SPECIAL MEETING MINUTES

Date: 5/14/2019
Time: 7:00 p.m.
City Council Chambers
701 Laurel St., Menlo Park, CA 94025

7:00 p.m. Study Session

A. Call to Order

Mayor Mueller called the meeting to order at 7:01 p.m.

B. Roll Call

Present: Combs, Nash, Taylor, Mueller
Absent: Carlton
Staff: City Manager Starla Jerome-Robinson, City Attorney Bill McClure, City Clerk Judi A. Herren

C. Pledge of Allegiance

Mayor Mueller led the Pledge of Allegiance.

Mayor Muller reordered the agenda.

E. Consent Calendar

Item E4. was continued to May 21.

E1. Accept the City Council meeting minutes for May 7, 2019 (Attachment)

E2. Adopt Resolution No. 6500 approving the issuance of up to $64 million of solid waste enterprise bonds to refinance outstanding bonds of the South Bayside Waste Management Authority for cost savings and to fund capital improvements and projects at the Shoreway Environmental Center in San Carlos (Staff Report #19-097-CC)

E3. Item E3. was removed.

E4. Authorize the City manager to amend a contract with ICF Jones & Stokes, Inc. to prepare an environmental impact report for the proposed willow village master plan project at 1350-1390 Willow Road, 925-1098 Hamilton Avenue and 1005-1275 Hamilton Court for the amount of $967,522 and future augments as may be necessary to complete the environmental review for the proposed project (Staff Report #19-095-CC)

E5. Authorize the city manager to execute a second amendment to the agreement with Gates + Associates in an amount of $10,560 for the parks and recreation facilities master plan project and appropriate an additional $15,096 from the general capital improvement plan fund unassigned fund balance (Staff Report #19-100-CC)
E6. Review and discuss current draft sister city / friendship city criteria, goals and protocols (Staff Report #19-101-CC)

**ACTION:** Motion and second (Combs/Nash) to approve the consent calendar continuing item E4, passed unanimously (4-0-1, Carlton absent).

Items G5 and G6 were continued to May 21.

G5. El Camino Real/Downtown specific plan biennial review update (Staff Report #19-093-CC)

G6. City Council adopted 2019-20 priorities and work plan quarterly update (Staff Report #19-099-CC)

**F. Regular Business**

F1. 1) Issue determination on an appeal of the Environmental Quality Commission’s approval of a heritage tree permit to remove seven heritage redwood trees at 1000 El Camino Real and 2) determine whether to waive the $500 appeal fee based on the appellants’ request (Staff Report #19-092-CC)

Sustainability Manager Rebecca Lucky made the presentation (Attachment).

Appellant Judy Rocchio, Peter Edmonds, and Bijan Aalami made a presentation (Attachment).

Applicant Matt Madison made a presentation (Attachment).

- Judy Adams spoke in favor of the appeal.
- Roberta Morris stated the El Camino surface parking lot is empty and can be used for the applicants tenants (Attachments).
- Mark Mitchell spoke in opposition of the appeal.
- Jane Williams spoke in opposition of the appeal.
- Wendy McPherson spoke in opposition of the appeal.
- Charlene Cogan spoke in opposition of appeal.
- Jen Mazzon spoke on the process of finding feasible and reasonable alternatives.
- Rico Rosales spoke in opposition of the appeal.
- Marcum Khouri spoke in opposition of the appeal.
- Margaret Spak spoke in support of the appeal and alternative No. 10.
- Joe Nootbaar spoke about the precedence of new construction fear of landscaping and in opposition of the appeal.
- Mike Moran spoke on safety concerns of pedestrians and bicyclists and in opposition of the appeal.
- Mike Mohrman spoke in opposition of the appeal.
- Scott Marshall spoke on the lack of compromise from both parties and possible redesign to maintain some of the trees.
- Ruth Robertson spoke in support of the appeal.
- Henry Riggs spoke in opposition of the appeal
- Jane David spoke in support of the appeal.

