



STAFF REPORT

City Council
Meeting Date: 3/11/2025
Staff Report Number: 25-040-CC

Public Hearing: Consider and adopt a resolution denying an appeal and upholding the Planning Commission’s approval of a use permit, architectural control permit, and below market rate housing agreement to construct a 100% affordable, 88 dwelling unit development in the R-3 zoning district, at 320 Sheridan Dr.; and determine this action is categorically exempt under California Environmental Quality Act Guidelines §15332 Class 32 exemption for infill development

Recommendation

Staff recommends the City Council adopt a resolution denying the appeal, and upholding the Planning Commission’s approval of a use permit, architectural control and below market rate (BMR) housing agreement for the proposed 88-unit housing development project, consisting of 87 BMR units and one manager’s unit, at 320 Sheridan Dr. in the R-3 (Apartment) zoning district (Attachment A).

Policy Issues

The appeal of the Planning Commission’s approval of the proposed project requires the City Council to consider the merits of the project and the appeal, including the project’s consistency with the City’s General Plan, R-3 zoning district standards, BMR housing program, and other adopted policies and programs. Per §16.86.040 of the Menlo Park Municipal Code (MPMC), the City Council may affirm, reverse, or modify the decision of the Planning Commission. In considering the appeal, the City Council should consider whether the required use permit and architectural control findings can be made for the proposed project and whether the project complies with requirements under State Density Bonus Law (SDBL) as well as the Below Market Rate Housing Program Guidelines (BMR guidelines) for applicable BMR units. The City Council should consider whether the project is consistent with the goals, policies, and programs of the General Plan, specifically the 2023-2031 Housing Element, including, but not limited to, the following:

- Goal H4 - Affordable Housing
 - Policy H4.2 – Housing to Address Local Housing Needs
 - Policy H4.3 – Variety of Housing Choices
 - Policy H4.9 – Long-Term Housing Affordability Controls
 - Policy H4.10 – Preferences for Affordable and Moderate-Income Housing
 - Policy H4.16 – Neighborhood Responsibilities within Menlo Park
- Goal LU21 – Promote the orderly development of Menlo Park and its surrounding area.
 - Policy LU-1.1 – Land Use Patterns
- Goal LU-2 – Maintain and enhance the character, variety, and stability of Menlo Park’s residential neighborhoods.
 - Policy LU-2.1 – Neighborhood Compatibility

- Policy LU-2.5 – Below Market Rate Housing

In addition to furthering the General Plan goals, policies and programs above, the project was identified as a housing opportunity site (Site #38) in the 2023-2031 Housing Element. As such, the project site is an important site for implementing the Housing Element and meeting the City's obligations of providing affordable housing to meet the City's Regional Housing Needs Allocation (RHNA). The site was included in the list of housing opportunity sites for its potential to provide at least 41 units of affordable housing to the City's affordable housing stock.

Background

Site location

The project site consists of one parcel in the R-3 (Apartment) zoning district with a total area of approximately 2.5 acres. The project site is owned by the Ravenswood City School District (RCSD) and is the former site of Flood School, which has been vacant since the school's closure in 2012 and subsequent demolition in 2018.

For the purposes of this staff report, the property is presented in an east-west orientation, and all compass directions referenced will use this orientation. The project site is located at the terminus of Sheridan Drive in the Suburban Park neighborhood. Sheridan Drive is a short street that provides access to the project site from Hedge Road. The property is bordered by single-family residences in the R-1-U (Single Family Urban Residential) zoning district to the west, Flood Park to the south, Highway 101 to the North, and the LifeMoves Haven Family House to the east. Haven Family House provides interim shelter and supportive housing for families experiencing homelessness in Menlo Park. A location map is provided as Attachment B.

Project description

The applicant is proposing to construct three new three-story, multi-family residential buildings consisting of 88 dwelling units and on-site improvements on a vacant lot. The project was submitted under Senate Bill 330 (SB 330), which "locks in" development regulations in place at the time of submittal of a preliminary application. A combined preliminary application and full development application was submitted in March 2024. The proposal includes a request for architectural control to construct the new buildings, a use permit to construct more than three residential units in the R-3 zoning district outside of the area around downtown, and a BMR housing agreement to satisfy the City's BMR housing requirements. All units in the development except for the manager's unit are proposed to be offered at BMR, targeting teachers and staff of RCSD. Units would range from very-low income (maximum 50% area median income or "AMI") to low income (maximum 80% AMI). However, if the applicant does not secure State tax credits to help fund the project, up to 20% of the units would be able to be leased as moderate income units (120% AMI) under SDBL. Additionally, the proposed project includes the removal of one heritage-size coast redwood tree (Tree #5) and one heritage-size coast live oak tree (Tree #13), which were reviewed and conditionally approved by the city arborist. No appeal was received for the heritage tree removal permit.

The proposed project is subject to the standard R-3 regulations, which sets the maximum density based on the lot area of the project site. For project sites with a total lot area of 100,000 square feet or greater, the maximum density is 20 dwelling units per acre. In this case, the maximum number of dwelling units based on the lot size is 50 units (rounded up). However, the project proposes to utilize SDBL, which allows additional density in return for on-site BMR units. Since the proposed project is a 100% affordable housing project, the project is eligible for an 80% density bonus (or 40 units), which equates to a maximum of 90 dwelling units. Of the proposed 38 bonus dwelling units, 37 would be affordable and one would be a market

rate manager's unit.

Projects with five or more units are required to comply with the City's BMR housing requirements, with a preference for on-site BMR units per the City's BMR Guidelines. For projects of 20 or more units, not less than 15% of the units are made affordable to very low-, low- and moderate-income households. The proposed project would be required to provide eight on-site BMR units (15% of 50 units) that would be subject to the City's BMR Guidelines.

State Density Bonus Law (SDBL)

Projects subject to SDBL are eligible for unlimited waivers from development standards that would physically preclude the project at the provided density. Additionally, SDBL projects are entitled to a certain number of incentives (sometimes referred to as concessions) based on the proposed density and affordability, which result in identifiable and actual cost reductions for the provision of affordable housing, based on the proportion of affordable units in the project. Incentives are similar to waivers in that they may be used to relax development standards to accommodate the project, however, incentives are specifically intended to reduce costs of the project.

As a 100% affordable development, SDBL entitles the project to up to five incentives and unlimited waivers. The applicant proposes to use all five incentives and 10 waivers, including an increase in height, floor area ratio (FAR), and a decrease in front and rear setbacks, among others. SDBL gives cities very little discretion to deny waivers and incentives. With the proposed waivers and incentives, the proposed project complies with the development standards of the R-3 zoning district. The project plans, applicant's project description letter, and letter justifying requested incentives and waivers are included as Attachment A, Exhibits A, B and D respectively.

Site layout

The proposed project would consist of three three-story residential buildings with one-, two-, and three-bedroom units. The project site plan is included in Attachment C. One building (Building 1) would be located along the northern property line adjacent to US Highway 101 and the other two buildings (Buildings 2 and 3) would be located across the main drive aisle along the southern property line bordering Flood Park. Amenities include a community room in Building 3, a barbecue area and children's play area. The drive aisle would terminate in the northeast corner of the property at an emergency vehicle access point where emergency vehicles could enter the site through the Haven Family House property.

All three buildings would comply with the required side setbacks of 10 feet; however, the applicant has requested waivers from the front and rear setback requirements to accommodate Buildings 2 and 3, respectively.

Additional project details

More details about the proposed project, including information regarding development regulations; SDBL waivers and incentives; vehicular and pedestrian circulation and parking; open space and landscaping; and BMR housing program compliance are included in the Jan. 13 Planning Commission staff report (Attachment D).

Previous commission reviews and actions

Planning Commission review

The project was reviewed by the Planning Commission at their Jan. 13 meeting. The Planning Commission approved the use permit, architectural control permit and BMR housing agreement, as recommended, 5-1 (Commissioner Ferrick opposed, Commissioner Do absent). The hearing included a discussion on the waivers requested by the applicant under SDBL and concerns about traffic and ingress/egress expressed

by some neighbors during the public comment period. Several other members of the public expressed support for the project and the need for affordable housing generally, but specifically for RCSD employees. Generally, the Planning Commission was supportive of the addition of BMR units in the community, but expressed concerns with the proposed waiver to reduce the number of required bicycle parking spaces and the location of the long-term bicycle storage on individual balconies or patios. The Planning Commission also discussed concerns expressed by the public regarding traffic, the content of the Transportation Impact Analysis (TIA), the exclusion of a second point of public ingress/egress for vehicles on the eastern side of the project site, and relayed a desire for residents to have pedestrian and bicycle access to Flood Park. A hyperlink to the meeting minutes is included as Attachment E.

Housing Commission review

On Nov. 6, 2024, the Housing Commission reviewed the proposed BMR agreement for consistency with the City's BMR ordinance and BMR guidelines. The Commission discussed the details of the proposed agreement and raised concerns with the applicant potentially selecting a national management company who may have income requirements that preclude employees of the RCSD from qualifying for a lease at the proposed project. The Housing Commission voted unanimously to recommend approval of the proposed BMR agreement to the Planning Commission with direction for the applicant to work with City staff to help identify a management company whose policies would allow for the units to be rented to RCSD staff. A hyperlink to the meeting minutes from the Nov. 6, 2024 Housing Commission are included as Attachment F.

Notice of funding availability

The applicant submitted a funding request for approximately \$2.9 million from the City's BMR Housing Fund. The Housing Commission also reviewed the funding request at their Nov. 6, 2024 meeting. The Housing Commission recommended approval of \$600,000, consistent with staff's recommendation and available funds. Additional funds became available after the Housing Commission meeting, and on Nov. 19, 2024, the City Council reviewed the funding request and committed to allocate \$1 million from the BMR Housing Fund to the project, subject to project approval and the use of the City's preferences established in the BMR Guidelines for all unfilled units by RCSD. The funding agreement will be reviewed at a future City Council meeting.

Analysis

Appeal of the Planning Commission's action

Pursuant to MPMC §16.86, any person may appeal to the City Council any order, requirement, decision, or determination of the Planning Commission. Appeals must be made in writing and filed with the city clerk within 15 days of a final action of the Planning Commission. At a City Council public hearing of any appeal, the City Council may affirm, reverse, or modify the decision of the Planning Commission. To reverse or modify the Planning Commission's decision requires an affirmative vote of three-fifths of the City Council (i.e., three of the five members).

On Jan. 28, the City received a timely appeal of the Planning Commission's approval of the project entitlements (Attachment A, Exhibit R). The appeal was submitted by a resident of the Suburban Park neighborhood near the project site. The appellant was an active participant during the plan review process and offered verbal and written testimony that was considered by the Planning Commission at the Jan. 13 hearing. On March 4, the applicant submitted an independent response to the appeal which is included as Attachment A, Exhibit S. The main grounds of the appeal letter are summarized below in italics and followed by a summary of staff's responses.

