



COMMUNITY DEVELOPMENT DEPARTMENT

Council Meeting Date: October 25, 2005

Staff Report #: 05-165

Agenda Item #: E1

PUBLIC HEARING: **City Council Consideration of a Request by Clarum Homes for a General Plan Amendment, Rezoning, Conditional Development Permit, Waiver of Construction and Demolition Debris Recycling Deposit, Tentative Subdivision Map, Waiver of the 40 foot Street Right-of-Way Width Requirement, and Environmental Impact Report to construct Forty-Seven Detached Residential Units and an Approximately One-Acre Neighborhood Park at 507 through 555 Hamilton Avenue (See Attachment A for Specific Findings and Actions).**

City Council Consideration of a Resolution Approving Execution by the Agency Executive Director of a Disposition and Development Agreement with Clarum Hamilton Park L. P. and Making Certain Findings and Approvals in Connection with the Above Described Project (See Attachment A for Specific Findings and Actions).

Agency Board Consideration of an Environmental Impact Report and a Resolution Authorizing Execution of a Disposition and Development Agreement with Clarum Hamilton Park L. P. and Making Certain Findings and Approvals in Connection with the Above Described Project (See Attachment A for Specific Findings and Actions).

RECOMMENDATION

Staff recommends that the City Council/Agency Board concur with the respective recommendations of the Planning Commission, Las Pulgas Committee, Housing Commission and Park and Recreation Commission and approve the following requests necessary for the sale of the property to Clarum Hamilton Park L.P. (the "Developer" or "Clarum") for the development of 47 single-family residential units and an approximately one-acre neighborhood park located at 507-555 Hamilton Avenue, subject to the findings and actions outlined in Attachment A:

- General Plan Amendment to change the land use designation of an approximately one-acre portion of the Site, defined below, from Medium Density Residential to Parks and Recreation for the development of the neighborhood park;

- Rezoning from R-3 (Apartment District) to R-3-X (Apartment District – Conditional Development) and OSC (Open Space and Conservation);
- Conditional Development Permit to establish specific development regulations and review architectural designs for the construction of the 47 residences;
- Waiver of the Construction and Demolition Debris Recycling Deposit;
- Tentative Subdivision Map to subdivide the Site for single-family residential and park use, including new street names;
- Waiver of the 40 foot street right-of-way width requirement;
- Disposition and Development Agreement (DDA) for the acquisition and development of the Property by Clarum Hamilton Park L.P.; and
- Environmental Impact Report (EIR) for the proposal.

BACKGROUND

On January 18, 2000, the Agency Board approved a work plan for the development of housing and a neighborhood park on the 6.2-acre property located at 507-555 Hamilton Avenue (the “Site”). The work plan directed staff to acquire the necessary land, identify the specific needs for a park, and to select a developer to implement the proposal.

The Planning Commission staff report dated September 26, 2005 (Attachment U) provides additional background information on the selection of the developer, development of the project plans, the relationship to the Sunset Magazine Idea Homes currently developed on the Property, and the relationship to the Dumbarton Rail Corridor Project.

ANALYSIS

The proposed project (the “Project”) is the development of a neighborhood park (the “Park”) on a 0.92-acre parcel (the “Park Parcel”) and 47 detached single-family residential units (the “Homes”) on small lots on the remaining portion of the property located at 507-555 Hamilton Avenue (the “Property”). The Project plans are included as Attachment C. The Project is designed with the Park as a central focus, fronting on Hamilton Avenue. The Homes surround the Park on the remaining three sides, with access provided by four streets perpendicular to and accessing Hamilton Avenue. The four streets connect with a fifth street that runs parallel to Hamilton Avenue toward the north of the Site. The Homes back up to an existing church and single-family residences to the west, the existing Peninsula Corridor Joint Powers Board (PCJPB) railroad right-of-way to the north and an existing church to the east.

The proposed Project requires a number of approvals, some subject to the review and recommendation of various City Commissions and Committees, and others within the sole discretion of either the City Council or Agency Board. The City Council/Agency Board has the final decision-making authority on all required approvals. The following sections of the report describe the required approvals.

Land Use Entitlements

The September 26, 2005 Planning Commission staff report provides a detailed description of the Park and the Homes as well as the required land use entitlements.

As noted previously, the land use entitlements include a General Plan amendment, rezoning, Conditional Development Permit (CDP) and Tentative Subdivision Map. These are discussed in more detail in the following subsections of the report.

The proposal has been reviewed by several of the City's Commissions and Committees. Specifically, the Planning Commission and Las Pulgas Committee reviewed the Project in its entirety. The Housing Commission focused its review on the Homes and compliance with the Below Market Rate Housing Program and the Parks and Recreation Commission on the conceptual design of the Park.

The Planning Commission reviewed the Project at three meetings: a study meeting held on April 26, 2004, and public hearings held on August 8, and September 26, 2005. The Commission report prepared for the September 26th meeting includes a description of the two previous meetings. Excerpts of the August 8th and September 26th meetings are included as Attachments X and Y, respectively. At the September 26th meeting, the Commission unanimously recommended approval of all land use entitlements, subject to the addition of one condition. The additional condition is discussed below in the *Conditional Development Permit* subsection of this report.

The Las Pulgas Committee participated in the review of the Project due to its location within the Redevelopment Area. At its meeting of September 21, 2005, the Committee unanimously recommended approval of the Project to the City Council. Excerpts of the Committee's meeting are included as Attachment BB.

General Plan Amendment

The development of the proposed neighborhood Park requires a General Plan amendment to change the land use designation of a portion of the site from Medium Density Residential to Parks and Recreation. A resolution for Council's consideration has been provided as Attachment D.

The inclusion of the Park in the Project addresses a need identified by the community in the Belle Haven Community Needs Assessment conducted in the early 1990s. Since that time, the community has continued to express a need for a passive use park. Staff believes that the General Plan amendment is consistent with the goals and policies of the General Plan, as outlined in the September 26, 2005 Planning Commission report, and would therefore recommend approval of the amendment.

Clarum's construction of the improvements to the Park will serve to fulfill the required Recreation-in-Lieu fee for the Project. At the completion of the Project, the Park will be dedicated to the City for public use. The City will be responsible for the long-term maintenance of the Park. The design of the Park had been developed in cooperation with the Public Works Department to minimize the long-term cost of maintenance and with the Police Department to maximize public safety.

The Parks and Recreation Commission participated in the development of the Park design and completed its final review of the conceptual Park design at its September 21, 2005 meeting. The Commission is unanimously recommending approval of the conceptual design of the Park.

