Housing Commission



REGULAR MEETING AGENDA

Date: 9/1/2021 Time: 6:30 p.m.

Regular Meeting Location: Zoom.us/join – ID #997-7506-7654

NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE

On March 19, 2020, the Governor ordered a statewide stay-at-home order calling on all individuals living in the State of California to stay at home or at their place of residence to slow the spread of the COVID-19 virus. Additionally, the Governor has temporarily suspended certain requirements of the Brown Act. For the duration of the shelter in place order, the following public meeting protocols will apply.

<u>Teleconference meeting</u>: All members of the Housing Commission, city staff, applicants, and members of the public will be participating by teleconference. To promote social distancing while allowing essential governmental functions to continue, the Governor has temporarily waived portions of the open meetings act and rules pertaining to teleconference meetings. This meeting is conducted in compliance with the Governor's Executive Order N-25-20 issued March 12, 2020, and supplemental Executive Order N-29-20 issued March 17, 2020.

- How to participate in the meeting
 - Access the meeting real-time online at: Zoom.us/join – Regular Meeting ID #997-7506-7654
 - Access the regular meeting real-time via telephone at: (669) 900-6833
 Regular Meeting ID 997-7506-7654
 Press *9 to raise hand to speak

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 www.menlopark.org. 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.org/agenda).

Regular Session (Zoom.us/join - ID# 997-7506-7654)

- A. Call to Order
- B. Roll Call
- C. Public Comment

Under "Public Comment," the public may address the Commission on any subject not listed on the agenda. Each speaker may address the Commission once under Public Comment for a limit of three minutes. The Commission cannot act on items not listed on the agenda and, therefore, the Commission cannot respond to non-agenda issues brought up under Public Comment other than

Housing Commission Regular Meeting Agenda September 1, 2021 Page 2 of 2

to provide general information.

D. Regular Business

- D1. Approve minutes for the Housing Commission regular meeting on August 4, 2021 (Attachment)
- D2. Recommendation of a below market rate housing agreement term sheet with Dan Beltramo for 1550 El Camino Real (Staff Report #21-009-HC)

E. Reports and Announcements

E1. Ad hoc subcommittee reports

Below market rate guidelines ad hoc subcommittee

- E2. Commissioner updates
- E3. Recommend future agenda items
- E4. Staff updates and announcements

F. Adjournment

At every Regular Meeting of the Commission, in addition to the Public Comment period where the public shall have the right to address the Commission on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Commission on any item listed on the agenda at a time designated by the Chair, either before or during the Commission's consideration of the item.

At every Special Meeting of the Commission, members of the public have the right to directly address the Commission on 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 Commission by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available by request by emailing the city clerk at jaherren@menlopark.org. Persons with disabilities, who require auxiliary aids or services in attending or participating in Commission meetings, may call the City Clerk's Office at 650-330-6620.

Agendas are posted in accordance with Government Code §54954.2(a) or §54956. Members of the public can view electronic agendas and staff reports by accessing the City website at menlopark.org/agenda and can receive email notification of agenda and staff report postings by subscribing to the "Notify Me" service at menlopark.org/notifyme. Agendas and staff reports may also be obtained by contacting City Clerk at 650-330-6620. (Posted: 8/26/2021)

Housing Commission



REGULAR MEETING MINUTES - DRAFT

Date: 8/4/2021 Time: 6:30 p.m.

Regular Meeting Location: Zoom.us/join - ID #997-7506-7654

A. Call To Order

Chair Grove called the meeting to order at 6:34 p.m.

B. Roll Call

Present: Bigelow, Grove, Horst, Leitch, Merriman, Nguyen, Pimentel

Absent:

Staff: Deputy Community Development Director Rhonda Coffman, Assistant Community

Development Director Deanna Chow, Management Analyst II Mike Noce, Senior

Planner Calvin Chan

C. Public Comment

None.

D. Regular Business

D1. Approve minutes for the Housing Commission regular meeting on July 7, 2021 (Attachment)

ACTION: Motion and second (Bigelow/ Leitch), to approve the Housing Commission regular meeting minutes on July 7, 2021, passed 5-0 (Merriman and Pimentel abstain).

D2. Review and provide feedback on potential land use strategies to meet the Regional Housing Need Allocation for the 2023-2031 planning period as part of the Housing Element Update (Staff Report #21-008-HC)

M-Group representative Geoff Bradly provided a presentation (Attachment).

- Lynne Bramlett spoke in support of equal distribution of the project pipeline across all City districts and provided prioritization of policies to increase housing affordability in Menlo Park.
- MidPen Housing (MidPen) representative Andrew Bielak spoke in support of continuing MidPen's partnership with the City to develop additional affordable housing including robust community outreach.
- Chelsea Bains spoke in support of fair housing strategies that improve all low income categories and provided input on increasing affordable housing and the importance of evaluating segregation patterns.
- Pamela Jones spoke in support of increased transparency regarding city owned property and outreach to all Menlo Park neighborhoods, a moratorium for non-compliant accessory dwelling units, and identifying additional housing solutions.
- Housing Leadership Council representative Ken Chan referenced a letter sent to the Commission

Housing Commission Regular Meeting Minutes – DRAFT August 4, 2021 Page 2 of 3

(Attachment).

- Adina Levin spoke in support of furthering fair housing for all income levels, analyzing the use of public lands for housing and the need for policies to promote more housing downtown.
- D3. Selection of the Housing Commission Chair and Vice Chair

Chair Grove introduced the item.

 Lynne Bramlett spoke in support of the previous process for the selection of the chair and vice chair.

ACTION: Motion and second (Pimentel/ Leitch) to select Karen Grove as the Housing Commission Chair, passed 6-1 (Nguyen dissenting).

ACTION: Motion and second (Grove/ Bigelow) to select Rachel Horst as the Housing Commission Vice Chair, passed 6-1 (Nguyen dissenting).

E. Reports and Announcements

E1. Ad hoc subcommittee reports (10 minutes):

Commissioner Horst shared updates and expects to bring items to the Commission for review within the next couple months.

E2. Commissioner updates

None.

E3. Recommended future agenda items.

None.

E4. Staff updates and announcements

None.

F. Adjournment

Chair Grove adjourned the meeting at 9:40 p.m.

Mike Noce, Management Analyst II, Community Development

Housing Commission Regular Meeting Minutes – DRAFT August 4, 2021 Page 3 of 3

NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE

On March 19, 2020, the Governor ordered a statewide stay-at-home order calling on all individuals living in the State of California to stay at home or at their place of residence to slow the spread of the COVID-19 virus. Additionally, the Governor has temporarily suspended certain requirements of the Brown Act. For the duration of the shelter in place order, the following public meeting protocols will apply.

<u>Teleconference meeting</u>: All members of the Housing Commission, city staff, applicants, and members of the public will be participating by teleconference. To promote social distancing while allowing essential governmental functions to continue, the Governor has temporarily waived portions of the open meetings act and rules pertaining to teleconference meetings. This meeting is conducted in compliance with the Governor's Executive Order N-25-20 issued March 12, 2020, and supplemental Executive Order N-29-20 issued March 17, 2020.

- How to participate in the meeting
 - Access the meeting real-time online at: Zoom.us/join – Regular Meeting ID #997-7506-7654
 - Access the regular meeting real-time via telephone (listen only mode)
 at: (669) 900-6833 Regular Meeting ID 997-7506-7654

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 www.menlopark.org. 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.org/agenda).



- RHNA Overview
- Fair Housing Overview
- Potential Land Use Strategies
- Next Steps



5TH CYCLE REGIONAL HOUSING NEED ALLOCATION (RHNA) PROGRESS

	Allocation	Total through 2020	Percent Complete
Very Low	233	148	64%
Low	129	80	62%
Moderate	143	11	8%
Above Moderate	150	1,177	785%
Total	655	1,416	



AFFORDABLE HOUSING INCOME

San Mateo County	Number of Persons in Household							
Area Median Income (\$149,600)								
Extremely Low 0-30% of AMI	38,400	43,850	49,350	54,800	59,200	63,600	68,000	72,350
Very Low 31-50% of AMI	63,950	73,100	82,250	91,350	98,700	106,000	113,300	120,600
Low 51-80% of AMI	102,450	117,100	131,750	146,350	158,100	169,800	181,500	193,200
Median (100%)	104,700	119,700	134,650	149,600	161,550	173,550	185,500	197,450
Moderate 81-120% of AMI	125,650	143,600	161,550	179,500	193,850	208,200	222,600	236,950



6TH CYCLE RHNA

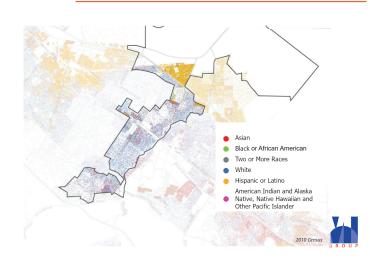
2023-2031

	2020 2001		
	5 th Cycle	6 th Cycle	
Very Low	233	740	
Low	129	426	
Moderate	143	496	
Above Moderate	150	1,284	
Total	655	2,946*	

* 15-30% buffer is **3,388 to 3,830**



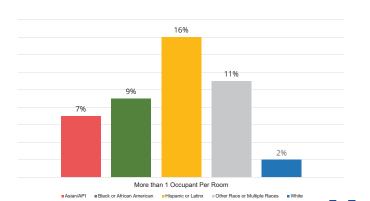
FAIR HOUSING



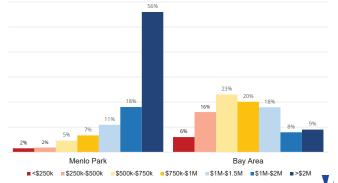
5

FAIR HOUSING

FAIR HOUSING



 Purchasing a home is out of reach for many working and middle-class families.