Lack of impact assessment of Bay Road and Ringwood Avenue intersection

The appellant states that the staff and the City consultant failed to conduct a comprehensive study of the traffic patterns and impact of the project on the roadway system. Specifically, the appellant states that the intersection at Bay Road and Ringwood Avenue should have been studied as part of the TIA. The City consulted with Hexagon Transportation Consultants to conduct the TIA as part of determining if the project was exempt from further review under the California Environmental Quality Act (CEQA). The TIA was conducted in accordance with the City's adopted TIA guidelines, which exempt intersections from level of service (LOS) analyses if the project would add fewer than 10 peak hour trips to the travel lanes. The TIA determined that the project would add fewer than 10 peak hour trips to the travel lanes at the intersection of Bay Road and Ringwood Avenue, and therefore the intersection was not studied.

Transportation impact analyses typically include several pieces of analysis, including existing conditions, a near-term analysis, and a cumulative analysis if the project would generate 100 or more peak-hour trips. The near-term analysis includes a list of nearby projects that have either been approved or are nearing completion of entitlements that can be reasonably assumed to be complete by the studied near-term date (2027). Background information used for the 320 Sheridan Dr. TIA included the background information from the TIA for the proposed Parkline project which was updated to include projects approved or proposed after the Parkline TIA was completed. The appellant states that four properties in Atherton were rezoned to allow multifamily projects and that the TIA fails to include these properties in the analysis. The near-term analysis typically only includes projects that have been planned or approved and does not include hypothetical projects based on rezoning actions. While the four parcels in Atherton have been rezoned to allow for multifamily developments, no applications for development projects at any of the properties have been submitted to the Town of Atherton. Therefore, the properties were not included in the near-term analysis. The properties could reasonably be included in a cumulative analysis, which is a long-term analysis that includes growth patterns in the region and has a forecast date of 2040. However, a cumulative analysis is only required for projects that generate more than 100 peak-hour trips. The 320 Sheridan Dr. project would generate less than 100 peak-hour trips, and therefore, a cumulative review was not required.

Although the 320 Sheridan Dr. TIA did not study the Bay Road/Ringwood Avenue intersection, the Parkline TIA identified existing deficiencies in the intersection during the AM peak hour and that the intersection would be further impacted by planned and approved projects in the near term. The Parkline TIA includes suggested improvements to impacted intersections which states that the suggested improvement is to signalize the Bay Road/Ringwood Avenue intersection. The City determined that signalizing the intersection was infeasible due to roadway constraints and other barriers. Therefore, even if the project triggered enough new peak-hour trips to warrant study of the intersection and found that the project would further contribute to deficiencies at the intersection, a similar infeasible recommendation could be expected and the applicant likely would not be required to construct any intersection improvements.

With respect to the vehicle miles traveled (VMT) analysis, the project was determined to have a less-than-significant impact. Generally, LOS details the length of delay at an intersection, which is a way to describe ease of travel. VMT studies the length of trips originating from a site to other locations, such as places of employment or services. It is important to note that VMT, not LOS, is the metric to determine a project's potential transportation impacts under CEQA. The 320 Sheridan Dr. TIA determined that the project would have a VMT of 10, which is below the City's threshold for VMT impacts for residential projects (11.2).

The City contains multiple Transportation Analysis Zones (TAZs), which include zone-specific VMT (average VMT for all residential uses within the TAZ) based on characteristics of the area, such as proximity to transit, jobs and other services. The appellant is correct in stating that the area in which the project is located is a high VMT area. However, a project's VMT may differ from the TAZ's VMT due to specific characteristics of the project. The project TIA notes that 100% affordable housing projects tend to have

lower VMTs due to shorter travel distances to jobs, higher rates of carpooling, and use of transportation modes other than single-occupancy vehicles. The TIA further states that affordable housing developments often serve residents who work nearby, resulting in fewer and shorter vehicle trips. The appellant states that the determination of less-than-significant VMT impacts is misleading, given the environmental analysis in Atherton's Housing Element that describes the area as a high VMT corridor. However, the project VMT is accurate based on the characteristics of the proposed project despite being located in a high VMT area.

Misleading and inaccurate public transit analysis

The appellant states that the transportation demand management (TDM) plan inaccurately portrays the availability of public transit in close proximity to the project site. The appellant notes that the bus routes listed in the TDM plan (routes 81, 82, 83 and 88) are only available to students and are not open to the public at large. While it is true that these bus routes are tailored to students' needs, staff confirmed with SamTrans that they are not restricted to students, so the public and/or employees of the school district are able to utilize the bus service. The TDM plan acknowledges that the walking distances for the bus facilities are longer than the linear distance, and while the applicant has not yet received approval from San Mateo County to access Flood Park, they are in discussions with the County and the pedestrian route may be available in the future. Regardless, the measures in the TDM plan do not rely upon pedestrian travel distances to public transit facilities, and the TDM plan remains compliant with City/County Association of Governments of San Mateo County's (C/CAG) TDM plan requirements. Similarly, the VMT model within the TIA does not rely on access to the bus routes, and the type of bus service was considered when calculating the project VMT. The TIA determined that the project would have a less-than-significant impact related to VMT.

Misleading and inadequate assessment of bike and pedestrian access

The appellant states that the information about bike and pedestrian access is misleading and inadequate, and that the project needlessly restricts Suburban Park residents' access through the project site to Flood Park and Van Buren Road. Staff acknowledges that the TDM plan appears to inaccurately show that there would be a bike route to the Menlo Park Caltrain station that goes through the neighboring Haven Family House property. This appears to be an error in the Google Maps directions feature when inputting 320 Sheridan Dr. as the starting point. However, adjusting the map to begin at the proposed project's Sheridan Drive entrance yields a similar travel distance and time to the Caltrain station without the use of Flood Park.

The appellant states that the applicant has not yet secured bike and pedestrian access into Flood Park and that the applicant would unreasonably restrict public access through the project site to the park. The applicant has stated that they are working with San Mateo County to try to secure gated access into the park for its residents, however, access into the park has not yet been granted. While gated access into Flood Park would provide a benefit to the residents of the proposed project, making it easier for residents to access the pedestrian bridge on Van Buren Road, it is not required for the project to comply with applicable standards. Similarly, public access to Flood Park through the project site has not been identified in the City's adopted circulation element and there are no requirements for future connections in the R-3 zoning district. Therefore public access through the project site is not required for the project to be compliant with applicable standards. Further, requiring public access through the project site could be seen as a barrier to providing affordable housing if it creates a liability that potential funding sources are unwilling to assume.

Finally, only one measure (M23) in the applicant's TDM plan relies on bicycle and pedestrian access to Van Buren Road via Flood Park. Project-specific condition of approval 2.p. requires the applicant to submit an updated TDM plan when they submit their building permit applications. If the County has not approved bicycle and pedestrian access into the park at the time of building permit submittal, the TDM plan must be updated to remove credit for the measure. However, the TDM plan would still meet the minimum reductions required by C/CAG without measure M23.

Lack of environmental and traffic mitigation measures

The appellant states that the project has not been required to mitigate VMT and air quality impacts of the project. This project was determined to be exempt from further CEQA review pursuant to the Class 32 exemption for infill developments, explained in more detail later in this report. Therefore, the project is required to implement applicable mitigation measures from the ConnectMenlo EIR and the Housing Element Subsequent EIR (HE SEIR), but further project-specific environmental study beyond confirming the project qualifies for the infill exemption and project-specific mitigation measures are not required. Per the state CEQA guidelines, projects that qualify for one or more of the categorical exemptions “do not have a significant effect on the environment, and they are declared to be categorically exempt from the requirement for the preparation of environmental documents.” (CEQA Guidelines §15300.)

Despite not being required under CEQA, the project would include some characteristics intended to reduce potential environmental impacts. Since the project would result in more than 100 average (not peak hour) daily trips and is categorized as a small multifamily development (less than 500 average daily trips), the City/County Association of Governments of San Mateo County (C/CAG) requires the applicant to implement a TDM plan to reduce the number of trips by 25%. When implemented, the proposed TDM plan would achieve a trip reduction of 38% (when required measure M6 is added to the calculation), which complies with the C/CAG requirements for the size and type of project, even if the trip reductions from measure M23 are removed from the calculation. Since the project does not exceed the applicable VMT threshold, the City does not require additional TDM measures and trip monitoring, however the applicant would be subject to monitoring by C/CAG to determine if the TDM plan is achieving the targeted trip reductions.

An air quality assessment and an environmental health risk assessment (HRA) were prepared for the project to identify potential air quality impacts of the project’s construction and operation, per the requirements of the Mitigation Monitoring and Reporting Program (MMRP) for the HE SEIR. The air quality study determined that the project’s construction-related and operational air quality impacts would be less-than-significant. However, the project would still be required to comply with the Bay Area Air District’s (BAAD) (formerly Bay Area Air Quality Management District) requirements to help reduce construction-related air quality impacts. Additionally, the proposed project is required to meet an equivalent of LEED Silver which includes advanced air quality standards for residents, and would be required to implement minimum air filtration measures identified in the HRA, consistent with the HE SEIR air quality mitigation measures.

Lack of creative options to address traffic and environmental impacts

The appellant states that the TIA failed to study a secondary ingress/egress route through a portion of Caltrans right-of-way to Van Buren Road. SDBL and SB 330 require the City to analyze housing projects “as proposed,” and generally prohibits the City from requiring redesign of the project except in limited cases where the project creates health and safety hazards. Further, state law prohibits the City from including conditions of approval for the project that pose a barrier to the project’s physical or financial feasibility, which are addressed through incentives and waivers.

The proposed project does not include a second means of public ingress/egress from the east, and a second public access point was not required to meet the applicable City standards for the project. The applicant has worked with LifeMoves to secure an emergency vehicle access easement (EVAE) through the Haven Family House property. The project, including the single point of public access, was approved by the Menlo Park Fire Protection District (MPFPD). While EIRs require the study of a reasonable number of feasible project alternatives, the project was determined to be eligible for an exemption from CEQA. An EIR was not required for the project, and subsequently, analysis of alternatives was not required. Therefore, the TIA analyzed the project as proposed in accordance with State law and was able to conclude that there would be no impacts.

The project is inconsistent with General Plan Elements and other City policies

The appellant states that the proposed project is inconsistent with the General Plan, specifically that it violates the Environmental Justice (EJ) Element and the Circulation Element. The proposed project is subject to SB 330, which “locks” the project into the applicable City policies and standards in place at the time the applicant submits a preliminary application. In this case, a preliminary application was submitted in March 2024. Since the EJ Element was not adopted until August 2024, inconsistency with the EJ Element cannot be used as a basis to deny the project or cause it to be redesigned. Despite this, staff’s analysis indicates that the project complies with the EJ Element and furthers its goals and policies. Table 1 below provides a summary of the project’s consistency with applicable policies and programs from the EJ Element.

