

August 1, 2016

To: Menlo Park City Council and Planning Commission
From: Menlo Park Housing Commission
Re: Connect Menlo General Plan and M-2 Zoning Update Draft
Environmental Impact Report

Dear Mayor Kline, Mayor Pro Tem Keith, the City Council of the City of Menlo Park:

Please accept this letter as the Menlo Park Housing Commission's comments regarding the General Plan and M-2 Zoning Update Draft Environmental Impact Report. We appreciate the opportunity to comment.

We are excited the M-2 and Belle Haven are the hub of economic growth for the City of Menlo Park. We are especially excited that the City is in a position to not only integrate affordable housing throughout Menlo Park, but also set unprecedented, positive affordable housing policies. As you know, there is much happening right now: the Facebook Expansion project, the General Plan update, the proposal to increase/institute commercial linkage/housing impact fees. These multiple initiatives will have a great impact on the Belle Haven community and the City at-large and therefore need to all be considered in tandem carefully.

PRIMARY ASK: General Plan & Nexus Study Approval BEFORE Facebook Expansion Project Approval

While not directly related to the General Plan DEIR, we respectfully request that the City delay consideration of the Facebook Expansion Project at 301-309 Constitution Drive until AFTER the General Plan and Nexus Study have been carefully evaluated and approved. As such an integral piece of the plan area, we feel very strongly that approving it prior is putting the "cart before the horse." While we understand the housing crisis is regional, the Facebook Expansion project has the potential to further exacerbate the housing jobs imbalance within Menlo Park. We therefore feel it is premature to evaluate this project before fully understanding what changes the area will see once the General Plan and Nexus Studies are discussed, revised, and approved.

As an example, should the ability to site 4,500 more units not be ultimately included in the final General Plan, approval of the Facebook Expansion with a projected 6,500-employee increase may make little sense.

General Plan DEIR Comments

We ask that the Council and Commission consider the importance of dispersing affordable housing throughout the entire City, not just in the Belle Haven area. It is critical that housing be built along El Camino where denser development is appropriate. It will mitigate the traffic problems, ameliorate the jobs/housing balance and is also the right thing to do to keep the City diverse and healthy. We think that this should be included as a consideration in the EIR.

It is our understanding from the General Plan DEIR that the plan is to produce 4,500 units of housing, 15% of which will be affordable. But, there are no guarantees that this housing will be built or that 15% will be affordable. We would like to see a guaranteed minimum number of the proposed 4,500 housing units are actually built. Currently 15% (675 units) are slated to be affordable, we would like to see more than 15% with the majority of those units integrated to provide multi-income communities not absorbed in solely BMR housing developments.

Impact fees, Facebook Expansion revenues, the City's current BMR funds, other local and State funding streams, and pursuing new affordable housing developer partnerships, can be used to ensure this happens. We encourage you to make sure developers understand affordable housing development is non-negotiable. If there is no required affordable housing overlay, it will very likely not happen. Again, we encourage you to consider requiring a guaranteed number of affordable housing units be built in the Belle Haven/M-2 and throughout the City of Menlo Park as a consideration in the EIR.

We also understand that development in the General Plan will be incremental. We therefore feel it is important to consider staging development to ensure commercial and residential are built in tandem. Without staging, the City could easily end up with commercial development too far ahead of housing to relieve the jobs housing imbalance. This is something we would like to see examined in the final EIR.

By prioritizing affordable housing units throughout the City we can mitigate some traffic impacts. Data obtained by Caltrans' 2013 California Household Travel Survey shows lower income households drive 50% less primarily relying on public transportation especially when living ½ mile or less of Transit Oriented Development. Higher income residents living within a ¼ mile of transit drive twice as much and own twice as many cars as low income households within the same radius. We ask that this also be considered in the final EIR.

As a matter of policy, we would like local preferences to insure that a high percentage of new affordable housing units built in Menlo Park go to existing Menlo Park residents. We would also like to see subsequent City Housing NOFA language revised to encourage new affordable housing developers to pursue development opportunities in Menlo Park.

Other Related Recommendations

We support the Nexus Study proposals to increase the commercial linkage fee and institute a residential impact fee. We feel that the impending development in the M-2 area will not be impacted by these increases, if done per the recommendations of the study. We also feel strongly that a portion of the Facebook Expansion tax revenues be dedicated towards affordable housing development in the City. Without these sources of funds, we can't do meaningful affordable housing development in Menlo Park, both in the M-2 area and throughout the City. Please note that by increasing our local affordable funding resources, we will greatly increase our ability to secure State and Federal housing funding dollars so that we can actually get units built.

If the council passes the commercial linkage fee increase and implementation of a residential impact fee, we ask that these fees be assessed on projects that are beginning the development process. We understand that it may appear to be unfair to assess this fee on projects almost through the pipeline, but we would like to catch projects in the discretionary and building permit stage.

Thank you for your consideration.

Sincerely,

Michele Tate
Menlo Park Housing Commission Chair