GROUP

POTENTIAL HOUSING SOLUTIONS





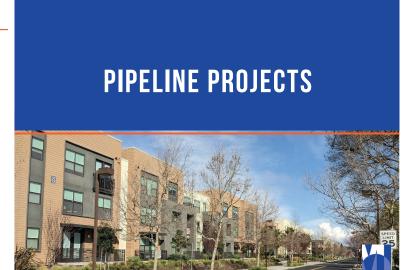
5TH CYCLE SITES



5TH CYCLE SITES







MAJOR PIPELINE PROJECTS

Project		
Project	Status	Units
111 Independence Dr.	Approved	105
115 Independence Dr. (Menlo Portal)	Pending/ Aug 9 th PC	335
123 Independence Dr.	Pending	383
141 Jefferson Dr. (Menlo Uptown)	Pending/ Appealed to CC	480
165 Jefferson Dr. (Menlo Flats)	Pending	158
Willow Village	Pending	1,729
TOTAL UNITS		3,192



RELIGIOUS FACILITIES



RELIGIOUS FACILITIES - AB 1851

- AB 1851 (2020)
- Develop housing in parking areas
- Could be enhanced with local incentives

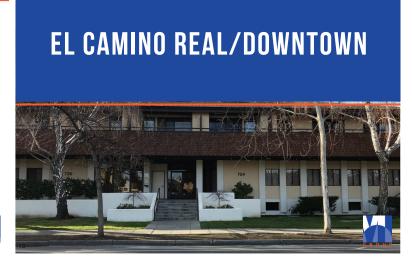


COMMERCIAL SITES



COMMERCIAL SITES

- Many zoning districts are currently commercial use only and could be shifted to mixed-use areas
- Ideal sites are close to transit and services





EL CAMINO REAL/DOWNTOWN

- Evaluate additional housing opportunities within Specific Plan area
- Proximity to Caltrain and downtown services could support higher residential densities



ACCESSORY DWELLING UNITS



1) 2018-2020 average as baseline: 2) Pre-2018 ADU Streamlining x 5:

ACCESSORY DWELLING UNITS

ACCESSORY DWELLING UNITS

Two "Safe-Harbor" Methodologies:

3

Year	Units
2018	15
2019	4
2020	13
Average	10.6

10.6 **x** 8-year planning period

Year	Units
2015	8
2016	7
2017	13
Average	9.3

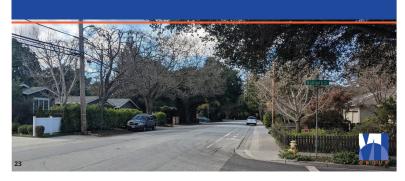
9.3 x 5 = 47 ADUs/year 47 **x** 8-year planning period = **376 units**



22



HOUSING IN SINGLE FAMILY AREAS



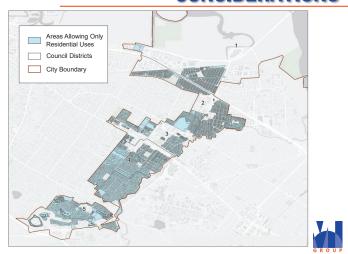
HOUSING IN SINGLE FAMILY AREAS

- SB9 would allow duplexes in SFR with ministerial approval
- Many cities are considering 4-plexes:
 - Sacramento
 - San Francisco
 - San Jose
 - Berkeley
- Potential for more locally planned solutions:
 - Focus on corner lots or lots over a certain size
 - · Areas near transit & services
 - Equity considerations

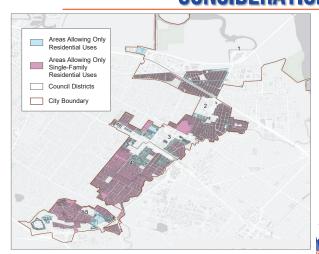


2

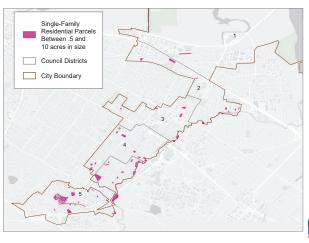
CONSIDERATIONS



CONSIDERATIONS



CONSIDERATIONS





LAND USE STRATEGIES OVERVIEW

Potential Strategy	Magnitude of New Units
Pipeline Projects	3,192
5 th Cycle Sites	Variable
Religious Facilities	Variable
Commercial Sites	Variable
El Camino Real/Downtown	Variable
Accessory Dwelling Units	Approx. 80-400
Single Family Areas	Variable

Variable = Unit Capacity Highly Variable based on Approach

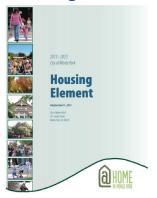


QUESTIONS FOR THE COMMISSION



QUESTIONS FOR THE COMMISSION

 For the current Housing Element, what is working well and what could be improved?





3

QUESTIONS FOR THE COMMISSION

 During the current Housing Element cycle (2015-2023), the affordable (very low-, low-, and moderate-income) housing goals from the RHNA have been met at approximately 47% as of 2020, while market rate (above moderate income) housing has been produced well above the goal.

How can Menlo Park increase affordable housing production?

31

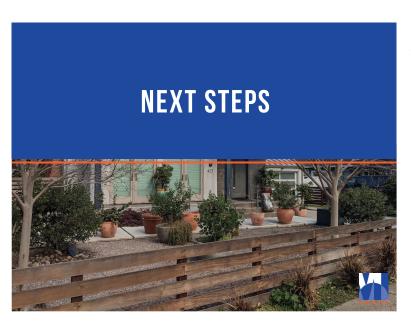
QUESTIONS FOR THE COMMISSION

 AB 686 was adopted in 2018 to require public agencies to Affirmatively Further Fair Housing and actively combat racial and economic segregation.

How can the Housing Element Update best address these topics?







2021 Join us and give feedback!
Community Outreach Schedule

August

- 1 Downtown Pop-Up #1 Existing Conditions, Preliminary Outreach, Survey 9:00AM – 1:00PM
- 4 Preliminary Land Use Strategies & Policy Review with Housing Commission 6:30PM
- 5 CEOC Meeting
- Belle Haven Pop-up #1 Existing Conditions, Preliminary Outreach, Survey 10:00AM – 2:00PM
- Community Meeting #2 Housing Strategies and Community Input Summary 10:00AM 12:00PM

Community Meeting #3 – Housing Equity, Safety & Environmental Justice

Downtown Pop-Up #2 - Existing Conditions, Preliminary Outreach, Survey

September

Belle Haven Pop-Up #2 – Existing Conditions, Preliminary Outreach, Survey

Community Meeting #4 – Preferred Housing Strategies Workshop

Downtown Pop-Up #3 - Reviewing Housing Locations Workshop and Upcoming Events CEOC Meeting

Belle Haven Pop-Up #3 - Reviewing Housing Locations Workshop and Upcoming Events

Land Use Meeting with Planning Commission and Housing Commission

October

Community Meeting #5 – Draft Policy Review on Housing Element

CEOC Meeting

Community Meeting #6 – Draft Policy Review on Environmental Justice and Safety

Preferred Land Use Alternatives to City Council









August 4, 2021

Attention Assistant Community Development Director Deanna Chow Via Email

Dear Assistant Community Development Director Chow,

We at Housing Leadership Council of San Mateo County (HLC) work with communities and leaders to produce and preserve quality affordable homes in San Mateo County. In coalition with our legal partners at Public Interest Law Project and Public Advocates, we are concerned about the housing element process in Menlo Park and offer the following comments in response to the recent staff report and information made available to the public about that process:

Defining Affordable Housing:

The housing element requires local jurisdictions to ensure that households and individuals of all income levels and racial backgrounds have a meaningful opportunity to choose where to live and have access to public amenities and other resources in their neighborhoods. Affordable housing encompassess a diversity of housing types and funding structures, ranging from permanent supportive housing for community members transitioning out of homelessness to homes for moderate-income households, who may make \$100,000 or more per year depending on household size.