Rezoning

The development of the neighborhood Park requires a rezoning from the R-3 (Apartment) Zoning District to the OSC (Open Space and Conservation) District. The proposed rezoning is necessary to maintain consistency with the proposed change in the General Plan land use designation. A neighborhood park is a permitted use in the land use and zoning designations.

The Homes are consistent with the Medium Density Residential land use designation for the property as stated in the General Plan. However, in order to accommodate the specific development, the applicants are proposing to rezone an approximately 5.3-acre portion of the property from the existing R-3 (Apartment) to R-3-X (Apartment – Conditional Development) District. The rezoning would be accompanied by a Conditional Development Permit that would establish the development regulations for the Project as well as serve as the vehicle for review of the site layout and architectural design of the Project. The underlying General Plan designation and R-3 zoning allow for a maximum density of 18.5 units per acre. The Project proposes a density of approximately nine units per acre (excluding the Park area).

As outlined in the September 26, 2005 Planning Commission report, staff believes that the proposed rezoning is consistent with the goals and policies of the General Plan and would therefore recommend approval of the rezoning. An ordinance enabling the rezoning has been provided as Attachment E for the Council's consideration.

Conditional Development Permit

In accordance with Section 16.82 II. of the Zoning Ordinance, Conditional Development Permits (CDP) may be issued for a development to permit adjustments of the requirements of the underlying zoning district in order to secure special benefits possible through comprehensive planning of larger developments. The CDP is intended to allow for relief from the monotony of standard development, to permit the use of new and desirable development techniques and to encourage more usable open space than would otherwise be provided.

A CDP allows the City Council to establish the site-specific regulations for the development. In this case, the applicant is requesting a CDP to allow for flexibility in the following regulations: lot size, paving, landscaping, setbacks, distance between buildings and fence height. These are discussed in the September 26, 2005 Planning Commission staff report.

As noted above, in its review of the project the Planning Commission recommended the addition of one condition in order to address a comment raised in the EIR regarding the difficulty of backing out of the driveway of Lot 20. The recommended condition is listed below and has been included in a redlined version of the CDP (Attachment F) for the Council's consideration.

Condition 6.12: Prior to issuance of a building permit for Lot 20, the project sponsor shall review the lot access with the Transportation Division to determine if revisions are necessary to ensure adequate backup space.

Staff believes that the CDP is appropriate and will allow for a well-designed project that meets community needs. The Project will be a mix of high quality, below market rate housing and market rate housing at a density half of the legally allowed maximum, providing for an upgrade to the former industrial site that is consistent with the density of the surrounding single-family residential neighborhood. The smaller lot sizes and associated reduced setbacks do not represent an increased density, but do allow for a well designed Project that includes a new neighborhood Park as a central feature. Additionally, the inclusion of the Park adds substantially to the landscaping of the Project.

Below-Market Rate Housing Proposal

At its meeting of May 25, 2004, the Agency Board determined that 20 Below Market Rate (BMR) Homes, equivalent to approximately 43 percent of the total number of Homes, was an appropriate number of BMR units for the Project. This substantially exceeds the City's requirement that 15 percent of the Homes be BMR units. The BMR Homes are dispersed throughout the Property. The Developer worked with the Housing Commission to refine the BMR proposal. At its meeting of August 31, 2005, the Housing Commission unanimously recommended approval of the BMR proposal as it relates to the number, size, design and distribution of the BMR Homes in the Project. Excerpts of the Housing Commission minutes are included as Attachment AA.

At the May 25th meeting, the Agency Board also established a set of preferences for the BMR Homes. The preferences are listed below, with each preference being first applied to households on the BMR Waiting List and then to new BMR unit applicants.

1. Accredited teachers in the Belle Haven Elementary School;
2. City of Menlo Park employees;
3. Belle Haven residents;
4. Other accredited public school teachers who serve the Menlo Park community (including Ravenswood City Elementary School District, Menlo Park City School District, Menlo-Atherton High School, and Las Lomas School District schools that serve Menlo Park students, and the San Mateo Community College District);
5. Health care workers who work in Menlo Park;
6. Health care workers who live in Menlo Park; and
7. Fire fighters and paramedics of the Menlo Park Fire Protection District.

In its review of the BMR proposal, the Housing Commission also considered the proposed preferences established by the Agency Board. The Commission does not support the use of the preferences as defined and is instead recommending that households that have been on the waiting list for more than five years be given first priority. The Commission previously submitted a memorandum to the Council on the subject of the preferences on August 4, 2004. The Council indicated that it would consider the Commission's recommendation on the preferences when the entire Project

came before the Council. The original memorandum is included as Attachment Z.

Staff began a focused outreach effort to the preference groups in the spring of 2005. To date, staff has completed the outreach to the Belle Haven Elementary School teachers, City of Menlo Park employees, Belle Haven residents, and other accredited public school teachers who serve the Menlo Park community. Staff is currently working on outreach efforts to the remaining four preference groups and all other households on the BMR Waiting List.

Outreach has consisted of direct presentations to target groups by staff, placement of marketing materials in key locations, inclusion of information in various local publications such as the Belle Haven News and tour guides for the Sunset Magazines Idea Homes, and stories in local newspapers. To date, approximately 100 teachers, 20 residents of the Belle Haven neighborhood and 15 City employees have attended the various presentations.

To date, Belle Haven residents have shown the greatest interest in the BMR Homes within the Project. Additionally, many of the Belle Haven residents meet both the income and household size requirements for the BMR Homes. Although teachers, specifically Belle Haven School teachers, have the highest priority preference for these BMR Homes, staff found that most interested teachers were not eligible because their incomes were too high (in dual-income households) or, if they were eligible by income, their household sizes were too small (must have at least 3-person households to be eligible for these homes).

Since focused outreach efforts began, a total of 63 applications have been received for the BMR Waiting List. The 63 applicant households fall into the preference categories as follows: three are teachers for Belle Haven Elementary School; three are City of Menlo Park employees; 30 are Belle Haven residents; and two are other Menlo Park public school teachers. The remaining 25 applicants are not within the preference categories.

Recycling of Construction and Demolition Debris

The Project is required to adhere to the City's requirement for the salvage and recycling of construction and demolition debris such that waste is diverted from landfills (Chapter 12.48 of the Municipal Code). The requirement states that an applicant must meet a diversion rate of 60 percent of the total generated waste tonnage. To ensure compliance, a developer is required to submit a deposit to the City at the start of the construction equal to \$50 per ton of construction and/or demolition debris, but not less than \$1,000. The deposit is returned in full upon documentation through the use of receipts, weight tags and other written evidence from recycling and disposal companies and landfills that the required diversion rate has been met.