Table 1: Environmental Justice Element goals and policies consistency analysis		
Goal/policy	Summary	Consistency analysis
Policy EJ2.1	Prioritize pollution reduction, air quality (both indoor and outdoor), and water quality programs to reduce inequitable exposure in underserved communities.	Air quality and health risk assessment studies were performed and conclude that the project would have less-than-significant air quality impacts. The project would also be designed to meet LEED Silver, which have rigorous minimum indoor air quality standards.
Program EJ3.H	Ensure that recreational facilities throughout Menlo Park provide residents of all ages, income levels, genders and lifestyles, with access to parks, community centers, sports fields, trails, libraries and other amenities.	The project provides a housing opportunity for lower income residents adjacent to Flood Park, with potential future access directly into the park. The project would also include on-site recreational amenities for residents.
Policy EJ5.2	Maintain and develop safe, sanitary, and stable homes across all locations and affordability ranges, particularly in underserved communities.	The project would develop safe, sanitary, and stable housing opportunities for lower-income residents.
Policy EJ5.3	Support housing development distribution throughout the city and not concentrated within Menlo Park’s underserved communities.	The project would provide additional housing opportunities for lower-income residents outside of Menlo Park’s underserved communities.
Program EJ5.A	Identify and resolve, to the extent feasible, any potential toxic soil contamination in residential developments, particularly in underserved communities. Identify potential closed (remediated) contaminated sites at risk of groundwater rise or sea level rise. Work with community based organizations and underserved communities to coordinate with regulatory and regional agencies for contaminated sites to be remediated at a level that protects community health under current and future flood conditions.	The project is not on a site with known soil contamination. A Phase 1 Environmental Site Assessment was conducted and the site was found to not pose an environmental concern and no cleanup action was identified.

The appellant further states that the project is out of compliance with the Circulation Element and the Transportation Master Plan (TMP) because it does not provide a second means of vehicular ingress and egress to Van Buren Road. While it is possible that vehicle access to Van Buren Road could help reduce traffic along Bay Road and provide easier bicycle and pedestrian access to the pedestrian bridge, neither the Circulation Element nor the TMP identify an extension of the Van Buren Road right-of-way to the project

site. Therefore, the project does not conflict with the Circulation Element and TMP. Construction of the project also does not diminish the City’s ability to implement projects identified in the TMP. Further, the TIA analyzed the project’s VMT without a second public ingress/egress and determined that the VMT impacts would be less-than-significant. Therefore, a second means of ingress/egress is not required for the project to comply with applicable City plans, policies, and standards or to mitigate potential VMT impacts.

General Plan compliance

The proposed project would be consistent with the City’s general plan goals, policies and programs, in addition to SDBL, and applicable Zoning Ordinance development regulations and design standards. The following table summarizes key General Plan and Housing Element goals, policies, and programs that are applicable to the project.

Table 2: General Plan goals and policies consistency analysis			
Goal/policy	Title	Summary	Consistency analysis
Goal H4	Affordable housing	Support the development of a diversity of housing types for people at all income levels	The project is an 88-unit, 100% affordable multi-family housing project for teachers, therefore it directly supports Goal H4
Policy H4.2	Housing to address local housing needs	Strive to provide opportunities for new housing development to meet the City's share of its RHNA	The project site was identified as a housing opportunity site in the City's Housing Element, making the project consistent with the City's RHNA obligations.
Policy H4.3	Variety of housing choices	Strive to achieve a mix of housing types, densities, affordability levels and designs distributed throughout the city	The project provides a multi-family affordable rent housing option which is much needed in Menlo Park.
Policy H4.9	Long-term housing affordability controls	Apply rent and income restrictions to ensure that affordable housing provided through incentives remains affordable over time to the income group for which it is intended	Eighty-seven (87) of the 88 units will be restricted to affordable rents, in line with this policy. One unit will be a market rate manager's unit.
Policy H4.10	Preferences for affordable and moderate-income housing	Implement BMR and moderate-income housing preferences for people living or working in Menlo Park to the extent consistent with Fair Housing laws	To the extent consistent with State Law, the City is applying its BMR preferences to the project, consistent with this policy.
Policy H4.16	Neighborhood responsibilities within Menlo Park	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 project will bring 88 residential units to the Suburban Park neighborhood, in line with the City's housing goals.
Goal LU-1	Promote the orderly development of Menlo Park and its surrounding area		This project is proposed on a site zoned R-3, and can be built at the proposed density within the current zoning pursuant to SDBL, consistent with this Goal.
Policy LU-1.1	Land use patterns	Cooperate with the appropriate agencies to help assure a coordinated land use pattern in Menlo Park and the surrounding area	The City has coordinated the project application with RCSD, which owns the property, consistent with this policy.

Correspondence

Between the appeal submittal date of Jan. 28, and the publication of this staff report, staff did not receive any written correspondence on the proposed project. Correspondence provided before the Planning Commission meeting is included as an attachment to the Jan. 13 staff report and meeting minutes (Attachments D and E, respectively).

Conclusion

The proposed project would further the goals and policies of the General Plan and Housing Element by providing 87 deed-restricted affordable units for lower-income households and would help the City reach its RHNA obligations. The project would create an attractive option for RCSD employees which would allow many of them to reduce commute times and for the District to retain high-quality teachers and staff. The proposed SDBL waivers would allow the proposed project to be developed at the proposed density allowed under SDBL, while providing enough FAR and height to accommodate the additional density of the 100% affordable housing project. The proposed siting of the building would accommodate the proposed density while minimizing the impact to neighboring properties by maintaining a relatively low building height with multiple buildings to spread out the mass of the project. The modern farmhouse architectural style would be generally attractive and fit in with the surrounding residential properties. Planting of replacement heritage trees would add greenery to the site and would ensure the replacement requirement of the heritage tree ordinance are satisfied. The BMR housing agreement would ensure eight of the units are subject to the City's preference criteria while restricting the remaining units, except for the manager's unit, to lower-income households.

The arguments made by the appellant do not warrant a reversal of the Planning Commission's decision for the reasons made above in response to the appeal letter. The Planning Commission indicated that the project, inclusive of SDBL waivers and incentives, is consistent with applicable policies and standards, including the General Plan, zoning ordinance and regional TDM requirements. Further, the Planning Commission decided appropriately when it determined that the project is eligible for a Class 32 infill exemption from CEQA, which includes a finding that the project would have less-than-significant VMT impacts despite the project only having one means of public ingress and egress via Sheridan Drive. Staff recommends that the City Council adopt a resolution denying the appeal and upholding the Planning Commission's approval of the use permit, architectural control permit and BMR housing agreement.

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. Additionally, the City Council has committed \$1 million to the project to be paid from the City's BMR Housing Fund, subject to approval of the project. The appellant is required to pay a flat fee, and time spent analyzing the appeal is not recoverable.

Environmental Review

The project is eligible for streamlined CEQA review under Assembly Bill 1633 (AB 1633). AB 1633 requires the City to make a determination on whether the project is exempt from CEQA within 90 days of receiving timely notice and substantial evidence from the applicant that the project is exempt from CEQA review. The City is allowed an extension of up to 90 additional days to make a determination on the exemption status. The applicant provided timely notice and substantial evidence that the exemption applies to the project, and the City provided the applicant of written notice of a needed extension. Therefore, the City was required to make a determination on the CEQA exemption by Jan. 27.

On Jan. 13, the Planning Commission determined the project is categorically exempt under Class 32 (§15332), "Infill Development" of the current CEQA Guidelines because it satisfies the following conditions:

- A. *The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.*
- B. *The proposed development occurs within city limits on a project site of no more than 5 acres substantially surrounded by urban uses.*
- C. *The project site has no value as habitat for endangered, rare or threatened species.*
- D. *Approval of the project would not result in any significant effects relating to traffic, noise, air quality or water quality.*
- E. *The site can be adequately served by all required utilities and public services.*
- F. *None of the exceptions to the exemption apply.*

The City analyzed the property's eligibility for the Class 32 infill exemption. An in-depth analysis on how the project complies with the exemption is included as Attachment A, Exhibit F. Technical reports, including the TIA are included as Attachment A, Exhibits G through N.

The project would be required to comply with applicable mitigation measures from the ConnectMenlo program-level EIR MMRP (Attachment A, Exhibit O) and with the applicable mitigation measures of the 2023-2031 HE SEIR MMRP (Attachment A, Exhibit P). Implementation of applicable mitigation measures is included as Condition 2.a.

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 publishing a notice in the local newspaper and notification by mail of owners and occupants within a 300-foot radius of the subject property.

Attachments

- A. Draft resolution denying the appeal and approving the use permit, architectural control permit and BMR housing agreement
Exhibits to Attachment A
 - A. Hyperlink – Project plans: menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/320-sheridan-dr/320-sheridan_october-2024-plans.pdf
 - B. Hyperlink – Project description letter: menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/320-sheridan-dr/320-sheridan_project-description-letter.pdf
 - C. Draft BMR housing agreement
 - D. Hyperlink – Density bonus letter: menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/320-sheridan-dr/state-density-bonus-letter.pdf
 - E. Hyperlink – Arborist report: menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/320-sheridan-dr/arborist-report.pdf
 - F. Hyperlink – CEQA exemption memo: menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/320-sheridan-dr/320-sheridan_ceqa-exemption-memo.pdf
 - G. Hyperlink – Transportation Demand Management (TDM) Plan: menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/320-sheridan-dr/tdm-plan.pdf
 - H. Hyperlink – Transportation Impact Analysis (TIA):

- menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/320-sheridan-dr/transportation-impact-analysis.pdf
- I. Hyperlink – Air Quality and Health Risk Assessment: menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/320-sheridan-dr/air-quality-and-health-risk-assessment.pdf
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 - P. Hyperlink – 2023-2031 Cycle Housing Element Update Subsequent EIR Mitigation Monitoring and Reporting Program: menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/housing-element-update/202301-he-mitigationmonitoring-and-reporting-program.pdf
 - Q. Conditions of approval
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 - S. Hyperlink – Applicant response to appeal: menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/320-sheridan-dr/applicant-response-to-appeal.pdf
- B. Location map
 - C. Excerpted site plan
 - D. Hyperlink – Jan. 13 Staff Report #25-002-PC: menlopark.gov/files/sharedassets/public/v/2/agendas-and-minutes/planning-commission/2025-meetings/agenda/20250113-planning-commission-agenda-packet.pdf#page=69
 - E. Hyperlink – Jan. 13 Planning Commission meeting minutes: menlopark.gov/files/sharedassets/public/v/1/agendas-and-minutes/planning-commission/2025-meetings/minutes/20250113-pc-approved-minutes.pdf
 - F. Hyperlink – Nov. 6, 2024 Housing Commission meeting minutes: menlopark.gov/files/sharedassets/public/v/1/agendas-and-minutes/housing-commission/2024-meetings/minutes/20241106-housing-commission-meeting-minutes-approved.pdf