City Council discussed the potential of removing the trees in phases, occupancy disruption for alternative No. 10, and the availability of contractors willing to construct alternative No. 10. The City
Council directed the applicant to collaborate with Canopy and replant 76 new trees for the removal of the seven.

**ACTION:** Motion and second (Taylor/Combs) to deny the appeal and uphold the Environmental Quality Commissions decision to remove seven trees, replant 76 trees (14 onsite, 12 at Burgess Park, and 50 in the Belle Haven neighborhood) through Canopy, waive the appellant fee, and repurpose the removed redwood tree wood, passed unanimously, (4-0-1, Carlton absent).

Items D1, D2, and F2 were continued to May 21.

**D. Commission/Committee Report**

D1. Library Commission update and announcements (Staff Report #19-091-CC)

D2. Complete Streets Commission update

F2. Approve the prioritization strategy for projects identified as part of the transportation master plan (Staff Report #19-085-CC)

**SS1.** Study session on the transportation impact fee program update (Staff Report #19-096-CC)

Mark Spencer with W-TRANS made the presentation (Attachment).

- Jen Wolosin spoke about levels of measurement.
- Adina Levin spoke in support of the transportation impact fee program and questioned if affordable housing and retail could have a reduced fee.

The City Council discussed the difference between level of service (LOS) and vehicle miles traveled (VMT) measurements and which measurement is more beneficial to the City. Staff briefly explained the process of the transportation impact fee program in Palo Alto and the prioritization of how and when projects are funded. The City Council received confirmation that no transportation impact fees are spent without City Council approval.

Item F3 was continued to May 21.

F3. Adopt pilot program to implement the Institute for Local Government’s public engagement framework (Staff Report #19-098-CC)

**G. Informational Items**

G1. Update on the Parks and Recreation facilities master plan process and timeline (Staff Report #19-087-CC)

G2. Review of the City’s investment portfolio as of March 31, 2019 (Staff Report #19-090-CC)

G3. Quarterly financial review of general fund operations as of March 31, 2019 (Staff Report #19-089-CC)

G4. Executive summary of city manager’s proposed budget for fiscal year 2019-20 (Staff Report #19-088-CC)
G7.  Little free library pilot incentive program update (Staff Report #19-094-CC)

I.  City Manager's Report

J.  Councilmember Reports

K.  Adjournment

Mayor Mueller adjourned the meeting at 10:32 p.m.

Judi A. Herren, City Clerk

These minutes were approved at the City Council meeting of August 20, 2019.
HERITAGE TREE APPEAL - 1000 EL CAMINO REAL
REPAIR PROJECT BACKGROUND

- Building was built in the early 1980s
- Some of the building’s cables/tendons (structural support) located in the parking garage have water damage and need prompt repair
- Install new waterproof barrier
REASON FOR REQUESTING TREE REMOVALS

- Repair work and installation of waterproof barrier would occur within major root zone of seven coast redwood trees

- Root removal within three times the diameter of a tree impacts stability/safety and is not recommended by standard arboricultural practices
TREES voluntarily planted by the developer
- 76 trees on or near the site and 40 are heritage trees
- Tree replacement for this project is 2:1
- Plans were revised to preserve trees
- Replacement trees will be a mixture of Brisbane box, London plane, and Coast Live Oak
PROJECT APPROVAL AND APPEAL PROCESS

- October 2018- Planning Commission approves building project
- November/December- 2018 City Arborist approves removal of trees and community members raise concerns about the proposed tree removals
- January 2019- informational meeting and appeal filed
- Are there feasible and reasonable alternatives that could preserve the trees?
March 2018
- Eight alternatives analyzed to the test feasibility and reasonability
- Environmental Quality Commission issues a determination to deny appeal in a 4-3 vote, allowing the trees to be removed based on no feasible and reasonable alternatives identified at the meeting.

April 2018- Appeal filed to the City Council based on three alternatives of the eight alternatives that could be feasible and reasonable

May 2018- City Council is making a determination on the Environmental Quality Commission decision, and is the final decision maker.