Clarum will be using a grinder on site that is capable of grinding concrete into aggregate base, sheetrock into gypsum soil amendments and wood into mulch to recycle waste from the construction up to a diversion rate of 85 percent. The use of the grinder will make tracking the diversion rate difficult since any weight tags from a landfill will not

accurately represent the amount of material recycled. For this reason, Clarum is requesting a waiver of the deposit. The City Council has the authority to waive the deposit through the adoption of a resolution.

The City's Building Official and Environmental Programs Manager have reviewed the proposed use of the grinder and believe that it is appropriate to waive the deposit given Clarum's commitment to green building practices. Additionally, the Building Official has been able to visually verify the successful use of the grinder during the construction of the two Sunset Magazine Idea Homes. A resolution waiving the deposit requirement has been provided as Attachment G for the Council's consideration.

Tentative Subdivision Map

In order to implement the proposed Project, the Developer has prepared a Tentative Subdivision Map allowing for the subdivision of the Site into the Park Parcel, 47 residential lots (on which the Homes will be constructed) and public streets. The Tentative Subdivision Map includes new street names of Sandlwood Street, Rosemary Street, Sage Street, Hazel Street and Ginger Street for the five new public streets. Staff has confirmed that the names are not similar to names currently in use in the City or surrounding jurisdictions. The Engineering Division and affected agencies and utilities have reviewed the map and have determined that it is technically correct and in compliance with the State Subdivision Map Act and the City's Subdivision Ordinance.

The public streets within the Project are proposed to have a right-of-way width of 25 feet. According to Section 1805 of the California Street and Highways Code, the width of city streets is required to be at least 40 feet, except that the governing body may, by formal resolution passed by a four-fifths vote of its membership, determine that the public convenience and necessity demand the acquisition, construction and maintenance of a street less than 40 feet in width.

The Engineering Division believes that the reduced right-of-way width will result in a reduction in the amount of impervious surface and increase in landscaping throughout the Site and in reduced driving speeds that serve to enhance the safety of pedestrians, bicyclists and motorists. Similar alternative right-of-way widths have been approved for other developments in the City including the Vintage Oaks and Zachary Court subdivisions. The Engineering Division is recommending approval of the proposed 25-foot right-of-way width. A resolution waiving the 40-foot street right-of-way width requirement has been provided as Attachment H for the Council's consideration.

Disposition and Development Agreement

A Disposition and Development Agreement (DDA) is proposed between Clarum and the Community Development Agency of the City of Menlo Park (the "Agency") to govern the actions up to and including the acquisition of the Property and development of the Project.

Approval of the DDA requires the adoption of separate resolutions by the City Council and the Agency Board. The City Council resolution approves the execution of the DDA by the Agency and the Agency Board resolution authorizes the execution of the DDA.

Both resolutions include similar findings (required by the California Community Redevelopment Law) with regard to the establishment of the Redevelopment Plan and the Project Area, development of the Project in order to serve the goals and objectives of the Redevelopment Plan, the consideration to be provided by Clarum to the Agency, and the procedures of approval of the DDA. The City Council and Agency Board resolutions are provided as Attachments I and J, respectively.

The Draft DDA is included as Attachment K and contains the following elements.

- Article 1 sets forth definitions and exhibits included in the DDA.
- Article 2 addresses requirements that must be met either prior to or after disposition of the Property to Clarum, including: (a) required approvals from the City and other governmental agencies and utility companies; (b) a financing plan acceptable to the Agency that includes the Base Purchase Price, a funding commitment from a reputable financial institution and a Performance Guaranty of the Developer's obligations; (c) final construction plans and building permits; (d) Final Subdivision Map, (e) Park and residential construction contracts; (f) performance and payment bonds for the Final Subdivision Map improvements; (g) evidence of availability of funds; (h) evidence of insurance; and (i) establishment of the Base Purchase Price at \$3,977,000.00, subject to possible adjustments due to increases or decreases in costs from changes to the conceptual plans at the request of the City and Agency Board or any other physical changes mutually agreed upon.
- Article 3 describes Agency responsibilities, including reasonable assistance in obtaining City and other agency and utility permits and approvals, and completion of site demolition and remediation activities.
- Article 4 addresses the disposition of the Property, including: (a) establishment of a joint escrow account; (b) establishment of the Base Purchase Price as stated in Article 2 and of an Additional Purchase Price equal to the Agency share upon the sale of each market rate Home, if any; and (c) establishment of conditions for close of escrow and conveyance of the Property. Article 4 also addresses the condition of the Property, stating that the Developer acknowledges and agrees that the Agency is selling and the Developer is buying the Property on an "as is with all faults" basis and that the Developer is not relying on any representations or warranties from the Agency as to the condition of the Property. This article also states that the costs of escrow and closing will be shared and that neither party have a responsibility to pay a real estate commission.
- Article 5 addresses the construction of the Project, establishing through the Performance Schedule (Exhibit E of the DDA) the deadlines for commencement and completion of construction. The DDA specifically states that the construction of the Park shall be completed in a manner adequate for dedication to the City prior to closing on the 45th Home. This article requires construction of the Project in accordance with the final construction plans approved by the Agency and all applicable laws, including the incorporation of green building requirements, and establishes procedures for the consideration of changes in those plans. This

article allows the Developer to request an Estoppel Certificate of Completion when the obligations under this article have been met, provides that the Developer make periodic progress reports upon the Agency's request and allows the Agency the right of entry to monitor the development of the Project.

Article 5 also specifically addresses the development of the Park, stating that the Developer shall pay all costs related to the development of the Park. The Agency provides the Developer a right of entry to the Park Parcel for the development of the Park. The Agency and the Developer have cooperated to value the engineering development costs of the Park to be equal to the required Recreation-in-Lieu Fee of \$601,600 plus \$200,000.00 for a total anticipated cost of \$801,600 based on a cost estimate of the conceptual Park plans. In consideration of the development of the Park by the Developer, the City is waiving the payment of the Recreation-in-Lieu Fees.