Report prepared by:
Chris Turner, Senior Planner

Report reviewed by:
Kyle Perata, Assistant Community Development Director

RESOLUTION NO. XXXX**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK DENYING AN APPEAL AND UPHOLDING THE PLANNING COMMISSION'S APPROVAL OF A USE PERMIT, ARCHITECTURAL CONTROL PERMIT, AND BELOW MARKET RATE HOUSING AGREEMENT TO CONSTRUCT THREE NEW MULTI-FAMILY RESIDENTIAL BUILDINGS CONSISTING OF 88 UNITS, 87 OF WHICH WOULD BE AFFORDABLE UNITS, IN THE R-3 (APARTMENT) ZONING DISTRICT, LOCATED AT 320 SHERIDAN DR.**

WHEREAS, the City of Menlo Park ("City") received an application requesting a use permit, architectural control permit, below market rate (BMR) housing agreement, and heritage tree removal permits to construct three new three-story multi-family residential buildings consisting of 88 units on a vacant lot in the R-3 (Apartment) zoning district (collectively, the "Project") from Alliant Communities LLC ("Applicant"), on behalf of the Ravenswood City School District ("Owner") located at 320 Sheridan Dr. (APN 055-303-110) ("Property"). The Project is depicted in and subject to the development plans and project description letter, which are attached hereto as Exhibit A and Exhibit B, respectively, and incorporated herein by this reference; and

WHEREAS, the Project comprises three or more residential units in the R-3 (Apartment) district not located around downtown; therefore, a use permit is required; and

WHEREAS, the maximum allowed density in the R-3 zone is 20 dwelling units per acre and the maximum number of units allowed by the zoning ordinance on the Project site is 50 units; and

WHEREAS, the Project is subject to the Below Market Rate Housing Ordinance ("BMR Ordinance") and is required to comply with the Below Market Rate Housing Guidelines ("BMR Guidelines") to ensure proper implementation of the BMR Ordinance; and

WHEREAS, the Housing Commission reviewed the draft Below Market Rate Housing Agreement ("BMR Agreement"), attached hereto as Exhibit C, at its November 6, 2024 regular meeting and found the draft BMR Agreement to be in conformance with the BMR Guidelines and recommended approval of the draft BMR Agreement to the Planning Commission; and

WHEREAS, the Project is eligible for additional housing units subject to Government Code Section 65915 and relevant amendments ("State Density Bonus Law") by providing on-site Below Market Rate housing units ("BMR Units"), which allows additional density to be included in the Project; and

WHEREAS, the Applicant submitted a letter attached hereto as Exhibit D, which details the applicability of State Density Bonus Law, and states that the Project would be a 100% affordable residential project under State Density Bonus Law; and

WHEREAS, as a 100% affordable residential project under State Density Bonus Law, the Project is eligible for an 80% increase in allowed density; and

WHEREAS, the Applicant proposes to increase the Project density by 76% for a total of 88 units; and

WHEREAS, the Project would consist of 50 affordable units and 38 bonus units, 37 of which would be affordable; and

WHEREAS, the Applicant intends to apply for tax credits through the California Tax Credit Allocation Committee (“TCAC”), which would limit the Applicant to offering the housing units to households earning a maximum of 80% area median income (“AMI”); and

WHEREAS, if TCAC tax credits are not awarded, the Applicant would be able to lease up to 20% of the units to households earning a maximum of 120% AMI and the Project would still qualify as a 100% affordable Project under State Density Bonus Law; and

WHEREAS, State Density Bonus Law prohibits the City from applying any development standard that will have the effect of physically precluding the construction the Project; and

WHEREAS, State Density Bonus Law allows for applicants to request waivers from applicable development standards in order to achieve the permitted density under the law; and

WHEREAS, the Applicant has requested waivers from the R-3 zone development standards to increase the maximum floor area ratio (FAR), height, maximum fence height in the front setback, and paving area for driveways and parking. The Applicant is requesting waivers to reduce the required front and rear setbacks, reduce land area required per dwelling unit, reduce parking lot tree island requirements, reduce required bicycle parking spaces and remove the building profile requirement and façade modulation requirements; and

WHEREAS, State Density Bonus Law allows for applicants to request incentives that provide actual and identifiable cost reductions to the provision of affordable housing; and

WHEREAS, the Applicant is entitled to five “incentives” as defined in Government Code Section 65915(k) under State Density Bonus Law as a 100% affordable project; and

WHEREAS, the Applicant is claiming five incentives: 1) to not underground utilities along the project frontage, 2) remove the window inset design standard, 3) remove the requirement to certify the project as LEED silver, 4) not dual-plumb the Project buildings for internal use of recycled water and 5) use an alternate method to comply with transit pass requirements; and

WHEREAS, the Project is subject to the parking standards outlined in State Density Bonus Law which require a minimum of 111 parking spaces based on the number and size of units in the proposed Project; and

WHEREAS, the Project would comply with the minimum parking requirement under State Density Bonus Law by providing 116 surface parking spaces; and

WHEREAS, the Applicant has demonstrated in writing, attached hereto as Exhibit D, that application of the listed development standards would preclude development of the proposed Project at the allowed density, and that the requested incentives would result in actual and identifiable cost reductions for the provision of affordable housing; and

WHEREAS, the City has reviewed the justification and has deemed the waivers and incentives appropriate for the proposed Project in order to accommodate the proposed density; and

WHEREAS, the proposed Project would comply with all other applicable standards of the R-3 zoning district; and

WHEREAS, the Applicant submitted an arborist report, attached hereto as Exhibit E and incorporated herein by this reference, prepared by Bo Firestone Trees and Gardens, which was reviewed by the City Arborist and found to be in compliance with the Heritage Tree Ordinance, and proposes mitigation measures to adequately protect heritage trees to remain in the vicinity of the project; and

WHEREAS, the Applicant was conditionally granted a Heritage Tree Removal permit (“HTR permit”) to remove two heritage trees from the property; and

WHEREAS, the HTR permit was not appealed and the Applicant is required to replace the value of the heritage trees as a condition of approval; and

WHEREAS, the Applicant has included a landscape plan which includes replacement trees that would exceed the replacement value of the trees proposed for removal, which has been deemed compliant by the City Arborist; and

WHEREAS, the Property was included in the 2023-2031 Housing Element Update (“HEU”) as a housing opportunity site capable of providing up to 41 units of affordable housing; and

WHEREAS, development of the proposed Project would help implement the HEU and would further the City’s progress towards meeting its obligations under the Regional Housing Needs Allocation (“RHNA”); and

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

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

WHEREAS, the Applicant submitted sufficient technical documentation to justify exemption from CEQA pursuant to Cal. Code of Regulations, Title 14, §15332 et seq. (Infill Development Projects); and

WHEREAS, the City conducted independent review of the technical documentation and determined that the project qualifies as an Infill Development Project and no exceptions are applicable that would preclude a categorical exemption under CEQA. The City’s findings and the Applicant’s provided technical documentation is attached hereto as Exhibits F through Exhibit M and incorporated herein by this reference; and

WHEREAS, the Project is categorically exempt from environmental review pursuant to Cal. Code of Regulations, Title 14, §15332 et seq. (Infill Development Projects); and

WHEREAS, on December 6, 2016, the City certified a program-level environmental impact report (EIR) for updates to the City’s General Plan (collectively ConnectMenlo, SCH# 2015062054), which included a Mitigation Monitoring and Reporting Program (MMRP) to mitigate environmental impacts anticipated by the updated General Plan; and

WHEREAS, on January 31, 2023 the City certified a Subsequent EIR for the 2023-2031 Housing Element update (SCH# 2015062054), which includes additional MMRP measures applicable to housing projects; and

WHEREAS, the proposed Project would be required to comply with applicable mitigation measures included in the ConnectMenlo MMRP and the 2023-2031 Housing Element Subsequent EIR MMRP, attached hereto as Exhibits N and O, respectively; and

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

WHEREAS, at a duly and properly noticed public hearing held on November 6, 2025, the Housing Commission reviewed the draft BMR housing agreement and recommended approval of the BMR housing agreement to the Planning Commission; and

WHEREAS, at a duly and properly noticed public hearing held on January 13, 2025, the Planning Commission fully reviewed, considered, and evaluated the whole of the record including all public and written comments, pertinent information, documents and plans, prior to voting to approve the Project.

WHEREAS, pursuant to Menlo Park Municipal Code (MPMC) §16.86.010, any person may appeal to the City Council any order, requirement, decision or determination of the Planning Commission; and

WHEREAS, on January 28, 2025, the City received a timely appeal of the Planning Commission's approval of the Project and said appeal is attached hereto and incorporated herein by this reference as Exhibit R (hereinafter the "**Appeal**"); and

WHEREAS, On March 4, 2025, the Applicant submitted a response to the appeal and said response is attached hereto and incorporated herein by this reference as Exhibit S; and

WHEREAS, pursuant to MPMC §16.86.040, at the close of the public hearing on the appeal, the City Council may affirm, reverse, or modify the decision of the planning commission; and

WHEREAS, on March 11, 2025, the City Council held a duly noticed public hearing and separately reviewed and considered the appeal, and fully reviewed, considered, evaluated, all documents, along with all public and written comments, pertinent information, documents and plans prior to taking action to deny the appeal and uphold the Planning Commission's approval of the 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 the City Council independently, after reviewing all of the evidence before it, holding public appeal hearings, considering the appeal before it, and considering the Planning Commission's Actions, and all written and oral testimony presented to it, hereby denies the Appeal, and affirms the Planning Commission actions approving the use permit, architectural control and BMR Housing Agreement, attached hereto and incorporated herein by this reference, for the 320 Sheridan Dr. development project based on the following:

Appellant's contentions raised in the Appeal do not justify or warrant granting the appeal and reversing the Planning Commission's Actions. Each contention is addressed below:

1. The appellant states that the staff and the City consultant failed to conduct a comprehensive study of the traffic patterns and impact of the project on the roadway system. Specifically, the appellant states that the intersection at Bay Road and Ringwood Avenue should have been studied as part of the Transportation Impact Analysis (TIA). The City consulted with Hexagon Transportation Consultants to conduct the TIA as part of determining if the project was exempt from further review under the California Environmental Quality Act (CEQA). The TIA was conducted in accordance with the City's adopted TIA guidelines, which exempt intersections from level of service (LOS) analyses if the project would add fewer than 10 peak hour trips to the travel lanes. The TIA determined that the project would add fewer than 10 peak hour trips to the travel lanes at the intersection of Bay Road and Ringwood Avenue, and therefore the intersection was not studied.

Transportation impact analyses typically include several pieces of analysis, including existing conditions, a near-term analysis, and a cumulative analysis if the project would generate 100 or more peak-hour trips. Background information used for the 320 Sheridan Dr. TIA included the background information from the TIA for the proposed Parkline development project at 333 Ravenswood Ave. The near-term analysis includes a list of nearby projects that have either been approved or are nearing completion of entitlements that can be reasonably assumed to be complete by the studied near-term date (2027). The 320 Sheridan Dr. TIA was updated to include projects approved after the Parkline TIA was completed. The appellant states that four properties in Atherton were rezoned to allow multifamily projects and that the TIA fails to include these properties in the analysis. The near-term analysis typically only includes projects that have been planned or approved and does not typically include hypothetical projects based on rezoning actions. While the four parcels in Atherton have been rezoned to allow for multifamily developments, no applications for development projects at any of the properties have been submitted to the Town of Atherton. Therefore, the properties were not included in the near-term analysis. The properties could reasonably be included in a cumulative analysis, which is a long-term analysis that includes growth patterns in the region and has a forecast date of 2040. However, a cumulative analysis is only required for projects that generate more than 100 peak-hour trips. The 320 Sheridan Dr. project would generate less than 100 peak-hour trips, and therefore, a cumulative review was not required.