Permit applicant has been working throughout the process to analyze alternatives, respond to questions, and meet with the appellants
- Expressed concerned about the building’s safety and a need to complete work in the summer
ANALYSIS OF ALTERNATIVES

- **Heritage Removal Criteria**
  - Condition of the trees with respect to proximity of existing and proposed structures
  - Need to remove trees to construct improvements
  - Reasonable and feasible alternatives to preserve trees

- **Reasonable and feasible involved considering the following:**
  - Ability to preserve the trees and maintain overall good health as well as ensure public safety
  - Legal restrictions or violations of other local, regional, and state rules/regulations
  - Allows prompt repair or new structural support within the next few months to reduce safety risks
  - Reasonable cost of the alternative in relation to the value of the trees removed ($157,000) and cost of the approved project ($1 million)
ALTERNATIVES FOR COUNCIL APPEAL

1. Retrofit the building with steel beams
   - Preserves the trees
   - Violates the state building code requirements for vehicle clearance
   - Not clear if it would resolve water damage issues (water barrier is still needed)

2. Fold tree roots and unfold after work is complete
   - Work still within the major root zone area, compromising stability/safety

3. Add extra walls for support where tendons are weak or damaged
   - Would not meet parking requirements established by the City
   - Would cost eight times more than approved repair project
   - Legal implications with lease agreements

4. Modification of No.3- Retrofit to separate structure system of the slab below the building (submitted April 29)
   - Would not remove parking
   - Not clear if this practice has been done before which increases design and construction risks
   - Would be costly to implement
CONCLUSION AND RECOMMENDATION

- Peer reviewers found that the quality of information submitted by the permit applicant to be sound and concurred with major findings of the permit applicant.

- The heritage tree ordinance requires staff (and other decision making bodies) to make tree removal decisions based on eight criteria of the ordinance.

- Staff recommends denying the appeal based on no reasonable or feasible alternative that would safely preserve the trees and allow repairs within reasonable costs.
WAIVE THE APPEAL FEE

- Appellants have requested a fee waiver

- A fee waiver was granted for the Environmental Quality Commission appeal by the City Manager
THANK YOU
REPLACEMENT PLANTING PLAN
NO. 1 BUILD NEW PARKING GARAGE

- Fill existing parking garage to provide support

- The potential location is owned by other entities. It would require working out an agreement, which would delay the needed repairs.

- San Francisco Public Utilities Commission (SFPUC) has an easement under potential area for an above ground parking garage, and does not allow any built structures on top of their pipelines
NO. 2 RETROFIT WITH STEEL BEAMS

- Structural engineer peer review found that it is not feasible to strengthen the podium slab from below utilizing steel framing.

- It would not adhere to required space needed to clear vehicles.

- Would cost significantly more than the value of the trees.
NO.3 REMOVE TREES IN PHASES

- Remove trees in phases to inspect extent of damage and identify alternatives.

- Arborist peer review found that even a phased removal would still impact the trees’ stability by excavation of a trench
  - Root removal within three times the diameter of a tree impacts stability and is not recommended by standard arboricultural practices.

- Roots are too entangled to be able to discern impacts of each tree.
NO.4 REPAIR DAMAGE WITH REMOVING TREES

- Evaluated preforming cable/tendon repair work underneath the parking garage rather than on top.

- Structural peer review found it may be feasible to repair failed cables from below.
  - There is also a risk to construction personnel to repair cables from below.

- Placement of the waterproofing still needs to be performed from above the parking garage.

- Arborist peer review commented that if excavation needs to occur, it still exceeds the allowable damage to tree roots for stability.
NO.5 RELOCATE TREES

- Find another location for the trees instead of cutting them down

- Arborist peer review stated:
  - Does not have direct experience in this area
  - Typically done for smaller trees, recommended root ball size of 10-inches
  - Redwood trees No. 4 and No. 7 could be potential candidates, but would need to have a root ball size of 33 feet

- The logistics of relocating trees on a major corridor is problematic and costly

- Difficulty in separating roots from other trees
NO.6 USE CABLES TO BRACE TREES

- This will still remove roots to perform repairs and apply waterproof barrier, but would brace the trees to the building using cables.

