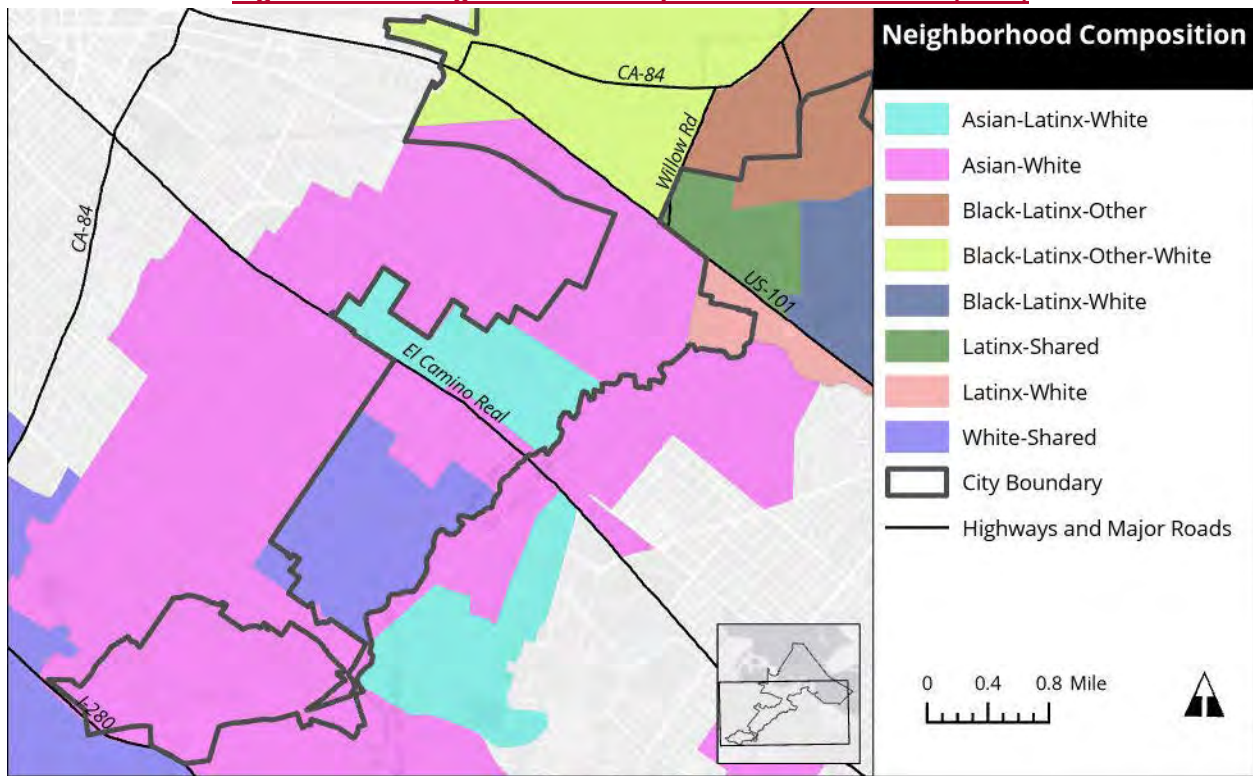


### Groups with Highest Levels of Segregation

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

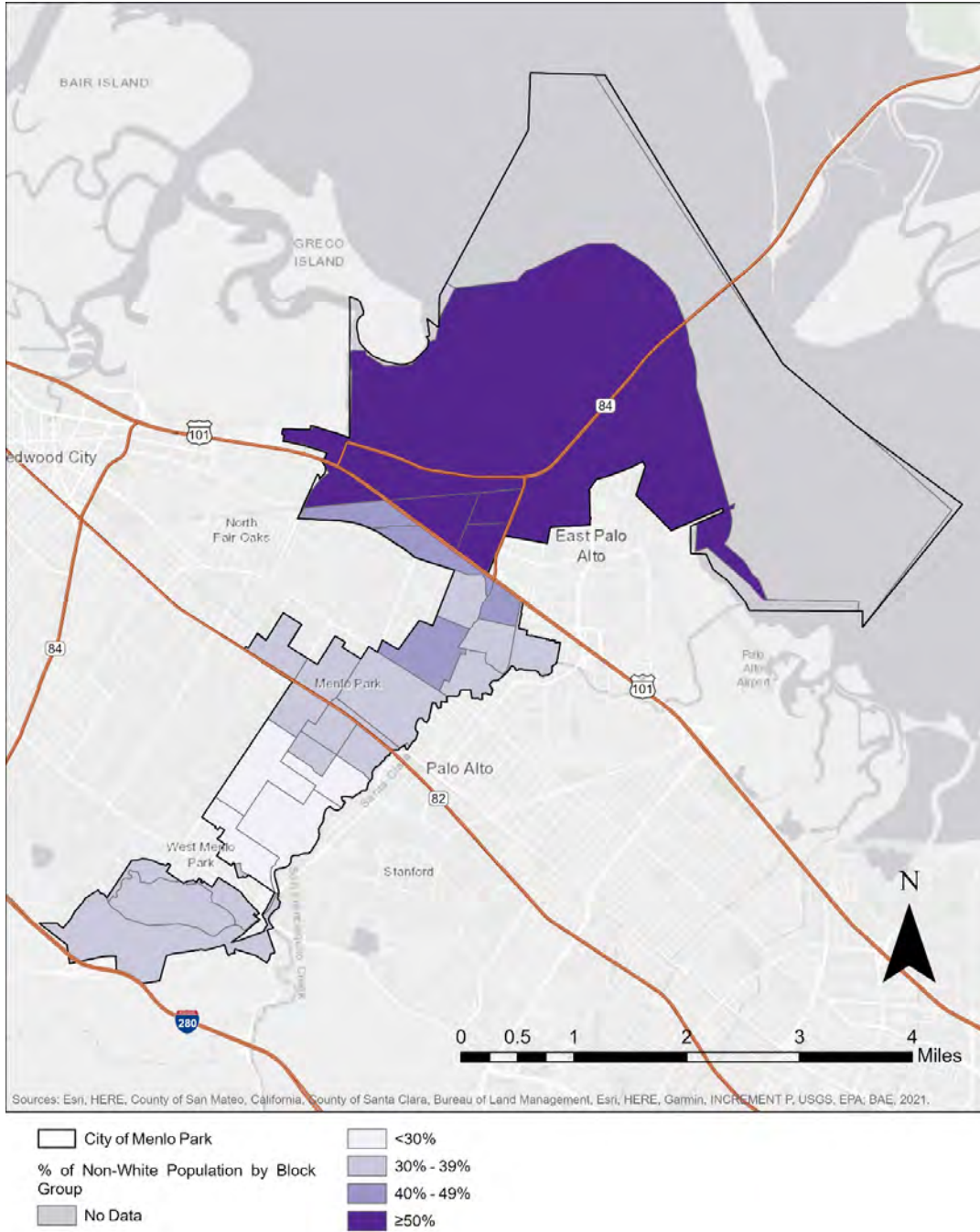
Source: U.S. Census Bureau, 2010 Decennial Census, Table P9; American Community Survey, 2015-2019 five-year sample data, B03002, BAE Urban Economics, 2021

<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>



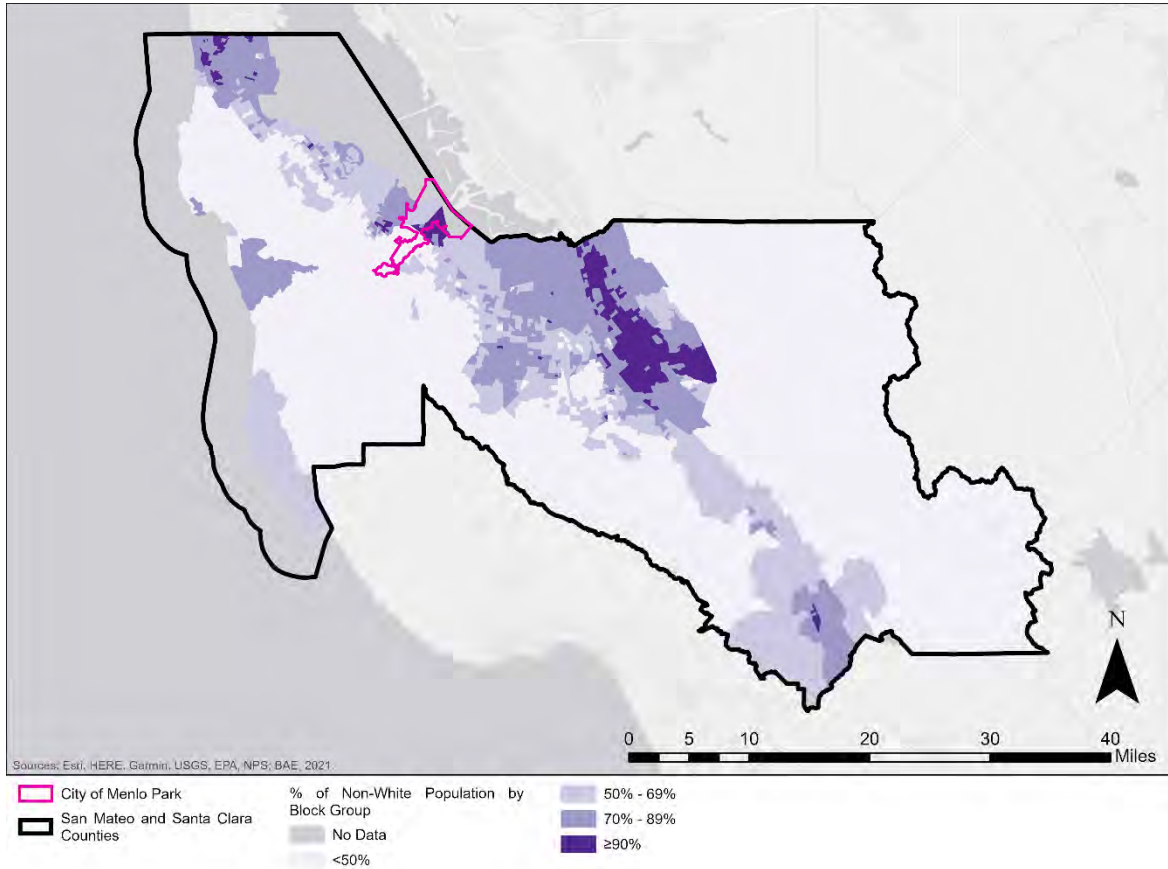
**Figure 4-510: Census Block Groups by Percent Non-White, Menlo Park**



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>

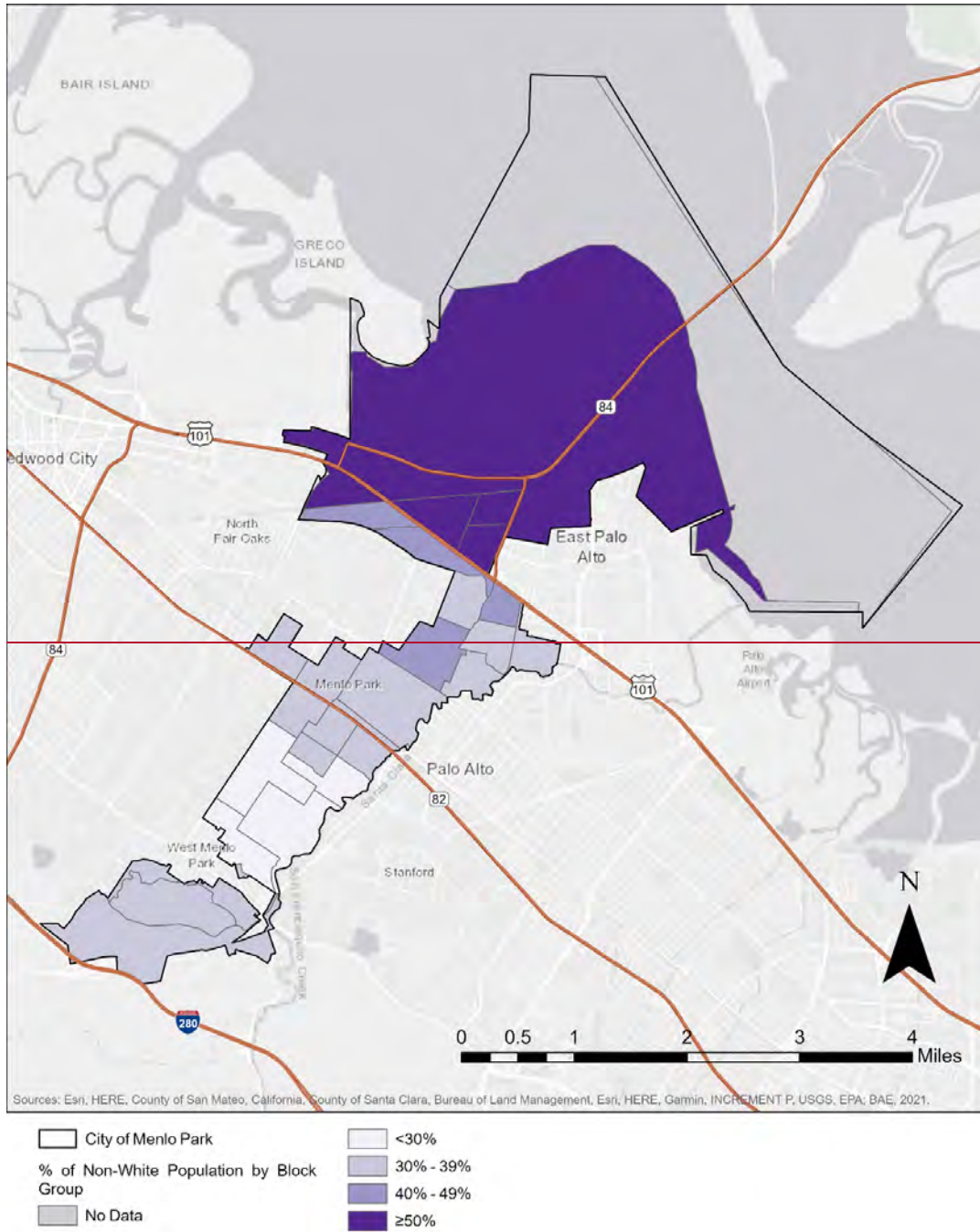
**Table 4-5: Menlo Park Isolation Index, 2010 and 2015-2019**

<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**

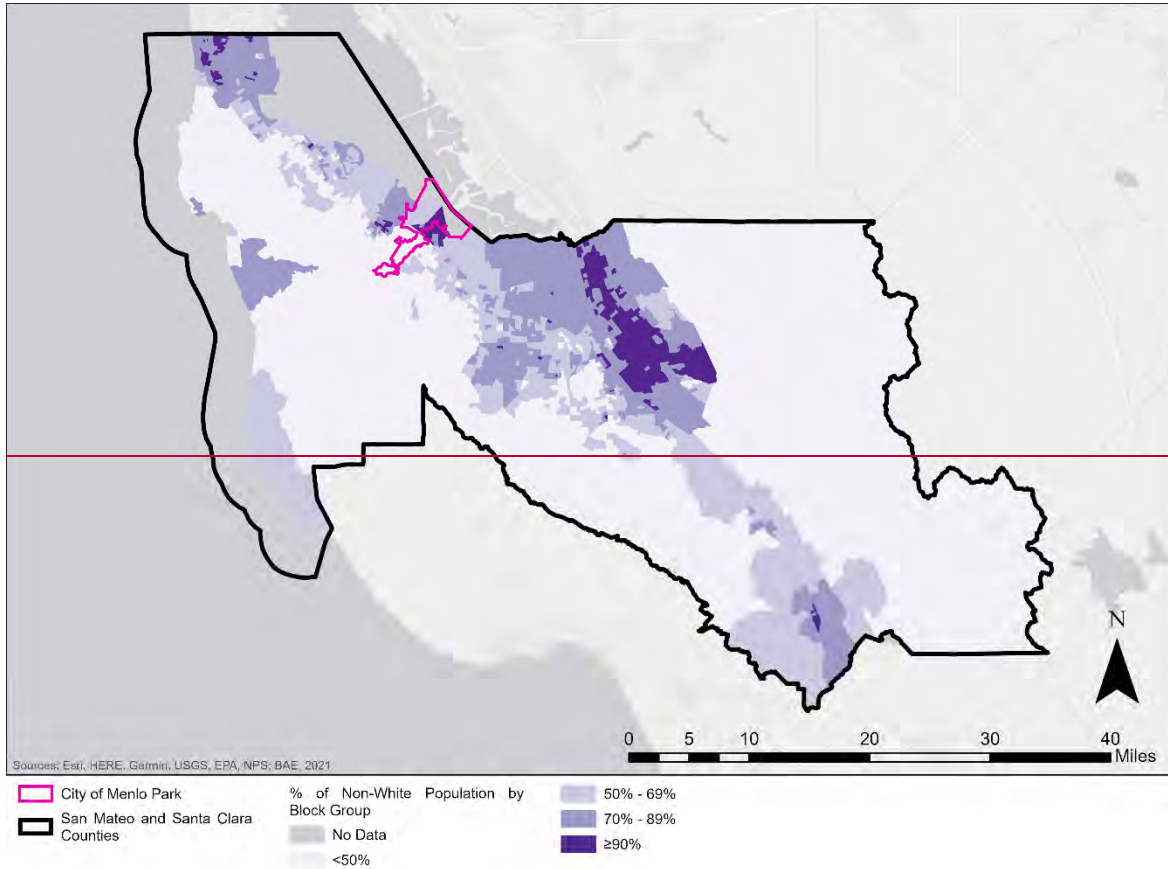


Note: Includes all categories except White non-Hispanic persons.

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

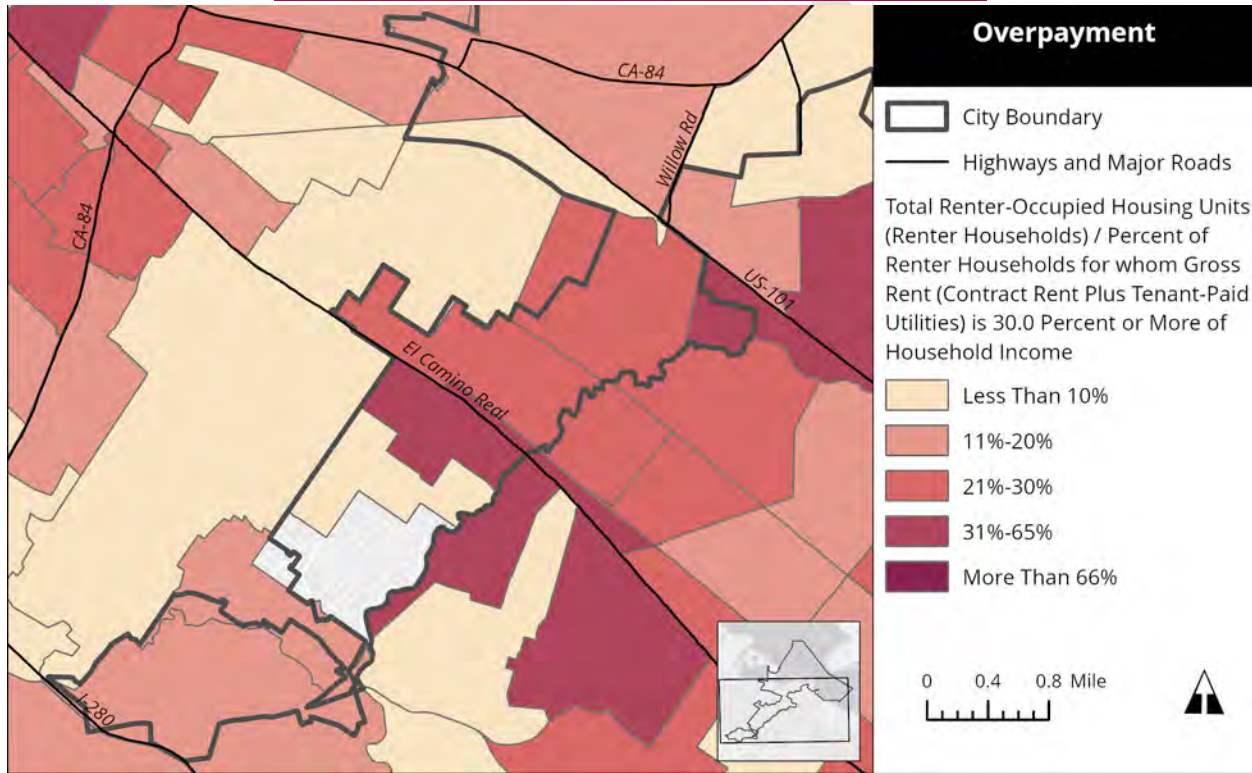
A household that spends more than 30 percent of its income on home payment is considered cost burdened. In Menlo Park, 16.3 percent of households are severely cost burdened and spend more than 50 percent of their income on housing, while 17.3



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.

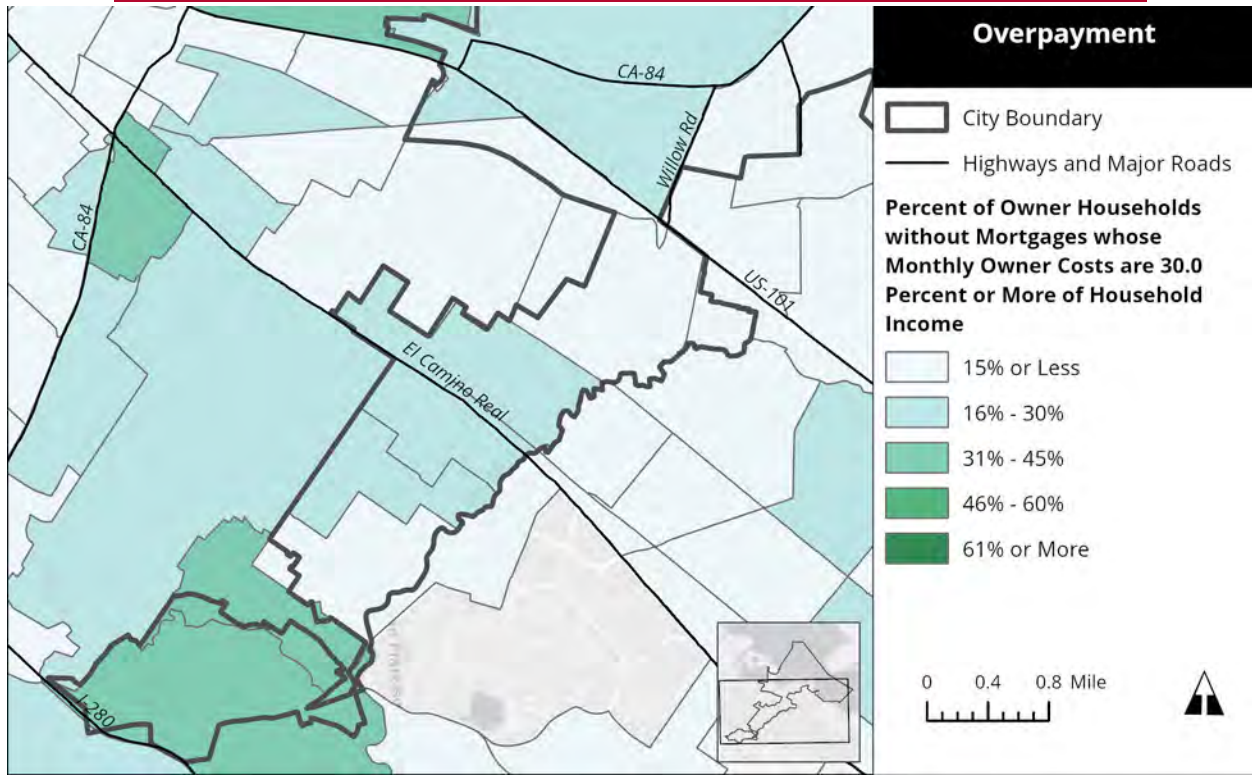
**Figure XX4-13: Overpaying Renters in Menlo Park (2019)**



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.