- Article 6 establishes the Developer's obligations during and after construction related to: (a) maintenance of the Property; (b) insurance; (c) compliance with laws related to hazardous materials; (d) indemnification of the Agency; (e) payment of all required property taxes and assessments due on the Homes; (f) use of non-discriminatory practices and inclusion of non-discrimination language in all subsequent deeds, leases and contracts; and (g) performance on all mitigation measures contained in the EIR.
- Article 7 establishes the definitions and terms of the Below Market Rate (BMR) Housing Program, including the development of 20 BMR Homes comprised of 15 three-bedroom Homes and five four-bedroom Homes located throughout the Property. All BMR Homes are to receive final inspections no later than the 45th Home receives a final inspection.
- Article 8 establishes prohibited and permitted transfers by the Developer prior to issuance of the Estoppel Certification of Completion for the Project.
- Article 9 addresses the Developer's ability to obtain financing for the development of the project and the rights of those lenders.
- Article 10 addresses defaults and remedies in the case of a breach by either party under the DDA.
- Article 11 addresses general provisions including communications between parties, indemnification of the Agency, excusable delays, inspection of books and records, legal actions, operating memoranda and implementation agreements.

State redevelopment law requires the development and consideration of two additional reports prior to the Agency approving the DDA. The reports are collectively known as the Section 33433 Report, based on Section 33433 of the California Health and Safety Code, and includes a Reuse Valuation Report. These reports are described in more detail below.

Section 33433 Report and Reuse Valuation Report

California Health and Safety Code, Section 33433, requires that if a redevelopment agency wishes to sell or lease property to which it holds title and if that property was acquired in whole or part with property tax increment funds, the agency must first secure approval of the proposed sale or lease from its local legislative body after a public hearing. The terms of the agreement and reports that describe the specific financing elements of the proposed transaction must be made available for consideration prior to and at the public hearing.

In accordance with redevelopment law, the Agency contracted with Conley Consulting Group to prepare a Section 33433 Report and Reuse Valuation Report, included as Attachments L and M, respectively.

The Section 33433 Report contains a summary of the Draft DDA, outlines the cost of the DDA to the Agency, provides a summary of the estimated value of the Property, describes the purchase price to be paid by the Developer and compares the price with the fair market value given the redevelopment plan for the Property, an explanation of why the sale will assist in the elimination of blight, and how the DDA is in conformance with the Agency's Five-Year Implementation Plan thereby providing background documentation to support the findings to be made in the City and Agency resolutions.

The Section 33433 Report determines that the cost to the Agency of the Project is \$18,306,172, including land acquisition costs, soil remediation, and legal, consultant and administrative costs. The Project is estimated to generate Agency revenue of \$7,716,573 (\$3,977,000 for the purchase price of the Property and \$3,739,573 in tax increment revenue) for a net Agency cost for the project of \$10,589,599.

The Reuse Valuation Report provides the analysis upon which the fair reuse value of the Property is determined. The fair reuse value is the highest price that the Property would be expected to bring for the specified purpose in a competitive and open market under the reuse conditions established by the Agency pursuant to the DDA (in particular, the obligation of the Developers to sell 20 Homes to moderate-income homebuyers at an "affordable housing cost"). The Reuse Valuation Report establishes the fair reuse value of the Property at \$3,931,141.

The Section 33433 Report also assessed the estimated value of the Property at its highest and best use allowed under the Redevelopment Plan. The highest and best use of the Property is market rate residential development. Comparable land sales for residential property in a neighboring market area in 2002 showed a market rate land value ranging between \$29 and \$31 per square of land area, thus resulting in a total value of between \$7,800,000 and \$8,300,000 assuming the Property is fully entitled and clear of all liens, encumbrances, and contamination.

The Section 33433 Report concludes that while the payment the Agency is receiving for the Property is less than the estimated fair market value at the theoretical highest and best use of the Property, the fair reuse appraisal indicates that the price of \$3,977,000 that the Agency will receive for the sale of the Property is above the fair reuse value of \$3,931,141. Since the Property will be conveyed to the Developer for not less than the fair reuse value at the use and with the covenants and conditions set forth in the DDA,

the Section 33433 Report concludes that the transaction complies with the requirements of the California Community Redevelopment Law.

Environmental Review

A *Draft Environmental Impact Report* (Draft EIR) was prepared for the Project and released for public review from June 30 through August 15, 2005. Seven comment letters were received from five State, regional or local agencies. A *First Amendment to the Draft Environmental Impact Report* (First Amendment) was prepared to respond to the comment letters and was released for public review from September 15 through 26, 2005. Together, the two documents comprise the Final Environmental Impact Report (Final EIR) for the Project.

One letter was received on the Draft EIR after the close of the review period from the Department of Transportation (Caltrans). Although the City is not required to provide a response to late comments, the traffic consultant for the Project, Hexagon Transportation Consultants, Inc. (Hexagon) has prepared a response. Both the letter from Caltrans and the response from Hexagon are included as Attachments R and S, respectively.

One letter was also received after the close of the review period for the First Amendment from Caltrain (Attachment T). The letter reiterates comments expressed in two letters from Caltrain that are included as part of the First Amendment. The letter also raises two new questions. First, the letter notes that the intent is for the Dumbarton Rail Corridor project to be operational in 2010, not 2030 as noted in the First Amendment. As noted below, the Planning Commission is recommending a change in the wording of the First Amendment to correct this statement.

Second, the letter states that the Project should provide a 20-foot tall sound wall adjacent to the rail line in order to mitigate noise impacts on the second floor of the residential units. The Noise Study prepared for the EIR indicates that a 20-foot tall sound wall would shield both floors of the Homes from rail noise. Recognizing the adverse aesthetic impacts of a 20-foot tall wall, the EIR instead includes mitigation that requires noise-attenuation construction techniques and materials. The EIR specifically notes that a higher window rating is required for the second story windows in order to achieve the same level of protection the ground floor windows receive by the proposed 10-foot tall sound wall. With implementation of the noise-attenuating construction and materials, interior noise levels for both floors of the Homes will be below the City's standard of 45 decibels Community Noise Equivalent Level (dB CNEL). Similarly, the exterior noise levels will be below 75 A-weighted decibels (dBA), beyond which the City standards prohibit residential development. The one exception is single-event, train horn noise, which the EIR has determined would be a significant and unavoidable impact, regardless of the height of the sound wall. The significant and unavoidable impacts of the Project are discussed in more detail below.

In order to complete an EIR process and certify the final document, the California Environmental Quality Act (CEQA) requires the preparation of Findings for Certification, a Statement of Certification and a Mitigation Monitoring and Reporting Program. The Findings for Certification address the significant impacts identified in the EIR, describing

the impact, the mitigation and the determination of significance following mitigation. The Statement of Certification states that the City has met all procedural requirements of CEQA. The Mitigation Monitoring and Reporting Program establishes responsibility and time frames for implementation of all required mitigation measures. The Findings for Certification, Statement of Certification and Mitigation Monitoring and Reporting Program are included as Attachments N, O and P, respectively.