- City Arborist, permit arborist, and peer review arborist found that the excavation would still impact trees’ overall health.

- It is not known whether root growth will reestablish.
1000 El Camino Real
Podium Slab Slab Rehabilitation

Bijan Aalami
On behalf of the appellants
Bijan Aalami’s background for the rehabilitation proposal

- Almost 40 years of exclusive work on post-tensioning
- Two weeks ago the post-tensioning solution suggested by Bijan for a high rise in Hudson Yards (NY) won the Post-Tensioning Institute’s award of 2018 projects
- Two weeks from now, a new method for post-tensioning design developed by Bijan will appear in the Structures Magazine.
- Examples of other works in the US and international submitted to MP Building Department.
First, the critical aspect of 1000ECR that governs its rehabilitation.

Podium slab is post-tensioned. The same podium slab supports both the building and landscaped area.

Simplified schematic of the podium slab.
- The slab strength is provided by tendons that run through the entire length of the slab; up-down and left-right;
- Tendons used act like stretched ropes; once severed at one point, the rope becomes ineffective;
- The tendons used were not meant for corrosive environment;
- Breach of water proofing below the landscaping has damaged several tendons in landscaping region. This results to the reduction/loss of force over the entire tendon length.
- The cursory observation of the podium slab leads to the conclusion that the region below the building is in reasonably good and serviceable condition.
Rehabilitation’s critical consideration

Separate the continued service life of the building from the present, and future moisture intrusion in the slab from the landscaped region.
Appellants’ considerations

- The retrofit should be carried out all from the interior of parking space
- should not violate the minimum access, clearance and distance requirements of the City.
- should not reduce/change the number of parking stalls
- The rehabilitation can be carried out while the parking structure is in use. At any given time, work will affect only a few stalls
- The construction cost to be low
Construction view of external post-tensioning used to rehabilitate the beams of Pier 39 Parking structure in San Francisco

(Design by Bijan Aalami; won ACI’s design award)
Example of external post-tensioning used in California for retrofit of a podium slab

(Design; ADAPT Corp; Bijan Aalami)
What about to the landscaped area

Leave the landscaped area as is
Cover the landscaping with artificial grass

- The appellant’s engineer, Bijan recognizes that 1000ECR owner has a reputable engineering firm (KPPF) on board for the rehabilitation of the structure;
- Once given the opportunity, there is no reason the believe that KPPF will not consider the appellants’ suggestion as an option to pursue;
- It is not the intent of the appellants engineer Bijan to become involved in the retrofit of 1000ECR beyond his current commitment to the appellants.

Thank you
A possible anchor configuration
1000 El Camino Real

MENLO PARK CITY COUNCIL HEARING
5-14-2019
CONSTRUCTION IN THE 1980s
1000 EL CAMINO REAL BUILT IN THE 1980s
Existing Conditions

Water Intrusion and Damage To Underground Garage Wall

Post-tensioned cable corroded
Existing Conditions

CRACKS VISIBLE IN WATERPROOFING AND CONCRETE PODIUM SLAB
Area with failed tendons
Existing Conditions

Underground Garage Edge

Waterproofing Failed
The Problem

Trees → Damage to Waterproofing → Water Intrusion → Corrosion Rusting of P/T → Structural Failure

We are here

Repair structure / replace trees
To be “feasible”, an alternate option must satisfy all of the following 4 criteria:

1. Allow for the complete inspection and proper repair of the structure as soon as possible
2. Allow for the comprehensive waterproofing of the structural slab and basement walls to protect the structural components from destructive rust in the future
3. Ensure that any trees that remain are healthy, have a likelihood of remaining so, and are not at significant risk of toppling from weakened root structures and wind forces, and
4. The option doesn't force us to break lease obligations to the tenants and therefore also to the City or force us to become out of compliance with City, County or State codes and regulations.
Saving the Trees Along Ravenswood
NEW PLANTING PLAN