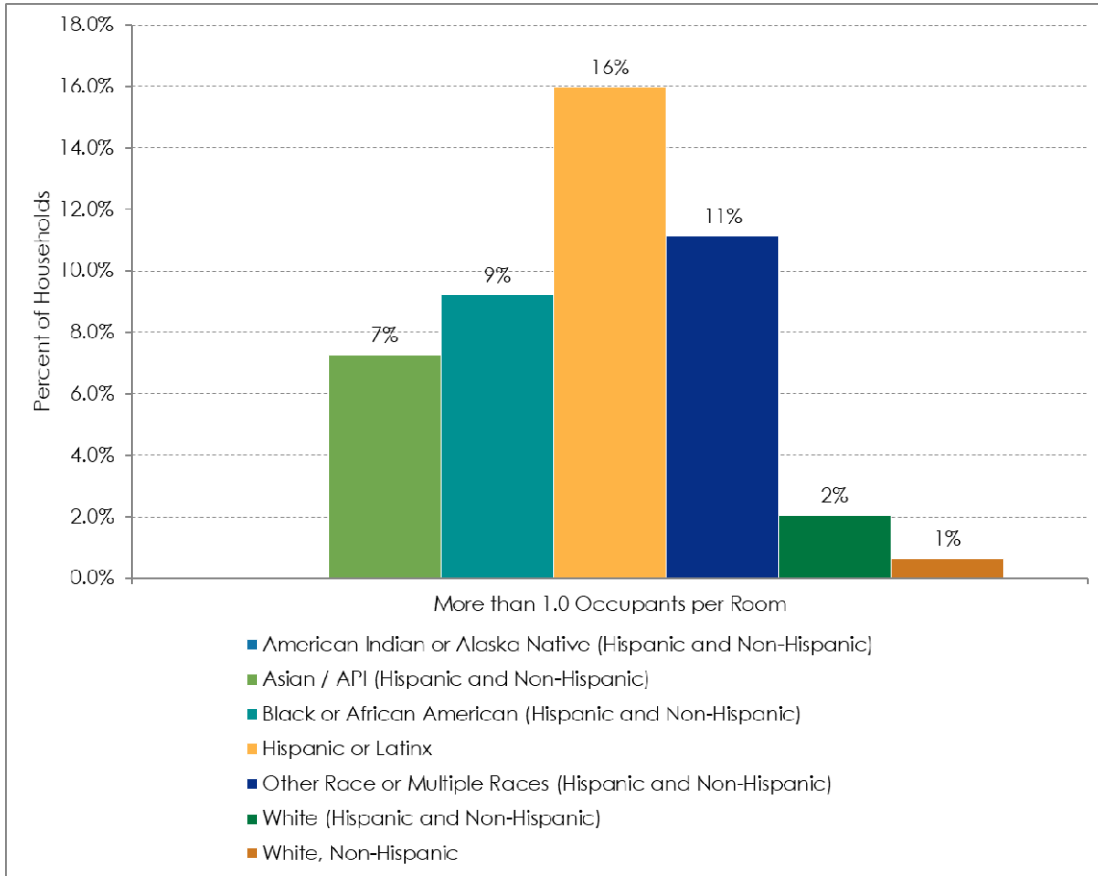
**Table XX4-12: Overcrowding in Menlo Park Compared to the Region (2017)**

<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)**

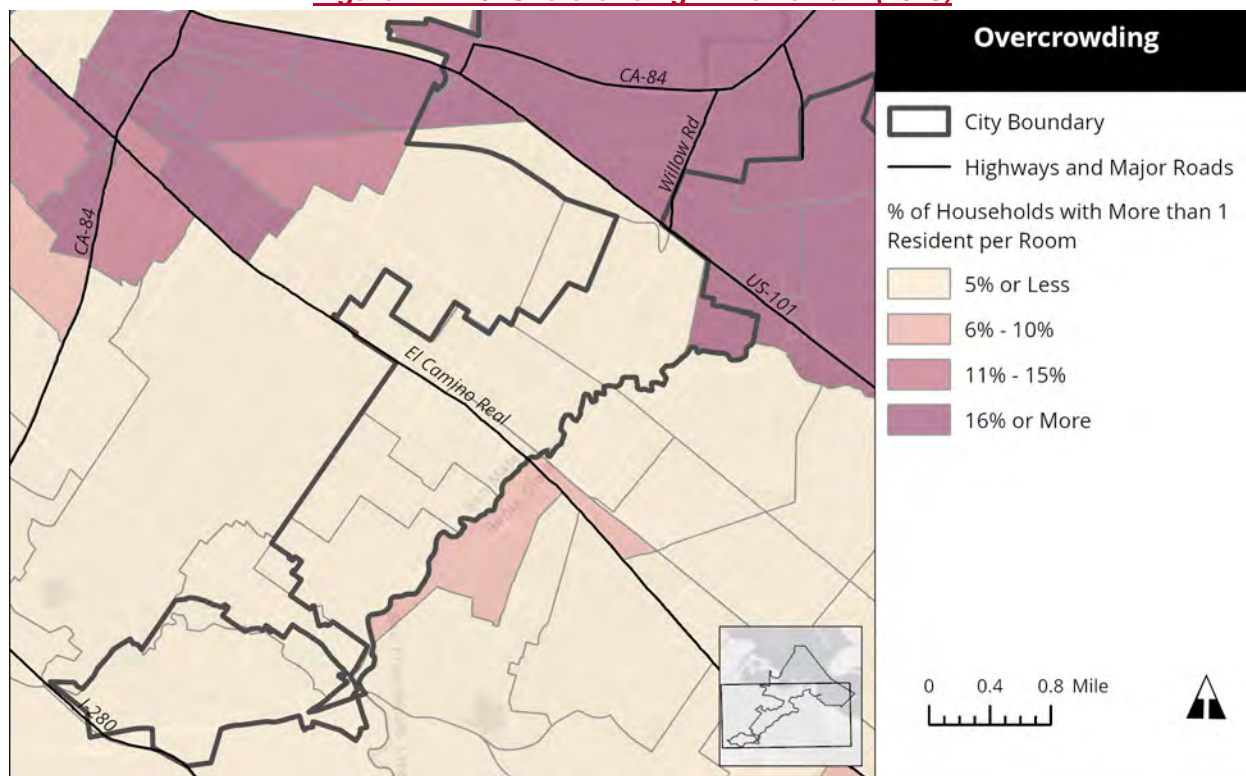


**Table XX4-13: Overcrowding in Menlo Park Compared by Income Level (2017)**

<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)**

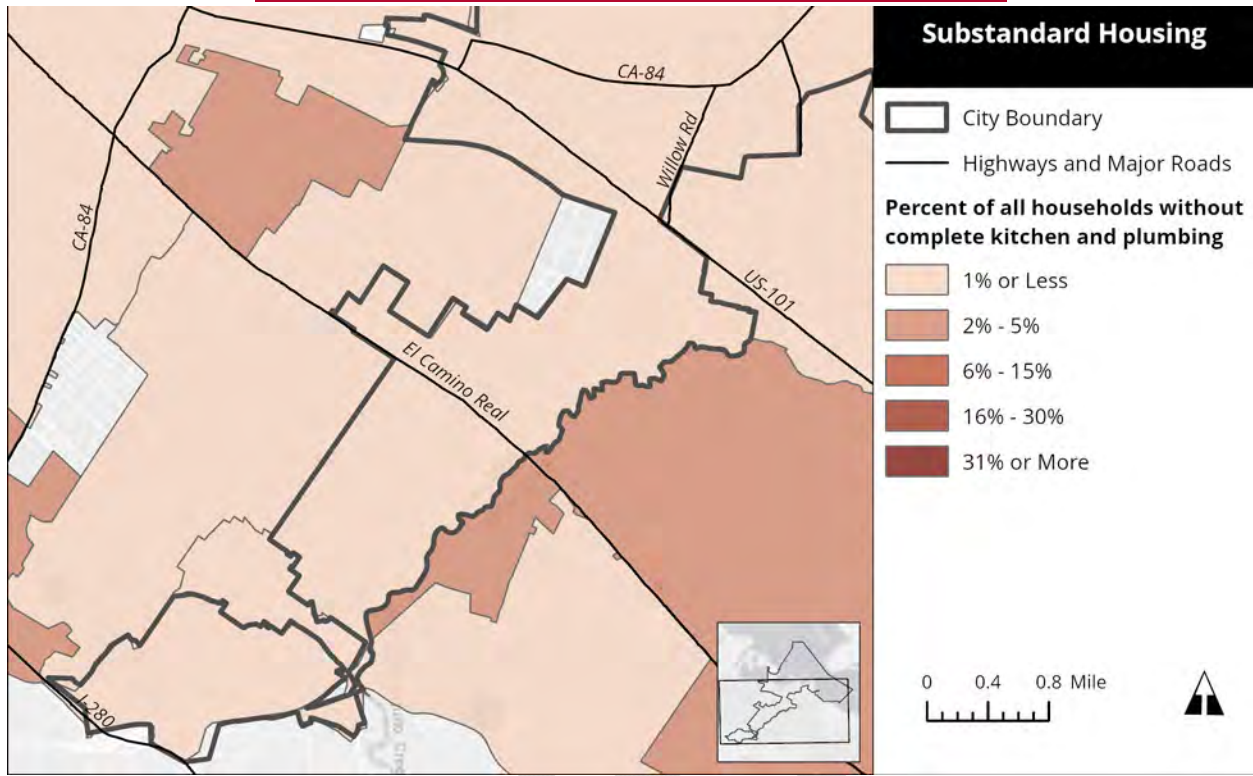


There are only 165 severely overcrowded households (with more than 1.50 occupants per room) in Menlo Park. These households are not possible to map because they fall within the tract-level margins of error for the city.

### **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.

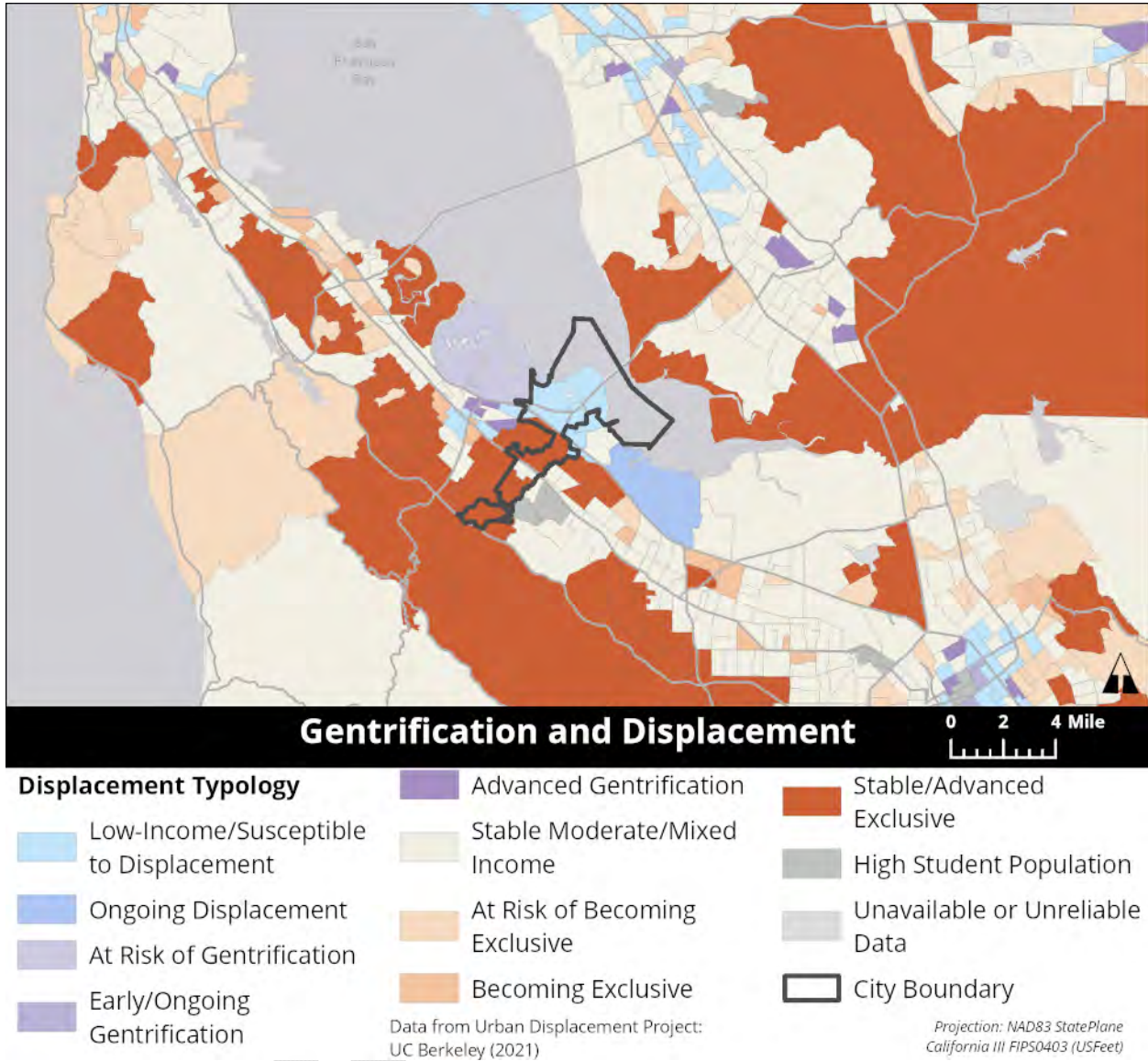
Displacement has the most severe impact on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they also lose their support network. According to the Urban Displacement Project developed at the University of California, Berkeley, census tracts, 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.

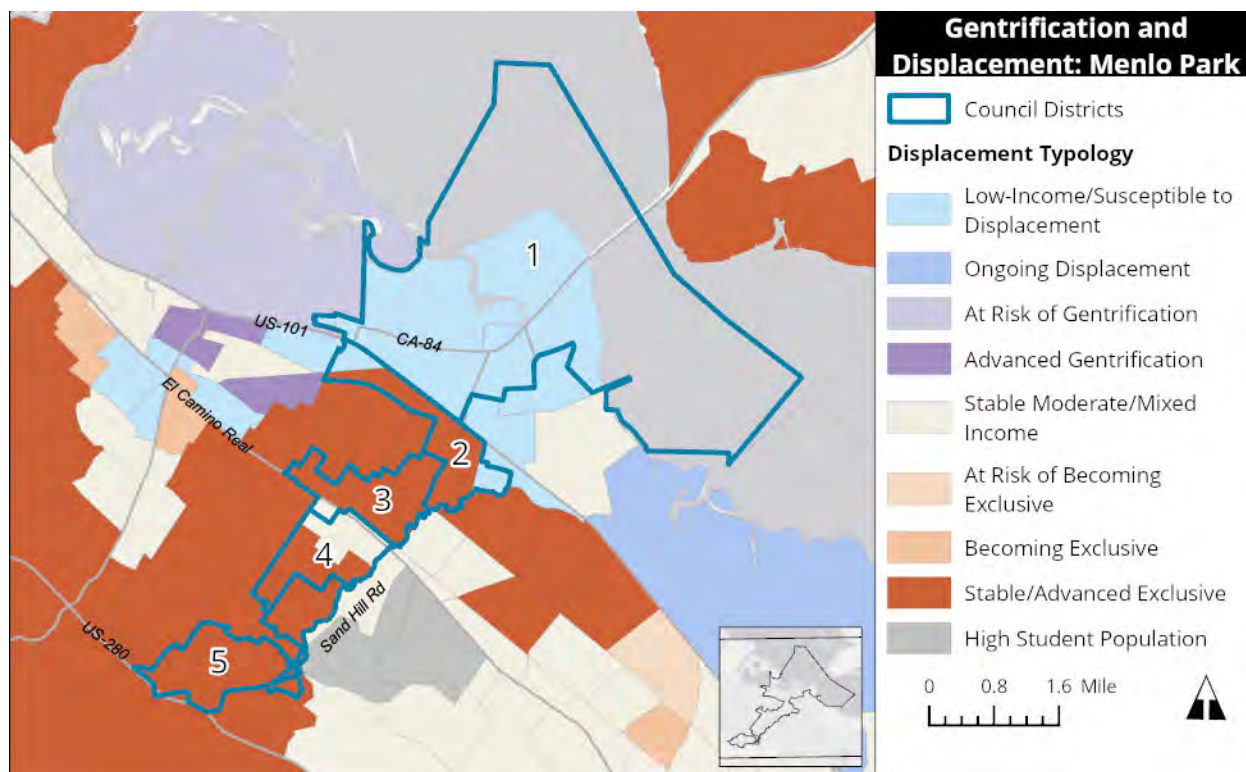


Figure 4-1987: Gentrification and Displacement



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.

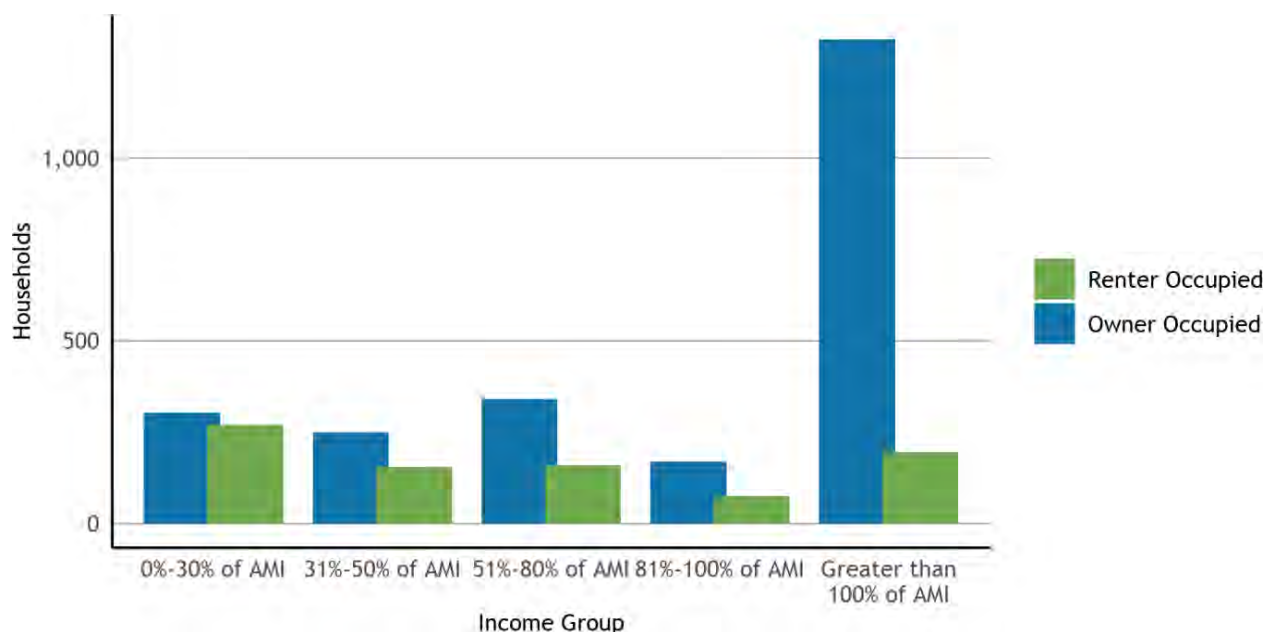
### **Data**

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 4-9240: 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**

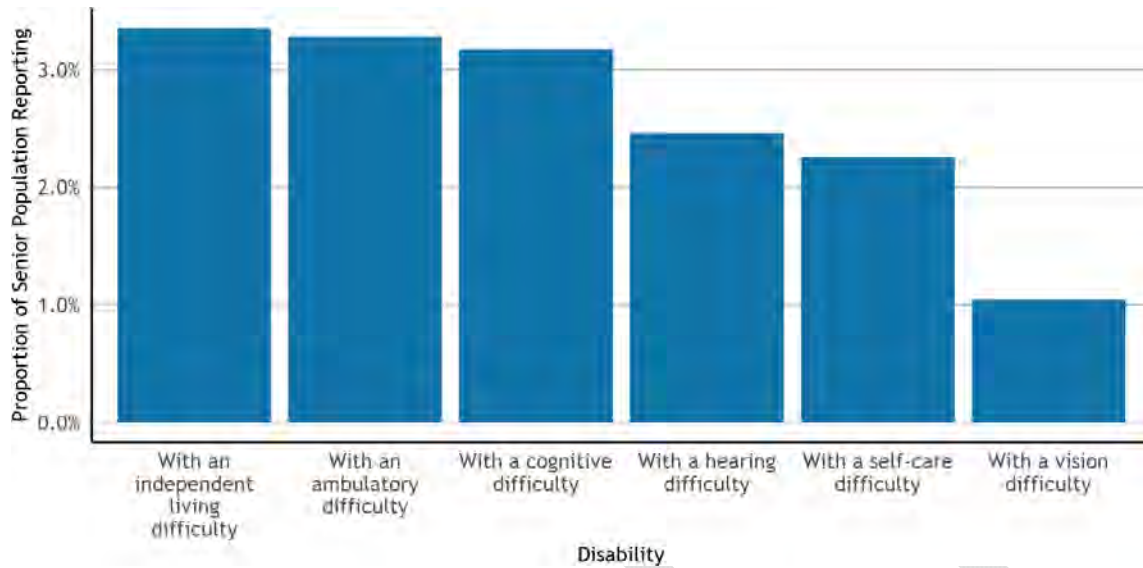
The need for affordable accessible housing typically exceeds what is available, particularly in a housing market with such high demand. People living with disabilities are at high risk for housing insecurity, homelessness, and institutionalization, particularly when they lose aging caregivers. Figure 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

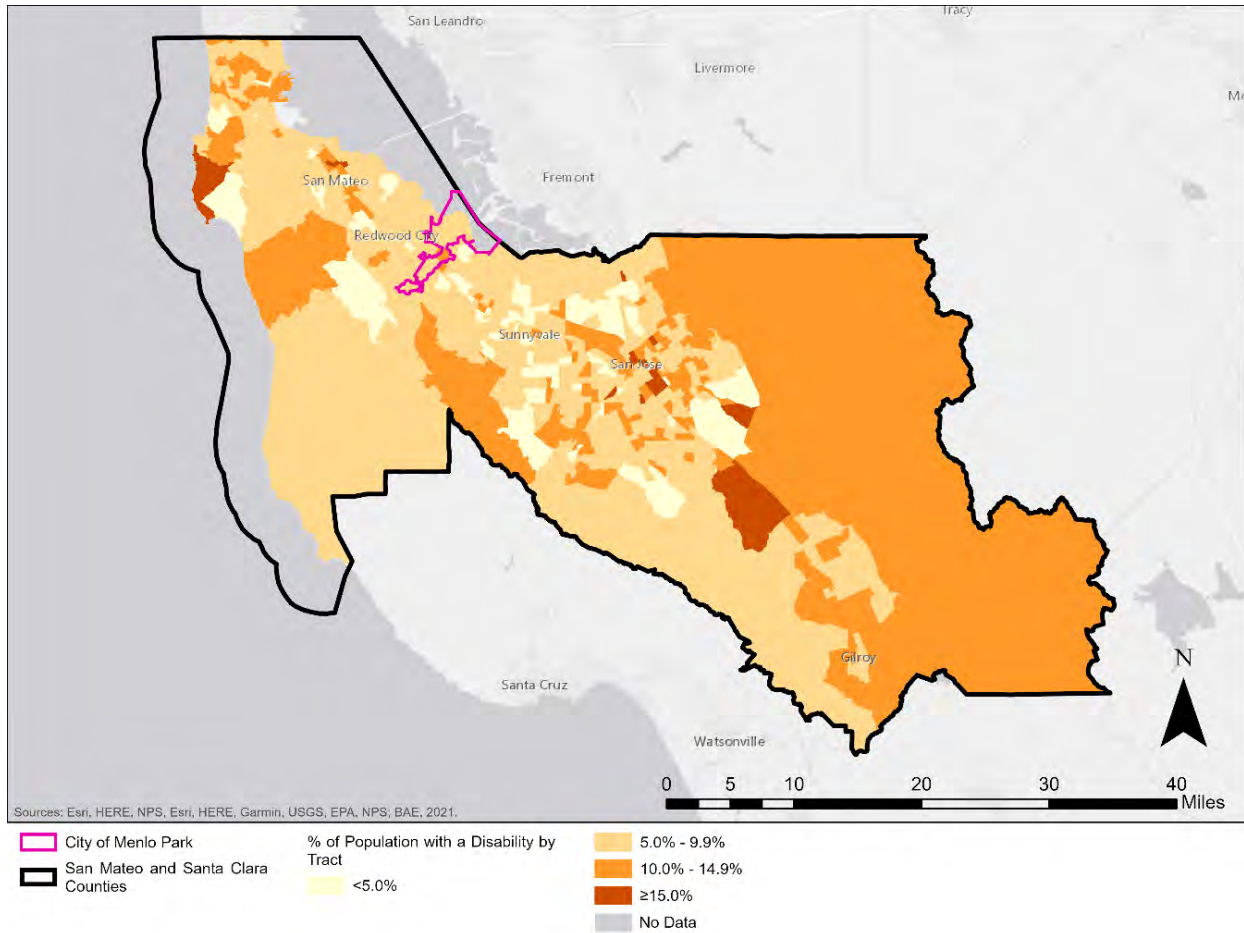


Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

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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>