Although the 320 Sheridan Dr. TIA did not study the Bay Road/Ringwood Avenue intersection, the Parkline TIA identified existing deficiencies in the intersection during the AM peak hour and that the intersection would be further impacted by planned and approved projects in the near term. The Parkline TIA includes suggested improvements to impacted intersections which states that the suggested improvement is to signalize the Bay Road/Ringwood Avenue intersection. The City determined that signalizing the intersection was infeasible due to roadway constraints and other barriers. If the intersection was studied for the 320 Sheridan Dr. project, a similar infeasible recommendation could be expected.

With respect to the vehicle miles traveled (VMT) analysis, the project was determined to have a less-than-significant impact. Generally, LOS details the length of delay at an intersection, which is a way to describe ease of travel. VMT studies the length of trips originating from a site to other locations, such as places of employment or services. It is important to note that VMT, not LOS is the metric to determine a project's potential transportation impacts under CEQA. The project TIA determined that the project would have a VMT of 10, which is below the City's threshold for VMT impacts for residential projects (11.2).

The project TIA notes that 100% affordable housing projects tend to have lower VMTs due to shorter travel distances to jobs, higher rates of carpooling, and use of transportation modes other than single-occupancy vehicles. The TIA further states that affordable housing developments often serve residents who work nearby, resulting in fewer and shorter vehicle trips. The appellant states that the determination of less-than-significant VMT impacts is misleading, given the environmental analysis in Atherton's Housing Element that describes the area as a high VMT corridor. However, the project VMT is accurate based on the characteristics of the proposed project despite being located in a high VMT area.

2. The appellant states that the transportation demand management (TDM) plan inaccurately portrays the availability of public transit in close proximity to the project site. The appellant notes that the bus routes listed in the TDM plan (routes 81, 82, 83, and 88) are only available to students and are not open to the public at large. While it is true that these bus routes are tailored to students' needs, staff confirmed with SamTrans that they are not restricted to students, so the public and/or employees of the school district are able to utilize the bus service. The TDM plan acknowledges that the walking distances for the bus facilities are longer than the linear distance, and while the applicant has not received final approval from San Mateo County to access Flood Park, they are actively in discussions with the County and the pedestrian route may be available in the future. Regardless, the measures in the TDM plan do not rely upon pedestrian travel distances to public transit facilities, and the TDM plan remains compliant with City/County Association of Governments of San Mateo County's (C/CAG) TDM plan requirements. Similarly, the VMT model within the TIA does not rely on access to the bus routes, and the type of bus service was considered when calculating the project VMT. The TIA determined that the project would have a less-than-significant impact related to VMT.
3. The appellant states that the information about bike and pedestrian access is misleading and inadequate and that the project needlessly restricts Suburban Park residents' access through the project site to Flood Park and Van Buren Road. Staff acknowledges that the TDM plan appears to inaccurately show that there would be a bike route to the Menlo Park Caltrain station that goes through the neighboring Haven Family House property; however, adjusting the route to avoid Flood Park results in a similar travel distance.

The appellant states that the applicant has not yet secured bike and pedestrian access into Flood Park and that the applicant would unreasonably restrict public access through the project site to the park. While gated access into Flood Park would provide a benefit to the residents of the proposed project, making it easier for residents to access the pedestrian bridge on Van Buren Road, it is not required for the project to comply with applicable standards. Similarly, public access to Flood Park through the project site has not been identified in the City's adopted circulation element and there are no requirements for future connections in the R-3 zoning district. Therefore public access through the project site is not required for the project to be compliant with applicable standards. Further, requiring public access through the project site could be seen as a barrier to providing affordable housing if it creates a liability that potential funding sources are unwilling to assume.

Finally, only one measure (M23) in the applicant's TDM plan relies on bicycle and pedestrian access to Van Buren Road via Flood Park. Project-specific condition of approval 2.p. (included in Exhibit Q, herein) requires the applicant to submit an updated TDM plan when they submit their building permit applications. If the County has not approved bicycle and pedestrian access into the park at the time of building permit submittal, the TDM plan must be updated to remove credit for the measure. However, the TDM plan would still meet the minimum reductions required by C/CAG without measure M23.

4. The appellant states that the project has not been required to mitigate VMT and air quality impacts of the project. This project was determined to be exempt from further CEQA review pursuant to the Class 32 exemption for infill developments. The project is required to implement applicable mitigation measures from the ConnectMenlo EIR and the Housing Element Subsequent EIR (HE SEIR), but further project-specific mitigation of environmental impacts is not required because the project is categorically exempt under Class 32.

Projects invoking a Class 32 CEQA exemption may not result in any significant effects relating to traffic, noise, air quality, or water quality (CEQA Guidelines, section 15332.) When evaluating the project for consistency with Class 32 requirements, the City evaluated whether the project would have the potential to have any significant effects related to traffic and air quality.

Specifically, an air quality assessment and an environmental health risk assessment (HRA) were prepared for the project to identify potential air quality impacts of the project's construction and operation, per the requirements of the MMRP for the HE SEIR. The air quality study determined that the project's construction-related and operational air quality impacts would be less-than-significant. However, the project would still be required to comply with the Bay Area Air District's (BAAD) requirements to reduce construction-related air quality impacts. Additionally, the proposed project is required to meet an equivalent of LEED silver which includes advanced air quality standards for residents, and would be required to implement minimum air filtration measures identified in the HRA, consistent with the HE SEIR air quality mitigation measures.

Additionally, the project does not exceed the applicable VMT threshold. Since the project does not exceed the applicable VMT threshold, the City does not require additional TDM measures and trip monitoring, however the applicant would be subject to monitoring by C/CAG to determine if the TDM plan is achieving the targeted trip reductions.

Despite not being required under CEQA, the project would include some characteristics intended to reduce potential environmental impacts. Since the project would result in more than 100 average daily trips and is categorized as a small multifamily development (less than 500 average daily trips), C/CAG requires the applicant to implement a TDM plan to reduce the number of trips by 25%. When implemented, the proposed TDM plan would achieve a trip reduction of 38% (when required measure M6 is added to the calculation), which complies with the C/CAG requirements for the size and type of project.

5. The appellant states that the TIA failed to study a secondary ingress/egress route through a portion of Caltrans right-of-way to Van Buren Road. State law and Senate Bill 330 (SB 330) requires the City to analyze housing projects "as proposed," and generally prohibits the City from requiring redesign of the project except in limited cases where the project creates health and safety hazards. Further, state law prohibits the City from including conditions of approval for the project that pose a barrier to the project's feasibility.

The proposed project does not include a second means of public ingress/egress from the east, and a second public access point was not required to meet the applicable City standards for the project. The applicant has worked with LifeMoves to secure an emergency vehicle access easement (EVAE) through the Haven Family House property. The project was approved by the Menlo Park Fire Protection District (MPFPD). While EIRs require the study of a reasonable number of feasible project alternatives, the project was determined to be eligible for an exemption from CEQA. An EIR was not required for the project, and

subsequently, analysis of alternatives was not required. Therefore, the TIA analyzed the project as proposed in accordance with State law.

6. The appellant states that the proposed project is inconsistent with the General Plan, specifically that it violates the Environmental Justice Element and the Circulation Element. The proposed project is subject to SB 330, which “locks” the project into the applicable City policies and standards in place at the time the applicant submits a preliminary application. In this case, a preliminary application was submitted in March of 2024. Since the Environmental Justice (EJ) Element was not adopted until August 2024, the project cannot be denied on the basis that it does not meet certain EJ Element policies. Nevertheless, the project *indeed* complies with the EJ Element and furthers its goals and policies, including:
- Policy EJ2.1 - Prioritize pollution reduction, air quality (both indoor and outdoor), and water quality programs to reduce inequitable exposure in underserved communities.
 - Program EJ3.H - Ensure that recreational facilities throughout Menlo Park provide residents of all ages, income levels, genders, and lifestyles, with access to parks, community centers, sports fields, trails, libraries, and other amenities.
 - Policy EJ5.2 - Maintain and develop safe, sanitary, and stable homes across all locations and affordability ranges, particularly in underserved communities.
 - Policy EJ5.3 - Support housing development distribution throughout the city and not concentrated within Menlo Park’s underserved communities.
 - Program EJ5.A - Identify and resolve, to the extent feasible, any potential toxic soil contamination in residential developments, particularly in underserved communities. Identify potential closed (remediated) contaminated sites at risk of groundwater rise or sea level rise. Work with community based organizations and underserved communities to coordinate with regulatory and regional agencies for contaminated sites to be remediated at a level that protects community health under current and future flood conditions.

The appellant further states that the project is out of compliance with the Circulation Element and the Transportation Master Plan (TMP) because it does not provide a second means of vehicular ingress and egress to Van Buren Road. Neither the Circulation Element nor the TMP identify an extension of the Van Buren Road right-of-way to the project site. Therefore, the project does not conflict with the Circulation Element and TMP. Construction of the project also does not diminish the City’s ability to implement projects identified in the TMP. Further, the TIA analyzed the project’s VMT without a second public ingress/egress and determined that the VMT impacts would be less-than-significant. Therefore, a second means of ingress/egress is not required for the project to comply with applicable City plans, policies, and standards or to mitigate potential VMT impacts.

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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 eleventh day of March, 2025, 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 March, 2025.

Judi A. Herren, City Clerk

Exhibits

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- R. Hyperlink – Appeal letter: menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/320-sheridan-dr/appeal-320-sheridan-drive.pdf
- S. Hyperlink – Applicant response to appeal: menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/320-sheridan-dr/applicant-response-to-appeal.pdf

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 AND STATE DENSITY BONUS LAW
HOUSING AGREEMENT**

AND DECLARATION OF RESTRICTIVE COVENANTS

(320 Sheridan Drive)

THIS BELOW MARKET RATE AND STATE DENSITY BONUS LAW HOUSING AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS (“Agreement”) is entered into as of _____, 2024, by and between the City of Menlo Park, a California municipal corporation (“**City**”), and Alliant Strategic Development, LLC, a Delaware limited liability company (“**Developer**”). City and Developer may be referred to individually as a “**Party**” or collectively as the “**Parties**” in this Agreement.

RECITALS

A. Developer is the lessee of that certain real property located at 320 Sheridan Drive (APN 055-303-110), in the City of Menlo Park, California (“**Property**”), as more particularly described in Exhibit A attached hereto and incorporated herein by this reference.