14 new heritage trees will replace the 7 redwood trees (2:1 Ratio)
Proposed New Planting Layout
Proposed New Planting Layout
PROPOSED REPLACEMENT LANDSCAPE:
FRONT OF BUILDING
Proposed New Planting Layout
APPENDIX
Proposed New Planting Layout
Many Experts Reviewing The Problem Together

<table>
<thead>
<tr>
<th>1000 El Camino Real Consultants</th>
<th>City of Menlo Park</th>
</tr>
</thead>
<tbody>
<tr>
<td>Karim Allana - Allana Buick &amp; Bers (Waterproofing Consultant) (Onboarded 5-6 years ago)</td>
<td>Doug - City Peer Review Arborist</td>
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<tr>
<td>Greg Wagner - KPFF Engineers (Structural Engineer) Structural</td>
<td>Christian - City Peer Review Arborist</td>
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<tr>
<td>Steve Batchelder - SBCA Tree Consulting (Arborist) Arborist</td>
<td>Jim - City Peer Review Arborist</td>
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<tr>
<td>NOVO Construction - General Contractor</td>
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<tr>
<td>Shwager Davis - Post-tensioned Cable Contractor</td>
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<tr>
<td>Carducci &amp; Associates - Landscape Architect</td>
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</table>
Post-Tensioned Cable Podium Slab

Entrance Ramp to Underground Garage

Footprint of building (shaded area)
Jacking Ram Force
~30,000 Pound

Compressive Forces

Lifting Forces

Supporting Forces at Column

Compressive Forces
Post-Tensioned Cables and Corrosion Examples
Tree Roots and Trees in this location to be removed

Trenches needed for access to perform structural and waterproofing repairs

Why Water Is A Problem For Post-Tension Slab And Retaining Walls
Why Water Is A Problem For Post-Tension Slab And Retaining Walls

Tree Roots

Primary Root Zones needs to be protected

Trenches needed for access to perform structural and waterproofing repairs
Why Water Is A Problem For Post-Tension Slab And Retaining Walls
Existing Conditions

WATERPROOFING FAILED

Underground Garage Edge

Roots Under Damaged Waterproofing
Access needed to waterproof the P-T slab and retaining walls
1000 EL CAMINO REAL
Underground garage
TODAY

1980s
First noticed cracks and water intrusion
EXISTING CONDITIONS

WE KNEW OF 2 BROKEN TENDONS IN 2014-2015. 1 MORE BROKEN TENDON IN LAST 3 WEEKS. THERE WILL BE MORE

POST-TENSIONED CABLES BROKEN

WATER INTRUSION AND DAMAGE TO UNDERGROUND GARAGE WALL
EXISTING CONDITIONS

UNDERGROUND GARAGE EDGE

PODIUM

AREA OF EXCAVATION
POST-TENSIONED CABLES

OVERVIEW

POST-TENSION CABLES

DETAIL AT ANCHORS

POST-TENSION CABLE SLEEVES

REBAR SLAB REINFORCEMENT

POST-TENSION CABLE ANCHORS LOCATED IN THESE HOLES

POST-TENSION CABLES
STRUCTURAL

OVERVIEW

POST-TENSION CABLES

DETAIL AT ANCHORS
ACCESS TO POST-TENSIONED CABLES IN THE BACK AREA

P-T tendons in podium slab are not sub-grade in the back area of the property.