Modern affordable homes are well-designed and well-managed, often by mission-driven nonprofit organizations that are accountable to their boards and the community to provide long term stability and opportunities for their residents. Most affordable homes are financed by tax credits and have a mix of Low, Very Low, and Extremely Low

<u>Income residents</u>. This mix of incomes provides a stream of revenue to the building for maintenance and operations, and allows for some of the homes to be deeply affordable, including for individuals without income.

We are committed to increasing access to deeply affordable homes throughout the County and to ensuring that existing low-income residents and communities of color are protected from displacement. The housing element is a critical plan to help meet the housing needs of our communities' most vulnerable residents. We are concerned about the lack of focus on affordable homes in the current dialogue regarding Menlo Park's upcoming housing element revision and write to provide specific suggestions about public engagement, sites, and affirmatively furthering fair housing.

Public Engagement:

State law requires local governments to make "a *diligent* effort...to achieve public participation of *all economic segments* of the community in the development of the housing element." Gov. Code 65583(c)(9) (emphasis added). The state Department of Housing and Community Development (HCD) recently emphasized that "A diligent effort means going beyond simply giving the public an opportunity to provide input and should be proactively and broadly conducted through a variety of methods to assure access and participation." (Affirmatively Furthering Fair Housing Guidance, April 2021) This means that the City of Menlo Park must make an intentional, proactive, and robust effort to solicit and incorporate input from community members of all economic backgrounds as it develops all aspects of its housing element.

HCD's recent <u>AFFH Guidance Memo</u> provides substantial information about what local governments should do to meet this requirement. It emphasizes that the housing element "must describe meaningful, frequent, and ongoing community participation, consultation, and coordination that is integrated with the broader stakeholder outreach and community participation process for the overall housing element," (p. 10). The memo also states that local governments should create an outreach plan, release drafts of the housing element to the public for review and comment with ample time before submission to HCD, and schedule community input meetings at accessible locations and times, including on evenings and weekends (p. 10). HCD states that the following components are key for meaningful engagement at community meetings:

- "Translation of materials and making translation available at meetings
- Working with CBOs and other community stakeholders to develop effective outreach and engagement plans
- Making accessible information materials that avoid use of overly technical language

 Offering mini-grants to CBOs and other stakeholders to assist with engagement of low-income households and protected classes" (p. 11)

Key stakeholders with whom to conduct meaningful engagement include:

- "Community-based and other organizations (CBOs) that represent protected class members
- Public housing authorities
- Housing and community development providers
- Lower income community members and households that include persons in protected classes
- Fair housing agencies
- Independent living centers
- Regional centers
- Homeless services agencies
- Churches and community service organizations that serve ethnic/linguistic minorities" (p. 11)

Moreover, new housing element requirements to affirmatively furthering fair housing demand that the housing element examine housing needs and disparities for members of protected classes based, in part, on "local data and knowledge," including "information obtained through community participation or consultation, such as narrative descriptions of people's lived experiences." This means that cities must explicitly and specifically seek out information about fair housing issues and housing disparities in their community engagement and outreach process.

Throughout the public participation process, the City must engage in thoughtful outreach to community members with limited English proficiency, including translation of notices and housing element materials into Spanish. It must make both in-person and online events accessible to people with disabilities, including by providing reasonable accommodations. It must ensure transparency by informing the public about all steps and opportunities to share feedback, have meetings at times when community members are available, and proactively reach out to individuals and groups who need housing and who have not had meaningful opportunities to take part in the planning process. It should reach out to local groups that serve, work with, and/or are comprised of people disproportionately affected by the City's severe lack of affordable housing, including Housing Choices, Mental Health Associates, The Center for Independence of Individuals with Disabilities, Nuestra Casa, Rebuilding the Village, Street Life Ministries, LifeMoves, Samaritan House, Golden Gate Regional Center, Community Overcoming Relationship Abuse, El Comité de Vecinos, Faith in Action, Youth United for Community

Action, El Concilio of San Mateo County, Rebuilding Together, WeHope, Puente de la Costa Sur, and Ayudando Latinos a Soñar.

Identification of Sites:

Page 5 of the July 29, 2021 staff report states: "While the total number of units shown in Table 5 could address a substantial portion of Menlo Park's RHNA, reliance on the number alone does not meet the statutory requirements to address affordability by income categories and fair housing requirements (AFFH)." Unfortunately, without detail on where the current sites are in the City and the levels of affordability they could accommodate, it is impossible to have a well-informed discussion about the sites that have been identified thus far, and what additional sites in what areas of the City will be needed to meet the requirements of the housing element law. Please provide more detail and a map of the current pipeline and recent developments, including the school district where the properties are located, and indicate the actual or projected affordability levels for these planned developments. As discussed in more detail below, the sites inventory will also need to be further analyzed, and likely expanded, following the full assessment of fair housing required by Government Code 65583(c)(10).

Not only is the analysis on the current housing development picture inadequate, the options outlined to expand sites does not include the single strongest tool available to the city: **prioritization of Public Land for affordable homes.**

Public Land is critical to the development of deeply affordable homes. In San Mateo County, 65% of all affordable homes are built on parcels owned by public agencies. Government entities, like Menlo Park, have an obligation to serve the public good. This strategy is so important to meeting our housing needs that the state legislature has passed a <u>number of laws</u> requiring the prioritization of affordable homes on publicly owned land. Without this strategy, the city is unlikely to successfully build affordable homes throughout the City especially in high-resource neighborhoods, or in any part of the city outside of Belle Haven. Cities and other local agencies that have converted public land to allow for housing include sites that were previously used as parking lots, community centers, city halls, and police stations. Sometimes the original use is relocated to a different location, but often both uses are accommodated in the same location by increasing the allowable density. For example, a surface parking lot may become a <u>parking garage</u>, office building, and affordable homes.

Affirmatively Furthering Fair Housing:

The housing element must include an assessment of fair housing, and its site identification and programs must affirmatively further fair housing, meaning that they

must "address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws." Gov. Code 65583(c)(10), 8899.50(a)(1). The housing element must identify sites for lower-income housing "throughout the community" and consistently with the City's duty to affirmatively further fair housing. Gov. Code 65583.2(a). To meet this legal requirement, we encourage the City to identify viable sites for deeply affordable housing in each school district within Menlo Park. This would help ensure that Black and brown community members, who are disproportionately lower-income, can live in places with access to educational opportunity. Taking this long overdue step in this housing element would clearly demonstrate the City's commitment to desegregating the community and ensuring that our most vulnerable families have access to high opportunity neighborhoods.

Please keep us informed about future meetings on this important plan. As the City continues work to update its housing element, we hope that it will fully embrace its responsibility to the public and its legal obligations to actively engage all constituents who need to be part of the conversation, particularly those who have been historically and systematically disenfranchised.

Sincerely,

Evelyn Stivers, HLC
Angela Solis, HLC
Ken Chan, HLC
Shajuti Hossain, Public Advocates
Sam Tepperman-Gelfant, Public Advocates
Melissa A. Morris, Public Interest Law Project

Cc:

Adina Levine, Menlo Together
Paul McDougal, California Housing and Community Development Department
Jan Stokely, Housing Choices
Ellen Wu, Urban Habitat
Ofelia Bello, Youth United for Community Action
Melissa Platte, Mental Health Associates
Jason Tarricone, Community Legal Services in East Palo Alto
Lorena Melgarejo, Faith In Action Bay Area
Kelsey Banes, Peninsula for Everyone

Community Development



STAFF REPORT

Housing Commission Meeting Date:

Meeting Date: 9/1/2021 Staff Report Number: 21-009-HC

Regular Business: Recommendation of a Below Market Rate Housing

Agreement Term Sheet with Dan Beltramo for 1550

El Camino Real

Recommendation

Staff recommends that the Housing Commission recommend approval of the draft Below Market Rate (BMR) Housing Agreement Term Sheet ("Term Sheet") to the Planning Commission for one on-site BMR rental unit as part of a proposed eight-unit residential development, consisting of one attached, three-story residential townhouse building, at 1550 El Camino Real, as described in the draft Term Sheet (Attachment A).

Policy Issues

The Housing Commission should consider whether the BMR Housing proposal and terms are in compliance with the BMR Housing Program Guidelines and the BMR Housing Ordinance.

Background

Site location

The project site consists of one El Camino Real/Downtown Specific Plan (SP-ECR/D) zoned parcel with a total lot area of approximately 58,896 square feet (1.352 acres). The project site currently contains a one-story office building, facing El Camino Real and approximately 18,046 square feet in size, and a surface parking lot to the rear of this building. The existing building would remain as part of the redevelopment of the site, and most of the surface parking lot would remain, with significant reconfiguration of spaces proposed. However, portions of the parking lot adjacent to the San Antonio Street frontage, in the vicinity of the footprint of the proposed residential building, would be demolished. A location map is provided as Attachment B.