B. Developer applied to develop a vacant site formerly used as a school (the “**Project Site**”) with 87 affordable housing units (“**Affordable Units**”) and one manager’s unit, with associated landscaping and parking (the “**Project**”). The 87 Affordable Units shall be affordable to very-low-income households (“**Very Low Income Units**”) and low income households (“**Low Income Units**”), with an allowance for up to twenty (20) percent of the units to be affordable to moderate income households (“**Moderate Income Units**”).

C. The Property’s zoning permits a density of twenty (20) dwelling units per acre, which yields a maximum of 51 units, which is exclusive of any units allowed pursuant to the State Density Bonus Laws (Government Code 65915 et seq. or the “**SDBL**”). Menlo Park Municipal Code section 16.96.020 (the “**Inclusionary Ordinance**”) requires that fifteen percent of the 51 units be reserved as very low, low and/or moderate income units (“**BMR Units**”), resulting in eight

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(8) BMR Units. The remaining 79 affordable units (“**SDBL Units**”) are subject to a deed restriction pursuant to SDBL. The term “**Affordable Units**” refers to both the BMR Units and SDBL Units.

D. Pursuant to SDBL, Developer has requested and received a seventy-two (72) percent density bonus, to allow a total of 88 units, concessions, waivers, and use of SDBL parking standards (collectively, “**SDBL Benefits**”), consistent with Government Code section 65915.

E. On _____, 2024, after a duly noticed public hearing, and on the recommendation of the Housing Commission and the Planning Commission, the City Council found that the Project is exempt from CEQA under the Infill Exemption and granted a Use Permit, Architectural Control, Heritage Tree Removal, SDBL Benefits, and a below market rate housing agreement (this Agreement or “**BMR Housing Agreement**”) for the Project (“**Project Approvals**”). In accordance with the Menlo Park Municipal Code Chapter 16.96, the Below Market Rate Housing Program (“**BMR Ordinance**”), Menlo Park Municipal Code Chapter 16.97, the SDBL Housing Program, and for the units subject to the BMR Ordinance, the Below Market Rate Housing Program Guidelines (“**Guidelines**”) to the extent applicable, Developer is required to execute and record an approved BMR and SDBL 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. Developer has agreed to observe all the terms and conditions set forth below for purposes of development and operation of the Affordable 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. Developer 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, Developer 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. Developer 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. Developer shall carry out the design, construction and operation of the Project in conformity with all applicable laws, including all applicable state labor

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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 applicable requirements in 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 AFFORDABLE 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. Developer 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, Developer 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 Developer 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 Affordable Units, and to conduct, or cause to be conducted, an independent audit or inspection of such records. Developer agrees to cooperate with the City in making the Property available for such inspection or audit. Developer agrees to maintain records in businesslike manner, and to maintain such records for Affordability Period.

2.4 Non-Discrimination Covenants. Developer 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. Developer shall include such provision in all leases, contracts and other instruments executed by Developer, and shall enforce the same diligently and in good faith.

- a. In leases, the following language shall appear:

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(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).

b. 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. TENANT QUALIFICATION AND RENTAL RATES OF AFFORDABLE UNITS

3.1 BMR Units. Developer agrees to make available, restrict occupancy to, and lease not less than eight (8) BMR Units and seventy-nine (79) SDBL Units to Qualifying Households, as hereinafter defined, at an affordable rent, pursuant to the terms set forth below. Pursuant to Government Code section 65915(b)(1)(G), no more than twenty (20) percent of the SDBL Units shall be Moderate Income Units. The last unit in the Project shall be occupied by the Project's manager.

3.2 Qualifying Households. For purposes of this Agreement, "**Qualifying Households**" shall mean those households with incomes as follows or lower:

- a. "**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 Developer's determination that any such household is no longer qualified, the unit shall no longer be deemed a Very Low Income Unit and the Developer shall either (1) make the next available 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.
- b. "**Low Income Unit**": means units restricted to households with incomes of not more than eighty percent (80%) of AMI. "AMI" means the median

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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 Low Income Household, the tenant shall be allowed to remain in the unit at a Low Income rent.

- c. **"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 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. SDBL permits up to twenty (20) percent of the units to be rented to Moderate Income households. Notwithstanding the foregoing, if the Project is encumbered by a Tax Credit Regulatory Agreement, the Affordable Units shall be restricted to households with income levels permitted under the Tax Credit Regulatory Agreement.
- d. Notwithstanding anything to the contrary contained herein, if the Project is encumbered by a Tax Credit Regulatory Agreement and there is a conflict between this Agreement and the Tax Credit Regulatory Agreement, the Tax Credit Regulatory Agreement shall govern. Notwithstanding anything to the contrary contained herein, when the Project is encumbered by a Tax Credit

Regulatory Agreement, the monthly rent for the Affordable Units shall be set at an amount consistent with the maximum rent levels for lower income households, as those rents are incomes are determined using the Tax Credit Allocation Committee (“**TCAC**”) rules and regulations, except that, consistent with Government Code section 65915 subdivision (c)(1)(B)(ii), twenty (20) percent of the Affordable Units shall be set at an affordable rent as defined in Section 50053 of the Health and Safety Code.

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, Developer shall obtain from each household occupying an Affordable 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 Developer and approved by the Deputy Director (“**Annual Report**”). Developer shall make a good faith effort to verify that each household leasing an Affordable Unit meets the income and eligibility restrictions for the Affordable Unit by taking making a reasonable effort to obtain one or more of the following documents: (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 Affordable Unit: 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 Affordable Units and paid shall be as follows:

- a. “**Very Low-Income Household**”: maximum Monthly Rent shall be 1/12th of thirty (30) percent of fifty (50) percent of the AMI. The Monthly Rent for a Very Low Income Unit rented to a Very Low Income Household and

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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. **“Low-Income Household”**: shall be 1/12th of thirty (30) percent of eighty (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.
- c. **“Moderate Income Household”**: shall be 1/12th of thirty (30) percent of one hundred ten (110) percent of the AMI. In addition, for those Moderate-Income Households whose gross incomes exceed one hundred ten (110) percent of the AMI adjusted for family size, the affordable rent shall be 1/12th of thirty (30) percent of the actual gross income of the household. 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. If a Moderate Income Unit is a BMR Unit, the Monthly Rent shall comply with the requirements in the BMR Guidelines in effect when the Developer submitted the Project’s complete Application pursuant to Government Code section 65941.1 (**“Preliminary Application Date”**).
- d. Notwithstanding anything to the contrary contained herein, if 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. Notwithstanding anything to the contrary contained herein, when the Project is encumbered by a Tax Credit Regulatory Agreement, the monthly rent and AMI may be determined using the TCAC rules and regulations, except that, consistent with Government Code section 65915 subdivision (c)(1)(B)(ii), twenty (20) percent of the Affordable Units shall be set at an affordable rent as defined

in Section 50053 of the Health and Safety Code.

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 Affordable Unit and land and facilities associated therewith, (b) any separately charged fees or service charges assessed by Developer 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 Developer, 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 or as determined by the California Utility Allowance Calculator developed by the California Energy Commission, 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 Developer.

3.5 Agreement to Limitation on Rents. Pursuant to Government Code section 65915, Developer hereby agrees to limit Monthly Rent as provided in this Agreement in consideration of Developer’s receipt of benefits under State Density Bonus Law. Developer further warrants and covenants that the terms of this Agreement are fully enforceable.

3.6 Lease Requirements. No later than 60 days prior to the initial lease up of the BMR Units, Developer 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. The City’s failure to respond to Developer’s request for approval of the standard lease form within twenty (20) business days of City’s receipt of such lease shall be deemed City’s approval of such lease form. Developer 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 Agreement, local, state and Federal laws.

3.7 Selection of Tenants. Each BMR Unit shall be leased to tenant(s) selected by Developer in accordance with the requirements of the Guidelines, including, but not limited to the requirement that priority be given to those eligible households with a minimum of one household member who either lives or works 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 Developer the names of persons who have expressed interest in renting BMR Units for the purposes of adding such interested persons to Developer’s waiting list, to be processed in accordance with the Developer’s customary policies. Developer 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. Each SDBL Unit shall be leased to a Qualifying Household.

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3.8 BMR Guidelines. The BMR Units shall be subject to the BMR Guidelines except as pre-empted or inconsistent with state or federal law. The Developer has the right but not the obligation to comply with any or all of the BMR Guidelines for the SDBL Units.

4. DEFAULT AND REMEDIES

4.1 Events of Default. The following shall constitute an “Event of Default” by Developer 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 Developer without the Developer 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 Developer 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 Developer. The liability of Developer under this Agreement to any person or entity is limited to Developer’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 Developer 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 Developer’s obligations under this Agreement), shall be rendered against Developer, the assets of Developer (other than Developer’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 Developer under this Agreement, or any judgment, order or decree rendered pursuant to any such action or proceeding. No subsequent Developer of the Project shall be liable or obligated for the breach or default of any obligations of Developer under this Agreement on the part of any prior Developer. Such obligations are personal to the person who was the Developer 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 Developer. Each Developer shall comply with and be fully liable for all obligations the Developer 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 Developer 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 Developer 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) Developer's limited partner, or (ii) Developer's senior mortgage lender, shall be deemed to be a cure by Developer and shall be accepted or rejected on the same basis as if made or tendered by Developer.

5. GENERAL PROVISIONS

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5.1 Below Market Rate Guidelines (“Guidelines”). This Agreement incorporates by reference the Guidelines as of the Preliminary Application Date. 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. In the event of any conflict or ambiguity between this Agreement and the requirements of state and federal fair housing laws, 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:

Developer: Alliant Strategic Development
26050 Mureau Road, Suite 101
Calabasas, California 91302
Attention: Steven Spielberg
Email: Steven.S@Alliantcd.com
Phone: (310) 991-4757

With a copy to:

Cox, Castle & Nicholson, LLP
50 California Street, Suite 3200
San Francisco, California 94111
Attention: Linda Klein
Email: lklein@coxcastle.com
Phone: (415) 262-5130

City : City of Menlo Park
701 Laurel Street
Menlo Park, California 94025-3483
Attention: City Manager
Email:
Phone:

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

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Property, and all of the terms, covenants and conditions of this Agreement shall be binding upon Developer and the permitted successors and assigns of Developer.

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 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 and SDBL. No other person or persons, other than the City and Developer 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 Developer 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, Developer 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 Developer’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. Developer’s indemnification obligations under this Section 5.9 shall not extend to Claims to the extent resulting from the gross negligence or willful misconduct of Indemnitees. The provisions of this Section 5.9 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, Developer shall comply with the insurance requirements set forth in Exhibit B, attached hereto and incorporated herein by this reference, and shall, at Developer's expense, maintain in full force and effect insurance coverage as specified in Exhibit B.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year set forth above.

6.

SIGNATURES ON FOLLOWING PAGE(S).

DEVELOPER:

Alliant Strategic Development, LLC, a Delaware limited liability company

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: Insurance Requirements

Exhibit A
Property Description

7.