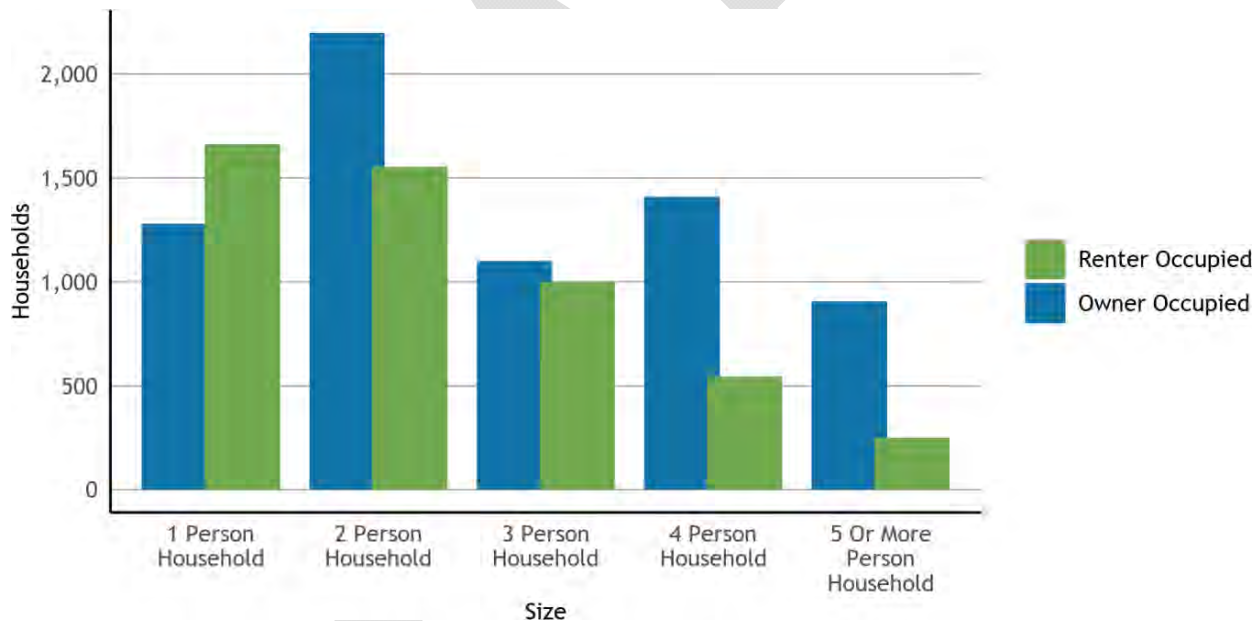
## Large Families

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

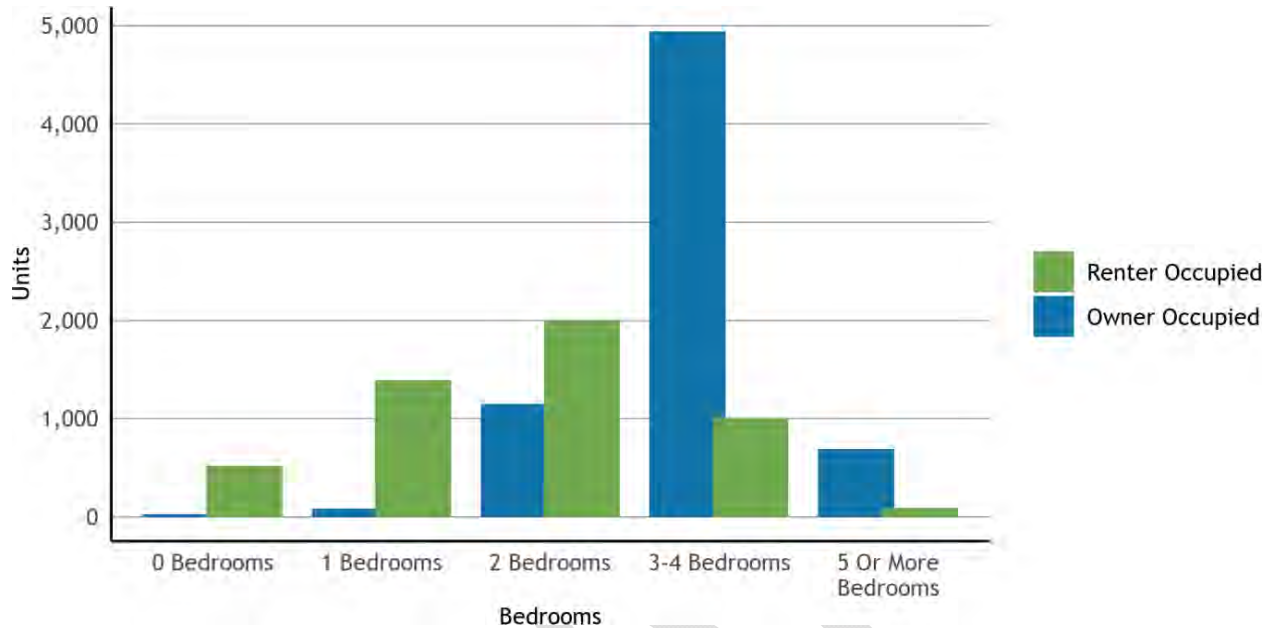


Source: ABAG/MTC Housing Needs Data Report: Menlo Park, April 2021; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)

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*

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> </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>



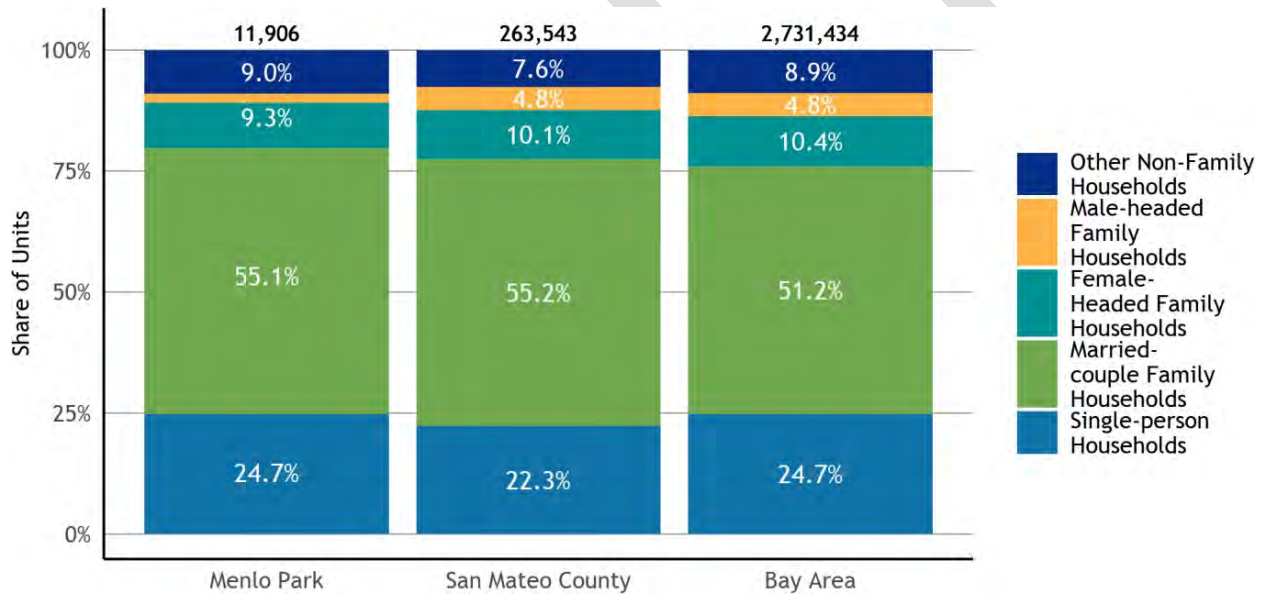
## Female-Headed Households

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).

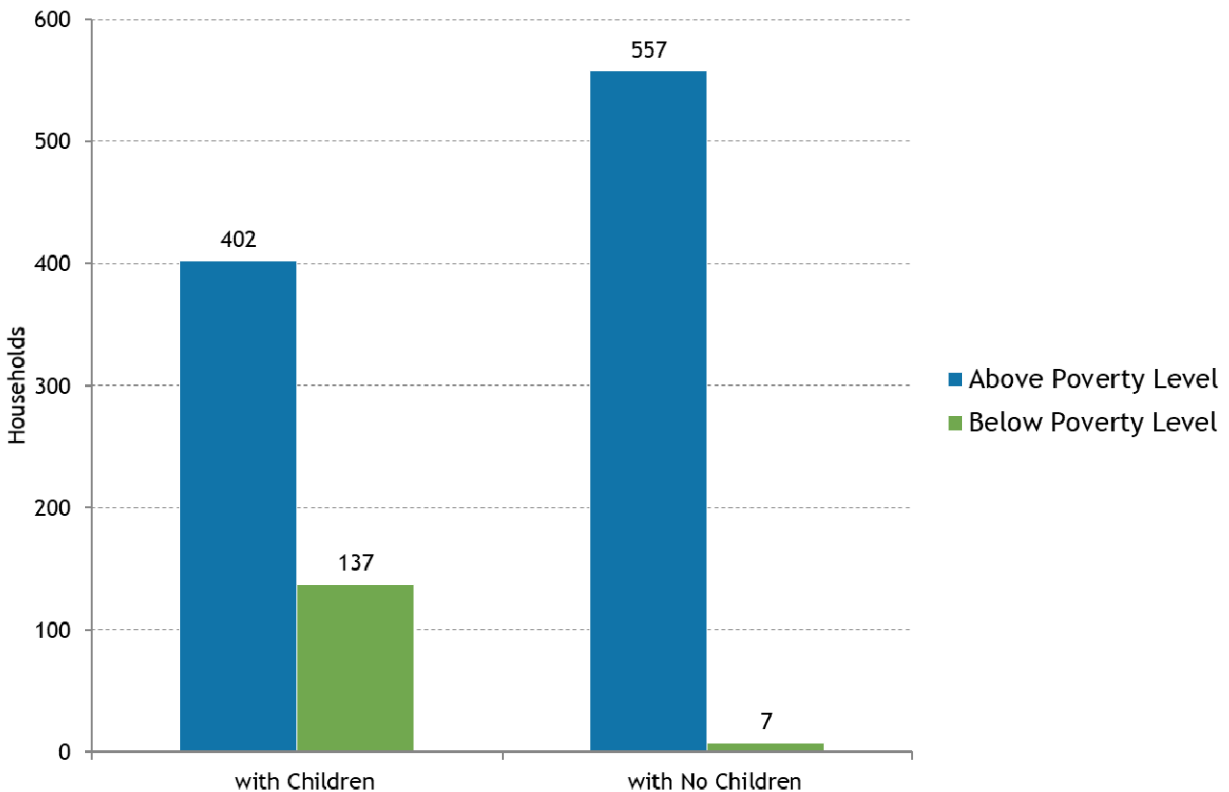
Figure 4-13: Household Type



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.

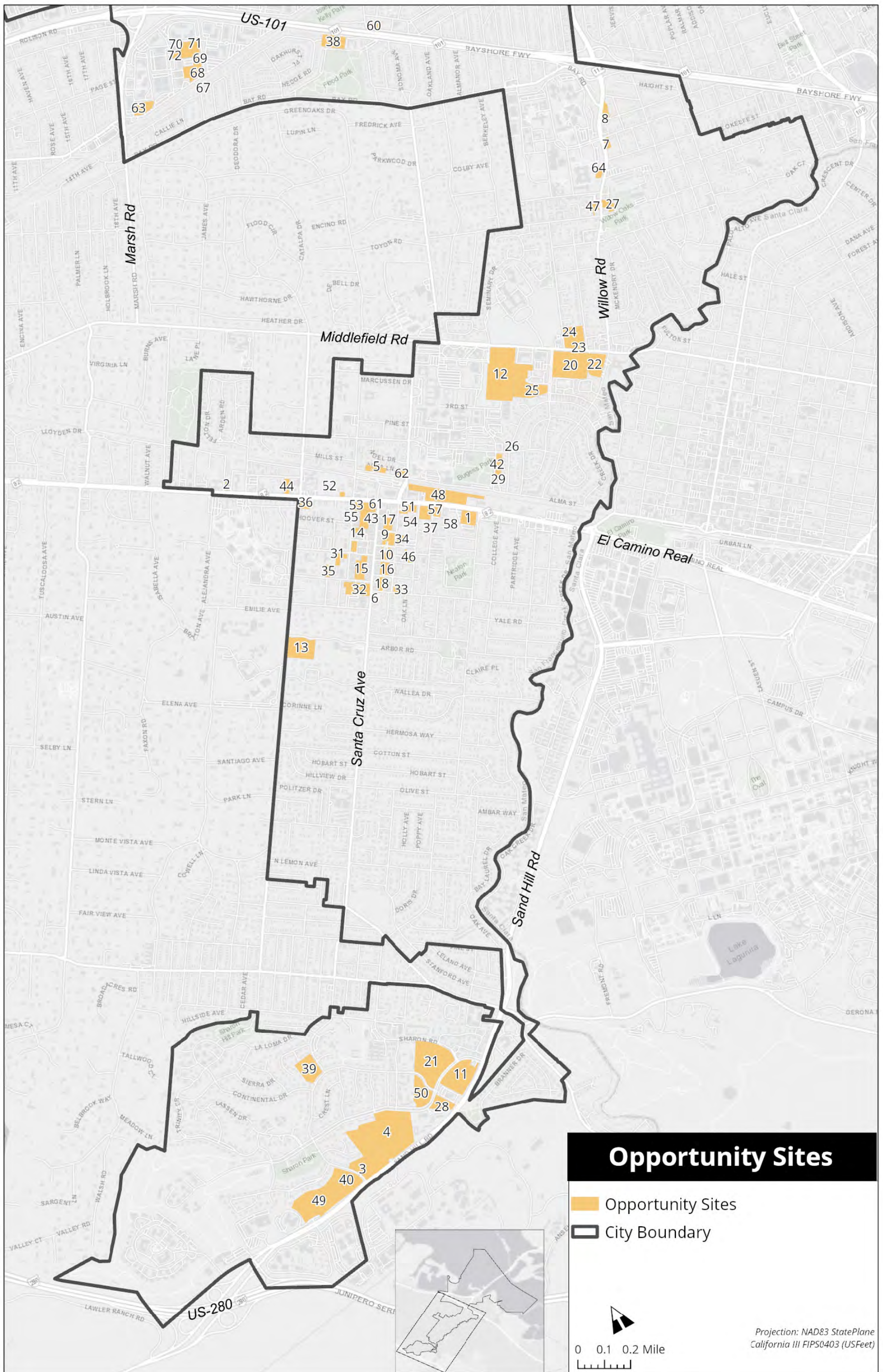
Each site is described with a Site Sheet available in Appendix 7-5. The Site Sheets provide general planning information, site-specific HCD Housing Opportunity Site Criteria, and Key Findings for what development is likely to occur on the site. **Realistic Site** Capacity calculations that determine 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.



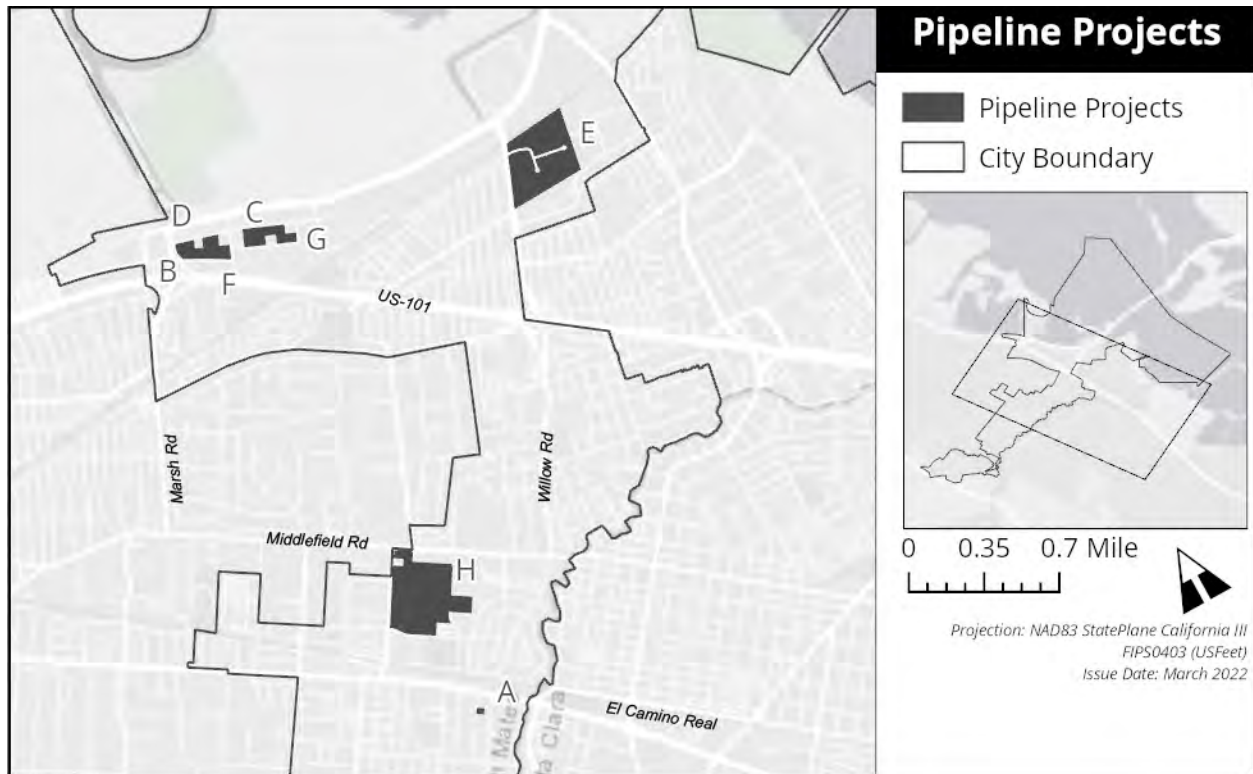
	Ravenswood Avenue (SRI Master Plan)							
	Total	3,6454	<u>3,0463,047</u> 50	<u>5994</u>	1334	<u>269268</u> 30	<u>23019919</u> 7	

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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***

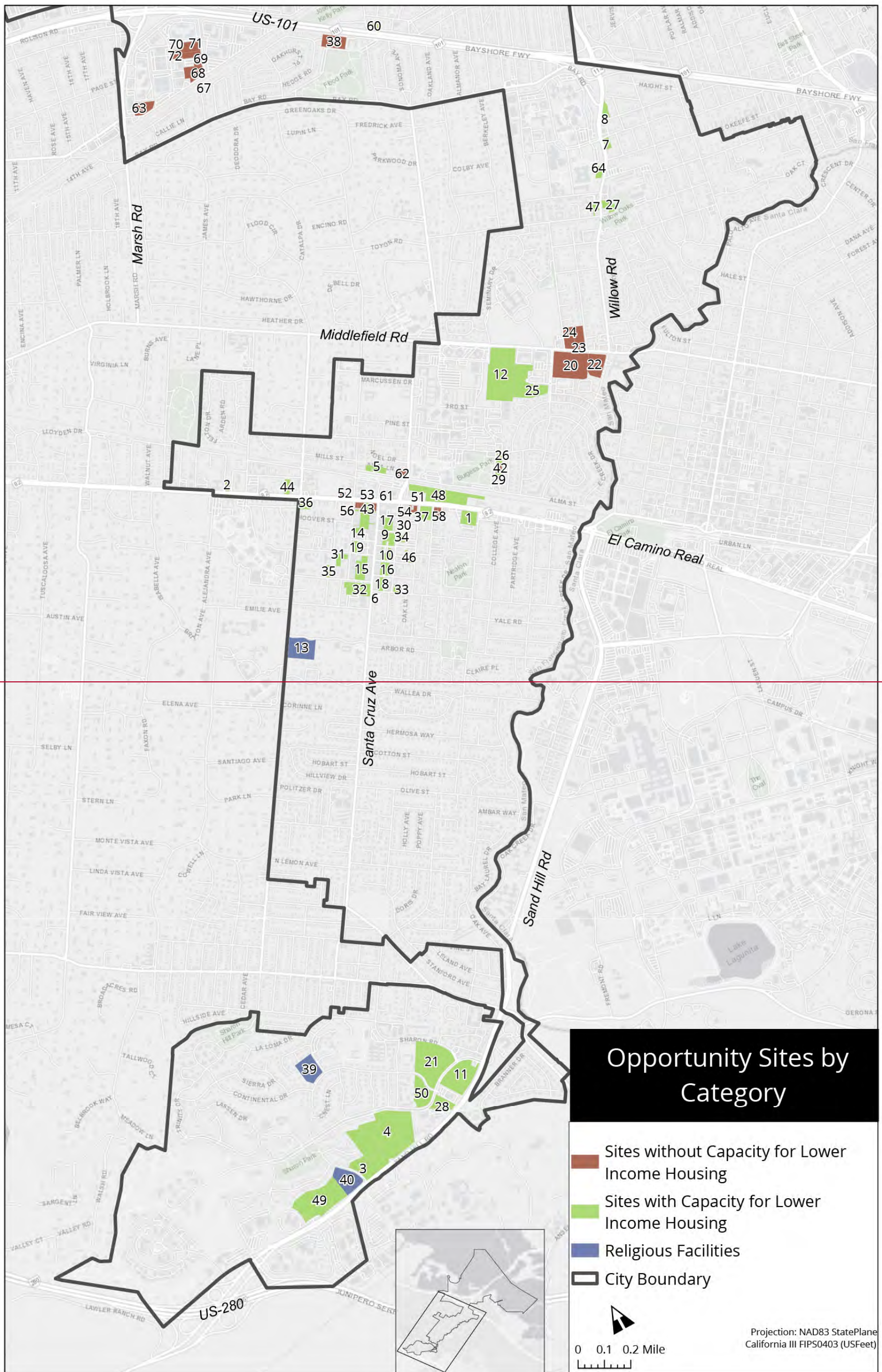
<b><u>Geography</u></b>	<b><u>Land Use</u></b>	<b><u>Realistic</u></b>	<b><u>Typical</u></b>	<b><u>Infra.</u></b>	<b><u>Enviro.</u></b>	<b><u>Total</u></b>
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	<u>Controls</u>	<u>Capacity</u>	<u>Densities</u>	<u>Availability</u>	<u>Constraints</u>	
<u>Specific 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>

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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)

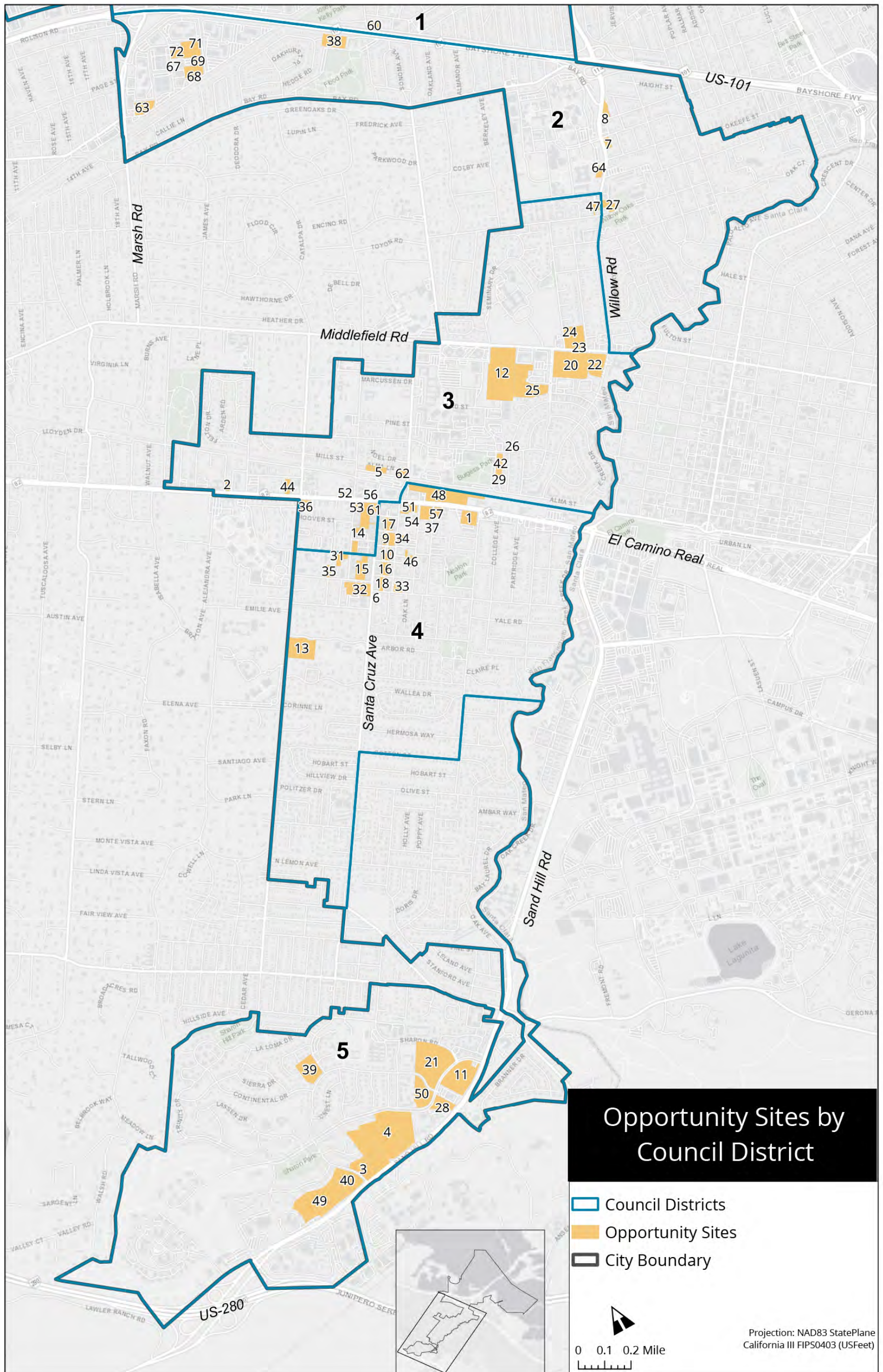
housing; there should be sites in the richer areas of the city that are to be used for housing that can be used for fair housing.

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.