Top podium surface is not covered in roots (like the front area of the property). Therefore, waterproofing the top surface and edge can be done without removing the trees.

detail 1 and 1A/S6.1 from original drawings
POST-TENSION CABLES AT 1000 EL CAMINO REAL
WATERPROOFING
8 ALTERNATIVE OPTIONS
All 9 Alternative Options Reviewed

**Option 1** - Building a new parking garage on a neighboring property to replace the 150 parking stalls in the existing underground garage at 1000 El Camino Real. (This requires option 2 as well)

**Option 2** - Structurally Retrofit the Podium with Steel Beams (must relocate utilities in ceiling of garage)

**Option 3** - Phasing Tree Removal to Incrementally Evaluate Extent of Damage before removing all Trees

**Option 4** - Repair New Waterproofing and Structural Systems Without Removing the Trees

**Option 5** - Relocating Heritage Redwood Trees

**Option 6** - Cutting the Tree Roots, then leaving the Trees in place.

**Option 7** - Appellant’s suggestion of Saw-cutting Podium Slab and relocating the cables with a new retaining wall within the garage

**Option 8** - Saw cut but remove cables and structural retrofit garage (which would require option 2)

**Option 9** - Relocate the termination ends of P/T cables then structural retrofit “abandoned” podium slab
ALTERNATE OPTION 1
Building a new parking garage on a neighboring property to replace the 150 parking stalls in the existing underground garage at 1000 El Camino Real.

OPTION 1 REQUIRES OPTION 2
Alternate Option 2
Structurally Retrofit the Podium with Steel Beams

Structural steel throughout garage would block the clearance for cars to enter garage. This would require us to go with option 1 to build a new parking.
ALTERNATE OPTION 2
Structurally Retrofit the Podium with Steel Beams

Steel beams throughout the garage

Carbon fiber strips attached to podium slab to provide reinforcement
ALTERNATE OPTION 3
Phasing Tree Removal to Incrementally Evaluate Extent of Damage before removing all Trees
ALTERNATE OPTION 4
Install new Waterproofing and Repair Structural Systems Without Removing the Trees from inside the Garage

Grout injected waterproofing from inside garage cannot be done because this is a CMU masonry wall
ALTERNATE OPTION 5

Relocating Heritage Redwood Trees

Roughly 90 feet tall
ALTERNATE OPTION 6

Cutting the Tree Roots, then leaving the Trees in place, and hold trees in place with structural bracing.
ALTERNATE OPTION 7 AND 8
Appellant’s suggestion of Saw-cutting Podium Slab and relocating the cables with a new retaining wall within the garage
Alternate Options 7 and 8

Appellant’s suggestion of Saw-cutting Podium Slab and relocating the cables with a new retaining wall within the garage.

Cut podium concrete and relocate post-tensioned structural cables.

Example image below.
ALTERNATE OPTION 7 and 8
Appellant’s suggestion of Saw-cutting Podium Slab and relocating the cables with a new retaining wall within the garage.
Alternate Options 7 and 8

Appellant’s suggestion of Saw-cutting Podium Slab and relocating the cables with a new retaining wall within the garage.
Alternate Options 7 and 8 - Loss of Parking

Sawcut of Podium Slab and Relocate The Post-Tensioned Cables to New Shear Wall

- 29 parking spaces impacted
- Egress Stair impacted
- Main building utilities
- Abandoned Podium Slab

121 Remaining Spaces

City Council Special Regular Meeting Minutes
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ALTERNATE OPTION 7 and 8
Appellant’s suggestion of Saw-cutting Podium Slab and relocating the cables with a new retaining wall within the garage
Significant problems with Options 7 and 8

- Not industry best practices
- Inherently unsafe
- Involve extreme risk to the structural integrity of the building
- Work is sufficiently dangerous that the tenants must completely vacate the premises for two months
- We do not have the legal right to force our tenants to vacate and then move back into the building
- Post-Tension cables are each under 30,000 pounds of tension, and the saw cutting process is risky
- Difficulty securing contractors with the expertise and reputation who will be willing to design and oversee such work
- Importantly, Options 7 and 8 result in the loss of at least 29 parking stalls, a significant portion of the building’s parking
- In essence, the building becomes unsaleable and unfinanceable.
- Cause code compliance issues, including the loss of a code-required emergency stairwell and interference with the building’s main utility connections
- Fail at least two of the three feasibility requirements outlined above. Structurally, the options are highly complex and risky.
Alternate Option 9