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4883-9405-8968 v3
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8. Exhibit B: Insurance Requirements

4883-9405-8968 v3

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320 Sheridan Drive

LOCATION: 320 Sheridan Drive	PROJECT NUMBER: PLN2024-00012	APPLICANT: Alliant Communities LLC	OWNER: Ravenswood City School District
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<p>PROJECT CONDITIONS:</p> <ol style="list-style-type: none"> 1. The use permit and architectural control permit shall be subject to the following <i>standard conditions:</i> <ol style="list-style-type: none"> a. The applicant shall be required to apply for a building permit within one year from the date of approval (by March 11, 2026) for the use permit to remain in effect. b. Development of the Project, defined as the project plans and supporting documents, shall be substantially in conformance with the plans prepared by SDG Architects, attached to the March 11, 2025 Planning Commission staff report and consisting of 75 plan sheets, dated received on October 17, 2024 (hereinafter the “Plans”). The Plans are incorporated by reference herein. The Plans may only be modified by the conditions contained herein (conditions 1c. and 1d.), subject to review and approval of the Community Development Director or their designee. c. Substantially consistent and minor modifications to building exteriors and locations, fence styles and locations, signage, significant landscape features, reduction of front and rear setbacks to 10 feet, increase in height up to 40 feet, and reduction of parking to a minimum of 111 parking spaces, consistent with the waivers approved by Resolution 2025-PC-002 may be approved in writing by the Community Development Director or designee, based on the determination that the proposed modification is consistent with other building and design elements of the approved architectural control permit and will not have an adverse impact on the character and aesthetics of the site. Substantially consistent modifications are modifications to the development that do not increase the intensity or density of the project or the allowed uses, and do not include any additional waivers or incentives. The Director may refer any request for revisions to the plans to the Planning Commission. If the Director refers the plans to the Planning Commission, the Director shall provide written documentation of the Director’s determination that the modification is substantially consistent and a member of the Planning Commission may request to discuss these modifications on the next agenda within 72 hours of notification of the modifications by the Community Development Director. d. Major modifications to the development plan which involve material expansion or intensification of development, modifications to the permitted uses, modifications to the architectural design, including materials and colors, or include additional waivers or incentives may be allowed subject to obtaining approval for architectural control permit and use permit revisions from the Planning Commission. e. The Project shall adhere to all ordinances, plans, regulations and specifications of the City of Menlo Park in effect on the date the Project applicant submitted its SB 330 preliminary application containing all the information required by Government Code section 65941.1(a) (March 6, 2024), and all applicable regional, State, and Federal laws and regulations. f. Prior to building permit issuance, the applicant shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project. g. Prior to building permit issuance, the Applicant shall comply with all Sanitary District, California Water Company, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project. h. Simultaneous with the submittal of any complete building permit application, the Applicant shall submit documentation of acceptance of the site plan for the entire Project by the Menlo Park Fire Protection District to the City, subject to review and acceptance by the
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LOCATION: 320 Sheridan Drive	PROJECT NUMBER: PLN2024-00012	APPLICANT: Alliant Communities LLC	OWNER: Ravenswood City School District
<p>PROJECT CONDITIONS:</p> <p>Planning and Building Divisions. Prior to issuance of each building permit for the project, the Applicant shall submit documentation of Menlo Park Fire Protection District approval of each building permit, subject to review and approval by the Planning and Building Divisions.</p> <ul style="list-style-type: none"> i. Simultaneous with the submittal of any complete building permit application, the Applicant shall submit plans verifying that the Project complies with all applicable requirements of Menlo Park Municipal Code Title 12 (Buildings and Construction), subject to review and approval by the City Building Official or designee. j. The Project is subject to the California Building Standards Code and any local amendments in effect at the time of submittal of each Building permit application. k. The Project is subject to the California Green Building Standards Code (CalGreen) in effect at the time of submittal of each complete building permit application and any local amendments to the Code in effect at the time of submittal. Other forms of green building checklists will not be acceptable in-lieu of the CalGreen requirements. l. Each complete building permit application shall include all unit plans for that Project building 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. m. A list of all deferred submittals for each Project building, other than trusses, shall be approved by the Building Official or their designee prior to submittal of each complete building permit application. n. All detached structures require their own building permit and are required to meet all applicable Building Code requirements associated with their occupancy and location on the site. o. Prior to building permit issuance, applicant shall coordinate with California Water Company to confirm the existing water mains and service laterals meet the domestic and fire flow requirements of the project. If the existing water main and service laterals are not sufficient as determined by California Water Company, applicant may, as part of the project, be required to construct and install new water mains and service laterals sufficient to meet such requirements. p. Prior to building permit issuance, applicant shall coordinate with West Bay Sanitary District to confirm the existing sanitary sewer mains and service laterals have sufficient capacity for the project. If the existing sanitary sewer mains and service laterals are not sufficient as determined by West Bay Sanitary District, applicant may, as part of the project, be required to construct and install new sanitary sewer mains and service laterals sufficient to meet such requirements. q. Prior to commencing any work within the right-of-way or public easements, the Applicant shall obtain an encroachment permit from the appropriate reviewing jurisdiction. r. 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 to building permit final inspection. s. Simultaneous with the submittal of any complete building permit application, the Applicant shall submit all applicable engineering plans for Engineering review and approval. The plans shall include, but are not limited to: 			

LOCATION: 320 Sheridan Drive	PROJECT NUMBER: PLN2024-00012	APPLICANT: Alliant Communities LLC	OWNER: Ravenswood City School District
PROJECT CONDITIONS: <ul style="list-style-type: none">a. Existing Topography (NAVD 88)b. Demolition Planc. Site Plan (including easement dedications)d. Construction Parking Plane. Grading and Drainage Planf. Stormwater Control Plang. Utility Planh. Erosion Control Plani. Planting and Irrigation Planj. Off-site Improvement Plank. Construction Detailsl. Joint Trench Plan <p>The Applicant shall agree to furnish any additional engineering services or plans as required by the Engineering Division not mentioned herein.</p> <ul style="list-style-type: none">t. Required frontage improvements include but not limited to:<ul style="list-style-type: none">a. Three inch (3") grind and overlay of entire length of Sheridan Drive from the intersection with Hedge Road to the Property.b. Relocation of the bubbler outlet around the corner onto Hedge Road.c. Installation of catch basins at the property line along Sheridan Drive.d. Construction of a new 12" RCP storm drain main connecting to the existing main in Hedge Road.e. Lateral connections to overhead electric, fiber optic, and communication lines shall be placed in a joint trench subject to approval by the relevant utility authorities.f. Any frontage improvements which are damaged as a result of construction shall be replaced.u. Simultaneous with the submittal of any complete building permit application, Applicant shall submit plans to remove and replace any damaged and significantly worn sections of frontage improvements. The plans shall be submitted for the review and approval of the Engineering Division.v. Simultaneous with the submittal of any complete building permit application, the Applicant shall submit plans for:<ul style="list-style-type: none">a. Construction-related activities:<ul style="list-style-type: none">1. Parking management for construction workers, ensuring adequate parking for all trades.2. Construction staging and material storage.			

LOCATION: 320 Sheridan Drive	PROJECT NUMBER: PLN2024-00012	APPLICANT: Alliant Communities LLC	OWNER: Ravenswood City School District
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PROJECT CONDITIONS:

- 3. Traffic Control Handling Plan (TCHP), including construction phasing and anticipated traffic handling methods for each phase.

- b.Environmental and safety measures:

- 1. Construction safety fences around the construction area.
- 2. Dust control and air pollution control measures.
- 3. Erosion and sedimentation control measures.
- 4. Tree protection fencing.
- 5. Construction vehicle parking.

These plans shall be reviewed and approved by the City (including the Building, Engineering, and Planning Divisions). Fences, erosion, and sedimentation control measures must be installed prior to commencing construction, in accordance with the approved plan.

- w. Simultaneous with the submittal of any complete building permit application, Applicant shall submit a related building permit application for site Grading and Drainage, subject to review and approval by the Engineering and Building Divisions.
- x. Post-construction runoff into the storm drain shall not exceed pre- construction runoff levels. An updated Hydrology Report will be required to the satisfaction of the Engineering Division.
- y. Simultaneous with the submittal of any complete building permit application, Applicant shall submit a plan for any new utility installations or upgrades for review and approval of the Planning, Engineering and Building Divisions. Utility equipment shall meet the applicable requirements of Chapter 16.20.040(6)(B) of the Menlo Park Zoning Ordinance. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping or integrated into the building design to the extent feasible, as determined by the Public Works Director. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
- z. 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. The terms of such program may be outlined in a Stormwater Pollution Prevention Program, as discussed below. 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. 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 at least two months prior to October 1 (i.e., the beginning of the wet season).
- aa. 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.

LOCATION: 320 Sheridan Drive	PROJECT NUMBER: PLN2024-00012	APPLICANT: Alliant Communities LLC	OWNER: Ravenswood City School District
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PROJECT CONDITIONS:

- bb. Simultaneous with the submittal of a complete building permit, the Applicant shall file a Notice of Intent (NOI) with the State Water Resources Control Board under the Construction Activities Storm Water General Permit (General Permit). The NOI indicates the Applicant's intent to comply with the San Mateo Countywide Stormwater Pollution Prevention Program, including a Stormwater Pollution Prevention Plan (SWPPP). The Applicant shall prepare a Notice of Intent and submit a copy to the Engineering Division for the proposed grading operation.
- cc. Simultaneous with the submittal of any complete building permit application, Applicant shall submit a heritage street tree preservation plan, detailing the location of and methods for all tree protection measures.
- dd. If proposed, street trees shall be from the City-approved street tree species or to the satisfaction of City Arborist.
- ee. 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.
- ff. Simultaneous with the submittal of any complete building permit application, the applicant shall submit a utility plan that shows undergrounding of on-site utilities, subject to the approval of the Engineering Division.
- gg. Simultaneous with the submittal of any complete building permit application, the Applicant shall submit engineered Off-Site Improvement Plans (including specifications & engineers cost estimates), for approval by the Engineering Division, showing the infrastructure necessary to serve the Project. Off-Site Improvement Plans shall be approved by the Engineering Division prior to building permit issuance. The Improvement Plans shall include, but are not limited to, all engineering calculations necessary to substantiate the design, proposed roadways, drainage improvements, utilities, traffic control devices, retaining walls, sanitary sewers, and storm drains, pump/lift stations, street lightings, common area landscaping and other project improvements. All public improvements shall be designed and constructed to the satisfaction of the Engineering Division.
- hh. Irrigation within public right of way shall comply with City Standard Details LS-1 through LS-19 and shall be connected to the on-site water system.
- ii. Prior to issuance of each building permit, Applicant shall pay all Public Works fees related to processing of the permit.
- jj. The Applicant shall pay all impact fees prior to any building permit issuance, unless deferred pursuant to Gov. Code § 66007. The impact fees shall be calculated based on the rates in effect at the time of payment. Refer to City of Menlo Park Master Fee Schedule.
- kk. Prior to issuance of each building permit the Applicant shall pay the applicable Building Construction Street Impact Fee in effect at the time of payment to the satisfaction of the Public Works Director, unless deferral of payment is allowed under pursuant to Gov. Code § 66007. The current fee is calculated by multiplying the valuation of the construction by 0.0058.
- ll. Simultaneous with the submittal of any complete building permit application, the applicant shall provide documentation indicating the amount of irrigated landscaping. The Water-Efficient Landscaping Ordinance (WELO) applies to all new landscapes exceeding 500 square feet and rehabilitated landscapes exceeding 1,000 square feet associated with projects requiring city review and approval. If the project is subject to the City's Water