For the purposes of this staff report, El Camino Real is considered to have a north-south orientation, and all compass directions referenced will use this orientation. The project site is located at the southeast corner of El Camino Real and Encinal Avenue. In addition to having frontage along Encinal Avenue, the property is a through lot, with frontage along San Antonio Street, the street located to the east of El Camino Real. The project site is thus bounded by El Camino Real to the west, Encinal Avenue to the north, and San Antonio Street to the east. The parcels to the west of the project site are located in the Town of Atherton, along with Menlo College. Parcels to the north and south along the eastern side of El Camino Real are located in the SP-ECR/D zoning district, and parcels across San Antonio Street, along its eastern side, are located within the R-3 (Apartment) sub-district. Nearby parcels located in the Specific

Plan area are all located within the El Camino Real Mixed Use (ECRMU) land use designation, with parcels to the north of Encinal Avenue located in the El Camino Real North-East Low Density (ECR NE-L) sub-district and parcels to the south of Encinal Avenue, including the subject property, located in the El Camino Real North-East (ECR NE) sub-district.

Analysis

Project description

The applicant is proposing to demolish a portion of the parking lot near the San Antonio Street frontage, and construct a new three-story, eight-unit residential townhouse building, while reconfiguring much of the surface parking lot and maintaining the entire office building. Each of the residential units would have its own two-car garage on the first floor. The total square footage of the new residential building would be 15,339.6 square feet, and all units are proposed as rental units. No additional uses or changes to the existing office building are proposed.

The proposal includes a request for architectural control to construct the residential building; a heritage tree removal permit to remove several onsite heritage trees and street trees; and environmental review. The applicant's BMR proposal letter and select sheets from the project plans are included as Attachments C and D, respectively. The Planning Commission will take final action on all requested entitlements for the proposed project.

BMR Housing Program & related requirements

The applicant is required to comply with Chapter 16.96 of City's Municipal Code ("BMR Ordinance"), and with the BMR Housing Program Guidelines adopted by the City Council ("BMR Guidelines") to implement the BMR Ordinance, since the project includes more than four residential units. In accordance with the City's BMR Guidelines, it is preferred for residential developments of five to nine units that the developer provide at least one BMR unit. The BMR Ordinance requires the applicant to submit a Below Market Rate Housing proposal for review by the Housing Commission. At this time, the Housing Commission should review the draft Term Sheet and provide guidance to staff, the applicant, and the Planning Commission. The draft Term Sheet would be used to inform the BMR Agreement, which would subsequently be reviewed by the Planning Commission.

Residential use of the property is allowed by the applicable zoning regulations and the proposed project includes eight residential units. The applicant is proposing to satisfy the project's BMR obligation through the construction of one BMR rental unit on site, affordable to low income households, which satisfies the requirement in the BMR Guidelines. Based on previous comments by the Housing Commission, staff understands that the creation of new BMR on-site units (as opposed to payment of an in-lieu fee) is preferred, and that provision of such units, especially units capable of accommodating families in and around the El Camino Real corridor, is also generally desired.

The proposed BMR unit would both be one of the three-story units, and the townhouse building would consist of eight three-story units that share walls to comprise the full building. The BMR unit would consist of a two-bedroom, 2.5-bathroom unit (Unit 5). As stated earlier, each of the units would access its own parking (two covered spaces) by in-unit garages on the first floor of the building. The BMR units would

generally have the same floor plan and size as several of the other units within the mixed use building. Each unit within the townhouse building would have a unique floor plan, but the unit size (1,640.8 square feet for Unit 5) would be comparable to several of the other market-rate units. As shown on the proposed elevations, the exterior of the BMR units would be indistinguishable from those of the market-rate units with the same Mission architectural style, although the unit is positioned differently than six of the units due to the major modulation requirement per the zoning of this property (El Camino Real/Downtown Specific Plan). Select plan sheets that include a site plan with project data illustrating the sizes of the units, floor plans and elevation drawings of the proposed BMR units are provided in Attachment D. Since the BMR units would be equivalent in size as to similar market-rate units, staff believes that the requirements for BMR unit characteristics, including the size, location, design, and materials as identified in the BMR Guidelines are met by the proposed project.

Correspondence

At the time of the preparation of this staff report, staff has not received any correspondence regarding the draft BMR Housing Agreement Term Sheet. Any correspondence received prior to the Housing Commission meeting will be disclosed during the review of this project at the meeting.

Conclusion

Staff believes that the applicant's proposal of one on-site BMR unit meets the BMR Ordinance and BMR Guidelines requirements. Further, the size and location of this BMR unit near the El Camino Real corridor and the Downtown area supports the City's goal of producing housing near transit corridors and community amenities. Staff recommends that the Housing Commission recommend to the Planning Commission approval of the one on-site BMR unit under the terms stated in the proposed BMR term sheet.

Impact on City Resources

The project sponsor 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 project.

Environmental Review

The proposed project will be evaluated with respect to compliance with the California Environmental Quality Act (CEQA) as part of the Planning Commission final action. BMR direction is not a project under CEQA, so environmental review is not required by the Housing Commission.

Public Notice

Public Notification 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 courtesy notification by mail of owners and occupants within a 300-foot radius of the subject property.

Attachments

A. Proposed BMR Term Sheet

Staff Report #: 21-009-HC Page 4

B. Location Map

C. 1550 El Camino Real BMR Proposal

D. Excerpts of Project Plans

Report prepared by: Matt Pruter, Associate Planner

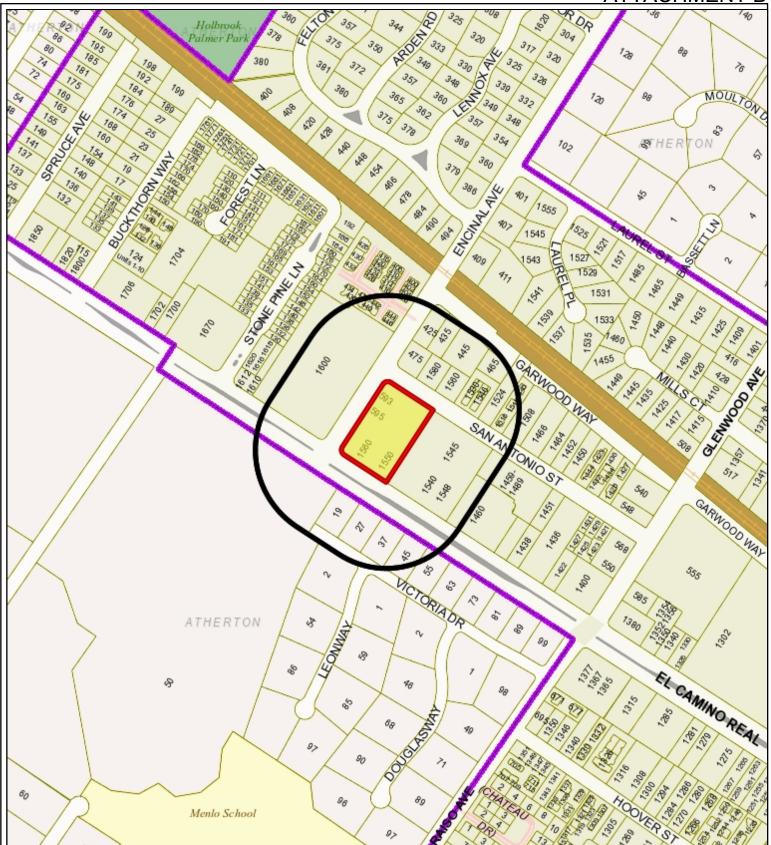
Report reviewed by:

Rhonda Coffman, Deputy Community Development Director, Housing

1550 El Camino Real Draft Below Market Rate (BMR) Housing Agreement Term Sheet

- 1. Applicant owns property known as Assessor's Parcel Number: 061-422-400 ("Property"), more commonly known as 1550 El Camino Real, Menlo Park;
- 2. Applicant is proposing to demolish portions of an existing surface parking lot, and constructing eight (8) apartment units, at 1550 El Camino Real. The Applicant is requesting architectural control and use permit approval for this project;
- 3. The proposed project consists of more than four (4) residential units; therefore, Applicant is required to comply with Chapter 16.96 of City's Municipal Code ("BMR Ordinance") and with the Below Market Rate Housing Program Guidelines ("Guidelines") adopted by the City Council to implement the BMR Ordinance;
- 4. The development of eight (8) new residential units would result in a requirement of one BMR housing unit;
- 5. Applicant has elected to satisfy the BMR requirement for the proposed project by constructing one on-site BMR unit. The one BMR unit would be provided as a rental unit to eligible low income households;
- 6. The characteristics of the BMR units shall be in conformance with Section 5 of the BMR Guidelines;
- 7. The requirements for BMR rental developments shall be in conformance with the BMR Guidelines;
- 8. Applicant shall enter into a BMR Agreement memorializing these terms in a form acceptable to the City Attorney, pursuant to the BMR Ordinance and BMR Guidelines.