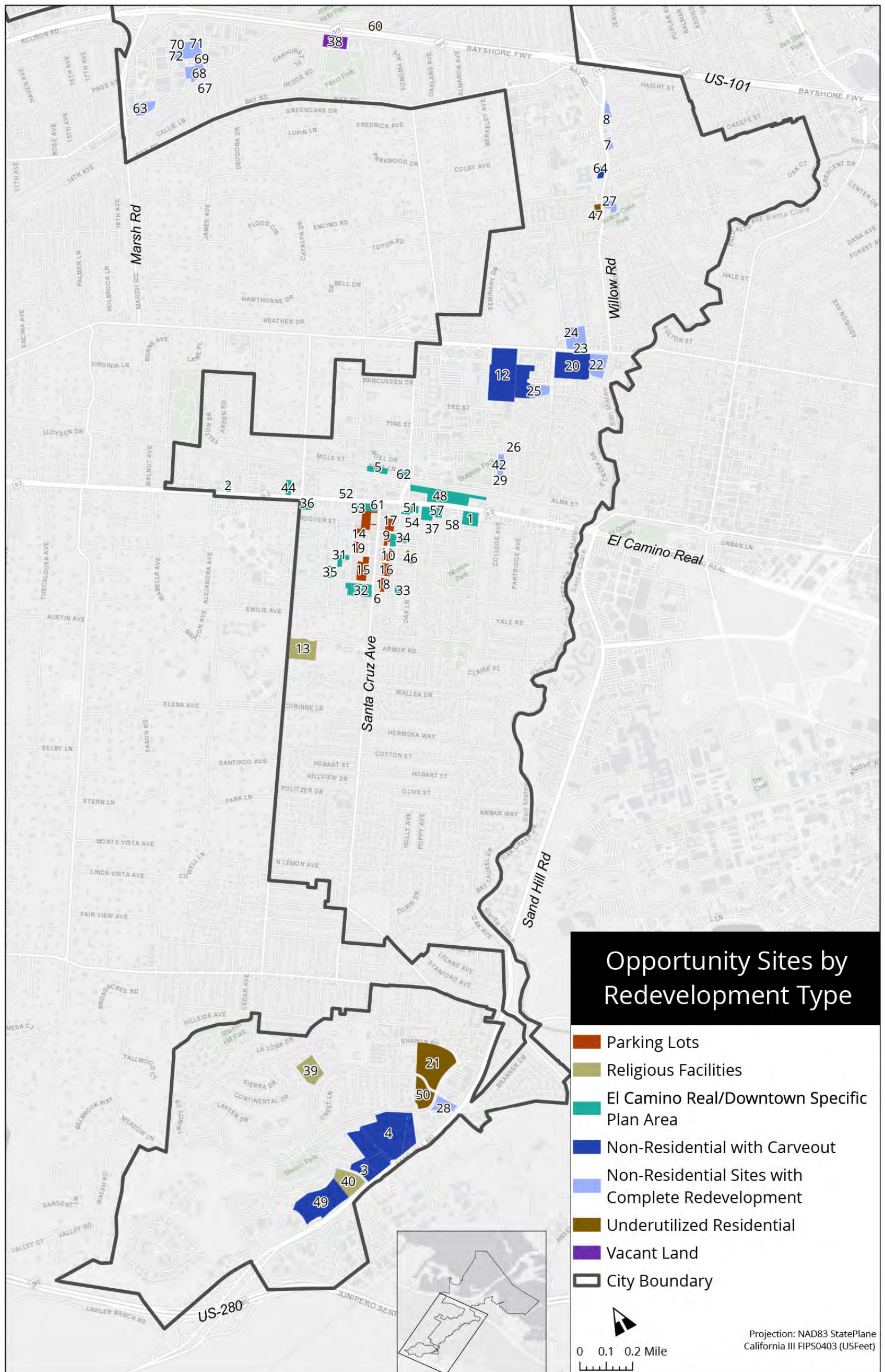
Site #38, 320 Sheridan Drive, is the location of the former James Flood Elementary School and is owned by the Ravenswood City School District (RCSD). RCSD has indicated it is in negotiations with Alliant Strategic Development (potential developer) to build up to 90 affordable housing units with teachers 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



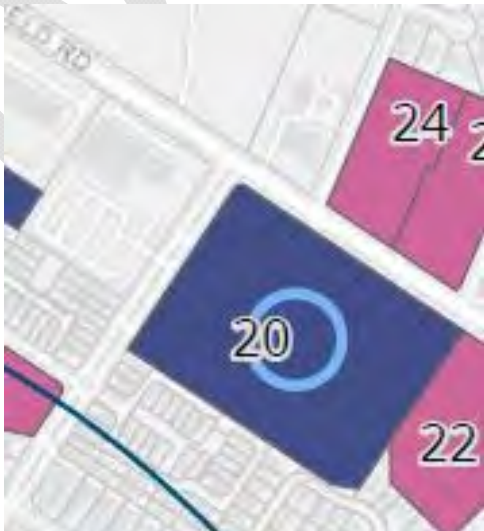
sites they mentioned was horizontal mixed use, where affordable housing is adjacent to other uses on the same parcel. This carveout would be limited to the vacant portion of the site, or atop existing surface-level parking.

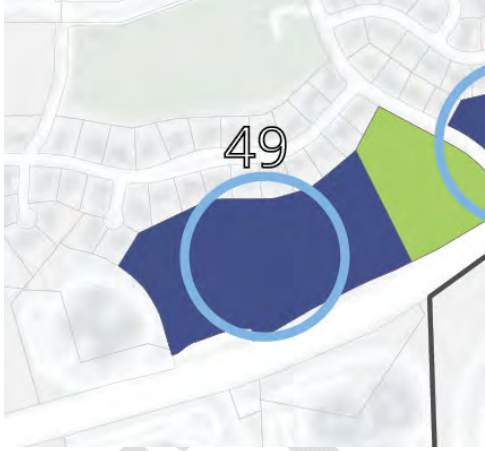

This typology is represented in the Site Inventory as "Non-Residential with Carveout", where housing is developed on a certain acreage of the entire site. This would be incentivized to be 100 percent affordable housing by the Affordable Housing Overlay.

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

Dry Utilities: ~~—————~~ 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***

<u>Income Level</u>	<u>New Construction Objectives</u>	<u>Rehabilitation Objectives<sup>1</sup></u>	<u>Conservation Objectives</u>
<u>Extremely Low (0% - 30% AMI)</u>	<u>449</u>	<u>20</u>	<u>93 (Crane Place)</u>
<u>Very Low (31% - 50% AMI)</u>	<u>696</u>		
<u>Low (51% - 80% AMI)</u>	<u>1,260</u>	<u>0</u>	<u>==</u>
<u>Moderate</u>	<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.
<b>Policy H2.7</b>	<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>
<b>Program H2.A</b>	<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>
<b>Program H2.B</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. 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>c. 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> <u>Outside subsidy 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> <u>Ongoing with annual progress monitoring. 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
<b>Program H3.G</b>	<p><u>Timeframe:</u> <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><u>Responsibility:</u> <u>Planning Division; Planning Commission; City Council</u>  <u>Financing:</u> <u>General Fund</u>  <u>Objectives:</u> <u>Facilitate housing for Menlo Park’s special needs and extremely low income populations.</u>  <u>Timeframe:</u> <u>Amend Zoning Code by 2024.</u></p>
<b>Program H3.H</b>	<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><u>Responsibility:</u> <u>Planning Division</u>  <u>Financing:</u> <u>General Fund</u>  <u>Objectives:</u> <u>Expand housing opportunities for people with disabilities</u></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></p> <p>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></p> <p>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></p> <p>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></p> <p>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></p> <p>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></p> <p>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> <ul 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> </ul> <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>
<p><b>Program H4.N</b></p>	<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>
<p><b>Program H4.O</b></p>	<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>
<p><b>Program H4.P</b></p>	<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>
<p><b>Program H4.Q</b></p>	<p><b>Reuse Sites.</b></p>

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</p> <p><i>Objectives:</i> Expand renter protections</p> <p><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></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, 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</u><del>and</del> other non-profits that handle fair housing complaints. <u>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

DRAFT

# 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



November 11, 2022

City of Menlo Park  
751 Laurel St.  
Menlo Park, CA 94025

**Subject: Integrating Climate Resilience and Adaptation Policies into Menlo Park's General Plan**

Dear Chair DeCardy and Commissioners,

The impacts of climate change have reached a staggering magnitude, as record-setting urban heat, wildfires, extended drought, and compromised air quality are the new norm. In the coming years, these challenges will be joined by rapid sea level rise and inland flooding, especially in San Mateo County. The impacts of these climate disasters will be widespread, though the disproportionate burden will fall on the most vulnerable, especially lower-income communities of color.

The update to Menlo Park's Safety Element and the new Environmental Justice Elements provide opportunities to ensure that the city is ready for these impacts. Integrating climate resilience policies will ensure that decision makers effectively utilize city plans and cross-departmental collaboration to ensure communities are prepared for impacts in the decades to come.

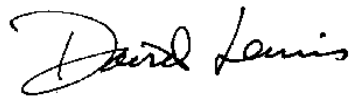
As Menlo Park updates its Safety and Environmental Justice General Plan elements, we strongly recommend that the city integrate planning for the impacts of climate change and nature-based solutions across all projects and departments. We recommend the city incorporate the following elements into the General Plan:

- **Prioritize the Belle Haven community and other frontline communities (low income, communities of color, historically underinvested, impacted by environmental injustice)** for investments and policy changes that are developed by those communities. Ensure robust representation from these communities in decision-making and planning.
- **Require climate resilience planning as part of project design and approval.** Integrate nature-based solutions to flooding, extreme heat, and sea level rise such as green stormwater infrastructure (i.e. rain gardens, bioswales, green roofs, and adapted street tree wells) into road, transit, complete streets, and other public infrastructure projects.
- **Broaden and accelerate planning, funding, and construction of green streets and other multi-benefit greening projects, especially in underinvested communities.** Integrate nature-based solutions such as rain gardens, swales, green roofs, and tree canopy into road and transit projects, flood zones, and other public infrastructure.

- **Prioritize planning of communities that are SMART:** Sustainable, Mixed-use, Affordable, Resilient, Transit-oriented. Avoid developing along the shoreline and in the hills to protect from flooding, sea level rise, and wildfire.

There is no doubt about the urgency of responding to the climate crisis. Climate hazards are the norm, and Menlo Park residents don't have to look far to see the impacts in their own communities. The General Plan is an important opportunity for the city to make lasting climate adaptation policies. We urge you to pursue these opportunities immediately to create a safer, more resilient future for Menlo Park.

Sincerely,

A handwritten signature in black ink that reads "David Lewis". The signature is written in a cursive, flowing style.

David Lewis, Executive Director  
Save The Bay

November 11, 2022

*Via E-mail [dmchow@menlopark.org](mailto:dmchow@menlopark.org), [jicmurphy@menlopark.org](mailto:jicmurphy@menlopark.org), [ndoherty@bwslaw.com](mailto:ndoherty@bwslaw.com)*

Deanna Chow, Assistant Director of Community Development  
Justin Murphy, City Manger  
Nira Doherty, City Attorney  
City of Menlo Park  
701 Laurel Street  
Menlo Park, CA 94025

**Re: Request to Include 3750 Haven in the City of Menlo Park's Sixth Housing Element Site Inventory**

Dear Ms. Chow, Mr. Murphy, and Ms. Doherty,

We thank you for your efforts on the City of Menlo Park's Sixth Housing Element ("Housing Element"). The purpose of this letter is to respectfully request that 3750 Haven Avenue (APN: 055-231-060) ("Property") be included in the Housing Element inventory of housing opportunity sites (the "Site Inventory"). As explained below, there are compelling reasons to include the Property in the Site Inventory, including but not limited to, feasibility, market demand and owner and developer interest in developing the Property into a high-density residential property.

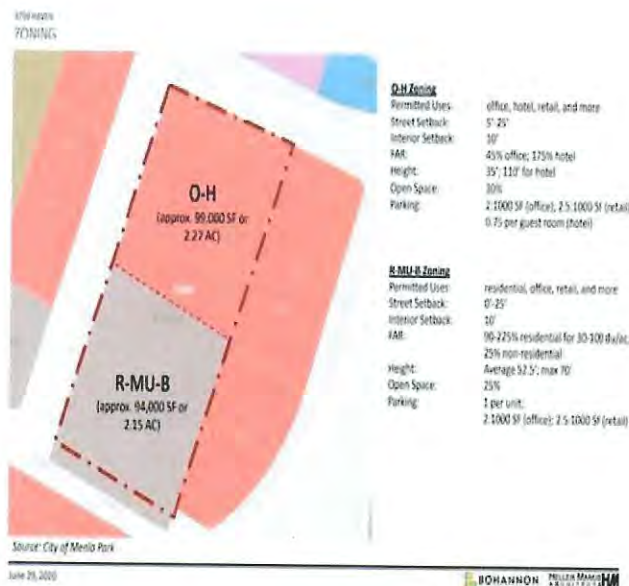
As you may know, David D. Bohannon Organization ("DDBO") has engaged Greystar as a consultant for the purposes of redeveloping this property. Greystar has successfully entitled four projects in the City, most notably, the Menlo Portal and Menlo Uptown mixed use projects in the Bayfront Area of the City. DDBO and Greystar consider the City and its staff valued partners in the pursuit of well-designed residential projects and in the City's commitment to multifamily projects with affordable components.

We understand that the City is in the process of revising its Draft Housing Element in response to comments from the Department of Housing and Community Development ("HCD") issued on October 21, 2022 and will be promulgating a Final EIR for the Draft Housing Element prior to the City Council's consideration of the revised Housing Element. Given this timing and opportunity for further revision, DDBO respectfully requests that the Property be included as an opportunity site in the next Draft Housing Element and Final EIR in order to assist the City in making the revisions requested by HCD.



## I. Introduction and Background

The Property is located in the Bayfront Area of the City. The Property has split zoning—in both the zoning code and the general plan, ConnectMenlo, the Property has two separate zoning designations even though it consists of only one parcel. The land use designation is R-MU-B on approximately 2.15 acres of the Site but is O-H on the other 2.27 acres of the Site.



The R-MU-B zoning provides for a maximum bonus density of 100 du/ac.<sup>1</sup> Although the R-MU-B portion of the Property is expressly zoned for residential development, the City did not include the Property's APN in the Site Inventory of the Draft Housing Element submitted to HCD on July 25, 2022.<sup>2</sup> The residential potential on just the R-MU-B portion of the Property is 227 units. However, we urge the City to include residential development across the entirety of the Property to allow a total of 442 units, as discussed further below.

## II. Request for Inclusion in Housing Element Update

On October 21, 2022, HCD sent the City a letter confirming that the Draft Housing Element was not yet in substantial compliance with California housing element laws.<sup>3</sup> The HCD letter stated that "revisions [to the Housing Element] will be necessary to comply with State Housing Element Law."<sup>4</sup> Among other requested revisions, HCD identified the need for

<sup>1</sup> See Menlo Park Municipal Code § 16.45.050 ("Development regulations."); *id.* at § 16.45.060 ("Bonus level development.").

<sup>2</sup> Draft Housing Element, Figure 7-1 and Appendix 7-1.

<sup>3</sup> Cal. Gov. Code §§ 65580 - 65589.11.

<sup>4</sup> Letter from Senior Program Manager Paul McDougall to Deanna Chow re *City of Menlo Park's 6th Cycle (2023-2031) Draft Housing Element*, October 21, 2022 [hereinafter "HCD Letter"].

further analysis regarding suitability of nonvacant sites and local government constraints on housing development.<sup>5</sup> Given that the City will be soon revising its Draft Housing Element according to HCD's comments, we respectfully request that the City add the Property to the Site Inventory for the reasons enumerated below.

**a. Adding the Property to the Housing Element Site Inventory would demonstrate that the City has additional capacity to meet RHNA targets.**

The Draft Housing Element identifies sufficient sites to develop units in surplus of the City's Sixth Cycle Regional Housing Needs Allocation ("RHNA"). The City's Housing Element demonstrates that it will exceed both its RHNA (2,946 units) and its RHNA with a 30 percent buffer (3,830 units) by accommodating for a total of 6,503 units.<sup>6</sup>

Although the Draft Housing Element did not identify a shortfall of available sites, including the Property can only bolster the City's findings that it has identified sufficient sites to meet its RHNA mandate. Adding the Property to the Site Inventory would demonstrate the City's ability to actually provide for 6,945 units.<sup>7</sup> Also, since redevelopment at the Property will require compliance with the City's inclusionary housing requirements, the Property would also allow the City to show that it can provide more below market rate ("BMR") units. Thus, adding this Property to the Site Inventory would further support the City's efforts to provide additional opportunities for moderate and lower income housing even further beyond the 30 percent buffer.

**b. Adding the Property to the Site Inventory would assist the City in addressing some of the comments identified in the HCD Letter.**

The HCD Letter addresses several areas where the Draft Housing Element requires additional analysis. Including this Property in the Site Inventory would address some of HCD's comments, at least with respect to the Property.

Suitability of Nonvacant Sites: First, the HCD Letter notes that the Draft Housing Element requires more analysis regarding the "inventory of land suitable and available for residential development" and the "suitability of nonvacant sites":

While the element includes a detailed description of existing uses, it must also demonstrate the potential for additional development in the planning period... the element must analyze the extent that existing uses may impede

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<sup>5</sup> HCD Letter, at pp. 6, 8-9.

<sup>6</sup> Draft Housing Element, at pp. 7-2, 7-22.

<sup>7</sup> Although the "default density" assumed in the Draft Housing Element is 30 du/ac, the City can demonstrate that this Property is likely to accommodate 442 units as a result of DDBO and Greystar's intent to redevelop. See Draft Housing Element, at 7-6 (discussing the default density).



additional residential development... [t]he element should describe how residential development is likely to occur on sites including an office building built in 2013, as well as a supermarket, and an operating post office.<sup>8</sup>

Whereas some of the sites included in the Site Inventory have a low likelihood of redevelopment, such as those referenced in the text cited above, DDBO and Greystar's stated intent, combined with a strong record of past entitlements in this jurisdiction, demonstrate that the Property has a very high likelihood of redevelopment for housing during the 6th RHNA cycle. DDBO and Greystar's history of development in the area and this letter itself are reliable evidence of that potential for residential development at this Property during the planning period.

HCD states that, in order to demonstrate the appropriateness of the zoning to accommodate housing: "Information gathered from local developers on densities ideal for housing development in the community and examples of recent residential projects that provide housing for lower income households is helpful in establishing the appropriateness of the zone."<sup>9</sup> Given Greystar's history of nearby projects, the City may conclude that the Property is appropriate for housing at the maximum density.

Affirmatively Furthering Fair Housing (AFFH) and Identified Sites: Second, the HCD Letter notes that the Draft Housing Element requires more analysis regarding "Affirmatively Furthering Fair Housing (AFFH) and Identified Sites": "While the element includes a general summary of fair housing related to the sites inventory, it must analyze how the identified sites contribute to or mitigate fair housing issues."<sup>10</sup> There are two ways in which adding the Property to the Site Inventory would bolster City findings that its Housing Element adheres to AFFH obligations.

First, any redevelopment of the Property would provide at least 15 percent affordable housing units since it is subject to the City's Inclusionary Housing requirements, this Site would mitigate fair housing issues by providing the requisite number of BMR units. Through compliance with these requirements, redevelopment of the Site would provide place-based community revitalization to the benefit of future inhabitants and local residents in the vicinity of the Project.

The Property would also greatly expand the geographical reach of the Site Inventory. AB 686 requires that, for housing elements due on or after January 1, 2021, sites must be identified

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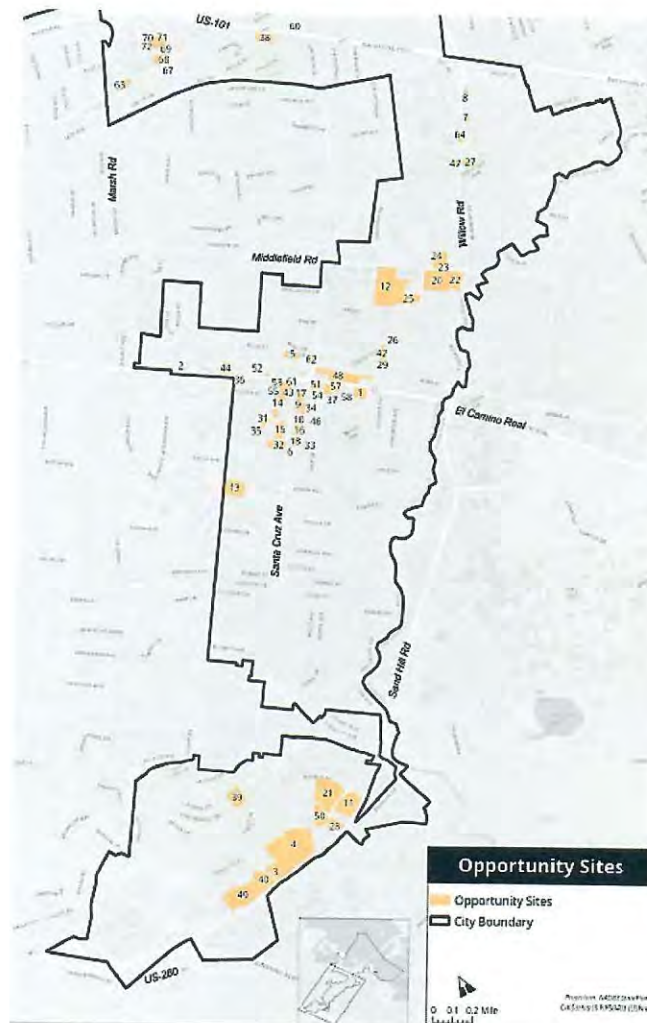
<sup>8</sup> *Id.* at 6.

<sup>9</sup> HCD Memorandum re *Housing Element Site Inventory Guidebook Government Code Section 65583.2*, June 10, 2020, at p. 14, [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).

<sup>10</sup> HCD Letter, at p. 4.



throughout the community in a manner that affirmatively furthers fair housing opportunities.<sup>11</sup> HCD guidance confirms that sites identified to accommodate the lower income RHNA must be distributed throughout the community in a manner that affirmatively furthers fair housing.<sup>12</sup> Figure 7-1 of the Draft Housing Element indeed shows a group of sites listed in the North-Western portion of the City (i.e., sites 38, 63, 67-72), but the vast majority of sites are concentrated in the City's downtown corridor near El Camino Real and Santa Cruz avenues, or to the South near Sand Hill Road. The Property would be the most North-Western property on the Site Inventory, and the only property North-West of the U.S. 101.



<sup>11</sup> Cal. Gov. Code § 65583, subd. (c)(10).

<sup>12</sup> HCD Memorandum re *Housing Element Site Inventory Guidebook Government Code Section 65583.2*, June 10, 2020, at p. 9.

Therefore, adding this Property can assist with addressing at least two analytical gaps that the HCD Letter identified, thereby assisting the City in avoiding the consequences of Housing Element non-compliance.<sup>13</sup>

**c. Adding the Property to the Site Inventory would streamline future residential development there, removing two of the constraints identified in the housing element.**

Chapter 5 of the Draft Housing Element, “Actual and Potential Constraints to Housing,” identifies both land use controls and development processing time as two constraints on housing development. Listing the Property would facilitate future processing, thereby removing constraints. Given that the R-MU-B zoning designation has clearly defined development standards, set forth in Menlo Park Municipal Code section 16.45.050, processing the entire parcel subject to those standards would assist with removing these constraints.

**d. Residential use in this neighborhood would be compatible with the surrounding development and is supported by existing infrastructure.**

Although one portion of the site is designated O-H, rather than R-MU-B, residential use of the entire Property is feasible and is compatible with surrounding development, as shown by the recent entitlement of three similar projects in the surrounding area: Menlo Uptown, Menlo Portal and Menlo Flats. The environmental review for these projects (discussed further below) demonstrated that they are supported by or could provide adequate infrastructure and are compatible with the surroundings.

**e. Continued office/hotel development in this area would be duplicative, given the numerous offices and hotels already built or in the development pipeline.**

The City’s map of current and pending development shows that District 1 is home to many new hotel and office building projects, such that more office or hotel development could be duplicative, especially when viewed in context of the housing shortage.<sup>14</sup> Just in District 1, office and hotel projects under review include Hotel Moxy, Commonwealth Building 3, 1005 O'Brien Drive and 1320 Willow Road, 980-1030 O'Brien Dr., hotel and office uses at Willow Village, Tarlton Research and Development, Tarlton Life Sciences, and CS Bio. Given the surplus of office and hotel development, which demonstrates that the original intent of the O-H zoning has been achieved, residential development here would better achieve the City’s housing goals.

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<sup>13</sup> *Id.* at 1.

<sup>14</sup> City of Menlo Park, *Current and Pending Development*, <https://menlopark.maps.arcgis.com/apps/Shortlist/index.html?appid=da1aa9a523ce4836988c2339a9364a84>.



### III. Request for inclusion of the Property in the Final EIR.

We also respectfully request that the City include the Property as part of an updated project description or potentially as an alternative in the Final EIR for the Draft Housing Element in order to demonstrate to the public that there will be no significant environmental impacts associated with residential redevelopment at the Site. For example, the Property could be added to Figure 2-2 and Table 2-4, which map and chart the housing opportunity sites. The Property could be added without changing any of the conclusions in the Draft EIR regarding significant environmental impacts.

Final EIRs for similar projects have demonstrated no environmental impacts:

Menlo Portal Project: First, the EIR for the Menlo Portal Project did “not identify any significant and unavoidable environmental impacts from the proposed project.”<sup>15</sup> The Menlo Portal Project proposed 335 dwelling units and an approximately 34,868-gross-square-foot commercial office building.

Menlo Uptown Project: The Final EIR for the Menlo Uptown Project also “does not identify any significant and unavoidable environmental impacts that would result from the implementation of the proposed project.”<sup>16</sup> The Menlo Uptown Project proposed 483 dwelling units and approximately 2,940 square feet of office uses—41 more units than the proposed redevelopment.<sup>17</sup>

Menlo Flats Project: The Final EIR for the Menlo Flats Project also “does not identify any significant and unavoidable environmental impacts from the proposed project.”<sup>18</sup> The Menlo Flats Project proposed “158 dwelling units and approximately 15,000 square feet of nonresidential space consisting of 13,400 square feet of commercial office space and a 1,600-square-foot commercial space.”<sup>19</sup>

Given that the Final EIRs for these nearby projects found no significant unavoidable impacts, adding the Project to the Housing Element will not change or question the findings of the

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<sup>15</sup> City of Menlo Park, *Menlo Portal Project Environmental Impact Report*, State Clearinghouse No. 2020010055, February 2021, at p. 6, <https://beta.menlopark.org/files/sharedassets/public/community-development/documents/projects/approved/menlo-portal/menlo-portal-project-deir.pdf>.

<sup>16</sup> City of Menlo Park, *Menlo Uptown Project Landing Page*, <https://menlopark.gov/Government/Departments/Community-Development/Projects/Approved-projects/Menlo-Uptown>.