LOCATION: 320 Sheridan Drive	PROJECT NUMBER: PLN2024-00012	APPLICANT: Alliant Communities LLC	OWNER: Ravenswood City School District
<p>PROJECT CONDITIONS:</p> <p>Efficient Landscaping Ordinance (Municipal Code Chapter 12.44), submittal of a detailed landscape plan would be required concurrently with the submittal of a complete building permit application, the landscaping shall be installed prior to final building inspection. The Applicant shall submit a landscape audit report prior to final building inspection.</p> <p>mm. If this project is creating more than 5,000 square feet of irrigated landscaping, per the City's Water Efficient Landscape Ordinance (Municipal Code Chapter 12.44) the irrigation system is required to have a separate water service.</p> <p>nn. 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 inspection of the last building.</p> <p>oo. All agreements shall run with the land and shall be recorded with the San Mateo County Recorder's Office prior to building permit final inspection.</p> <p>pp. Prior to any building permit issuance, the applicant must submit a draft "Stormwater Treatment Measures Operations and Maintenance (O&M) Agreement" to the City for review and approval by the Engineering Division. This agreement, which makes the property owner responsible for the operation and maintenance of stormwater treatment measures, must be executed and recorded with the San Mateo County Recorder's Office prior to final inspection.</p> <p>qq. Prior to any building permit issuance, the Applicant shall submit a finalized version of the Stormwater Control Plan, which shall provide stormwater treatment for the project site pursuant to the latest regulations specified in the San Mateo County C.3 Technical Guidance Manual. The Stormwater Control Plan shall include a written report identify existing and proposed project conditions, and all applicable source controls, and mitigation measures (i.e. bioretention areas, flow through planters, etc.) implemented to meet NPDES compliance.</p> <p>rr. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance and the arborist report prepared by Bo Firestone Trees and Gardens, dated received July 26, 2024.</p> <p>ss. 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 which action is brought within the time period provided for in any applicable statute; 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.</p> <p>tt. Notice of Fees Protest – The applicant may protest any fees, dedications, reservations, or other exactions imposed by the City as part of the approval or as a condition of approval of this development within the time limits set forth in Gov. Code Section 66020, which authorizes the filing of a protest within 90 days after the imposition of the fees, dedications, reservations, or other exactions to be imposed on the project.</p>			

LOCATION: 320 Sheridan Drive	PROJECT NUMBER: PLN2024-00012	APPLICANT: Alliant Communities LLC	OWNER: Ravenswood City School District
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PROJECT CONDITIONS:

2. The use permit and architectural control permit shall be subject to the following *project-specific* conditions:
- a. Simultaneous with submittal of any complete building permit application, the Applicant shall demonstrate compliance with mitigation measures included in the ConnectMenlo MMRP and 2023-2031 Housing Element Update Subsequent EIR MMRP that are applicable to the project, subject to review and approval by the Community Development and Public Works Departments and the applicable divisions within the City.
 - b. Simultaneous with the submittal of any complete building permit application, the Applicant shall enroll in EPA Energy Star Building Portfolio Manager. Prior to building permit final inspection, the Applicant shall submit documentation showing compliance to the satisfaction of the Planning and Building Divisions.
 - c. Simultaneous with the submittal of any complete building permit application, the Applicant shall submit a zero-waste management plan for the Project to the City, which will cover how the Applicant plans to minimize waste to landfill and incineration in accordance with all applicable state and local regulations, including compliance with the applicable requirements of Chapter 16.20.050(4) of the Zoning Ordinance. The Applicant shall show in their zero-waste plan how they will reduce, recycle and compost wastes from occupancy each building. Zero Waste plan elements shall include the property owner’s assessment of the types of waste to be generated during occupancy, and a plan to collect, sort and transport materials to uses other than landfill and incineration. The plan shall be subject to the satisfaction of the Sustainability Manager or their designee.
 - d. Prior to issuance of any building permit, the Applicant shall submit plans and supporting documentation to the Building and Planning Divisions documenting that the Project building meets one hundred percent of its energy demand (electricity and natural gas), as required by Chapter 16.20.050(2)(A) of the Zoning Ordinance through the combination of the following measures and to the satisfaction of the Building and Planning Divisions:
 - a. On-site energy generation;
 - b. 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;
 - c. 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;
 - d. 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.

Following issuance of the final occupancy permit for each Project building, the Applicant shall submit an annual report on 1st January of every year demonstrating that tenants and occupants of all buildings that have received final inspection on site, purchased or used 100% renewable energy or otherwise complied with Section 16.20.050(2)(A) of the Zoning Ordinance to the Community Development Director of their designee for their review and approval. The Applicant may submit documentation to the City prior to the granting of the first occupancy for each Project building documenting that the amount of on-site or off-site renewable energy generation would, at a minimum, equal the estimated amount of non-renewable energy used at the project site. The report may be submitted in lieu of annual

LOCATION: 320 Sheridan Drive	PROJECT NUMBER: PLN2024-00012	APPLICANT: Alliant Communities LLC	OWNER: Ravenswood City School District
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PROJECT CONDITIONS:

- monitoring, subject to review and approval of the Community Development Director with input from the Building, Planning, and Sustainability Divisions, as applicable.
- e. Simultaneous with the submittal of a complete building permit application for site improvements, the Applicant shall demonstrate that landscaping irrigation shall be able to accommodate the potential future use of recycled water for irrigation purposes (purple pipe) for review and approval of the Building Division and Engineering Division.
 - f. During all phases of construction, potable water shall not be used for dust control.
 - g. During all phases of construction and after final inspection for the life of the Project, rodenticides shall not be used on the property in accordance with Section 16.20.050(5)(G) of the Zoning Ordinance.
 - h. The Applicant shall diligently pursue the Project's construction through to completion, and, if at any point after building permits have been issued, the Applicant abandons construction or the building permits expire, the Applicant shall demolish the uncompleted portions of the Project and restore the site to rough grade condition and shall take reasonable measures to protect public health and safety, protect the building structure from the elements, screen unsightly elements from view (such as fencing, painting or attractive screens or coverings), and maintain temporary landscaping, to the satisfaction of the Planning Division.
 - i. If the Applicant leaves any work of construction in an unfinished state for more than seven (7) consecutive days, the Applicant shall keep the construction site clean and properly secured per best management standards and to the satisfaction of the Building and Engineering Divisions.
 - j. If the Applicant leaves any work of construction in an unfinished state for more than one hundred and twenty (120) consecutive days, the Applicant shall take reasonable measures to protect public health and safety, protect the building structure from the elements, screen unsightly elements from view (such as fencing, painting or attractive screens or coverings), and maintain temporary landscaping, to the satisfaction of the Planning Division.
 - k. Heritage tree replacements, required as part of the approval of heritage tree permit HTR2024-00058 shall be planted on the project site to the satisfaction of the City Arborist and Planning Division prior to final building permit inspection and consistent with the project arborist report prepared by Bo Firestone Trees and Gardens on July 26, 2024.
 - l. Prior to issuance of the first building permit for each building, the Applicant shall submit information demonstrating compliance with bird-friendly design requirements under Section 16.20.050(5) of the Zoning Ordinance.
 - m. Prior to issuance of the first building permit for each building, the Applicant shall submit plans verifying that all external non-emergency lighting for the apartment buildings, landscaping, common recreational spaces, and pathways automatically switches off between the hours of 10 p.m. and sunrise.
 - n. Prior to issuance of the first building permit for each building, the Applicant shall submit plans verifying that the Project buildings comply with the water use and recycled water requirements of section 16.20.050(3) of the Zoning Ordinance, except for the requirement to dual plumb the buildings for future use of recycled water per the approved incentive in Resolution 2025-PC-002.
 - o. Prior to issuance of any building permit, the Applicant shall execute and record in the San Mateo County Recorder's office the below market rate (BMR) Housing Agreement. The

LOCATION: 320 Sheridan Drive	PROJECT NUMBER: PLN2024-00012	APPLICANT: Alliant Communities LLC	OWNER: Ravenswood City School District
<p>PROJECT CONDITIONS:</p> <p>BMR Housing Agreement is attached to Menlo Park City Planning Commission Resolution No. 2025-___ as Exhibit D and incorporated herein by this reference.</p> <ul style="list-style-type: none"> p. Simultaneous with the submittal of any complete building permit application, the applicant shall submit a TDM plan consistent with the attached TDM Plan dated September 12, 2024. Any changes to the plan are subject to review and approval by the City prior to occupancy of the first building. The property owner shall ensure compliance with the San Mateo County Congestion Management Program Land Use Implementation Policy (C/CAG TDM Policy). Specifically, the property owner shall ensure that the measures identified in the approved C/CAG TDM Checklist included in the TDM Plan are implemented over the life of the project, and that the property owner and tenants acknowledge the requirement to participate in the periodic monitoring and reporting requirements identified in the C/CAG TDM Policy. Accordingly, it is recommended that the property owner and/or developer clearly identify these TDM provisions and responsibilities in any sales and/or lease or sublease transactions. q. Simultaneous with the submittal of any complete building permit application, the applicant shall submit plans for street light design based on the photometric analysis included in the attached plan set. All street lights along the project frontages shall be painted Mesa Brown and upgraded with LED fixtures compliant with PG&E standards. r. Simultaneous with the submittal of any complete building permit application, the applicant shall submit plans to relocate the West Bay Sanitary District (WBSD) line in the southwestern corner of the property. Prior to any building permit issuance with the exception of a grading and drainage permit, the Applicant shall construct the relocated WBSD sewer line, dedicate a new easement, and abandon the existing easement and line and submit documentation of acceptance of the new line from WBSD subject to the satisfaction of the Building, Planning, and Engineering Divisions. s. Simultaneous with the submittal of any complete building permit application, the Applicant shall demonstrate that the project meets the requirements to achieve LEED silver. The Applicant shall submit an updated preliminary LEED scorecard prepared by a certified LEED AP demonstrating the Project includes the necessary points to achieve LEED silver. Prior to final inspection of the last building, the Applicant shall submit documentation prepared by a LEED AP that details the confirmed LEED points necessary to achieve LEED silver. The Applicant shall not be required to gain formal certification from the USGBC. 			



City of Menlo Park
 Location Map
 320 SHERIDAN DRIVE



Scale: 1:4,000

Drawn By: CRT

Checked By: KTP

Date: 3/11/2025

Sheet: 1