ATTACHMENT B





City of Menlo Park

Location Map 1550 El Camino Real



Scale: 1:4,000 Drawn By: MAP Checked By: RLC Date: 9/1/2021 Sheet: 1



TOLBERT DESIGN ARCHITECTS

297 Commercial Street

San Jose, CA 95112

P:(650)200-0663

E:jeremiah@tolbertdesignsarchitects.com

Friday, August 13, 2021

To: Matthew Pruter
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025
mapruter@menlopark.org

RE: 1550 El Camino Real (PLN2019 - 00082) - Below Market Rate Housing Proposal

Dear Mr. Pruter,

As the Project's representative, I am pleased to submit this Below Market Rate Housing proposal, which outlines how our proposed townhouse project will comply with the City's Below Market Rate Housing Program, for your consideration.

The proposed townhouse project located at San Antonio Street and Encinal Avenue will reconfigure a portion of the existing parking lot to construct a new three-story townhouse development. The project would provide **eight residential units**.

Pursuant to Section 3.4 of the BMR Guidelines provides that developments with five to nine units must provide at least one unit at below market rates to very low-, low- and moderate-income households. The proposed townhouse project would provide **one BMR unit**.

To help address the need for affordable housing, the project includes **one BMR unit that is a two-bedroom** (see enclosed floor plans).

The BMR unit will be available for rent, as all eight townhouse units will be rentals.

The BMR unit shall be identified in the plan set upon initial lease up, however, the BMR unit will be "floating", meaning that it may be in another location in the future. Once again, confirming that the BMR unit may be "floating" in another location in the future.

The two-bedroom BMR (unit #5) is approximately 1,640.8 square feet. This is significantly larger than typical two-bedroom units in Menlo Park that range from 800 to 1,000 square feet. The market-rate units in our townhouse project range from



TOLBERT DESIGN ARCHITECTS

297 Commercial Street

San Jose, CA 95112

P:(650)200-0663

E:jeremiah@tolbertdesignsarchitects.com

approximately 1,640.8 square feet to 2,011.3 square feet, so the BMR unit is generally proportionate in size to, and indistinguishable from, the market-rate units, consistent with the City's BMR Guidelines. Furthermore, the BMR unit **shall be indistinguishable** from the market rate units in its location, interior, and exterior.

The BMR unit, as identified for the initial lease, is located in the center of the townhouse project. While it has among the smallest square footage due to the "Major Modulation" requirement design revisions, it has the largest, private outdoor patio space at 216.2 square feet (13'-8" x 15'-11"), the largest private balcony at 82.0 square feet (8'-0" x 10'-3"), and is significantly larger than other typical Menlo Park two-bedroom units. The private patio is a premium amenity, as it allows the residents to take advantage of this outdoor space as an extension of their indoor living space. We suspect that these central units will be among the most coveted of the townhomes. Also, please note, as previously stated, that the BMR unit may be "floating" and located in a different location in the future.

Thank you for your consideration of this proposal. On behalf of the entire Project team, I would like to express how excited we are about the Project's potential to improve the San Antonio Street and Encinal Avenue corner and our commitment to providing much-needed affordable and market-rate housing to the community.

As soon as you have completed your initial review, we would like to begin discussions about preparing a proposed BMR agreement and scheduling a hearing of the Housing Commission to consider our BMR proposal.

Of course, please do not hesitate to contact me if you have any questions regarding our proposal.

Sincerely,

Jeremiah Tolbert, AIA

Jeremiah Tolbert



8 UNIT APARTMENTS

1550 EL CAMINO REAL MENLO PARK, California 94025

JULY 8, 2021

PROJECT TEAM CONTACTS

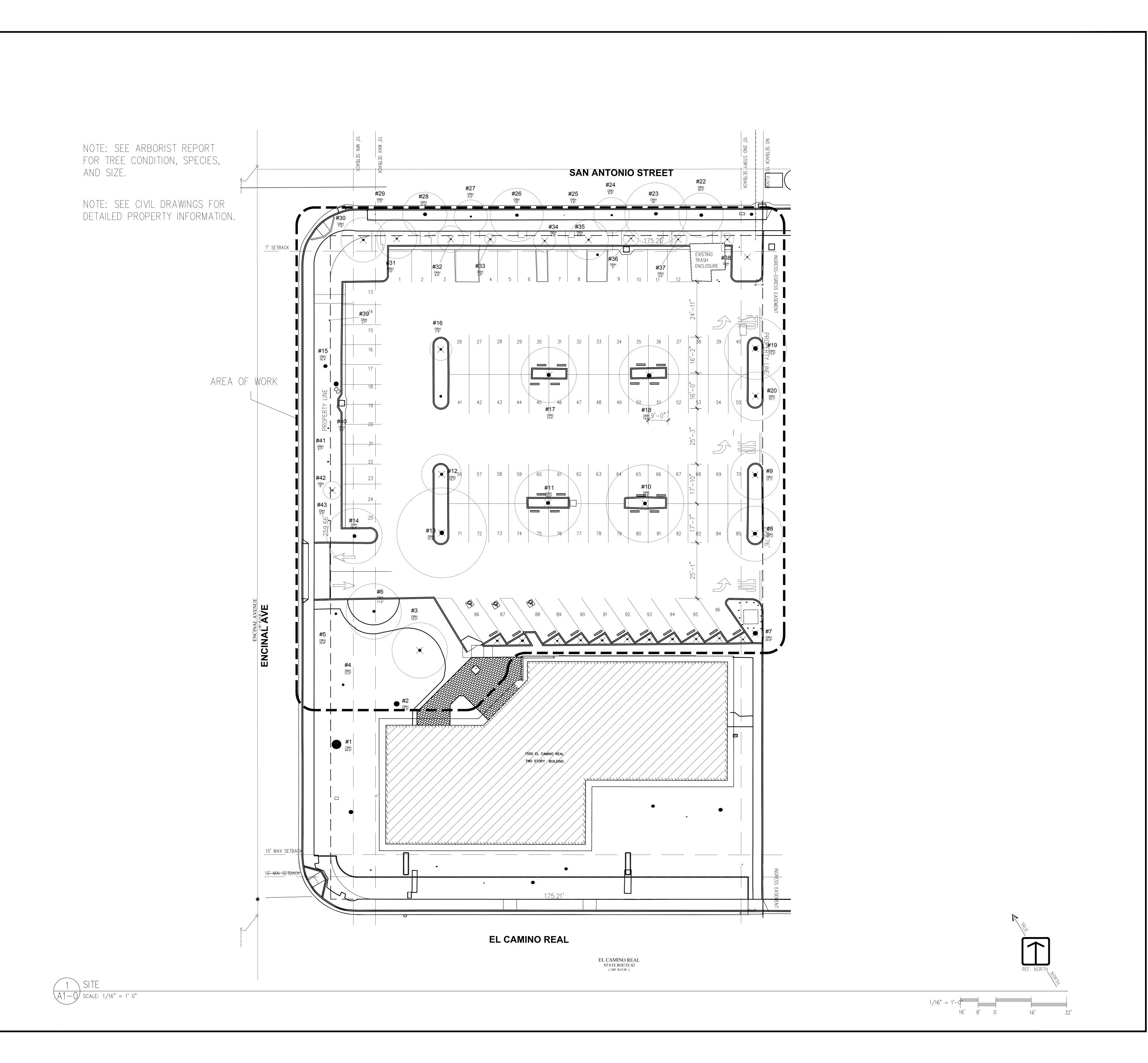
OWNER DAN BELTRAMO 247 EL CAMINO REAL MENLO PARK, CA 95025

ARCHITECT JEREMIAH TOLBERT BELTRAMO ENTERPRISES, INC. TOLBERT DESIGN ARCHITECTS 297 COMMERCIAL STREET SAN JOSE, CA 95112

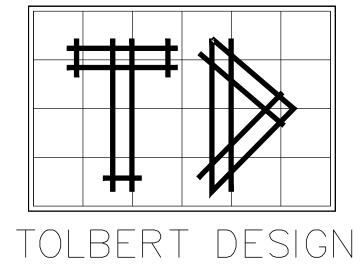
LANDSCAPE ARCHITECT SHARI VAN DORN VAN DORN ABED 81 14TH STREET