The City of Menlo Park is the Lead Agency and the Agency is a Responsible Agency for the environmental review. A Lead Agency is the public agency that has primary responsibility for carrying out or approving a project. A Responsible Agency is a public agency, other than the Lead Agency, that also has responsibility for carrying out or approving the project. The City Council, as the decision-makers of the Lead Agency must certify the Final EIR prior to taking action on the land use entitlements and DDA. The Agency Board, as the decision-makers for the Agency, must also certify the Final EIR in a separate and concurrent action prior to taking action on the DDA.

The Final EIR has determined that the Project will result in significant, unavoidable noise and traffic impacts. The September 26, 2005 Planning Commission staff report includes a detailed discussion of the environmental impacts. In order to approve a project with significant and unavoidable adverse environmental impacts, the City must adopt a Statement of Overriding Considerations. This is a specific finding that the project includes substantial public benefits that outweigh its significant adverse environmental impacts warranting approval of the project. The Statement of Overriding Considerations is a part of the Findings for Certification and can be found on pages N-16 and N-18 of the attachments.

The Planning Commission reviewed and recommended approval of the Draft EIR, First Amendment, Findings for Certification, Statement of Certification and Mitigation Monitoring and Reporting Program at its meeting of September 26, 2005, subject to one change in the First Amendment. In Response A-1, the Commission believes that the reference to the estimated operational date for the Dumbarton Rail Corridor should be replaced with wording that indicates that the rail line will not be operational before completion of a detailed design phase, which is in the early stages and that would be informed of the proposed Project. A redlined version of the First Amendment is included as Attachment Q.

IMPACT ON CITY RESOURCES

As described above and in the Section 33433 Report, the net cost to the Agency for pursuit of the Project in order to meet the goals of the Redevelopment Plan is \$10,589,599.

Costs incurred for the preparation of the EIR and review of the requested land use entitlements for the Project are fully recoverable through fees charged to the applicant.

The Project will result in ongoing maintenance costs for the Park, public streets and drainage system. Although the Park was designed to minimize the costs to the extent feasible, Engineering staff is estimating annual maintenance costs of approximately \$18,000.

POLICY ISSUES

The Project involves land use entitlements and approval of a DDA that would allow for the sale of the Property enabling the development of the Project consisting of a new neighborhood Park and small lot, single-family residential development on an underutilized site within the redevelopment area. Staff believes that the Project will serve to meet goals of the Redevelopment Plan including:

- The new Homes, public Park and improved infrastructure will enhance the overall living environment of the Project Area;
- The Project will provide market rate and below market rate home ownership opportunities for stakeholders in the Belle Haven neighborhood that directly serve the community, thus promoting affordable housing and homeownership opportunities in the Project Area;
- The Park of the Project will provide an amenity to the Belle Haven neighborhood via private sector investment facilitated through public assistance; and
- As an infill development, the Project will improve an underutilized site in the Project Area, thus minimizing displacement of any residential homeowners.

Arlinda Heineck
Community Development Director
Report Author

PUBLIC NOTICE: Public notification consisted of publishing legal notices in the local newspaper and notification by mail of owners and residents within a 300-foot radius of the subject property for all land use entitlements and availability and review of the EIR documents at the Planning Commission and City Council levels and the publishing of two public notices for the availability and consideration at the public hearing of the DDA.

ATTACHMENTS

- A. Findings and Actions for Approval of the Project, dated October 25, 2005
- B. Location Map
- C. Project Plans
- D. Resolution amending the General Plan to change the land use designation of an approximately one-acre portion of the Site located at 507-555 Hamilton Avenue from Medium Density Residential to Parks and Recreation
- E. Ordinance rezoning an approximately 5.3-acre portion of the Site located at 507-555 Hamilton Avenue from R-3 (Apartment District) to R-3-X (Apartment District – Conditional Development) and an approximately one-acre portion of the Site located at 507-555 Hamilton Avenue from R-3 (Apartment District) to OSC (Open Space and Conservation)
- F. Redlined Copy of Condition Development Permit, dated October 25, 2005

- G. Resolution waiving the Construction and Demolition Debris Recycling Deposit for development of a housing and park project located at 507-555 Hamilton Avenue
- H. Resolution waiving the 40-foot street width requirement for development of a housing and park project located at 507-555 Hamilton Avenue
- I. Resolution of the City Council of the City of Menlo Park approving execution by the Community Development Agency of the City of Menlo Park of a Disposition and Development Agreement with Clarum Hamilton Park L.P., and making findings and approvals pursuant to the California Community Redevelopment Law in connection with the development of forty-seven single-family homes and a public park at Chilco Street and Hamilton Avenue in the Las Pulgas Community Development Project Area
- J. Resolution of the Community Development Agency of the City of Menlo Park authorizing execution of a Disposition and Development Agreement with Clarum Hamilton Park L.P., and making findings and approvals pursuant to the California Community Redevelopment Law in connection with the development of forty-seven single-family homes and a public park at Chilco Street and Hamilton Avenue in the Las Pulgas Community Development Project Area
- K. Disposition and Development Agreement by and between the Community Development Agency of the City of Menlo Park and Clarum Hamilton Park L.P.
- L. Summary Report Pursuant to Section 33433 of the California Community Redevelopment Law to the Disposition and Development Agreement by and between the Community Development Agency of the City of Menlo Park and the Clarum Hamilton Park L.P.
- M. Reuse Valuation for the Hamilton Park Project, dated October 2005
- N. Findings for Certification of the Environmental Impact Report, including Statement of Overriding Considerations
- O. Certification of the Final Environmental Impact Report
- P. Mitigation Monitoring and Reporting Program for the Environmental Impact Report
- Q. Redlined Copy of the First Amendment to the Draft Environmental Impact Report
- R. Letter from Department of Transportation, dated September 14, 2005
- S. Letter from Hexagon Transportation Consultants, Inc., dated September 20, 2005
- T. Letter from Caltrain, dated September 26, 2005
- U. Planning Commission Staff Report, dated September 26, 2005 (attachments to the report are not included)
- V. Letter from John Suppes, Clarum Homes, dated August 2, 2005
- W. Letter from John Suppes, Clarum Homes, dated September 20, 2005
- X. Excerpts of the Minutes from the Planning Commission meeting of August 8, 2005
- Y. Draft Excerpts of the Minutes from the Planning Commission meeting of September 26, 2005
- Z. Housing Commission Memorandum, dated August 4, 2005
- AA. Excerpt of the Housing Commission minutes of the August 31, 2005 meeting
- BB. Excerpts of the Las Pulgas Commission minutes of the September 21, 2005 meeting.