<sup>17</sup> *Id.*

<sup>18</sup> City of Menlo Park, *Menlo Flats Project Environmental Impact Report*, State Clearinghouse No. 2020110243, October 2021, at p. 6, <https://beta.menlopark.org/files/sharedassets/public/community-development/documents/projects/under-review/menlo-flats/menlo-flats-draft-eir.pdf>.

<sup>19</sup> *Id.*

Draft EIR. Therefore, the City can include 3750 Haven Avenue in the Site Inventory and in the Final EIR.

We are grateful for your consideration of our request and look forward to working with the City on this exciting project. If you need any additional information or have any questions related to this request, please do not hesitate to contact me at [scott.bohannon@ddbo.com](mailto:scott.bohannon@ddbo.com), or (650) 345-8222.

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott Bohannon".

Scott Bohannon  
Senior Vice President  
David D. Bohannon Organization

cc:

Betsy Nash, Mayor  
Jen Wolosin, Vice Mayor  
Ray Mueller, Councilmember  
Cecilia Taylor, Councilmember  
Drew Combs, Councilmember  
Tom Smith, Acting Principal Planner  
Calvin Chan, Senior Planner

**From:** [Jen Michel](#)  
**To:** [CCIN](#)  
**Cc:** [PlanningDept](#); [ashirkhani@smcgov.org](mailto:ashirkhani@smcgov.org); [Senator.Becker@outreach.senate.ca.gov](mailto:Senator.Becker@outreach.senate.ca.gov);  
[Assemblymember.Berman@outreach.assembly.ca.gov](mailto:Assemblymember.Berman@outreach.assembly.ca.gov); [Representative Anna G. Eshoo](#)  
**Subject:** General Public Comment - Non-agenda item - Coming Correct as a Sexual Assault Survivor  
**Date:** Saturday, November 12, 2022 10:43:19 PM

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**CAUTION: This email originated from outside of the organization. Unless you recognize the sender's email address and know the content is safe, DO NOT click links, open attachments or reply.**

Dear Mayor Nash, Vice Mayor Wolosin, Council members, neighbors and members of the public,

My name is Jenny Michel, a white chick, from the Coleman Place Neighborhood Block, your local recovering homeless teacher (School in Menlo Park) from 20 years ago, who has lived on Willow Road for about 15 years (love it), and educationally, without a degree because I took care of my dying mother up until age 20. Personally, I find it ironic that I'm a licensed real estate agent, who used to help sell luxury real estate at Alain Pinel Realtors, and am currently representing commercial landlord interests by managing commercial product along San Mateo County. To be clear, I doubt our little family will ever have an owning interest in real property or ever have access directly to capital. We have no assets to report save for our IEP son who attends Laurel Elementary.

I'm speaking today on no agenda item. These are my own general public comments for the record.

Congratulations to Council member Mueller. We are excited for you and the opportunities to strengthen our region's resiliency together. Likewise, congratulations to the Menlo Fire District - we are thrilled to have you with us to create a strong bedrock of coordination, communication, and representation. What an exciting time to be a resident!

With the midterms behind us, I need to come correct with you regarding my very personal bias, as in response to the specific comments Council Member Combs highlighted during the recent Planning Commissioner appointment:

Vice Mayor Wolosin said it correctly that change is coming to Menlo Park in response to the HCD letter. In parallel, Planning Commissioner Riggs suggested that the residents of Menlo Park are not ready for this growth and respective change, in his response for his support of Measure V. I would argue we are indeed ready, capable, and committed for reasonable growth. For anyone who feels they are not ready, I suggest they underestimate themselves and how they relate to the larger regional needs. We, neighbors and I, need you to get on board with how awesome and impactful you are. You have the ability to welcome more neighbors - it is the right thing to do, and you know it.

Although, I speak up about functional zero homelessness because I am a recovering homeless woman and my workforce is ***heavily, if not detrimentally***, impacted by the housing crisis, that is not what personally drives me:

I am a part of the population that suffers from PTSD, and related health conditions, due to

chronic, sustained childhood sexual assault over many years. In my case, it was levied by my Uncle in our 2-story 4 Bed/ 2.5 Bath SFR on a cul-de-sac in Barron Park Palo Alto. He lived with us in the 80's to offset the mortgage. Let me say it again: He and my father's sister lived with us throughout the 80's to help offset the mortgage in Palo Alto.

That was about 40 years ago. Over 20 years ago, I became homeless after my mother died from a long term fatal illness, while being a teacher in Menlo Park. I took care of her over obtaining a college degree. Needless to say, I do not have a simple degree.

We've had this housing crisis for my entire life, almost half a century. How many of us endured abuse that was not necessary? How many of us have never had a vacation? How are those impacts still being felt today? What are the fiscal impacts? What are the health and productivity impacts? Right? Have you digested the full impacts of a leveraged populace? It's far worse than it was a few decades ago. The scope is truly vast, like fourth dimensional chess.

The dialogue we've had surrounding the housing element has been engaging, informative, honest, but I think is missing an important and delicate voice that does not like to speak up to connect the dots: childhood sexual assault survivors.

I'm averse to large homes on cul-de-sacs also because of the sexual trafficking my friends and I were exposed to. The scope of this issue is real, current, and right here in our backyard, mostly in our most affluent neighborhoods and homes. We are lousy with large SFR homes in affluent neighborhoods. This is the PRECISE community character I call into question when I speak with you.

Recently, I've seen a neighbor from the Suburban Park Neighborhood post on Nextdoor that she indeed would rather have less vehicle traffic, stating that her children playing in the street trump's big developers, assuming those would be the parties proposing dense or non ultra low density buildings. My immediate thought was why are you being so exclusionary? Do you not understand what we need to do to offset our high base-line land costs? Or maybe it's that you don't want other people knowing what you do or how you live? Do we need to recommend more eyeballs in your neighborhood? See how my safety planning brain works? I'm hardly alone in this thinking, whether distorted or not. The point is that we have this variable of childhood sexual abuse, in our community that is not tied together. It must be tied together. HCD is looking for this specially per their letter as we have a large single mom constituency that is at risk of displacement.

So when the neighbors are talking about safety, I'm not thinking about the risks of single use vehicle traffic or increased fire risk, no. My brain goes to dark, real, and lived places.

Unfortunately, my lived experience asks: what are we doing behind closed doors? Why don't we want neighbors around to keep us in check? What am I and my neighbors really against? Is it that my kid cannot play basketball in the street whenever he wants? Seriously?

I suspect the simplicity of this argument. I challenge us to go deeper within ourselves, because we have to. There is no more time with climate collapse imminent. Besides the world can see our story by way of the AFFH overlay map; there is no more hiding from ourselves. It's time to own it. I promise, it is okay, and we are ready to own the truth about ourselves.

Recently, I heard a neighbor talking about bad actors, like common criminals taking fruit from the front yard, or stealing our son's bike. Sadly, I thought about the bad actors that I know hiding in plain sight, some of us who are held in societal esteem, have criminal exposure on a multiplier factor due to the devastating impacts. If we have the appetite to try our neighbors for petty theft, like fruits, why not for chronic criminal behavior? See my point?

Although the Palo Alto police were informed and the Santa Clara County District Attorney believed me, they lacked the appetite, not the evidence, to press charges. My abuser is at large, a Stanford graduate, and routinely seen with children, if not teaching them. I feel safe in apartments. Grant me this right. Grant us this privilege to call our home with others, not alone in a large structure designed for a single family when we know it must be leveraged for the use of many. Do you see my points? Do you understand the urgency?

Despite my personal efforts to heal my wounds, I cannot heal fully alone. I need you, my neighbors, to help me understand why apartment dwellers like me, and my small family, with an IEP student, are so scary or represent a devaluing of your asset?

Do you see that based on my very real lived experience that all y'all are the scary ones who protect this odd way of life? You see my perspective? I am not alone to see why all these 5 beds and 4 bath homes being built scare the literal hell out of me.

Aside from my personal concerns about abuse, let's talk about what one needs to do to maintain the financial load of a median \$2.4M home in Menlo. Right? What if our neighbors are let go due to any number of different circumstances? A neighbor's child shared with us that his parents almost died when downsized from the downturn in 2008. Who has savings to endure a hardship longer than 60 days - right? 1% of us? See how we are set-up to fail? The municipality must account for the delta! I'm simply calling in to account or play all these variables.

Offset the load, the health, this bridge, this delta, has to be gapped today. This is where I am at work. If one day, my Uncle Rod was held accountable and could get help, maybe I could rest, but not today. There is no statute to provide a pathway for justice or accountability for these criminal acts after so many years. I take full responsibility for these failures because there is someone being abused in our city right now. I resolve directly to these new victims, on the record: not on my watch. Not on my time. Not in my lifetime. Not ever in the future.

Housing stability for women and mothers is especially important. We cannot be held down by men enforcing their sick or ill will upon us. Grant us agency, grant us capital, grant us dignity.

What is my point?

Abuse is a far reaching variable not taken into consideration nor do we talk about it like it's the real devastating factor it is. How are we reducing sexual abuse actively today, minimizing our rape culture, and keeping it at a healthy bay? Is keeping this 'community character' what we want? Is this concern for accountability or why you can't be my neighbor or why we don't build density? Am I making sense?

Let's reimagine what safety in our city means. Please continue to listen to us, your constituency. Start asking the difficult questions, cause we are ready to answer.



With my coming correct and gratitude for your continued service to us, thank you,

Jenny from the Coleman Place Block  
565 Willow Road, Apartment 9

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Jen Michel  
DRE #01900228  
Cell: 650.400.8299  
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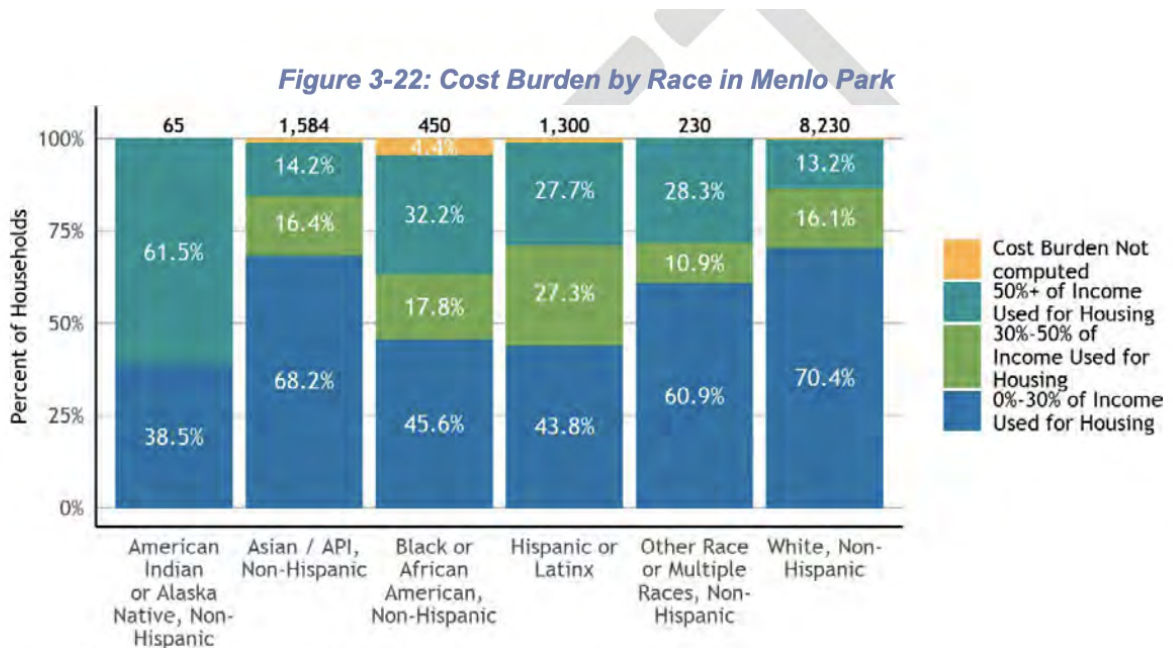
# MENLO TOGETHER

November 13, 2022

Dear Menlo Park City Council, Planning Commission, Housing Commission, and Housing Element staff and consultant team, and HCD,

On behalf of Menlo Together and El Comite, I am writing to share feedback on the [letter](#) received by the City from the state department of Housing and Community Development (HCD) on October 21, 2022, regarding Menlo Park’s 2023-2031 Draft Housing Element. Menlo Together is submitting a separate letter focused on Sites and Site Strategies to meet HCD requirements

This letter focuses on **Program H2.E Anti-Displacement Strategy**, with specific recommendations for strengthening tenant protection programs and policies. Lack of tenant protections is an identified contributing factor to fair housing issues and homelessness. As shown in the Draft Housing Element (Figure 3-22), our Black, Latino and Native American residents are disproportionately housing cost-burdened.



We live in one of the most expensive areas of the country, and we have already lost far too many residents to evictions and excessive rent increases. In our letter of June 2, 2022, where we provided feedback on the housing element draft, we pressed the City to expeditiously enact effective anti-displacement and strong tenant protection programs. These ideas were not implemented. Now that

HCD has rejected the draft, we urge the City to revise our draft housing element with specific tenant protections in order to prevent displacements—and homelessness—due to no-fault evictions.

To stem the rising tide of evictions, we urge the City to extend tenant protections beyond those provided by the statewide ‘just cause for eviction’ law of 2019, aka the Tenant Protection Act (TPA). We offer this as an action that the City can take immediately, with tangible benefits.

According to the Anti-Displacement Coalition[1] of San Mateo County (SMADC), a local just cause for eviction ordinance is one of the most powerful tools our cities can implement to prevent evictions. As evidence, SMADC points to A [study](#) of four California cities, including East Palo Alto, where evictions and eviction filings decreased after passing local just cause for eviction ordinances. Preventing no-fault evictions will affirmatively further fair housing and prevent homelessness.

While there are a number of factors that constitute a robust local just cause for eviction policy, Menlo Together recommends prioritizing these specific policies in the Menlo Park Housing Element:

- Just Cause for Eviction protections extended to cover tenants with tenure of any duration.
- Relocation assistance equal to four months’ rent for all no-fault evictions. This can prevent episodic homelessness, and it creates a cost to landlords who choose to use excessive rent increases as a way to evict people without cause.

To ensure effective implementation of a just cause eviction policy, it is critical that tenants and landlords understand the law and know where to turn if they need support. We have anecdotal evidence from trusted community-based organizations that scores of local evictions are done in ways that are not enforceable. Tenants are likely to leave when served with an eviction notice, often because they do not understand their rights or because they have been misinformed by their landlord. [2] The City needs to hold landlords accountable. To do so, it needs timely data about eviction actions.

For these reasons we advise incorporating the following programs into the HE:

- Tenant Education: Provide regular, robust, and culturally competent tenant education in partnership with one or more trusted community-based organizations (CBOs).
- Eviction Data Collection: Create an ordinance through which a notice of eviction must be filed with the City as a condition of enforceability. See this [innovative policy](#) from the City of Cudahy, CA.

### **Affirmatively Furthering Fair Housing**

Nationally, eviction rates are significantly higher for Black renters than for white renters, according to the [Eviction Lab](#).

In San Mateo County, Legal Aid organizations studied the [demographics and impact of eviction](#) using data from 2014-2015, and found:

- 75% of reported eviction activity was due to no-fault evictions (36%) or unaffordable rent (39%)
- Latino people are 25% of the county population and were evicted at a rate of 49%
- Black people are 2.5% of the county population and were evicted at a rate of 21.4%

- Respondents (those who experienced eviction proceedings) were 63% female head of household and 70% of respondents had children.
- 94% have incomes below \$60,000/year in 2016

Data from [Menlo Park's Draft Housing Element](#) shows a disproportionate number of lower income households (Figure 3-20), senior households (Figure 3-21), and Latino, Black and Native American households (Figure 3-23), are disproportionately rent burdened.

As previously mentioned, findings of a recent [study by the Eviction Lab](#) cite a decrease in evictions and eviction filings after just cause eviction ordinances were passed in several California cities, including in East Palo Alto. These findings, taken together with the demographic data cited above, establishes a clear connection between preventing no-fault evictions without just cause and affirmatively furthering fair housing.

Preventing evictions is all but required by the state requirement to affirmatively further fair housing. In addition, our homeless population were once housed, and suffered evictions - whether formal or coerced. We can and must do better. To prevent formal and coerced evictions we urge the City to adopt these tenant protection programs into the updated Housing Element with specific timelines and responsible parties:

- Just Cause for Eviction required for tenants of any tenure
- Four months' rent relocation assistance
- Tenant 'know your rights' education
- Eviction monitoring by requiring notice to city for enforceability

Sincerely,

The Menlo Together Team

in collaboration with El Comité de Vecinos del Lado Oeste, East Palo Alto

[1] About the San Mateo County Anti-Displacement Coalition (SMADC): Since 2014, Public Advocates, Faith in Action, Urban Habitat, the Community Legal Services of East Palo Alto, HLC and others have come together to advocate for tenant protections and other anti-displacement measures as lower income renters in San Mateo County are facing intense displacement pressures, including mass evictions, staggering rent increases, and record housing prices.

[2] We present anecdotal evidence from local community groups here for expediency; we are seeking corroborating data.



Nov 14, 2022

To: Menlo Park City Council, Planning Commission & Staff; and HCD

On behalf of Menlo Together, the Campaign for Fair Housing Elements, and YIMBY Law, I am writing to share feedback on the [letter](#) received by the City from the state Department of Housing and Community Development (HCD) on October 21, 2022 regarding our draft housing element. A separate letter will be sent to address tenant protections in program H2.E - Anti-Displacement Strategy.

Earlier this year, the Campaign for Fair Housing Elements and YIMBY Law sent the city [a letter](#) outlining ways to improve its draft housing element, primarily via site selection and program commitments. Menlo Together also submitted letters on [sites](#) and [programs](#). The City did not incorporate these changes.

Now that HCD has rejected the draft, **we urge the City to revise our draft housing element with (1) bolder plans for broad and gentle density, (2) more analysis and outreach to stakeholders, (3) more planning and detail for City-owned sites, and (4) more realistic program commitments.** Failure to do so could result in suspension of the City's zoning authority, lawsuits against the City, and denial of funding for affordable housing and infrastructure.

By looking at cities in the Southern California Association of Governments (SCAG) region, which had to submit their elements earlier this year, we can predict the potential future our city could face if we do not address HCD's feedback:

- 1. The city can lose its zoning authority** - cities that do not have a compliant housing element by January 31st will be required to approve "Builder's Remedy" applications even if they do not comply with our zoning or development standards. (Gov. Code § 65589.5(d)(5).) [The city of Santa Monica received 16 Builders Remedy applications](#) between their housing element deadline and adoption of a compliant element, and [HCD has issued a memo](#) that the city must approve those projects.
- 2. The city could be subject to lawsuits** - Californians for Homeownership [has sued nine Southern California cities](#) for not having compliant housing elements. Housing Element Law confers standing on the Attorney General, HCD, individual applicants and residents, and housing organizations such as YIMBY Law to sue the City for noncompliance. (Gov. Code §§ 65585(j)–(p), 65589.5(k).)
- 3. The city could lose access to funding sources** - [many sources](#) of affordable housing and infrastructure funding require a compliant housing element.



To avoid these consequences, we advise the City to achieve HCD certification as soon as possible.

Below are our recommendations for priorities in our next draft:

### **1. More analysis and outreach to stakeholders**

As HCD says, the evidence presented for our opportunity sites is at best unclear and at worst insufficient. We recommend the city:

- a. Contact the owners of opportunity sites and ensure they want to develop housing on their properties. We understand the city received few responses to its initial outreach by mail. The City needs to bring these owners to the table for evidence of their support in our element.
- b. Upzone sites with existing uses, in order to justify likelihood of development. We still do not believe enough evidence has been provided that the larger sites with current uses are likely to be redeveloped based on historical or market trends. Sites such as #1, 3-4, 11, 22-24, 28, 49 are completely unrealistic under current or proposed rules, and more aggressive zoning changes will be needed.

### **2. More planning and detail for city-owned sites**

As expressed in our previous letters, Menlo Park's city-owned parking lots present the greatest available opportunity for the city to promote affordable housing, and it is critical the city move quickly to establish viability of the sites.

- a. The City should produce a more specific timeline and action plan for these sites (see Gov. Code, § 65583(c)). The housing element should describe a specific date the city will release an RFP for any parking lots in its site inventory and set a target minimum number of units for those sites.
- b. We were concerned to hear in the June 6th City Council meeting that there may still be a property rights issue at play. This question has come up time after time, when city-owned parking lots are being discussed for development, and the Housing Element should explain how the ownership question will be resolved. Unless clear ownership and right to develop city-owned parking lots can be demonstrated, they should not be included in the inventory, which would require substantial rezoning elsewhere.
- c. We support the Housing Commission's recent proposal to solicit developers' ideas for how to use these sites for housing.

### **3. Adjust programs to be more realistic**



Vague, unrealistic, and misleading plans will cause the housing element to fall short of its goals and therefore out of compliance. To address this:

- a. Programs must have specific timelines, metrics, and commitments so that the City, HCD, and the community can track progress and adjust as needed.
- b. The city must designate more opportunity sites to make up for those in the current inventory whose owners do not intend to sell or redevelop. Per the staff report from June 6th, 2022, these are sites #4, 6, 40(C), 49.
- c. As mentioned in the HCD letter, the Willow Village project represents a significant number of homes in our plan. As the [staff report](#) made clear to the planning commission on Oct 24th/Nov 3rd (p.431), 686 of these units (including 96 BMR) will not be completed within the next RHNA cycle, and another 419 units (including 42 BMR) are at risk. The realistic capacity must be adjusted down by a minimum of 44% ( $\frac{42+96}{308}$ ), with more analysis of other risks to the project such as the recent layoffs at Meta.

#### **4. Take decisive action to get more housing built**

Our analysis of Menlo Park's current site inventory demonstrates the city has a large shortfall of capacity for affordable housing to meet our RHNA goals. Forget the bare legal minimum: the city must take bold action to actually address our housing shortfall. Here are policies that would make a real-world difference:

- a. Provide density bonuses for "gentle density" / missing middle projects. State laws like SB9 have made it easier to build duplexes, triplexes, and fourplexes on smaller lots. These types of units are relatively cheap, promote walkability, and add much needed housing. The City's current FAR and lot coverage constraints, unfortunately, do not incentivize these types of units. We encourage the city to allow a higher FAR and lot coverage maximums to promote these smaller multi-family projects over simply turning smaller homes into bigger mansions.
- b. Significantly increase allowable densities on ALL sites with existing uses. We suggest implementing Mr. Bohannon's suggestion of at least 150-200 du/ac to facilitate vibrant and walkable neighborhoods with enough residents to support local businesses. This applies to both the Bohannon-owned sites off of Marsh Rd and any site with existing commercial uses, including the Safeway sites (El Camino and Sharon Park) and Sand Hill office buildings.
- c. Get more aggressive on downtown up-zoning. Menlo Park's downtown provides excellent access to services and transit and it makes sense to further add density and housing here. It would have the added benefit of adding to the vibrancy of our downtown and supporting local businesses. We recommend





- i. Increasing the maximum allowable dwelling units per acre. 60 du/ac is substantially smaller than the 2019 Connect Menlo [general plan](#), which allowed for 100 du/ac in R-MU zoning districts far away from the levels of transit and services available downtown. This recommendation also enables more affordable housing to be built on the government owned parking lots.
  - ii. Similarly, the current maximum downtown FAR of 2.0 and maximum FAR 1.55 for other El Camino zones is far too low, and we're concerned that the proposal only increases allowed FAR for developments qualifying for the step-up basis/public benefit. We recommend a general increase in maximum allowable FAR for all downtown zones
  - iii. Increase the magnitude of the density bonus, and add flexibility to the ways a project can qualify for the increase. The currently listed requirements of 50% two bedroom units, 5% three bedroom units, and a 1,000 square foot average seem overly prescriptive, especially when paired with the very small density increase provided by the step up basis. Increasing the density bonus and the variety of developments that would qualify for a step up basis would incentivize more developers to seriously consider downtown Menlo Park as a viable location for housing. We need more housing of all kinds, and being overly restrictive here risks reducing the number of units that end up being built, including the kind we are trying to incentivize.
- d. The city has had critical vacancies in the Housing Department since August 2021 and no staff since June 2022. We support and encourage the city to hire more staff or consultants ASAP in order to meet the moment and put together a powerful and strong housing element.

Menlo Park has an opportunity to legalize the much-needed housing our community needs. We hope the City adopts our recommendations and avoids further penalties. We look forward to the next draft.

Respectfully,

*Misha Silin, Menlo Park Resident and Campaign for Fair Housing Elements Volunteer*

Cosigned:

*Adina Levin, Menlo Park Resident*

*Jeremy Levine, Policy Manager for HLC*

*Karen Grove, Menlo Park Resident, former Housing Commissioner*

*Katie Behroozi, Menlo Park Resident*



Campaign for Fair Housing Elements  
fairhousingelements.org



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*Katherine Dumont, Menlo Park Resident\*

*Keith Diggs, Housing Elements Advocacy Manager, YIMBY Law*

*Marlene Santyo, Organizer, Menlo Together*

*Michal Bortnik, Menlo Park Resident*

*Michael Arruza Cruz, Menlo Park Resident*

*Pam D Jones, Menlo Park Resident*

**From:** [Patti Fry](#)  
**To:** [Planning Commission](#)  
**Cc:** [CCIN](#); [PlanningDept](#)  
**Subject:** Comments Housing Element Subsequent EIR Draft and Zoning Ordinance Study Session  
**Date:** Sunday, November 13, 2022 10:33:27 PM

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**With apologies for not having time to make this shorter, I submit the following comments:**

**STUDY SESSION - CHANGES TO ZONING ORDINANCE AND ECR/D-SPECIFIC PLAN**

**Fix existing problems with the El Camino Real/Downtown-Specific Plan zoning rules** that have resulted in projects that worsen the jobs/housing imbalance. Otherwise, it is unlikely that the massive revisions contemplated for density, FAR and height will result in the hoped-for increase in housing units. Instead, it is more likely that Office space will increase, Why? One reason is because it is quicker to build and generally more profitable to developers. But another big reason is that the current Zoning rules allow a disproportionate amount of Office with no requirements for housing. This comes into play when a developer prefers office. Examples:

- The Stanford Middle Plaza project at 500 El Camino Real was approved at the Base FAR that would have allowed 337 housing units or if built at the Bonus FAR, the project could have provided 506 units. Instead, it provides only 215 units.
- The Springline project at 1300 El Camino Real, in the Northeast-RESIDENTIAL District, was approved at the Bonus FAR level that allows 322 housing units. But the project provides only 183 housing units, not even as many as the 206 units allowed at the Base FAR level.