CIVIL ENGINEERS CUONG TRAN BKF ENGINEERS 1730N. FIRST STREET SUITE 600 SAN FRANCISCO, CA 94103 SAN JOSE, CA 95112

ARBORIST JOHN MCCLENAHAN MCCLENAHAN CONSULTING LLC 1 ARASTRADERO ROAD PORTOLA VALLEY, CA 94028



© TOLBERT DESIGNS



A R C H I T E C T S

297 COMMERCIAL STREET
SAN JOSE, CA 95112
PH: (650) 200-0663
JEREMIAH@TOLBERTDESIGNSARCHITECTS.COM

BELTRAMO APARTMENTS

1550 EL CAMINO REAL MENLO PARK, CA 94025

Revisions

No. Date Revision

1 9.24.2019 PLAN CHECK I

06.21.2021 12.23.20 ARCH CONTROL

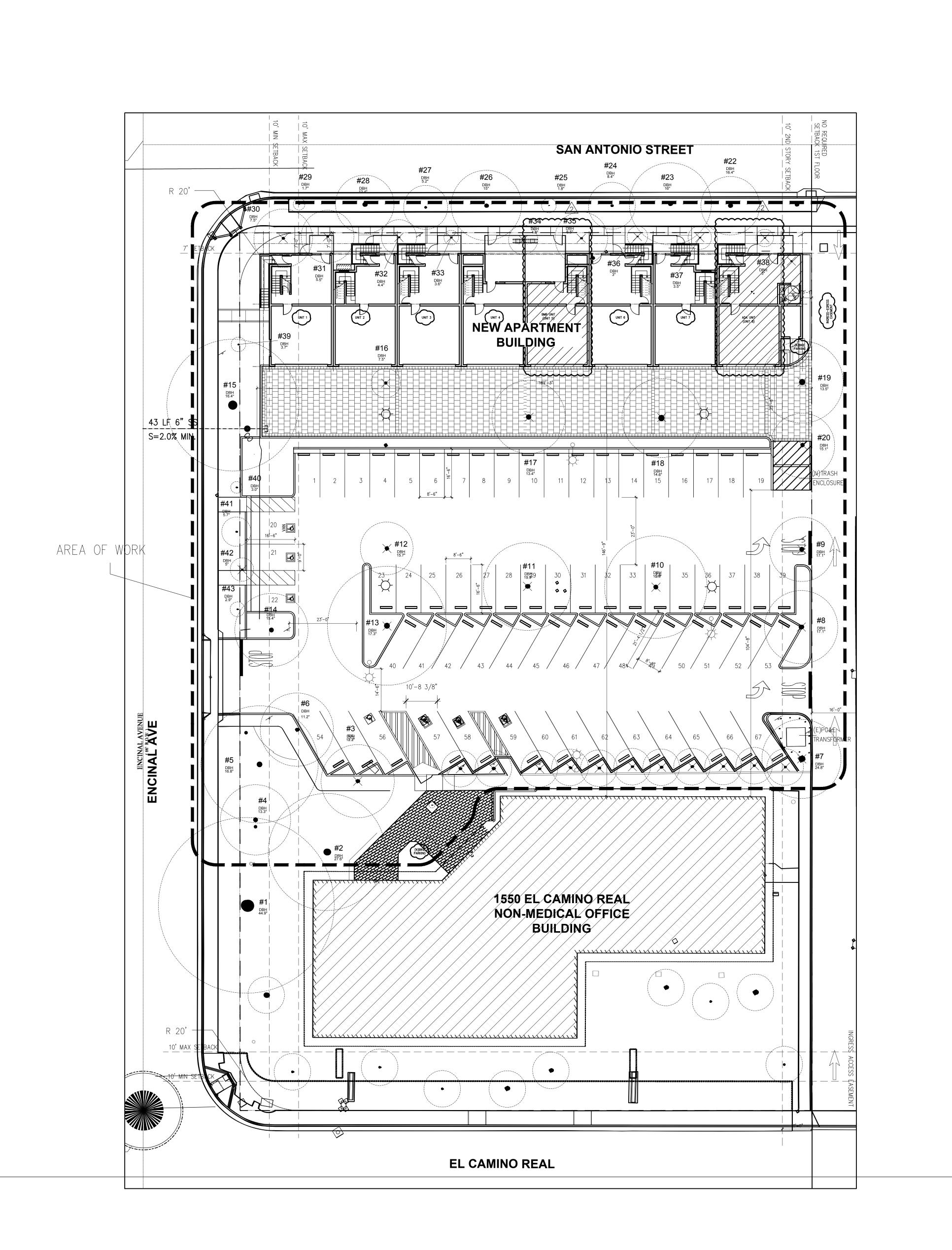


Sheet Description:

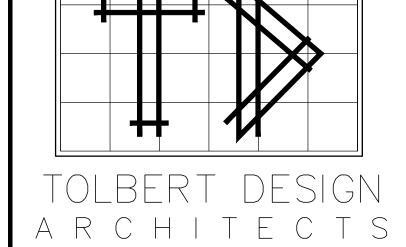
EXISTING CONDITIONS

SIIE PLAI

A1 — O



© TOLBERT DESIGNS



297 COMMERCIAL STREET SAN JOSE, CA 95112 PH: (650) 200-0663

NOTE: SEE ARBORIST REPORT

FOR TREE CONDITION, SPECIES,

NOTE: SEE CIVIL DRAWINGS FOR

DETAILED PROPERTY INFORMATION.

NOTE: SEE LANDSCAPE DRAWINGS FOR

DETAILED LANDSCAPED INFORMATION.

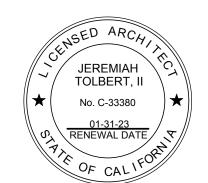
AND SIZE.

JEREMIAH@TOLBERTDESIGNSARCHITECTS.COM

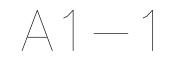
BELTRAMO APARTMENTS

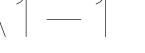
1550 EL CAMINO REAL MENLO PARK, CA 94025

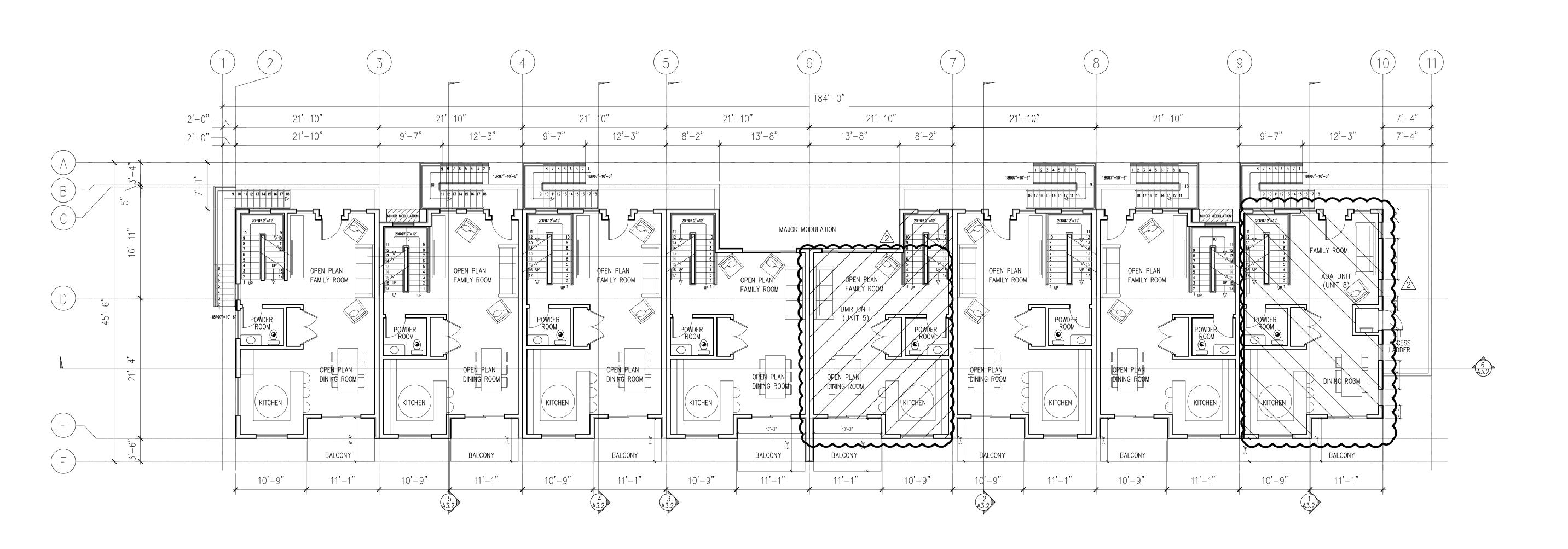
1 9.24.2019 PLAN CHECK I 06.21.2021 12.23.20 ARCH CONTROL