CC. Draft Environmental Impact Report prepared by David J. Powers & Associates, dated June 2005 (Distributed separately and available for review at the City offices)

Findings and Actions for Approval of the Housing and Park Project Located at 507-555 Hamilton Avenue

October 25, 2005

Environmental Review

1. City Council and Agency Board approval of the recommended modification to the First Amendment to the Draft Environmental Impact Report, Response A1 to replace “approximately 2030” with “a detailed design phase which is still in the early stages and which is informed of this project.”
2. City Council and Agency Board adoption of the Findings for Certification of the Environmental Impact Report, including the Statement of Considerations, as provided in Attachment N.
3. City Council and Agency Board certification of the Final Environmental Impact Report as provided in Attachment O.
4. City Council and Agency Board adoption of the Mitigation Monitoring and Reporting Program of the Environmental Impact Report as provided in Attachment P.

General Plan Amendment

5. City Council to make a finding that the proposed General Plan amendment to change the land use designation of an approximately one-acre portion of the property from Medium Density Residential to Parks and Recreation for the development of a neighborhood park would be consistent with the adopted General Plan.
6. City Council approval of a resolution amending the General Plan to change the land use designation of an approximately one-acre portion of the property located at 507-555 Hamilton Avenue from Medium Density Residential to Parks and Recreation (Attachment D).

Rezoning

7. City Council to make a finding that the proposed rezoning of an approximately one-acre portion of the project site from R-3 (Apartment District) to OSC (Open Space and Conservation) is consistent with the proposed General Plan land use designation of Parks and Recreation.

8. City Council to make a finding that the proposed rezoning of an approximately 5.3-acre portion of the project site from R-3 (Apartment District) to R-3-X (Apartment District - Conditional Development) is consistent with the existing General Plan land use designation of Medium Density Residential for the property.
9. City Council introduction of an ordinance rezoning an approximately one-acre portion of the property located at 507-555 Hamilton Avenue from R-3 (Apartment District) to OSC (Open Space and Conservation) and an approximately 5.3-acre portion of the property located at 507-555 Hamilton Avenue from R-3 (Apartment District) to R-3-X (Apartment District – Conditional Development) (Attachment E).

Conditional Development Permit

10. City Council to make a finding that the proposed conditional development permit will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed planned development, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
11. City Council to make a finding that the conditional development permit allows for a proposal that provides new entry level ownership housing and a passive use neighborhood park as identified in the Belle Haven Community Needs Assessment in a development that mixes high quality market rate units with 20 Below-Market Rate units at a density half of the legally allowed maximum, providing an overall upgrade to the former industrial sites that is consistent with the density of the surrounding single-family neighborhood. Furthermore, the proposed development conforms to all of the development regulations of the underlying R-3 (Medium Density Residential) zoning district except for lot areas, dimensions, setbacks, distance between buildings, fence heights, paving and landscaping.
12. City Council approval of a Conditional Development Permit for the construction of 47 single-family residential units on an approximately 5.3 acre portion of the property located at 507-555 Hamilton Avenue subject to the terms and conditions of the Conditional Development Permit (Attachment F).
13. City Council approval of a resolution waiving the Construction and Demolition Recycling Deposit Fee in consideration of the use of an on-site grinder for recycling construction materials for new construction-related uses. (Attachment G).

14. City Council approval of the following preferences for the Below Market Rate (BMR) residential units, modified as deemed appropriate by the Council:
 - a. Accredited teachers in the Belle Haven Elementary School;
 - b. City of Menlo Park employees;
 - c. Belle Haven residents;
 - d. Other accredited public school teachers who serve the Menlo Park community (including Ravenswood City Elementary School District, Menlo Park City School District, Menlo-Atherton High School, and Las Lomas School District schools that serve Menlo Park students, and the San Mateo Community College District);
 - e. Health care workers who work in Menlo Park;
 - f. Health care workers who live in Menlo Park; and
 - g. Fire fighters and paramedics of the Menlo Park Fire Protection District.

Tentative Subdivision Map

15. City Council to make a finding that the tentative subdivision map has been reviewed by the Engineering Division and has been found to be technically correct and in compliance with the State Subdivision Map Act and the City's Subdivision Ordinance.
16. City Council approval of a resolution waiving the 40-foot street right-of-way width requirement, thereby allowing street right-of-way widths of 25 feet throughout the Project (four-fifths affirmative vote required). (Attachment H)
17. City Council approval of the Tentative Subdivision Map, including street names (Attachment C).

Disposition and Development Agreement

18. City Council adoption of a resolution approving execution by the Community Development Agency of the City of Menlo Park of a Disposition and Development Agreement with Clarum Hamilton Park L.P., and making findings and approvals pursuant to the California Community Redevelopment Law in connection with the development of forty-seven single-family homes and a public park at Chilco Street and Hamilton Avenue in the Las Pulgas Community Development Project Area (Attachment I).
19. Agency Board adoption of a resolution authorizing execution of a Disposition and Development Agreement with Clarum Hamilton Park L.P., and making findings and approvals pursuant to the California Community

Findings and Actions
507-555 Hamilton Avenue
October 25, 2005
Page 4

Redevelopment Law in connection with the development of forty-seven single-family homes and a public park at Chilco Street and Hamilton Avenue in the Las Pulgas Community Development Project Area (Attachment J).

V:\staffrpt\cc\2005\102505 Clarum – Attachment A - Actions

RESOLUTION NO. ____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
AMENDING THE GENERAL PLAN TO CHANGE THE LAND USE DESIGNATION
FOR CERTAIN PROPERTY LOCATED BETWEEN
507 AND 555 HAMILTON AVENUE**

WHEREAS, the Planning Commission of the City of Menlo Park has considered the adoption of an amendment to the General Plan to change the land use designation for certain properties located between 507 and 555 Hamilton Avenue to allow for the development of an approximately .92-acre public park in association with the development of 47 single-family residential units, including 20 Below Market Rate housing units; and

WHEREAS, the provisions of the Government Code, 65350, et. seq. have been complied with; and

WHEREAS, the City Council of the City of Menlo Park has considered the comments of the Planning Commission in regard to amending the General Plan;

NOW THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the City Council of the City Menlo Park that the General Plan Amendment to change the land use designation of the area to be developed as a public park from Medium Density Residential to Parks and Recreation, particularly described in Exhibit "A", be adopted.