**The Specific Plan (“SP”) zoning rules are flawed** and need modified to achieve a healthy jobs/housing balance. Note that the Specific Plan projected a jobs/housing ratio of 1.57 whereas the above two projects come in at 4.4 jobs/housing and 5.2 jobs/housing, respectively.

Why? The zoning rules have not been changed since the Specific Plan’s 2012 adoption even though market conditions and business practices have changed. When the SP was adopted, the city’s consultants claimed that there would be no market demand for Office space in the foreseeable future. Not only did that prove untrue, business practices also changed so that more workers are now packed into the same amount of office space. Recent business practices pack office spaces, allowing just 50 SF/worker (incubators) to 150 SF/worker (Facebook).

Result – the city is scrambling to identify sites for nearly 4,000 housing units.

**The shortage will never get solved in the downtown area** unless the amount of office allowed is reduced, such as:

- Limit the allowed office to a fixed, more limited FAR rather than a percentage of a potentially higher FAR. In calculating an appropriate amount, consider mixed use of retail/community serving uses on the first floor, and then identify the ratio of housing units to jobs for the entire project and back into the maximum office allowable. That number would surely be less than 50% total FAR in the current SP rules.
- Require mixed use that is proportional so that non-residential uses can only increase when the housing provided increases. Since retail/restaurants are essential to downtown vibrancy, the proportions left for office need to assume first floor (minimum) retail/restaurant.

This is just arithmetic. I don't have the time to pose specific suggestions but the Commission or the Housing Element team can run some calculations.

**Be very wary of unintended consequences**, and identify ways to avoid them. For example:

- **Height** – The allowed height must take into account the potential of the state's "plus 3 stories" for certain projects. Identify an ideal maximum height that includes the state's "plus 3" and work backwards.  
Avoid the urban look that was strongly opposed during the Specific Plan's visioning process by requiring additional and deeper modulation of front setbacks at both ground level and along the façade.
- **Façade height** – An increased façade height could produce "canyons" that also were strongly opposed during the Specific Plan's visioning process. Do not increase it. But if it were increased, also require additional, deeper modulation and setbacks of the façade.
- **FAR** – Increased square footage could be eaten up by Office space. Avoid this by limiting Office space to a fixed, more limited FAR (see more about this above) or to a fixed, more limited percentage of an entire project. (refer to above discussion about things to consider in calculating ratios that would result in retail/restaurant and more housing, and a healthy jobs/housing balance.

**Identify ways to minimize negative impacts on neighbors of properties that are proposed to become more dense than the adjacent properties.** Examples of ideas:

- Promote and protect use of solar panels by adopting a meaningful daylight plane (i.e., 30 degrees).
- Protect privacy and aesthetics by adopting the above daylight plane and by limiting the vertical height of ADU's within the current side setback adjacent to a single family property.
- For larger projects (e.g., 1 acre or more), require large setbacks (30') to minimize

privacy and noise impacts. If height would be increased, the setback should be increased proportionately.

**Identify ways to enhance receptivity to ADU's.**

- Allow only the smallest ADU's (i.e., the minimum size required by the state) to be built within current side or back setbacks.
- Allow larger ADU's within the current buildable envelope, perhaps on a sliding scale such as allowing larger units the farther from the property line that they are. On larger lots with larger setbacks, there is ample space for ADU's to be placed farther from the property line where they would cause fewer impacts on neighboring homes and families.
- Retain overnight parking restrictions (promotes alternative modes of getting around)

**DRAFT SUBSEQUENT EIR: a few comments:**

**Transportation impacts are not adequately described** –It doesn't appear to examine the potential impacts of modifying densities for the listed sites much less for the more broad impacts of modifying zoning rules for entire districts or the entire SP area.

- How was the traffic studied in the SP area? What would be the impacts on side streets such as Middle, Valparaiso/Glenwood, Oak Grove, Menlo/Ravenswood? Cut-through traffic in neighborhoods?

Without additional clarity, it is not possible to identify specific mitigation measures that might help ameliorate new impacts except in very general terms.

- The SEIR states that the VMT would increase and that increase is ostensibly acceptable because the VMT per capita citywide may decline. That is like saying a temperature is fine because the average is normal even though one area is freezing and another is extremely hot.

Further, more total Vehicle Miles Traveled in a concentrated area must have impacts that should be examined for potential mitigation.

**Specific Plan development cap**

- The staff report states that the HE update would remove the SP's 680 housing unit cap. To what? What would trigger additional review?
- How does Specific Plan area development to date (plus pipeline) compare with the Specific Plan's caps and development scenario in the vision plan?
- If the FAR were increased in the SP area, how would this affect non-residential development?

**In closing - I again urge you to fix inherent problems in the zoning ordinance. Otherwise, housing-only changes will not have the intended results.**

**A SUGGESTION:** Given the complexities of the Zoning Ordinance, the Specific Plan, the state laws, the city could convene a task group such as the Residential Review Task Force or the Commercial Zoning Ordinance Update task force to arrive at some alternatives. It seems as if the current effort is rushed and is susceptible to making modifications with unintended negative consequences.

Thank you for your service.

Patti Fry, former Planning Commissioner



# CARPENTERS UNION LOCAL 217 SAN MATEO COUNTY

1153 CHESS DRIVE • SUITE 100 • FOSTER CITY, CALIFORNIA 94404-1197 • (650) 377-0217

VIA EMAIL

November 17, 2022

City of Menlo Park

Attn: Deanna Chow, Assistant Community Development Director

701 Laurel St.

Menlo Park, CA 94025

Via Email: [dmchow@menlopark.org](mailto:dmchow@menlopark.org)

Re: City of Menlo Park Draft Housing Element Update

Dear Ms. Deanna Chow,

Please accept these comments on the above referenced Housing Element Update on behalf of the members of Carpenters Local 217, which represents working men and women in the City of Menlo Park and San Mateo County. We appreciate the opportunity and look forward to working together on this important endeavor.

To meet the urgent need for housing units outlined in the State's Regional Housing Needs Allocation (RHNA), it is vital that the City of Menlo Park support efforts to build the local construction workforce. Local 217 has long been at the forefront of training the next generation of construction workers, opening pathways to the industry for diverse and traditionally underserved populations, and embracing new technologies and delivery methods to expedite the construction of much needed housing.

Currently, neither the City of Menlo Park nor San Mateo County have enough skilled, highly productive residential construction workers to build the more than 2,946 units that the City of Menlo Park is supposed to produce over the next 8 years. This new RHNA target is a 350 percent increase from the prior Housing Element Cycle's RHNA goals.<sup>1</sup>

At the same time as Menlo Park's housing goals have increased substantially, an ABAG survey of member jurisdictions has found that the issue of availability of an adequate construction workforce is a top-tier constraint for building additional housing.<sup>2</sup> However, there are, in fact, policies the City can adopt that would nurture the workforce necessary to realize the City's increased housing construction needs. To support the policy goals of the Housing Element, Local

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<sup>1</sup> Percentage increase from 5<sup>th</sup> Cycle RHNA allocation (655 units) to 6<sup>th</sup> Cycle RHNA allocation (2,946 units) for Menlo Park.

<sup>2</sup> Housing Methodology Committee meeting 3/12/2020 agenda report accessed via [mtc.legistar.com/gateway.aspx?M=F&ID=6b572dad-e960-4c4f-8bff-27a5650bc534.pdf](http://mtc.legistar.com/gateway.aspx?M=F&ID=6b572dad-e960-4c4f-8bff-27a5650bc534.pdf)





217 is requesting that the City add local hire and apprenticeship requirements to the final Housing Element for all residential construction projects larger than 10 units. The standards Local 217 is proposing in this comment letter would help to ensure greater benefits for the broader community, help ensure that construction labor needs are met, and guarantee that new residential development projects within the City are making needed investments in the region's skilled construction industry workforce.

**The City Should Bar Issuance of Building Permits Unless Each Future Residential Development of 10 units or Above has a Viable Apprenticeship Program and Local Hiring Requirements**

The Carpenters propose the following additions to the Municipal Code of the City of Menlo Park. for any residential project larger than 10 units

Permitting requirements in the Municipal Code of the City of Menlo Park.

A person, firm, corporation, or other entity applying for a building permit under the relevant section of the Municipal Code of the City of Menlo Park, California shall be required to comply with the apprenticeship, healthcare, and local hire requirements of the Housing Element and General Plan. Failure to comply with the requirements set forth in this section shall be deemed a violation of this article.

**Apprenticeship:**

For every apprenticeable craft, each general contractor and each subcontractor (at every tier for the project) will sign a certified statement under penalty of perjury that it participates in a Joint Apprenticeship Program Approved by the State of California, Division of Apprenticeship Standards **OR** in an apprenticeship program approved by the State of California Division of Apprenticeship Standards that has a graduation rate of 50% or higher and has graduated at least thirty (30) apprentices each consecutive year for the five (5) years immediately preceding submission of the pre-qualification documents. The contractor or subcontractor will also maintain at least the ratio of apprentices required by California Labor Code section 1777.5.

**Local Hire Policy:**

Contractor will be required to provide documentation that the contractor will hire a minimum of twenty-five percent (25%) of staff for any job classification with more than four (4) employees employed whose primary residence, which is not a post office box, is, and has been, within San Mateo county within 180 days of the expected date of issuance of the Notice to Proceed for the project.

While there has been a remarkable economic expansion in Menlo Park in recent years, rising inequality and displacement adds to the City's affordability crisis and threatens to undermine the

region’s strong economy. Menlo Park’s Draft Housing Element Update itself acknowledges that “Menlo Park has more low-wage jobs than low-wage residents.”<sup>3</sup> The Carpenters firmly believe that people should be able to live in the communities in which they work. Policies that require the utilization of apprentices and a local construction workforce will help towards the realization of this ideal. In tandem with programs currently operational by Local 217 outlined below, such policies will help improve local access to the type of living-wage job the community needs, and also help ensure that the City meets its RHNA targets.

Local 217 has implemented many programs that will enable the City to meet the General Plan and Housing Element goals. These programs include a robust Joint Apprenticeship Training Committee, vigorous utilization of apprentices in the City of Menlo Park, healthcare coverage for all members and their families, and innovation within the construction industry.

Joint Apprenticeship Training Committees (JATC’s), such as the Carpenters Training Committee for Northern California (CTCNC), are a proven method of career training built around a strong partnership between employers, training programs and the government. This tripartite system is financially beneficial not only for the apprentice, but is a major benefit for the employer and the overall economy of the City of Menlo Park. The CTCNC monitors current market conditions and adjusts the workflow of apprentices to meet the needs of the community, heading off any shortage of skilled workers. History has demonstrated that strong utilization of apprentices throughout the private sector helped California builders produce millions of units of housing.

CTCNC recruitment strategies include robust diversity and inclusionary outreach programs, such as pre-apprenticeship, with proven results in representative workplaces and strong local economies. It is imperative that our underserved populations have supportive and effective pathways to viable construction careers, while ensuring that employers are able to find and develop the best and brightest talent needed to thrive in a competitive economy.

Employer-paid health insurance plans for our members and their families provides preventative services to stay healthy and prevent serious illness. Timely care reduces the fiscal burden for our members and their families, and significantly reduces the utilization of safety-net programs administered by the City of Menlo Park and San Mateo County.

Embracing new technologies and delivery systems will have a significant impact on the construction industry, particularly the residential sector. Increasing housing delivery methods reduces project durations and provides City of Menlo Park residents housing sooner. Local 217 is at the forefront of ensuring that new construction technologies deliver those benefits while also creating work opportunities for those already in the trades as well as those looking to begin a construction career.

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<sup>3</sup> Page 62: Menlo Park 2023-2031 Housing Element Primary HCD Review Draft accessed via <https://menlopark.gov/files/sharedassets/public/community-development/documents/projects/housing-element-update/menlo-park-2023-2031-housing-element-primary-hcd-review-draft.pdf>

Local 217 is in a unique position to address many of the key ideas outline in the City of Menlo Park Housing Element Update. By investing in the training and utilization of apprentices, performing outreach to ensure that the workforce closely mirrors the demographics of our local community, providing employer-paid healthcare for our members and their families, and promoting innovation in the residential construction sector, Local 217 is prepared to assist in closing the affordability gap in the City of Menlo Park and the Bay Area. We look forward to engaging City staff and elected leaders as the Housing Element moves forward and working cooperatively to bridge the needs of the City with the skills and tools of Local 217.

Thank you for your time and consideration of these comments.

Sincerely,

Ed Evans



Senior Field Representative  
Carpenters Local 217

CC: City Clerk: [jaherren@menlopark.org](mailto:jaherren@menlopark.org)

Tom Smith, Acting Principal Planner: [tasmith@menlopark.org](mailto:tasmith@menlopark.org)

Calvin Chan, Senior Planner: [cchan@menlopark.org](mailto:cchan@menlopark.org)

**From:** [Virginia Calkins](#)  
**To:** [Chow, Deanna M](#); [Smith, Tom A](#)  
**Cc:** [Benjamin Elder](#); [Brad Scott](#)  
**Subject:** HCD Follow up  
**Date:** Wednesday, November 30, 2022 6:50:08 PM  
**Attachments:** [Divco--Sand Hill Housing Element Letter.pdf](#)  
[RE Menlo Park Housing Element Update - Quadrus Site.pdf](#)  
[RE Housing element follow up.pdf](#)

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Deanna and Tom,

Hope you had a nice holiday break. We came across the following “HCD Transmittal Index”--[hcd-transmittal-index-of-comments-for-public-review-draft.pdf \(menlopark.gov\)](#)—on the City’s Housing Element website.

As you may recall, we sent a letter to the City in February 2022 and followed up in May 2022 expressing our long-term intentions of keeping our Sand Hill Road office campuses as office campuses and confirming that we have no intentions of building any housing on these campuses in the near or long-term. Attached is the correspondence for ease of reference. We expected that this correspondence would have been included as part of the public record on the draft Housing Element; however, in reviewing the index we noticed that it was not referenced.

We are following up to ensure our stated intention with respect to our Sand Hill sites is understood and that the City does not intend to rely on our sites for potential housing. As such, we respectfully ask that our comments on the Housing Element be added to the list and that it be shared with the public on the City’s website and with HCD as part of the City’s next draft Housing Element submittal. Thank you in advance for your attention to this matter, and please feel free to contact us if there is anything else you need in order for our correspondence to be incorporated into the next draft.

Thank you,  
Virginia

**VIRGINIA CALKINS**

*Development*

**O** 248.961.5664 [301 HOWARD STREET, SUITE 2100](#)

**C** 248.961.5664 **SAN FRANCISCO, CA 94105**

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**From:** [Andrew Bielak](#)  
**To:** [Planning Commission](#)  
**Subject:** Comments for Tonight's Study Session  
**Date:** Thursday, December 1, 2022 4:18:24 PM  
**Attachments:** [22\\_0606 MidPen Housing Element Letter.pdf](#)

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Good afternoon Planning Commissioners,

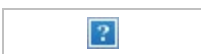
I represent the affordable housing developer MidPen Housing and wanted to write in regards to tonight's study session.

I'm re-sending a letter I previously provided in regards to the Housing Element. In addition to the points described in this letter, I would add the following:

- If feasible, we recommend the Commission consider updating the Affordable Housing Overlay zone to provide benefits that are equivalent to the State Density Bonus Law, so the AHO could be used independently to reach the desired outcome, instead of requiring to be paired with the SDBL. This approach would avoid a project needing to separately apply for the SDBL and ensure the City can provide the housing densities it seeks independent of State law.
- In its current iteration, the proposed revision to the AHO would allow 100% affordable projects to reach 99 units when using the SDBL. We recommend allowing projects to reach 150 units per acre, which would maximize potential for senior or supportive projects which can be feasible at higher densities
- We would like to reiterate the points from the letter regarding other important components of the AHO, including parking, fee waivers, and possibility for ministerial review. Lastly, we would continue to emphasize the importance of having a strong focus and clear strategy around publicly owned sites, which often present the strongest opportunity for affordable housing development.

Thank you,  
Andrew Bielak

**Andrew Bielak | Associate Director of Housing Development**  
**MidPen Housing Corporation**  
303 Vintage Park Drive, Suite 250, Foster City, CA 94404  
c. 650.830.1360



June 6, 2022

Dear Members of the Menlo Park City Council, City Commissions, and Staff --

Thank you for your continued progress in the preparation of the 2023-2031 Housing Element Update. We applaud the effort to incorporate extensive community input and to examine a comprehensive approach to encourage the development of the nearly 3,000 mandated units for the City of Menlo Park through its Housing Element

As a 100% affordable non-profit housing organization with five communities either under construction or completed in Menlo Park, MidPen Housing is deeply committed to partnering with the City to implement strategies that can support expansion of housing opportunities for those in need. We believe many of the concepts described in the plan could help achieve progress, but require additional detail and timely implementation to ensure success. With that in mind, MidPen is providing the following comments and questions on the May 11<sup>th</sup> draft of the City's Housing Element for 2023-2031.

- **Affordable Housing Overlay Zone (AHO):** Under Program H4.D, please provide clarification on how the Affordable Housing Overlay Zone is to be defined and what incentives it will provide in comparison to the incentives in the 2015-2023 Housing Element codified under [Government Code Chapter 16.98](#). MidPen's recommendation is that the City make the AHO zone as expansive as possible to cover the 73 recommended sites and that the incentives to be included provide concrete benefits for affordable housing developments above what is available under State Density Bonus Laws.
- **Ministerial Review of 100% Affordable Housing:** MidPen is supportive of applying ministerial review to 100% Affordable projects per policy H4.E but requests that the City shorten the currently proposed program timeframe of three years from Housing Element adoption. We recommend the City examine opportunities to streamline so the benefits of this policy become available before the City is nearly halfway through the new Housing Element cycle.
- **CEQA Requirements and Transportation Analysis:** The City should review Transportation Impact Analysis (TIA) Guidelines to ensure consistency with CEQA. The City's current TIA guidelines require preparation of Level of Service (LOS) analysis for affordable projects, even when it is not required under CEQA, which only requires a VMT (Vehicle Miles Traveled) analysis and assumes no significant impact for affordable developments. We also recommend that the City analyze which of its 73 proposed sites are currently within what they have categorized as a low VMT area.
- **Height limits** – We recommend the AHO zone include height limits that provide at least as much flexibility allowed under the State Density Bonus programs



- **Density** – The draft Housing Element proposes a 100 dwelling units per acre density allowance for 100% Affordable projects. We ask the City consider a limit of up to 150 units per acre for housing for affordable developments below 2 acres and/or for senior and supportive housing projects, which can be feasible at higher densities due to lower parking needs and smaller unit sizes.
- **Parking** – We appreciate the efforts to revise parking standards per Policies H4.D and H4.M, and recommend the City adopt parking requirements that offer at least as much flexibility as the State Density Bonus Law. In particular, we suggest that a maximum parking ratio for any 100% affordable project of .5 spaces per unit if it is either a) serving permanent supportive housing population b) serving seniors, or b) located within ½ mile from a major transit stop. We also hope these strategies can be implemented well before the two years described in the Report.
- **Fee Waivers and Exemptions** – In support of Housing Element Policies H1.4 and H4.8, we request that the City develop a more standardized and simplified rule around fee waivers. Fee waivers are a critical component of ensuring feasibility of an affordable development, and it is important for non-profit developers to understand early in the process how fee waivers or reductions will be calculated and applied.
- **Inclusionary Housing** – We applaud the Draft Element’s proposed amendments of the Inclusionary Housing requirements per Policy H4.A to further incentive affordable housing. In considering future development of mixed-income communities on larger sites such as the SRI or USGS sites, MidPen recommends Staff engage with both affordable and market-rate developers to help devise policies that can best support achievement of different types of housing on realistic time frames.
- **Public Land** – Due to the incredibly high cost of land, the inclusion of downtown parking lots in the Housing Element is a key ingredient to supporting future affordable units. We ask the City to maintain a strong focus on public sites for affordable housing and develop a strategy and work plan towards preparing Request for Qualifications for any viable public sites to solicit developer interest through a public process.

Thank you for your review of these comments. Please don’t hesitate to reach out if you have any questions.

Sincerely

Andrew Bielak  
Associate Director of Development  
abielak@midpen-housing.org



**STAFF REPORT**

**City Council**

**Meeting Date:** 12/6/2022

**Staff Report Number:** 22-240-CC

**Informational Item:** City Council agenda topics: December 2022

**Recommendation**

The purpose of this informational item is to provide the City Council and members of the public access to the anticipated agenda items that will be presented to the City Council. The mayor and city manager set the City Council agenda so there is no action required of the City Council as a result of this informational item.

**Policy Issues**

In accordance with the City Council procedures manual, the mayor and city manager set the agenda for City Council meetings.

**Analysis**

In an effort to provide greater access to the City Council's future agenda items, staff has compiled a listing of anticipated agenda items, Attachment A, through December 21, 2022. The topics are arranged by department to help identify the work group most impacted by the agenda item.

Specific dates are not provided in the attachment due to a number of factors that influence the City Council agenda preparation process. In their agenda management, the mayor and city manager strive to compile an agenda that is most responsive to the City Council's adopted priorities and work plan while also balancing the business needs of the organization. Certain agenda items, such as appeals or State mandated reporting, must be scheduled by a certain date to ensure compliance. In addition, the meeting agendas are managed to allow the greatest opportunity for public input while also allowing the meeting to conclude around 11 p.m. Every effort is made to avoid scheduling two matters that may be contentious to allow the City Council sufficient time to fully discuss the matter before the City Council.

**Public Notice**

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

**Attachments**

A. City Council agenda topics: December 2022

Report prepared by:

Judi A. Herren, Assistant to the City Manager/City Clerk

**Tentative City Council Agenda**

#	Title	Department	Item type	City Council action
1	Willow Village - second reading and adoption	CDD	Consent	Second read/adopt ordinance
2	Adopt Resolution to continue conducting the City's Council and advisory body meetings remotely due to health and safety concerns for the public	CMO	Consent	Adopt resolution
3	Appoint City Council representatives and alternates to various local and regional agencies and as liaisons and members to City Council advisory bodies	CMO	Regular	Decide
4	Appoint City Councilmembers to various standing and ad hoc subcommittees, and disband inactive ad hoc subcommittees	CMO	Regular	Decide
5	Certify 2022 election results	CMO	Consent	Adopt resolution
6	City Council agenda topics December 2022 - Jan 10 2023	CMO	Informational	No action
7	Interview and appoint City Councilmember to District 5 seat vacancy	CMO	Regular	Decide
8	City Council Minutes	CMO	Consent	Approve
9	Provide direction to the City's voting delegate regarding regional vacancies for the next City Selection Committee meeting December 16, 2022	CMO	Regular	Decide
10	Recognition of outgoing City Councilmember	CMO	Regular	No action
11	Recognition of outgoing Mayor	CMO	Regular	No action
12	Selection of the 2023 Mayor and Vice Mayor	CMO	Regular	Decide
13	Swearing in of new city councilmembers	CMO	Regular	No action



**STAFF REPORT**

**City Council**  
**Meeting Date:** 12/6/2022  
**Staff Report Number:** 22-238-CC

**Informational Item:** Transmittal of city attorney billing

**Recommendation**

This is an informational item and does not require City Council action.

**Policy Issues**

In accordance with the City Council informational requests, this staff report transmits information to the public.

**Background**

On February 23, 2021, the City Council approved an agreement with Burke Williams Sorenson, LLP (BWS) for city attorney services.

**Analysis**

As requested by the City Council, the city attorney has prepared monthly summaries of billing activity (costs/fees) for legal services that could be shared with the public. This staff report transmits the summaries for the months of September and October 2022.