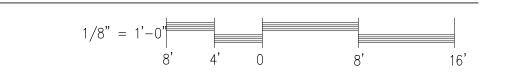


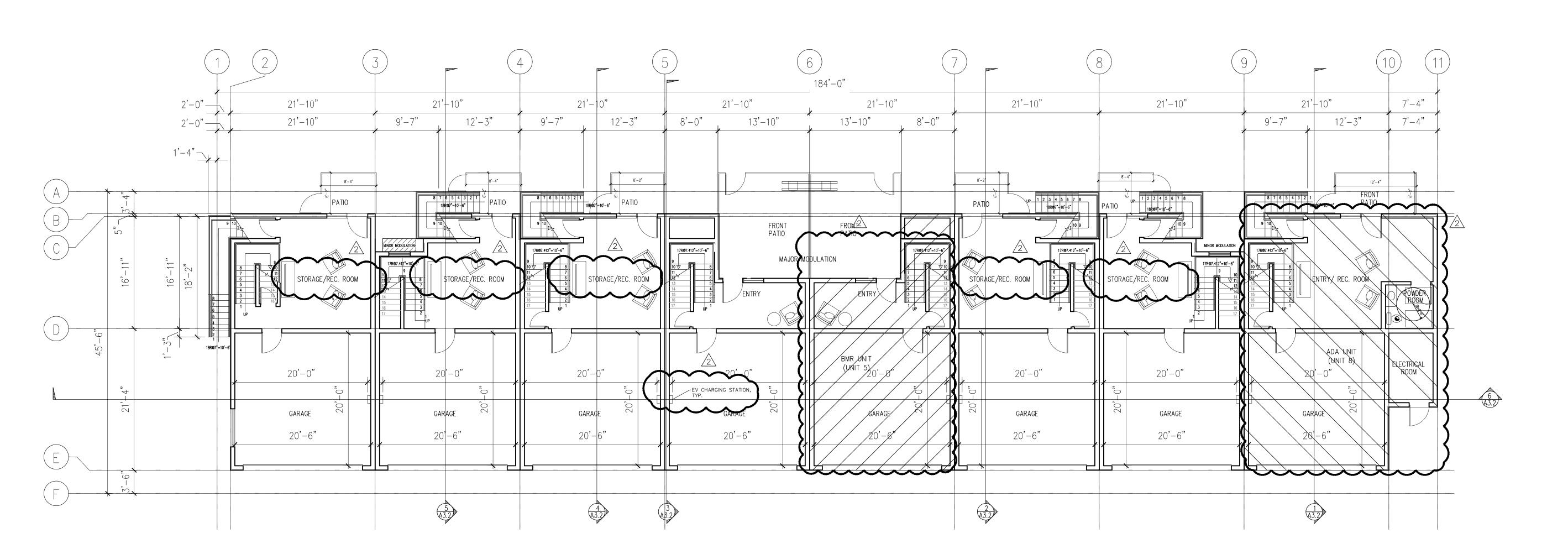
Sheet Description:



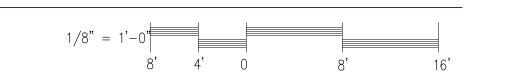


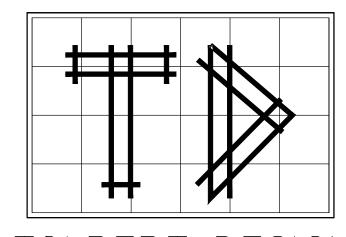






1 1ST FLOOR PLAN





TOLBERT DESIGN ARCHITECT

297 COMMERCIAL STREET
SAN JOSE, CA 95112
PH: (650) 200-0663
JEREMIAH@TOLBERTDESIGNSARCHITECTS.COM

BELTRAMO APARTMENTS

1550 EL CAMINO REAL MENLO PARK, CA 94025

Revisions:

No. Date Revision

9.24.2019 PLAN CHECK I

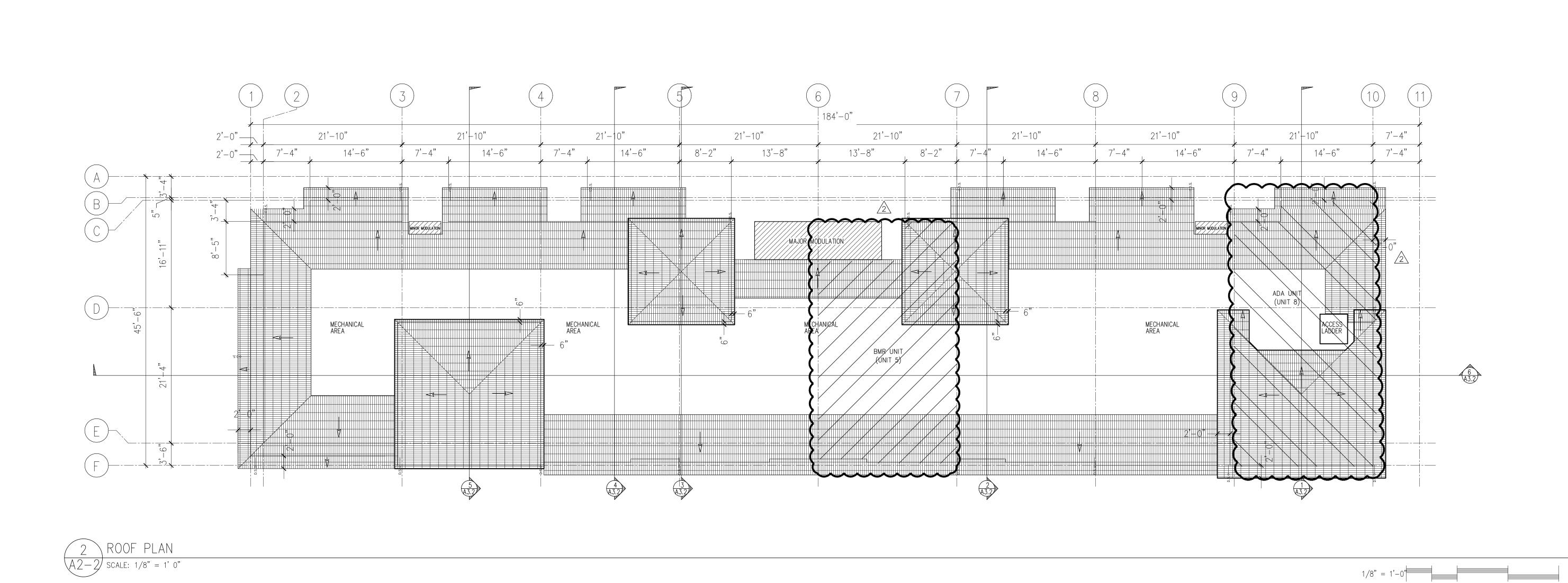
06.21.2021 12.23.20 ARCH CONTROL

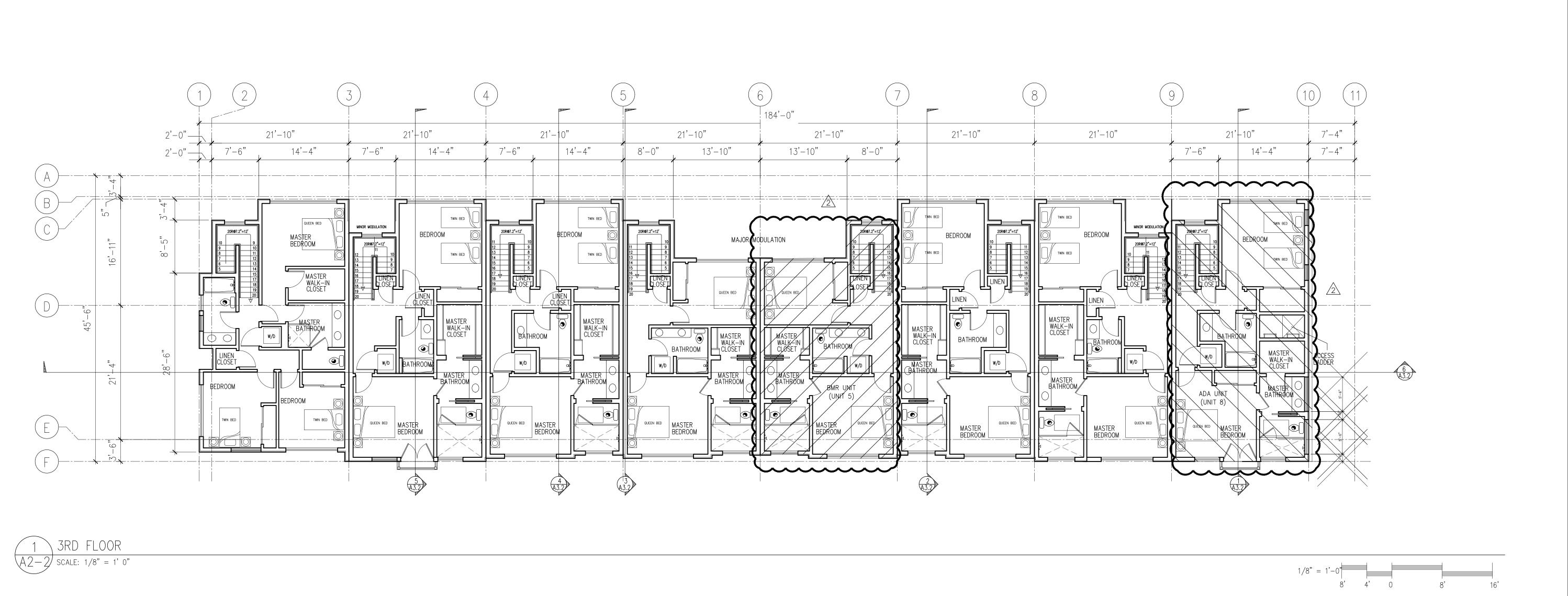


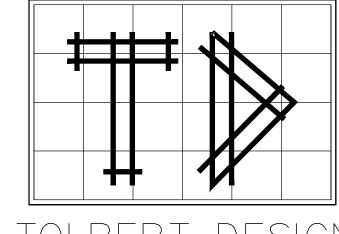
Sheet Description:

1ST AND 2ND FLOOR PLANS

A 2 — 1







TOLBERT DESIGN ARCHITECTS

297 COMMERCIAL STREET SAN JOSE, CA 95112 PH: (650) 200-0663 JEREMIAH@TOLBERTDESIGNSARCHITECTS.COM

BELTRAMO APARTMENTS

1550 EL CAMINO REAL MENLO PARK, CA 94025

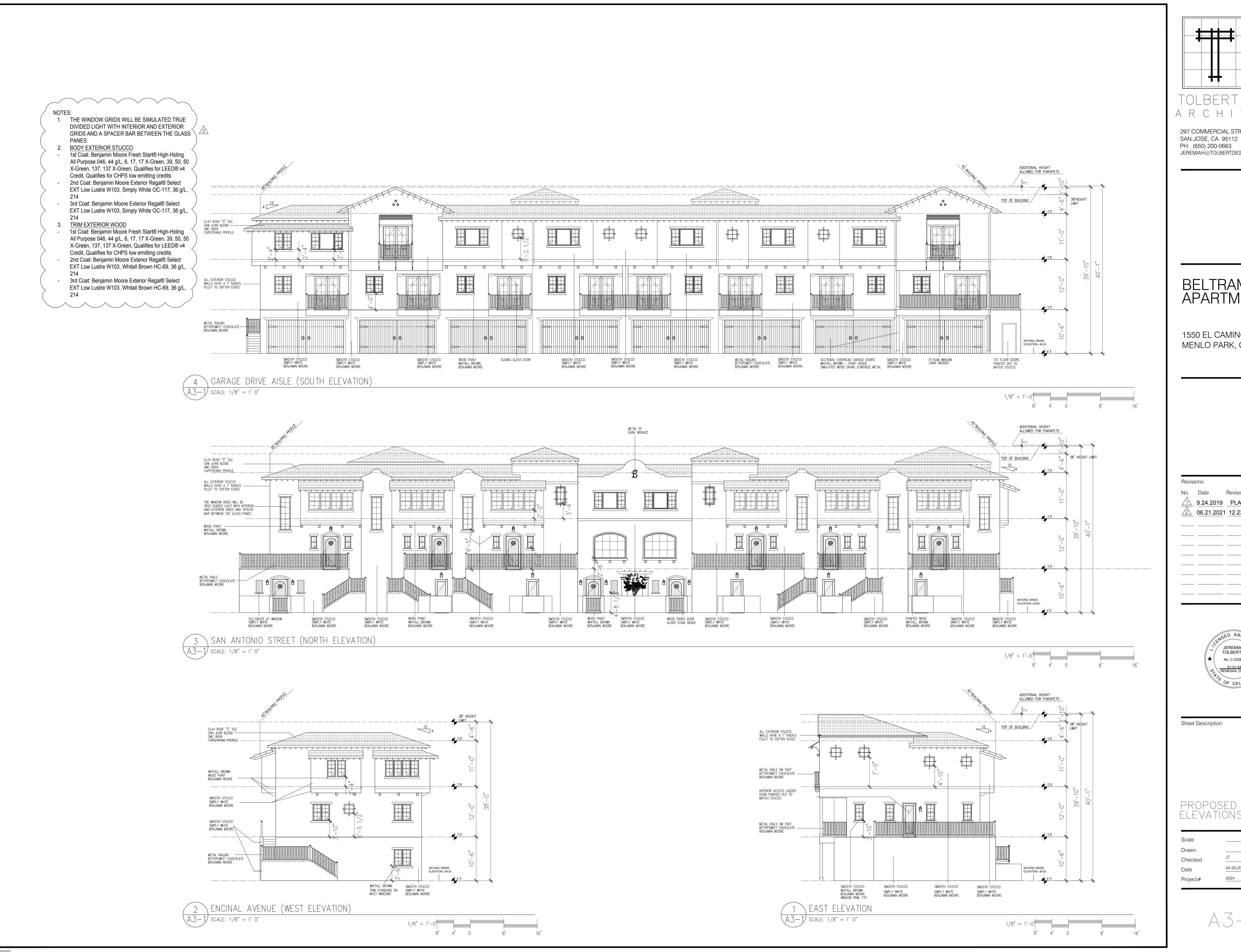


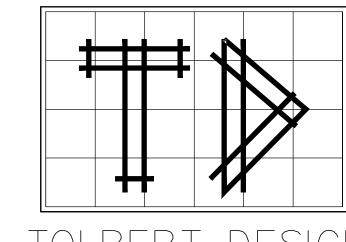
Sheet Description:

3RD FLOOR PLAN

AND ROOF PLAN

A2-2





297 COMMERCIAL STREET

PH: (650) 200-0663 JEREMIAH@TOLBERTDESIGNSARCHITECTS.COM

BELTRAMO APARTMENTS

1550 EL CAMINO REAL MENLO PARK, CA 94025

1 9.24.2019 PLAN CHECK I ✓2 06.21.2021 12.23.20 ARCH CONTROI



Sheet Description:

PROPOSED ELEVATIONS





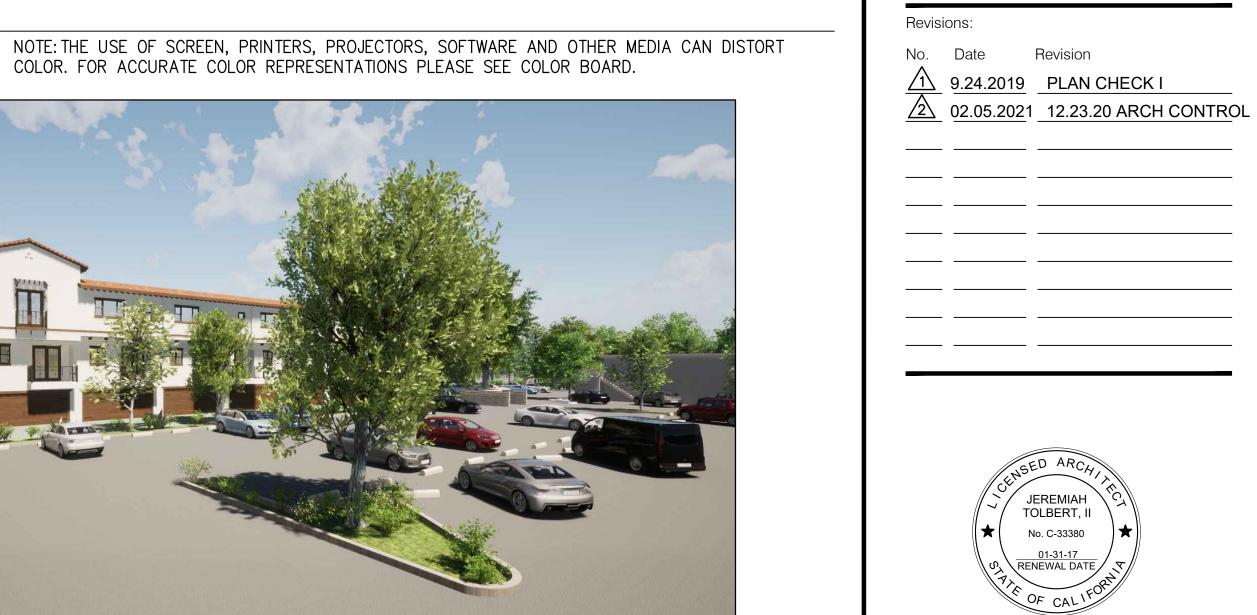




BELTRAMO APARTMENTS

ARCHITECTS

1550 EL CAMINO REAL MENLO PARK, CA 94025



Sheet Description:



Scale	
Drawn	
Checked	JT —
Date	04-20-20
Project#	2024

VIEW FROM SAN ANTONIO AND ENCINAL (FRONT) R1-1 scale: N/A







NOTE: THE USE OF SCREEN, PRINTERS, PROJECTORS, SOFTWARE AND OTHER MEDIA CAN DISTORT COLOR. FOR ACCURATE COLOR REPRESENTATIONS PLEASE SEE COLOR BOARD.

1 VIEW FROM PARKING AND ENCINAL (SIDE AND BACK) (R1-1) scale: N/A

NOTE: THE USE OF SCREEN, PRINTERS, PROJECTORS, SOFTWARE AND OTHER MEDIA CAN DISTORT COLOR. FOR ACCURATE COLOR REPRESENTATIONS PLEASE SEE COLOR BOARD.



 $\sqrt{\mathsf{VIEW}}$ from parking and drive aisle (side and back) R1-1 SCALE: N/A