I, Silvia Vonderlinden, City Clerk of the City of Menlo Park, do hereby certify that the above and foregoing Resolution was duly and regularly passed and adopted at a meeting by said Council on the __th day of ____, 2005 by the following vote:

AYES: Council Members:
NOES: Council Members:
ABSENT: Council Members:
ABSTAIN: Council Members:

I further certify that the foregoing copy of said Resolution is a true and correct copy of the original on file in the office of the City Clerk, Civic Center, Menlo Park, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City, this _____ day of _____, 2005.

City Clerk

ORDINANCE NO. __

**AN ORDINANCE OF THE CITY OF MENLO PARK REZONING
PROPERTY LOCATED BETWEEN 507 AND 555 HAMILTON AVENUE**

The City Council of the City of Menlo Park does ordain as follows:

SECTION 1. The zoning map of the City of Menlo Park is hereby amended such that certain real property located between 507 and 555 Hamilton Avenue (APN 055-341-020, 080, 090, 120, 150, 160, 170, 180, 190, 200, 230 and 240 and 055-260-180) and more particularly described in Exhibit "A" is rezoned from R-3 (Apartment District) to R-3-X (Apartment - Conditional Development District) and OSC (Open Space and Conservation District).

SECTION 2. This ordinance shall become effective thirty (30) days after the date of its adoption. Within fifteen (15) days of its adoption, the ordinance shall be posted in three (3) public places within the City of Menlo Park, and the ordinance, or a summary of the ordinance prepared by the City Attorney, shall be published in a local newspaper used to publish official notices for the City of Menlo Park prior to the effective date.

INTRODUCED on the __ day of ____, 2005.

PASSED AND ADOPTED as an ordinance of the City of Menlo Park at a regular meeting of said Council on the __ day of ____, 2005, by the following vote:

AYES: Council Members:
NOES: Council Members:
ABSENT: Council Members:
ABSTAIN: Council Members:

APPROVED:

Mickie Winkler
Mayor, City of Menlo Park

ATTEST:

Silvia M. Vonderlinden, City Clerk

REDLINED DRAFT
CONDITIONAL DEVELOPMENT PERMIT
October 25, 2005

507-555 Hamilton Avenue
Hamilton Park/Clarum Homes Residential and Park Project

1. GENERAL INFORMATION:

- 1.1 Applicant: Clarum Corporation
- 1.2 Nature of Project: General Plan Amendment and rezoning of the project site to allow for the construction of 47 single-family residential units, including 20 Below Market Rate (BMR) units. Although not part of the Conditional Development Permit, a new 0.92-acre public park will be developed in association with the residential development.
- 1.3 Property Location: 507-555 Hamilton Avenue
- 1.4 Assessor's Parcel Numbers: 055-341-020, 080, 090, 120, 150, 160, 170, 180, 190, 200, 230 and 240 and 055-260-180
- 1.5 Area of Property: 5.3 acres
- 1.6 Present Zoning: R-3 (Apartment District)
- 1.7 Proposed Zoning: R-3-X (Apartment - Conditional Development District)

2. DEVELOPMENT STANDARDS:

- 2.1 Floor Area Ratio (FAR) shall not exceed **40 percent** of the project site.
- 2.2 Lot coverage shall not exceed **25 percent** of the lot area.
- 2.3 Minimum landscaping shall be **40 percent** of the lot area.
- 2.4 The maximum amount of pavement shall not exceed **35 percent** of the lot area.
- 2.5 Building height shall not exceed **28 feet** from the finished grade.
- 2.6 Building setbacks and parking shall be in accordance with the approved plans.
- 2.7 The on-site circulation shall be installed according to the approved plans.

3. USES

- 3.1 Permitted uses in the R-3-X District: Single-family residences
- 3.2 Conditionally permitted uses in the R-3-X District: None

4. TERMS OF THE PERMIT

- 4.1 The Conditional Development Permit shall expire one year from the date of approval if the applicant does not submit a complete building permit application within that time.
- 4.2 Modifications of residential units and properties may be considered under the following terms:
 - 4.2.1 Minor modifications to building exteriors, fence styles and locations and significant landscape features in yards adjacent to streets may be approved 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 Conditional Development Permit and will not have an adverse impact on a contiguous neighbor. The Director may refer any request for revisions to the plans to the Planning Commission for architectural control approval. A public hearing could be called regarding such changes if deemed necessary by the Planning Commission.
 - 4.2.2 Major modifications to building exteriors, fence styles and locations and significant landscape features in yards adjacent to streets may be allowed subject to obtaining an architectural control permit from the Planning Commission, based on the determination that the proposed modification is compatible with the other building and design elements of the approved Conditional Development Permit and will not have an adverse impact on a contiguous neighbor. A public hearing could be called regarding such changes if deemed necessary by the Planning Commission.
 - 4.2.3 Modifications involving room additions or other expansions of residences, construction of accessory structures, whether enclosed or open, or a change in the land use, development standards or conditions established in the Conditional Development Permit would require an amendment of the Conditional Development Permit.
- 4.3 This permit may be amended by a majority vote of the City Council. Application for amendment shall be made by at least one of the property owners, in writing, to the Planning Commission. The Planning Commission shall then forward its recommendation to the City Council for action.

5. STANDARD CONDITIONS:

- 5.1 Development of the project shall be substantially in conformance with the plans submitted by EDI Architecture, Inc., dated June 6, 2005 (pages 7, 9, 12-22, 24, and 27), June 27, 2005 (page 29), August 24, 2005 (pages 1 and 11A and B), and September 20, 2005 (pages 2-6, 8, 10, 23, 25-26, 28, 30-33) consisting of 33 plan sheets and recommended for approval to the City Council by the Planning Commission on September 26, 2005 except as modified by the conditions contained herein.
- 5.2 Prior to building permit issuance, the project sponsor shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
- 5.3 Prior to building permit issuance, the project sponsor shall comply with all requirements of the utility companies, West Bay Sanitary District and Menlo Park Fire Protection District that are directly applicable to the project.
- 5.4 Prior to building permit issuance, the project sponsor shall submit a plan for new utility installations or upgrades for review and approval of the Community Development and Public Works Departments. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes. All utilities shall be placed underground and each residence shall have separate utility service connections. Landscaping shall properly screen all utility equipment that is installed outside of a building and that cannot be placed underground.
- 5.5 Prior to building permit issuance, the project sponsor shall submit a water connection plan in accordance with all requirements of the Menlo Park Municipal Water Department to the Public Works Department for review and approval. The project sponsor shall obtain a water service connection permit for all new water service connections to the City's water lines. The construction cost plus 25 percent administration fee, a capital facilities fee (on a per meter basis), a fire service charge and meter deposit will be determined and charged at the time the water service connection plan is submitted.
- 5.6 Prior to building permit issuance and subsequent to final inspection of the last residence, the project sponsor shall submit Elevation Certificates that document that the project is in compliance with all regulations for construction within a floodplain to the Building Division.
- 5.7 Prior to building permit issuance, the applicant shall submit a plan for construction safety fences around the site for review and approval of the Building Division. The fences shall be installed according to the plan prior to commencing construction.