Appellant’s suggestion saw cutting to relocate the termination ends of P/T cables then structural retrofit “abandoned” podium slab
LANDSCAPING
76 Existing trees

- 7 heritage redwood trees to be removed

- Over 20 heritage trees to remain on site
Yellow Circle; Lot behind 1000 El Camino Real: Virtually EMPTY (exc. for Jeffrey’s Hamburger’s end). Green Arrows: Other area lots are full.
Ms. Lucky,

I serve on the planning commission and therefore know this issue. I am also an architect trained in structural systems for larger buildings, with a range of experience on office towers. Finally, I have served multiple times as project architect for structural upgrade projects, and therefore have additional insight into this issue.

I have not met a professional structural engineer, architect or city building official who would entertain the most recent proposal for a carbon fiber surface applied structural system in concert with a post tension slab design. There are more conflicts than I can list with this idea, and while interesting as an engineering exercise, is fundamentally unsupportable in practice. The acceptance of continued deterioration alone is a non-starter.

I appreciate the emotional requests to retain these seven out of 76 trees planted upon construction of the building, and so stated at the commission hearing. But my desire along with others’ true optimism cannot sweep away technical facts.

I unequivocally urge the Council to support the hearings conclusion to date.

Hoping this is helpful,

Henry Riggs

Henry L. Riggs AIA
TRANSPORTATION IMPACT FEE UPDATE

City Council Study Session
May 14, 2019
WHAT IS A TRANSPORTATION IMPACT FEE (TIF)?

- California Assembly Bill 1600 requires municipalities to establish a reasonable nexus between impact fees and development expected.

- TIFs ensure that new developments and redevelopment projects pay a proportional share of new transportation infrastructure costs to reduce impacts generated by demand.
WHAT ARE TIF FUNDS USED FOR?

TIF projects can include:
- New arterial streets
- Sidewalks
- Bicycle lanes
- Multi-modal projects

■ Revenue collected from TIFs may not be used for:
- Existing Roadway Needs
- Existing Roadway Deficiencies
- Operations & Maintenance
MENLO PARK TIF

- Adopted by City ordinance

- TIFs for the City of Menlo Park are typically applied to:
  - New development
  - Redevelopment
  - New single-family and multifamily residential units
  - Changes in land use

- TIF fees are paid before building permits are issued.
MENLO PARK TIF AND TMP

- Projects currently identified in TMP process
  - Pedestrian
  - Bicycle
  - Transit
  - Automobile

- Fully Funded Projects
  - Projects related to future roadway network deficiencies

- Partially Funded Projects
  - Projects relating to existing roadway network deficiencies
  - Regional projects/local match (12%)
MENLO PARK TIF AMOUNTS

- Menlo Park currently imposes two TIFs
  - Citywide Fee (2009)
  - Supplemental Fee (2015)
    - El Camino/Downtown Specific Plan Area

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<th>Land Use</th>
<th>Unit</th>
<th>2018 Fee Amount</th>
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<td>Office</td>
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<td>Supplemental Fee</td>
<td>PM Trips</td>
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### 2009 TIF EXAMPLE

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<th>Cost of improvements</th>
<th>Allocate to new development</th>
<th>Determine fee by use</th>
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<tr>
<td>• Identify Improvements</td>
<td>• Determine future growth</td>
<td>• E.g., by housing unit or square foot of office space</td>
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<td>• Determine total cost of needed infrastructure</td>
<td>• Divide into portion that benefits</td>
<td>• Can lower or waive fees to incentivize certain uses</td>
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<td></td>
<td>• New development 25%</td>
<td>$3,300 per home $4.87 / sf office</td>
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<td>• Existing users 75%</td>
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TIF REDUCTIONS AND CREDITS

- TIF calculated based on per trip basis

- Uses that generate more trips have a higher fee per sf.