**Public Notice**

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

**Attachments**

- A. Billing summaries – September and October 2022

Report prepared by:  
Justin I.C. Murphy, City Manager

Client.Matter	Description	Fees	Costs	Total Billed
08241.0001	GENERAL MUNICIPAL MATTERS	\$ 32,658.50	\$ 296.67	\$ 32,955.17
08241.0002	REAL ESTATE, COMPLEX HOUSING, CEQA, NEPA	\$ 7,180.00	\$ 87.50	\$ 7,267.50
08241.0003	CONSTRUCTION AND COMPLEX PUBLIC WORKS	\$ 1,667.50	\$ -	\$ 1,667.50
08241.0005	MENLO UPTOWN	\$ 528.00	\$ -	\$ 528.00
08241.0006	123 INDEPENDENCE	\$ 6,153.50	\$ -	\$ 6,153.50
08241.0009	WILLOW VILLAGE	\$ 80,084.00	\$ -	\$ 80,084.00
08241.0010	1350 ADAMS COURT	\$ 4,848.00	\$ -	\$ 4,848.00
08241.0012	162-164 JEFFERSON	\$ 1,824.00	\$ -	\$ 1,824.00
08241.0013	1105-1165 O'BRIEN DRIVE	\$ 576.00	\$ -	\$ 576.00
08241.0014	BOHANNAN DEVELOPMENT	\$ 5,760.00	\$ -	\$ 5,760.00
08241.0015.001	SOLID WASTE FRANCHISE	\$ 3,534.00	\$ -	\$ 3,534.00
08241.0018	1035 O'BRIEN	\$ 384.00	\$ -	\$ 384.00
08241.0019	CODE ENFORCEMENT/ PITCHES / NUISANCE PR	\$ 2,418.00	\$ -	\$ 2,418.00
08241.0021	SRI CAMPUS	\$ 1,104.00	\$ -	\$ 1,104.00
08241.0022	MPCC PG&E EMINENT DOMAIN	\$ 961.00	\$ -	\$ 961.00
08241.0023	HOTEL MOXY / 3723 HAVEN AVENUE	\$ 1,776.00	\$ -	\$ 1,776.00
08241.0027	UUT CLAIM/LITIGATION	\$ 1,643.00	\$ 494.35	\$ 2,137.35
08241.0029	ZONING INITIATIVE PETITION	\$ 682.00	\$ -	\$ 682.00
08241.0030	PUBLIC RECORDS ACT	\$ 2,106.00	\$ 122.40	\$ 2,228.40
08241.0032	CITY COUNCIL	\$ 1,512.00	\$ -	\$ 1,512.00
08241.0033	980-1030 O'BRIEN	\$ 1,548.00	\$ -	\$ 1,548.00
<b>FEES PAID BY CITY</b>				<b>\$ 55,362.92</b>
<b>FEES PAID BY DEVELOPERS</b>				<b>\$ 104,585.50</b>
<b>TOTAL</b>				<b>\$ 159,948.42</b>

Client.Matter	Description	Fees	Costs	Total Billed
08241.0001	GENERAL MUNICIPAL MATTERS	\$26,717.50	\$123.75	\$26,841.25
08241.0002	REAL ESTATE, COMPLEX HOUSING, CEQA, NEPA	\$16,306.50	\$0.00	\$16,306.50
08241.0003	CONSTRUCTION AND COMPLEX PUBLIC WORKS	\$3,391.00	\$0.00	\$3,391.00
08241.0005	MENLO UPTOWN	\$3,600.00	\$0.00	\$3,600.00
08241.0006	123 INDEPENDENCE	\$7,418.50	\$0.00	\$7,418.50
08241.0009	WILLOW VILLAGE	\$146,483.00	\$0.00	\$146,483.00
08241.0010	1350 ADAMS COURT	\$144.00	\$0.00	\$144.00
08241.0011	1075 O'BRIEN/CS BIO	\$912.00	\$0.00	\$912.00
08241.0012	162-164 JEFFERSON	\$720.00	\$0.00	\$720.00
08241.0013	1105-1165 O'BRIEN DRIVE	\$4,464.00	\$0.00	\$4,464.00
08241.0014	BOHANNAN DEVELOPMENT	\$1,392.00	\$0.00	\$1,392.00
08241.0019	CODE ENFORCEMENT/ PITCHES / NUISANCE PR	\$1,705.00	\$0.00	\$1,705.00
08241.0021	SRI CAMPUS	\$2,496.00	\$0.00	\$2,496.00
08241.0022	MPCC PG&E EMINENT DOMAIN	\$930.00	\$59.95	\$989.95
08241.0023	HOTEL MOXY / 3723 HAVEN AVENUE	\$10,512.00	\$0.00	\$10,512.00
08241.0026	1005 O'BRIEN	\$1,824.00	\$0.00	\$1,824.00
08241.0027	UUT CLAIM/LITIGATION	\$1,271.00	\$107.50	\$1,378.50
08241.0029	ZONING INITIATIVE PETITION	\$899.00	\$0.00	\$899.00
08241.0030	PUBLIC RECORDS ACT	\$4,104.00	\$0.00	\$4,104.00
08241.0032	CITY COUNCIL	\$729.00	\$0.00	\$729.00
08241.0033	980-1030 O'BRIEN	\$1,333.00	\$0.00	\$1,333.00
08241.0034	3705 HAVEN	\$432.00	\$0.00	\$432.00
		<b>\$237,783.50</b>	<b>\$291.20</b>	<b>\$238,074.70</b>

<b>FEES PAID BY CITY</b>	<b>\$56,344.20</b>
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<b>FEES PAID BY DEVELOPERS</b>	<b>\$181,730.50</b>
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<b>TOTAL</b>	<b>\$238,074.70</b>
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## STAFF REPORT

**City Council**

**Meeting Date:**

**12/6/2022**

**Staff Report Number:**

**22-239-CC**

**Informational Item:**

**Update on the Willow Oaks Park improvement project**

### Recommendation

Staff recommends that the City Council review this informational report containing updates related to phasing the delivery of components of the Willow Oaks Park improvement project. This is an informational item and does not require City Council action.

### Policy Issues

The Willow Oaks Park improvement project is consistent with the City's General Plan Policy LU-6.1 and the Parks and Recreation Facilities Master Plan goals adopted in October 2019. The project promotes developing and maintaining parks that provide areas for facilities to serve the recreation needs of all visitors.

### Background

On May 10, 2022, staff and Callander Associates Landscape Architecture Inc. presented concept designs for Willow Oaks Park to the City Council. The design included reconstructing the existing playground and dog park, and incorporating a new park restroom, pathway improvements, purpose-built pickleball courts, seating, picnic areas and landscaping. The proposed design did not include improvements along the park frontage, the area west of the tennis courts and adjacent to Willow Road (Attachment A.) City Council unanimously approved the concept plans and directed staff to explore additional park uses in the frontage area as part of a future phase of work. Staff has also been working with Ravenswood City School District (RCSD) to assess options to fence in the joint-use youth playing field located on RCSD-owned land adjacent to the park, in response to safety concerns raised by the community about interactions with unleashed dogs on the playing field and the adverse impacts of dog activity and dog waste to the field's turf.

Since May, staff has continued work on the detailed design documents of the improvements in the concept plans approved by the City Council as well as prepared additional conceptual designs for the frontage area of the park along Willow Road. In order to deliver the improvements within a timely manner, staff proposes to develop and construct the improvements in phases, as the City Council suggested during the May meeting. Staff has also received extensive public comments regarding pickleball courts at Willow Oaks and other parks since May. In particular, concerns raised included noise associated with pickleball and the proximity of the BuildingKidz preschool and homes near the park.

### Analysis

#### Phased delivery approach

Staff is committed to ultimately delivering all of the elements approved by the City Council May 10, 2022. In order to properly execute this delivery in a timely manner, staff has proposed a phased approach to project



delivery. Phase 1 improvements will include the new playground and dog park, pathway upgrades, new restroom, resurfacing of the basketball court, and landscaping. The playground equipment design, including the request to add roof coverings to the structures, is continuing to progress. The new restroom identified for phase 1 improvements will require additional permitting from the Planning Commission.

Phase 2 improvements may include purpose-built pickleball courts and expansion of passive recreational use through new picnic areas, seating and games. These improvements will require additional community outreach and City Council coordination, which will take some time. Of note, the 2019 Parks and Recreation Facilities Master Plan does not include pickleball courts anywhere in the City. For this reason, part of the Phase 2 work could potentially include the development of a narrowly focused addendum to the 2019 Master Plan to incorporate current and future pickleball needs into the plan with community and stakeholder input.

By phasing the improvements, staff can begin constructing the critical elements in Summer 2023, without delay. The elements identified in phase 2 will follow thereafter.

### Willow Oaks Park – Frontage area use for Phase 2

Staff has been evaluating three park frontage design alternatives. These alternatives represent expanded programming opportunities, area enhancements and new amenities. The three alternatives are available in Attachments B, C and D. Staff will return to City Council at a later date after the Phase 1 work is underway to present the frontage options and receive direction on what to incorporate into Phase 2. A summary of the frontage area options is as follows:

- Alternative 1 (Attachment B) – Demonstration garden (\$460,000):  
Alternative 1 allows for passive recreational use. It includes a concrete path that meanders through a demonstration garden, and highlights the sustainable landscape design through the use of educational signage. Bench seating is incorporated to provide visitors an opportunity to enjoy the garden. A shaded picnic area on the south side of the park entrance driveway is also included to enhance the park’s seating and picnic table options. An area for bicycle racks and a game of corn hole is adjacent to the picnic area. The corn hole game is a concrete board that is permanently added to the area. Park users would bring their own bean bags, to engage in a game of corn hole.
- Alternative 2 (Attachment C) - Small dog park (\$620,000):  
Alternative 2 converts the existing lawn space into a small dog park. It would allow the existing dog park, located to the east of the playground, to be used as a dedicated space for larger dogs. The new small dog park would be designed with the same features that are proposed for the larger dog park, including a vestibule entrance, synthetic turf surfacing, a 4-foot tall perimeter fencing, pet fountain and bench seating. It highlights the community’s desire to have separate small and large dog park areas.
- Alternative 3 (Attachment D) – Two pickleball courts (\$870,000):  
Introducing pickleball courts to Menlo Park has been a subject of strong community interest in the past couple of years. In response to community needs and interest, the City in September 2020, launched a pickleball pilot program at Kelly Park and later expanded it to Nealon Park. In summer 2022, the City conducted a citywide survey to assess community needs and desires for recreation and community programs. The pilot program and community survey have indicated that substantial interest and demand for pickleball exists in Menlo Park. On October 26, 2022, the Parks and Recreation Commission recommended to extend the duration of the pickleball pilot program through June 2023, expand the pilot program’s scope at Nealon Park (staff is evaluating this recommendation further), analyze community needs and develop estimated costs and timelines for potentially creating additional purpose-built pickleball courts in alignment with the Parks and Recreation Facilities Master Plan, and construct new,

purpose-built pickleball courts at Willow Oaks Park (in addition to the existing tennis courts) as part of the Willow Oaks Park improvement project.

Alternative 3 constructs two purpose-built pickleball courts to the front of the park. The pickleball courts were originally planned in the basketball court area, south of the existing tennis courts. Staff has explored relocating the two pickleball courts to the front of the park, to help attenuate noise concerns by creating more distance from nearby residences and the BuildingKidz preschool.

#### Willow Oaks Parks – Fence in the Baseball/Play Field:

City staff is working with staff from RCSD to evaluate options for fencing the joint-use youth playing field on the RCSD-owned property adjacent to Willow Oaks Park. This request originated from safety concerns received from residents and the Silicon Valley International School related to negative interactions with unleashed dogs on the field. Dog walkers were using the area as an off leash dog area for their dogs to roam. There were complaints during school hours of interactions with unleashed dogs, and the presence of dog excrement on the field and damage to the turf. Repeated efforts by City and school site staff to directly engage with and educate the dog owners to cease the unauthorized use of the playing field has had limited effectiveness. In February 2022, City staff temporarily erected an orange mesh barrier to separate the play field from the park. The temporary fence significantly reduced the frequency of off-leash dogs on the field until it was removed in summer 2022. Staff is coordinating with RCSD staff to design and install a permanent fence structure on RCSD's property in early 2023, pending authorization by the RCSD board of education tentatively scheduled December 8, 2022. The permanent fence will be installed by RCSD separately from the City's Willow Oaks Park improvements project in order to expedite the fence element. Attachment E shows an approximation of the proposed fence location around the field and a photo with a sample of the fence material. The identified fence material is tubular steel, which is consistent with the fencing used in other City parks as well as the new fencing planned for other elements of the Willow Oaks Park improvement project.

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

The capital improvement budget has \$3.1 million allocated for Willow Oaks Park improvements. Funding for the phase 1 construction improvements is part of the fiscal year 2022-23 budget. Cost estimates will be updated during further development of the construction documents.

#### **Environmental Review**

This information item is not a project within the meaning of the California Environmental Quality Act Guidelines 15378 and 15061 (b)(3) as it will not result in any direct or indirect physical change to the environment.

#### **Public Notice**

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

#### **Attachments**

- A. Willow Oaks Park west frontage area
- B. Concept plan Alternative 1
- C. Concept plan Alternative 2

Staff Report #: 22-239-CC

D. Concept plan Alternative 3

E. Willow Oaks sports field proposed perimeter fencing

Report prepared by:

Tanisha Werner, Assistant Public Works Director – Engineering

Reviewed by:

Nicole Nagaya, Public Works Director

Sean Reinhart, Library and Community Services Director



WILLOW OAKS PARK WEST FRONTAGE AREA



WILLOW OAKS PARK IMPROVEMENT PROJECT



CONCRETE PATH



DECOMPOSED GRANITE



PICNIC TABLE



BIKE RACK



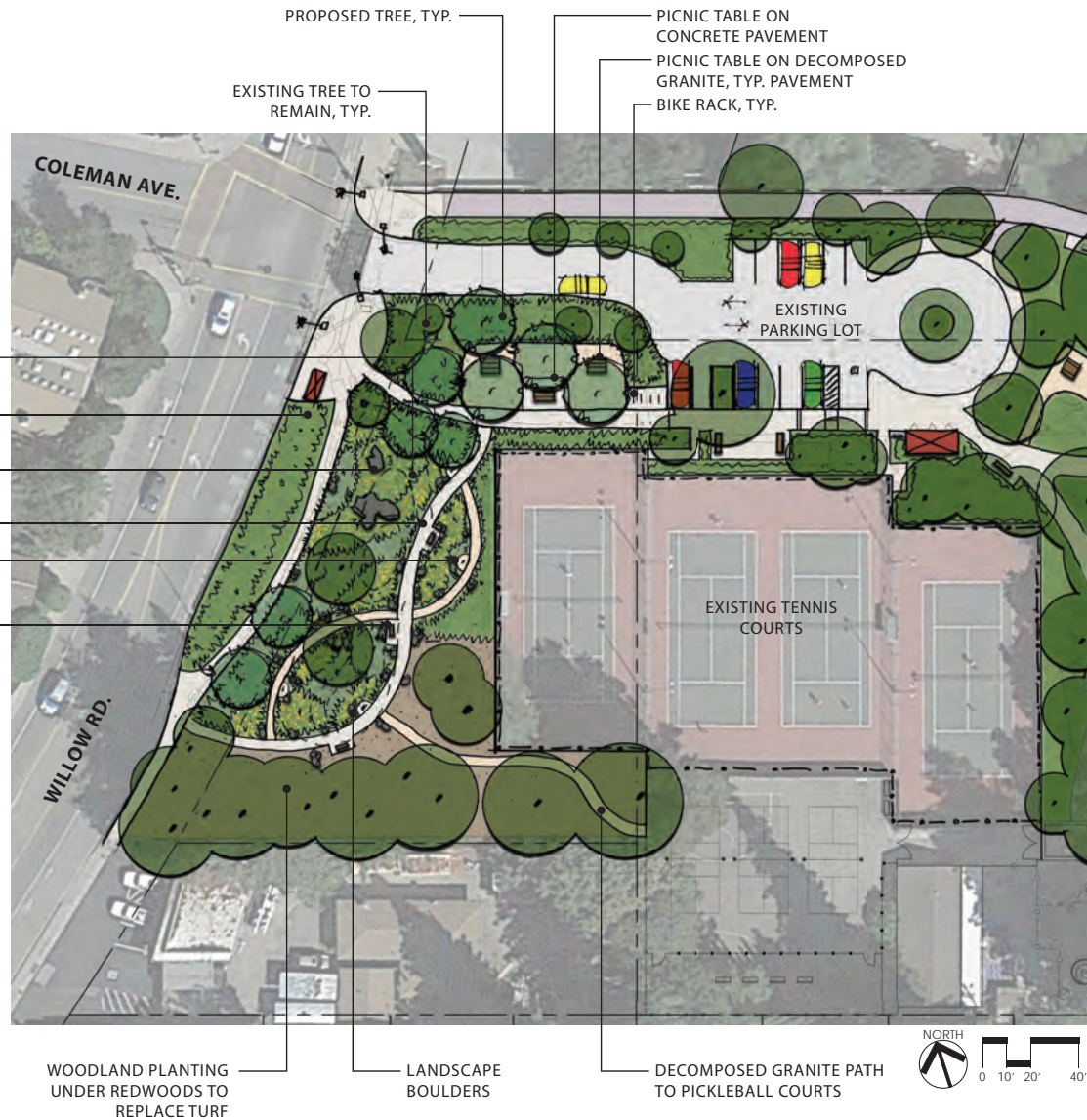
BENCH



SUSTAINABLE LANDSCAPE



EDUCATIONAL SIGNAGE



PROPOSED TREE, TYP.

PICNIC TABLE ON CONCRETE PAVEMENT  
 PICNIC TABLE ON DECOMPOSED GRANITE, TYP. PAVEMENT  
 BIKE RACK, TYP.

EXISTING TREE TO REMAIN, TYP.

EXISTING PARKING LOT

EXISTING TENNIS COURTS

COLEMAN AVE.

WILLOW RD.

WOODLAND PLANTING UNDER REDWOODS TO REPLACE TURF

LANDSCAPE BOULDERS

DECOMPOSED GRANITE PATH TO PICKLEBALL COURTS



DEMONSTRATION GARDEN WITH SUSTAINABLE LANDSCAPE

EXISTING SIDEWALK AND STREET FRONTAGE TO REMAIN

EXISTING SCULPTURE, COULD BE REMOVED OR REMAIN

6' CONCRETE PATH

EDUCATIONAL SIGNAGE, TYP.

BENCH, TYP.

**CONCEPT PLAN - Alternative 1**  
**WILLOW OAKS PARK FRONTAGE**  
 City of Menlo Park

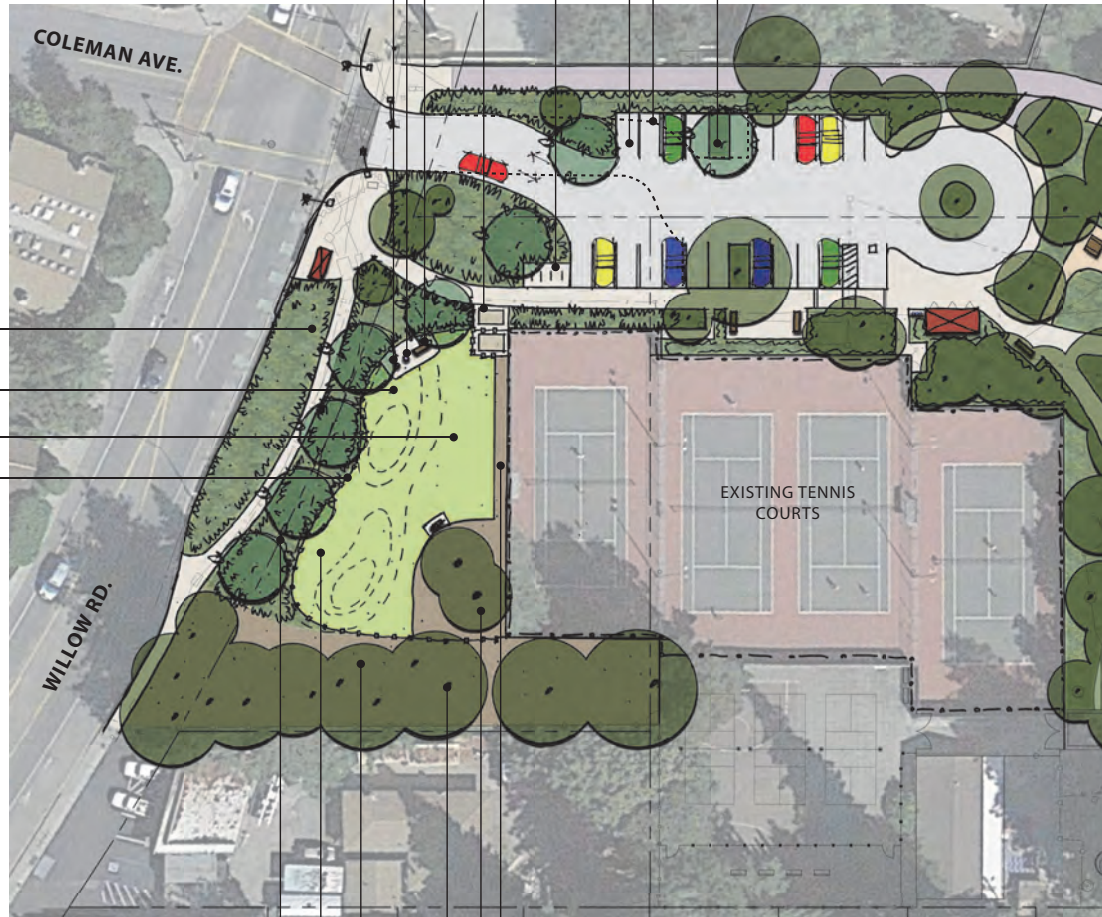




'SMALL DOG' DOG PARK



- DECORATIVE CONCRETE PAVEMENT
- BENCH, TYP.
- PET DRINKING FOUNTAIN
- PET WASTE STATION
- BIKE RACK, TYP.
- EXPANDED PARKING LOT, 10 ADDITIONAL PARKING STALLS
- EXISTING PARKING LOT EDGE
- PROPOSED TREE, TYP.



- EXISTING SIDEWALK AND STREET FRONTAGE TO REMAIN
- EXISTING SCULPTURE TO BE REMOVED
- 'SMALL DOG' DOG PARK
- 4' TALL CHAIN LINK FENCE

DOG DRINKING FOUNTAIN



PET WASTE STATION



- NEW DROUGHT TOLERANT PLANTING TO REPLACE LAWN
- SYNTHETIC TURF
- WOODLAND PLANTING UNDER REDWOODS TO REPLACE TURF
- DRAINAGE INFILTRATION AREA
- MULCH AROUND EXISTING TREES
- EXISTING TREE TO REMAIN, TYP.



SYNTHETIC TURF



BENCH



BIKE RACK



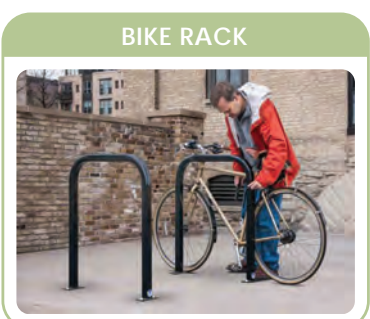
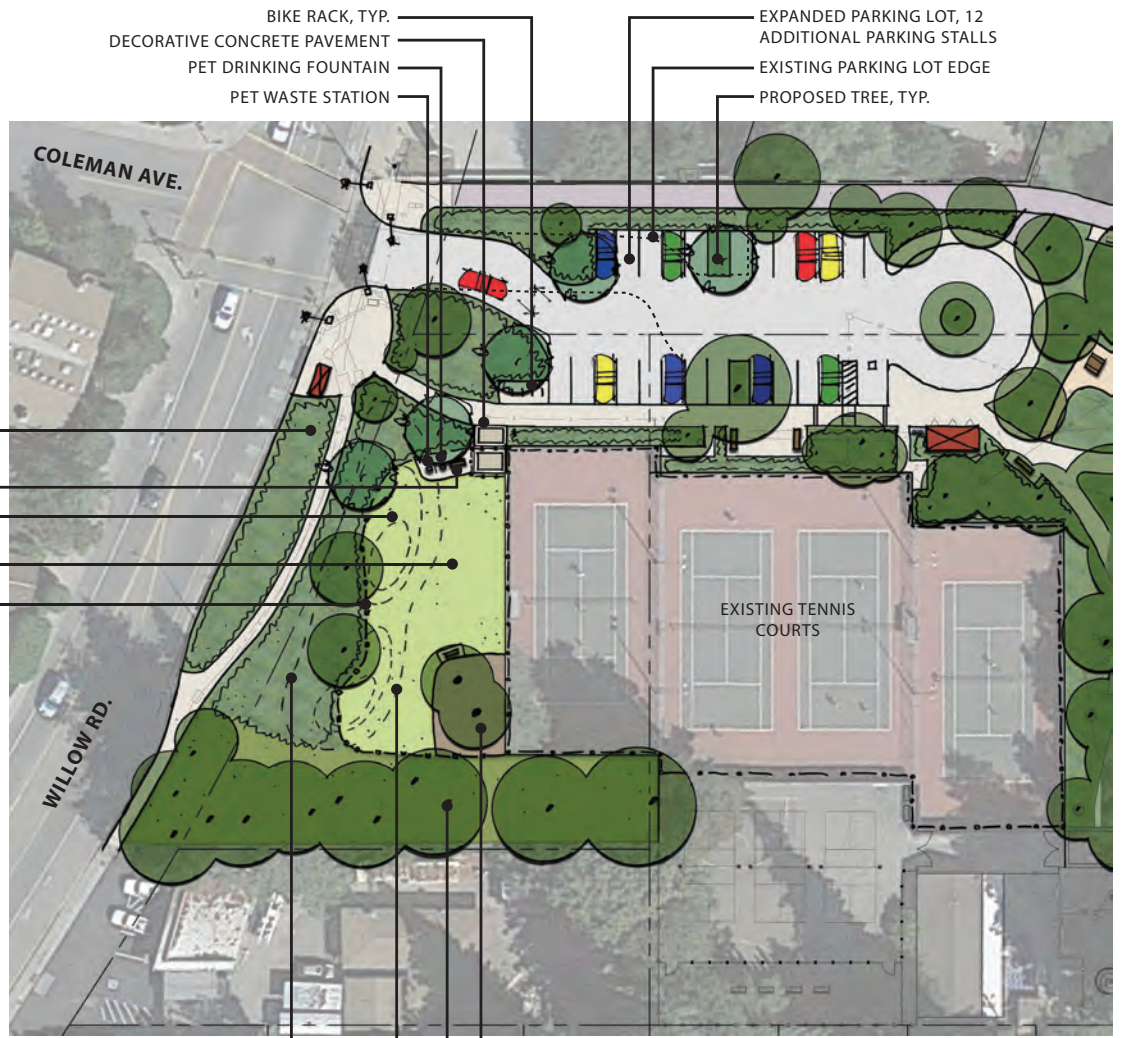
DECORATIVE CONCRETE



CONCEPT PLAN - Alternative 2  
WILLOW OAKS PARK FRONTAGE  
City of Menlo Park



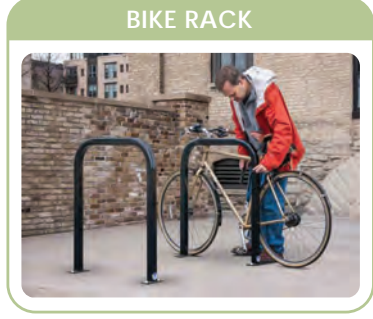
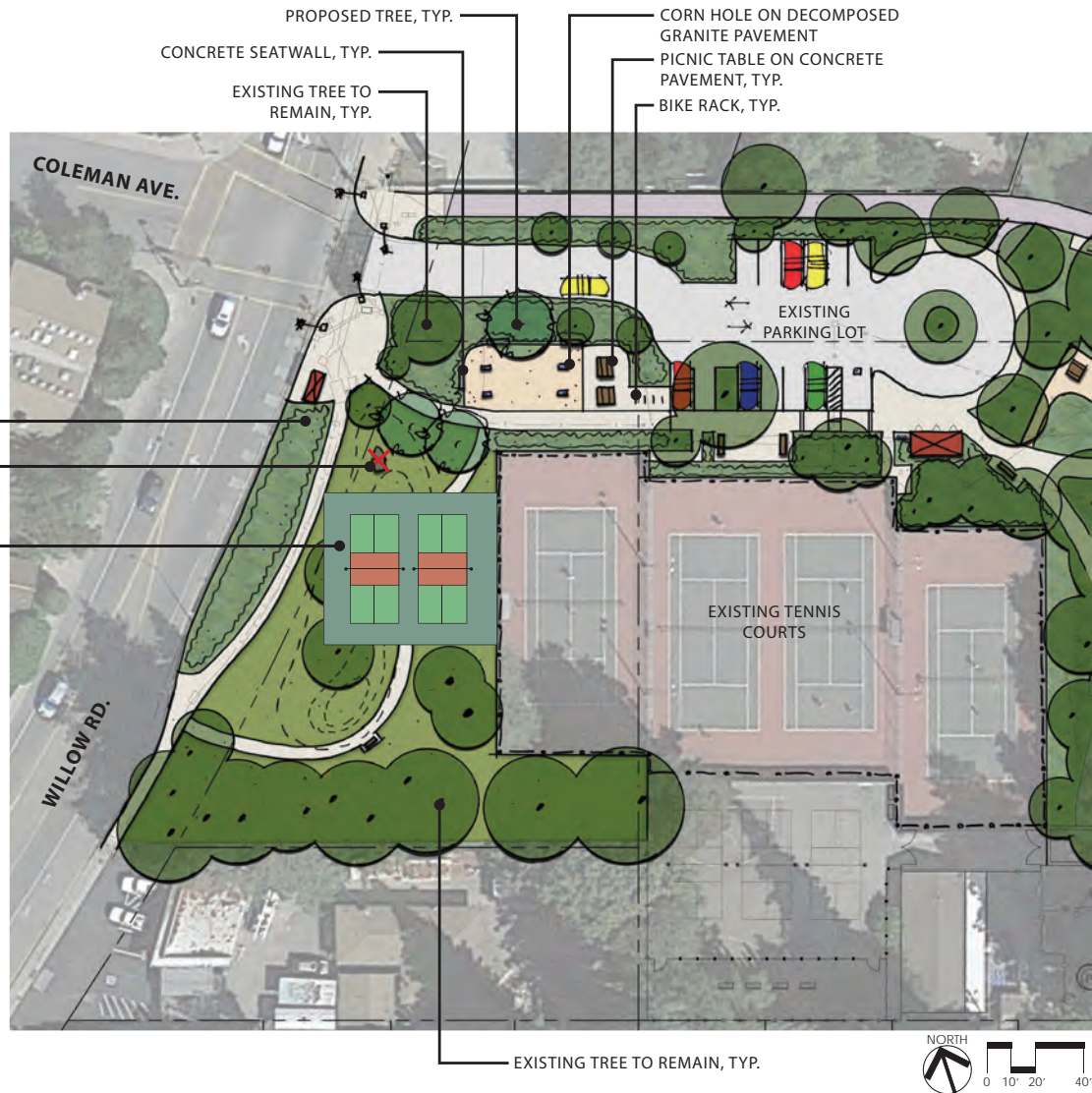




**CONCEPT PLAN - Alternative 2**  
**WILLOW OAKS PARK FRONTAGE**  
 City of Menlo Park







**CONCEPT PLAN - Alternative 3**  
**WILLOW OAKS PARK FRONTAGE**  
 City of Menlo Park







Willow Oaks Park

Willow Oaks Field Proposed Fence



Imagery ©2022 CNES / Airbus, Maxar Technologies, Planet.com, U.S. Geological Survey, USDA/FPAC/GEO, Map data ©2022 50 ft



# HOUSING ELEMENT UPDATE

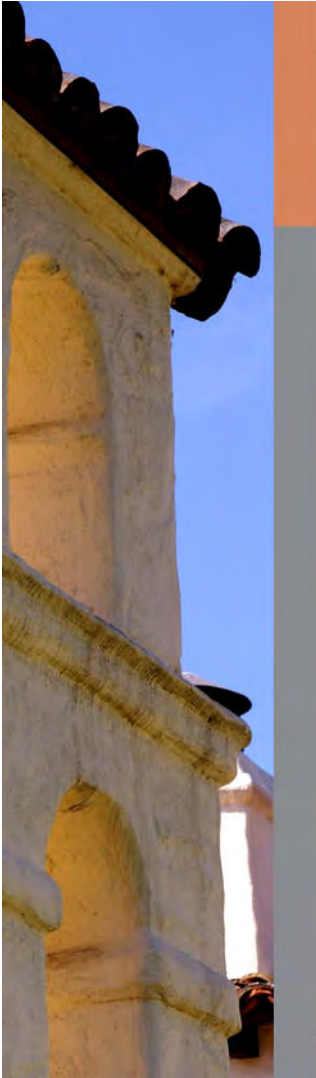
December 6, 2022 City Council Study Session





# PROJECT OVERVIEW





## BACKGROUND

- Required 6<sup>th</sup> Cycle Housing Element Update
  - Plan for city's housing needs from 2023 to 2031
  - Regional Housing Needs Allocation (RHNA) is 2,946 units
- Also includes update to General Plan Safety Element and new Environmental Justice Element
- Housing Element must be adopted by January 31, 2023



## NET RHNA

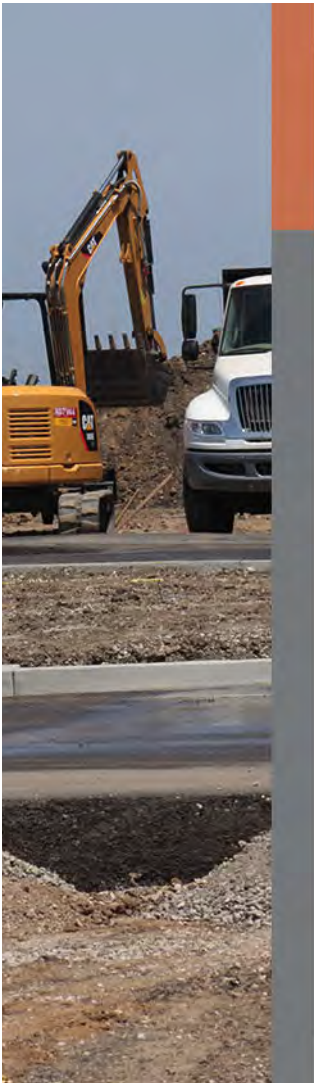
	Very Low	Low	Moderate	Above Moderate	Total Units
<b>6<sup>th</sup> Cycle RHNA Needs</b>					
6 <sup>th</sup> Cycle RHNA	740	426	496	1,284	<b>2,946</b>
30% Buffer	222	128	149	385	884
6 <sup>th</sup> Cycle RHNA + 30% Buffer	962	554	645	1,669	<b>3,830</b>
<b>6<sup>th</sup> Cycle RHNA Credits</b>					
Pipeline Projects	134	230	230	3,050	3,644
ADUs	26	25	26	8	85
Credits Subtotal	160	255	256	3,061	3,729
<b>Total Net New Units Needed</b>	<b>802</b>	<b>299</b>	<b>389</b>	<b>0</b>	<b>1,490</b>



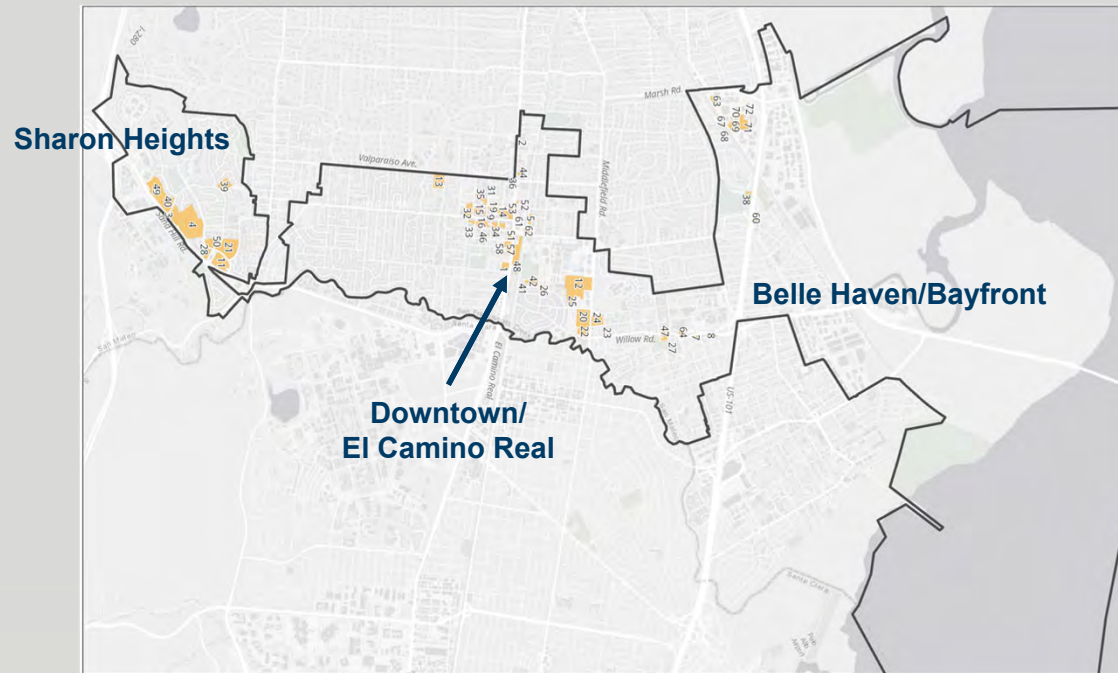
## MAJOR LAND USE STRATEGIES

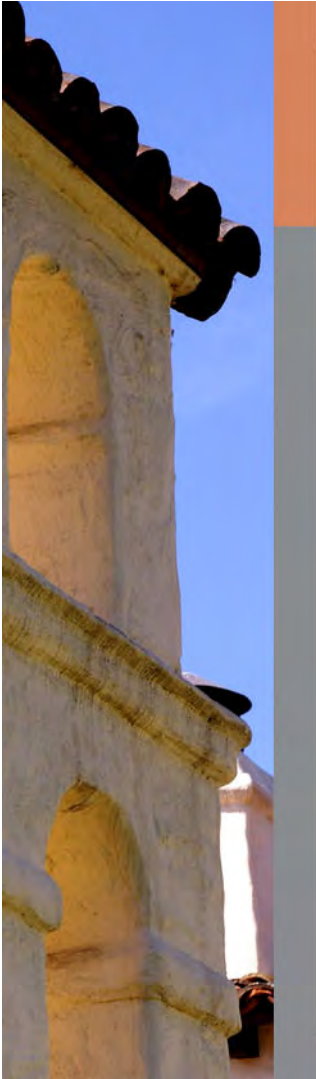
- Affordable RHNA will be met by rezoning for up to 4,000 new units dispersed throughout city
  - The total would accommodate a mix of development types to achieve 1,490 affordable units
  - Primarily in Council districts 2 through 5
- Five key zoning strategies
  - Increase densities in El Camino Real/Downtown Specific Plan area and remove residential cap
  - Increase densities in the affordable housing overlay (AHO)
  - Rezone commercial sites to allow mixed-use development
  - Remove minimum lot size to achieve 30 du/ac on R-3 lots around downtown
  - Re-use sites from current Housing Element





# OPPORTUNITY SITES





## MEETING PURPOSE

- Study session
  - Provide feedback on revisions to draft Housing Element in response to HCD comments
  - Also an opportunity to provide feedback on potential zoning changes
- No actions will be taken this evening
  - Staff will use comments to prepare:
    - Revised draft Housing Element
    - Draft Zoning Ordinance amendments
    - Draft Specific Plan amendments
    - Draft ordinances to rezone certain housing opportunity sites to allow multifamily residential or mixed use developments



# DRAFT HOUSING ELEMENT



## BACKGROUND

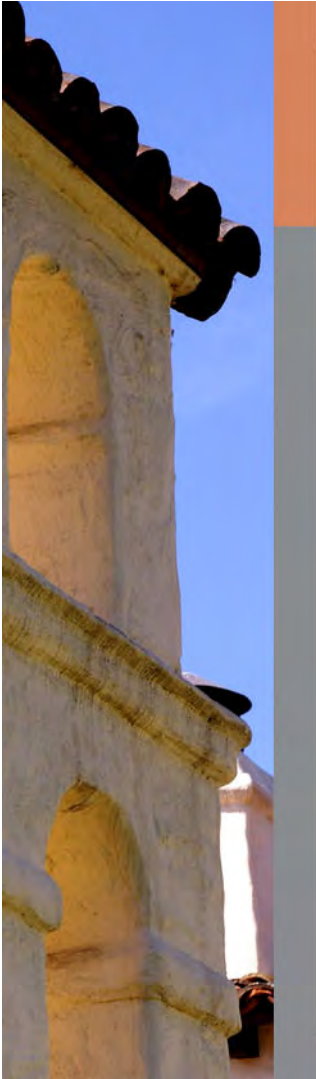
- May 2021 - Present: Outreach through project galleries, survey, pop-up events, focus groups, community meetings, and other methods
- May 11, 2022 - Initial draft Housing Element circulated for public review
- May 16, 2022: Joint Planning Commission and Housing Commission meeting to review draft Housing Element
- June 6, 2022: City Council meeting to review draft Housing Element
- July 25, 2022: City submitted initial draft Housing Element to HCD, beginning 90-day state review period
- October 21, 2022: City received letter from HCD with list of requested revisions
- Late October - Present: Project team has been developing second draft Housing Element





## HCD COMMENTS

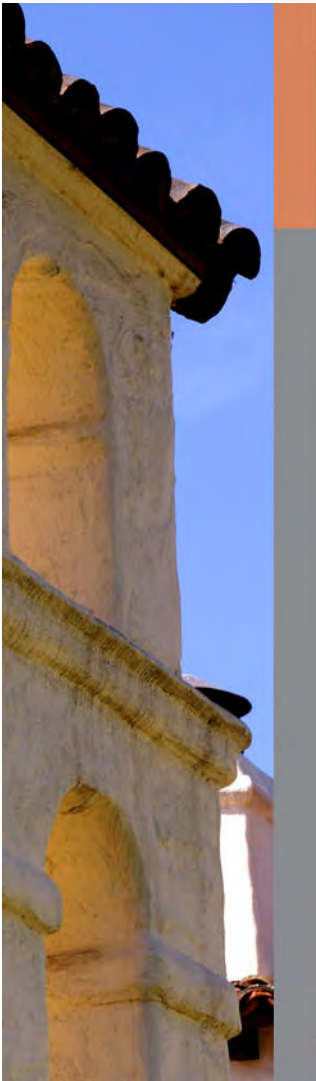
- Initial draft Housing Element addresses many requirements
  
- Majority of comments were in the following topic areas:
  - Affirmatively furthering fair housing (AFFH)
  - Housing sites inventory and realistic capacity
  - Analysis of constraints that would reduce housing development
  - Addressing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



## PROPOSED HOUSING ELEMENT CHANGES



- 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



## PROPOSED HOUSING ELEMENT CHANGES



- 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 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 Affordable Housing Overlay
- Changes to the methodology increase total units from 2,108 to 2,906





## PROPOSED HOUSING ELEMENT CHANGES



- Chapter 8 updated with new and revised programs
  - Consider City-owned land for housing (downtown parking lots)
  - Streamlined project review for 100 percent affordable housing
  - Anti-displacement strategy
  - Amend BMR housing regulations to consider increasing requirements
  - Zoning text amendments for special needs housing
  - Others



## TENTATIVE UPCOMING MILESTONES

- December 2022 – Release of draft Environmental Justice and Safety Elements
- December 19, 2022 – Close of Draft SEIR public comment period
- January 12, 2023 – Housing Commission and Planning Commission recommendations
- January 31, 2023 – City Council adoption hearing



# POTENTIAL ZONING CHANGES





# PROPOSED SPECIFIC PLAN RESIDENTIAL DENSITIES



Specific Plan Existing and Proposed Subdistrict Residential Densities (in du/ac)				
Subdistrict	Existing Base Density	Proposed Base Density	Existing Bonus Density	Proposed Bonus Density
Downtown (D)	25	40	40	60
Downtown Adjacent (DA)	18.5	30	25	50
El Camino Real North-East (ECR NE)	25	30	40	50
El Camino Real North-East Low Density (ECR NE-L)	20	30	30	40
El Camino Real North-West (ECR NW)	25	30	40	50
Station Area East (SA E)	50	50	60	80
Station Area West (SA W)	50	50	60	80
El Camino Real South-West (ECR SW)	25	30	40	50

Note: Density, FAR, and height would remain as-is for the ECR SE and ECR NE-R subdistricts.



# PROPOSED DOWNTOWN DEVELOPMENT STANDARDS

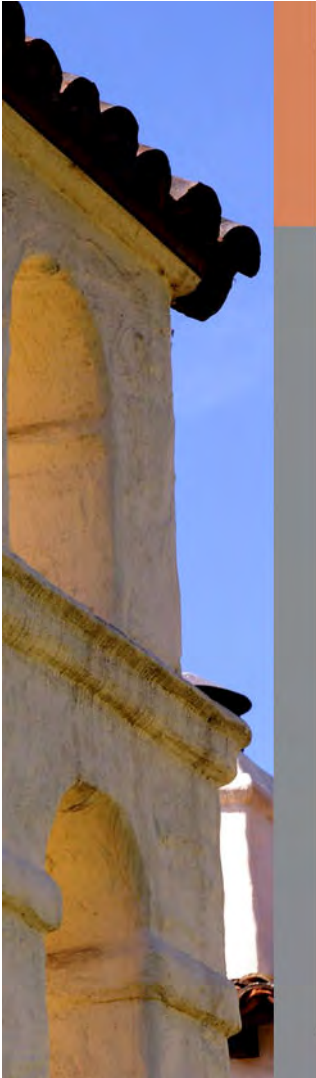


Select Existing and Proposed Development Standards for Downtown Subdistrict		
Development Standard	Existing	Proposed
Maximum Base FAR	2.00	2.00
Maximum Public Benefit Bonus FAR	2.25	2.25
Maximum Step Up Base FAR	N/A	2.40*
Maximum Step Up Public Benefit Bonus FAR	N/A	3.00*
Base Residential Density	25 du/ac max.	20 du/ac min. / 40 du/ac max.
Public Benefit Bonus Residential Density	40 du/ac max.	20 du/ac min. / 60 du/ac max.
Maximum Building Height	38 ft	50-60 ft**
Maximum Public Façade Height	30 ft	38 ft

\*Step up FAR would be available to developments that provide between 50 percent and 65 percent of the overall building FAR toward residential uses and one of the following options: a) a minimum 50 percent of units with two or more bedrooms including 5 percent of units with three or more bedrooms, or b) all for-sale units.

\*\*The maximum height for buildings with a residential density of 20 to 40 du/ac would be 50 feet. For buildings with a density over 40 du/ac, 60 feet would be the maximum.





## OTHER PROPOSED SPECIFIC PLAN CHANGES

- Development standards for six other subdistricts would be modified
- The limit of 680 residential units in the Specific Plan area would be removed
- A minimum density of 20 du/ac would be required to set a basic floor for residential development
- Minimum parking rate would be removed; maximum parking rates may be established



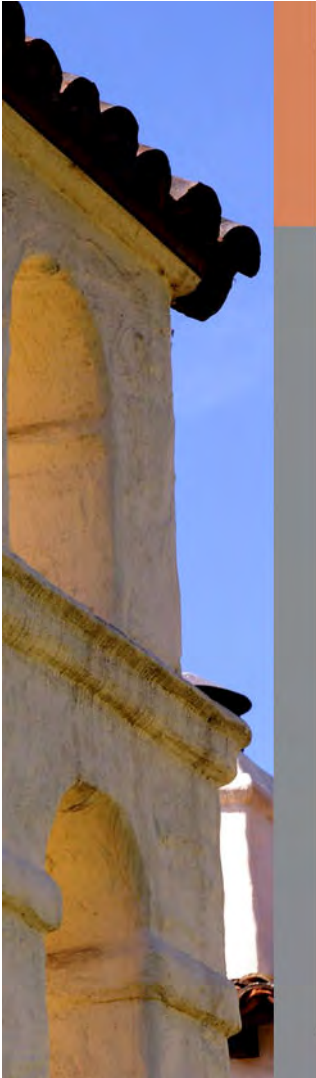


# PROPOSED COMMERCIAL ZONING DISTRICTS



Commercial Districts Existing and Proposed Residential Densities (in du/ac)		
District	Proposed Change	Proposed Density
Administrative and Professional, Restrictive (C-1)	Add new residential mixed use regulations	30 du/ac max.
Administrative and Professional (C-1-A)	Combine with C-2-B	30 du/ac max.
Administrative, Professional and Research, Restrictive (C-1-C)	Maintain	AHO/Carveout Only
Neighborhood Shopping (C-2)	Combine Most Parcels with C-2-B	30 du/ac max.
Neighborhood Shopping, Restrictive (C-2-A)	Combine with C-2-B	30 du/ac max.
<b>Neighborhood Mixed Use, Restrictive (C-2-B)</b>	<b>Maintain</b>	<b>30 du/ac max.</b>
Neighborhood Commercial, Special (C-2-S)	Combine with C-2-B	30 du/ac max.
General Commercial (C-4)	Combine with C-2-B or similar	30 du/ac max.
Office (O)	Rezone portion to new O-R district	20-30 du/ac max.





## OTHER PROPOSED COMMERCIAL ZONING DISTRICT CHANGES



- 10,000 square-foot minimum lot size requirement for R-3 properties located around downtown would be removed
- “Carveout” residential development would be permitted on certain housing opportunity sites included in the City’s 6<sup>th</sup> Cycle RHNA housing inventory.
  - Intent would be to allow housing development of one or two acres that could be located anywhere on the applicable parcels



## PROPOSED AFFORDABLE HOUSING OVERLAY CHANGES



- Designed to encourage development of affordable units for low, very low, and extremely low income households
- Would be expanded to include all 6<sup>th</sup> Cycle RHNA housing opportunity sites, in addition to the Specific Plan area
- Would be modified to work in combination with the state density bonus law on a site
- AHO density bonus for any applicable site would be set at 55 du/ac minus the base density of the underlying zoning for the site. By applying the AHO:
  - Developments that qualify for the maximum state density bonus of 50 percent could achieve a development with a total density of up to 83 du/ac
  - 100 percent affordable developments that qualify for the state density bonus of 80 percent achieve a development with a total density of up to 99 du/ac



# PROPOSED AFFORDABLE HOUSING OVERLAY CHANGES

- Examples

Example AHO Application to C-1 Zoned Parcel with 80 Percent State Density Bonus								
Acres	Max Density	Max Base Units	AHO Density Bonus	AHO Bonus Units	Base Units + AHO Bonus Units	80% State Density Bonus Units	Total Units	Total Density
(A)	(B)	A*B=(C)	55-B=(D)	A*D=(E)	C+E=(F)	F*.80=(G)	F+G=(H)	H/A=(I)
1.0	30 du/ac	30 units	25 du/ac	25 units	55 units	44 units	99 units	99 du/ac

Example AHO Application to C-1 Zoned Parcel with 50 Percent State Density Bonus								
Acres	Max Density	Max Base Units	AHO Density Bonus	AHO Bonus Units	Base Units + AHO Bonus Units	50% State Density Bonus Units	Total Units	Total Density
(A)	(B)	A*B=(C)	55-B=(D)	A*D=(E)	C+E=(F)	F*.50=(G)	F+G=(H)	H/A=(I)
1.0	30 du/ac	30 units	25 du/ac	25 units	55 units	28 units	83 units	83 du/ac



## PLANNING COMMISSIONER COMMENTS

- Proposed changes to densities, FARs, and heights in Specific Plan area should increase further
- Create adequate open space and recreation facilities on- and off-site for new developments
- Set building façade heights near low-density residential lower than max building heights
- Remove minimum parking rates and explore max rates in Specific Plan area
- Consider removing requirement for certain single-family residents to obtain use permits
- Combine parcels of similar size in C-1-A, C-2, C-2-A, C-2-B, C-2-S, and C-4 zoning districts into single district with C-2-B mixed-use zoning as a starting point



**THANK YOU**