- Current TIF provides fee reductions for several land uses
  - Retail and restaurant uses have higher trip rate than office uses, but to encourage development fees are the same
  - Other reduced rates are set for child care

- TIF Credits allowed
  - Existing uses
  - When new development constructs TIF projects
NEXT STEPS

1. Project the growth in trips
2. Estimate TMP project costs and TIF eligibility
3. Establish a maximum TIF fee
4. Refine Transportation Impact Fee Program
## NEXT STEPS - SCHEDULE

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Task</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 14, 2019</td>
<td>City Council study session of Draft Transportation Impact Fee Program update</td>
</tr>
<tr>
<td>Sept 2019</td>
<td>City Council review of Draft Transportation Impact Fee Program update</td>
</tr>
<tr>
<td>Oct/Nov 2019</td>
<td>City Council adoption of Transportation Impact Fee Program</td>
</tr>
</tbody>
</table>
QUESTIONS FOR CITY COUNCIL

1. Is there other background data needed prior to seeing a draft transportation impact fee update and ordinance in the fall?

2. Is the proposed funding level of 12 percent (typical amount for local match for grant funding) for regional projects appropriate?

3. Are there specific land uses that we should consider fee exemptions or reductions, such as continuing incentives for retail, restaurant and child care uses, or considering reductions for affordable housing and/or secondary dwelling units?
THANK YOU
ANALYSIS
METHODS

Transportation Master Plan
*General Plan Circulation – 2.C*
- Community engagement on key issues
- Identify projects
- Cost estimates
- Prioritize improvements

Adopt Impact Fee program
*General Plan Circulation – 6.C*
- Establish connection between new development and new infrastructure
- Update fee program
- Set fee rates by land use

Development pays new fees
- Fees due at building permit stage
- Improvements constructed as funds accumulate
## OTHER CITIES TRANSPORTATION IMPACT FEES

<table>
<thead>
<tr>
<th>City</th>
<th>Residential (per dwelling unit)</th>
<th>Office (per sq. ft.)</th>
<th>Retail (per sq. ft.)</th>
<th>Last Updated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redwood City, Downtown Area</td>
<td>$1,212.00</td>
<td>$1.79</td>
<td>$2.96</td>
<td>2012</td>
</tr>
<tr>
<td>Redwood City, Non-Downtown</td>
<td>$1,615.00</td>
<td>$2.38</td>
<td>$3.94</td>
<td>2012</td>
</tr>
<tr>
<td>San Carlos</td>
<td>$3,052.00</td>
<td>$4.55</td>
<td>$11.32</td>
<td>2015</td>
</tr>
<tr>
<td>Sunnyvale, South of Route 237</td>
<td>$3,114.00</td>
<td>$4.64</td>
<td>$5.78</td>
<td>2017</td>
</tr>
<tr>
<td>Sunnyvale, Moffett Park Area¹</td>
<td>n/a</td>
<td>$6.38</td>
<td>$5.53</td>
<td>2017</td>
</tr>
<tr>
<td>Menlo Park</td>
<td>$3,301.30</td>
<td>$4.87</td>
<td>$4.87</td>
<td>2009</td>
</tr>
<tr>
<td>San Mateo</td>
<td>$3,422.00</td>
<td>$3.14</td>
<td>$5.89</td>
<td>2014</td>
</tr>
<tr>
<td>Mountain View</td>
<td>$4,671.00</td>
<td>$4.99</td>
<td>$12.83</td>
<td>2018</td>
</tr>
<tr>
<td>Los Altos</td>
<td>$6,774.20</td>
<td>$9.99</td>
<td>$12.41</td>
<td>2018</td>
</tr>
<tr>
<td>Palo Alto²</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>2019</td>
</tr>
</tbody>
</table>

¹ Moffett Park Area of Sunnyvale does not have any residential or office rates and separates retail into Destination and Neighborhood retail. The rate for research & development uses is shown under office and the rate for neighborhood retail is shown under retail.

² Palo Alto recently approved updating their TIF fees and move to a per PM peak hour trip rate. The new rate is $7,886.00 per net PM peak hour trip.