- 5.8 Prior to building permit issuance, the applicant shall submit a detailed landscape and irrigation plan for review and approval of the Community Development and Public Works Departments. The plan shall comply with the regulations for Water Efficient Landscaping (Municipal Code Chapter 12.44) and be consistent with San Mateo Countywide Stormwater Pollution Prevention Program (STOPPP) regarding the selection of pest resistant plants to minimize pesticide use. Landscaping within the City right-of-way shall include City approved street plant materials. The landscaping shall be installed prior to final building inspection of the last residence.
- 5.9 Prior to building permit issuance, the project sponsor shall submit final Storm Drainage, Grading, Erosion and Sedimentation Control Plans for review and approval by the Public Works Department. The final plans shall be prepared by a Civil Engineer registered in California, shall be in accordance with the preliminary plans, and shall be included in the project plans submitted for building permit applications. The following specific elements shall be shown on the Plans:
- 5.9.1 All existing utilities and proposed utility work;
 - 5.9.2 Square footages of existing (pre-development) and proposed (post-development) on-site impervious areas and the change in the square footage of impervious area upon completion of the proposed project;
 - 5.9.3 Storm drainage system on Chilco Street that connects to the on-site storm drainage system;
 - 5.9.4 Storm drainage system to the rear of Lots 1 through 7;
 - 5.9.5 Vegetated swales (bio-swales) between sidewalks and streets throughout the proposed development that include no-mow turf substitutes including native grasses and sedges;
 - 5.9.6 Revised Section D-D as shown on the preliminary Grading and Utility Plan to show the proposed bio-swale within the public right-of-way;
 - 5.9.7 Revised Section H-H as shown on the preliminary Grading and Utility Plan to show that the proposed drainage ditch is within a proposed Private Storm Drainage Easement (P.S.D.E.);
 - 5.9.8 Post-construction structural controls in the project design where feasible, and Best Management Practices (BMPs) for reducing contamination in stormwater runoff as permanent features of the project;
 - 5.9.9 All storm drain water, if not handled by on-site infiltration, must drain to a natural waterway, the public street, or public storm drain system; and
 - 5.9.10 Compliance with all applicable National Pollutant Discharge Elimination System (NPDES) Permit requirements.
- 5.10 Prior to final inspection of a residential unit located on a property with a bio-swale, a deed restriction shall be recorded with the County's Recorder's Office requiring the property owner to maintain the bio-swale. A copy of the

deed restriction shall be submitted to the Public Works Department. The deed restriction shall be subject to review and approval by the City Attorney.

- 5.11 The applicant shall comply with Best Management Practices (BMP) requirements in order to ensure project compliance with the National Pollutant Discharge Elimination System (NPDES) Permit. The developer shall become familiar with the BMPs brochure distributed for the project and provide the brochures to the project contractors. Adjacent properties and undisturbed areas are to be protected from construction impacts. Sedimentation-laden water is not permitted to leave the site. Measures shall be taken such that the storage, handling and disposal of construction materials and wastes will be prevented from having contact with storm water. The Erosion Control Notes and Plans shall include the BMP measures as applicable to the project for review and approval by the Public Works Department. These may include but are not limited to:
- 5.11.1 Timing of the grading activities during the dry months if feasible;
 - 5.11.2 Installation of burlap bags filled with drain rock around storm drains to route sediment and other debris away from drains;
 - 5.11.3 Temporary and permanent planting of exposed soil;
 - 5.11.4 Temporary sediment basins and traps;
 - 5.11.5 Placement of straw ground cover or mulching over exposed soil prior to the rainy season;
 - 5.11.6 Regular sweeping of streets, parking areas and driveways;
 - 5.11.7 Use of bio-filters;
 - 5.11.8 Stenciling of on-site catch basins to discourage illegal dumping;
 - 5.11.9 Use of erosion control devices such as silt fences;
 - 5.11.10 BMPs as specified in the California Stormwater Quality Association's Best Management Practices Handbook.
- 5.12 Prior to building permit issuance, the project sponsor shall submit a Stormwater Pollution Prevention Plan (SWPPP) and a Notice of Intent (NOI) to the State of California Water Resource Quality Control Board to control the discharge of stormwater pollutants including sediments associated with construction activities. The SWPPP shall include control measures during the construction period for:
- 5.12.1 Soil stabilization practices;
 - 5.12.2 Sediment control practices;
 - 5.12.3 Sediment tracking control practices;
 - 5.12.4 Wind erosion control practices; and
 - 5.12.5 Non-stormwater management and waste management and disposal control practices.
- 5.13 Prior to grading or building permit issuance, the project sponsor shall submit a Construction and Air Quality Management Plan to minimize impacts on the surrounding residential uses to the fullest extent possible. The plan

shall be subject to review and approval of the Community Development Department. The plan shall list specific measures, including but not limited to the following:

- 5.13.1 Dust control measures such as:
 - 5.13.1.1 Routine watering of the site, including newly disturbed soil surfaces, during grading and construction activities;
 - 5.13.1.2 Use of dust-proof chutes for loading construction debris onto trucks;
 - 5.13.1.3 Watering or covering of stockpiles of debris, soil, sand, or other materials that can be blown away by the wind;
 - 5.13.1.4 Paving, applying water three times daily or applying non-toxic soil stabilizers on all unpaved access roads, parking areas and staging areas at construction sites and sweeping daily;
 - 5.13.1.5 Hydroseed or apply non toxic soil stabilizers to inactive construction areas;
 - 5.13.1.6 Limit traffic speeds on unpaved roads to 15 mph;
 - 5.13.1.7 Measures to control dust during weekends and other off-work periods;
 - 5.13.1.8 Discontinuation of grading activities during wind conditions that cause excessive neighborhood dust problems, as determined by the Public Works Construction Inspector;
 - 5.13.1.9 Prohibition on washing dirt and debris into storm drain systems; and
 - 5.13.1.10 Scheduling of construction activities such that paving and foundation placement begin immediately upon completion of grading.
- 5.13.2 Measures to keep all streets and public ways clean of debris, dirt, dust and undesirable outcomes of construction, including but not limited to the following:
 - 5.13.2.1 Covering of all aggregate materials transported to and from the site in accordance with Section 23114 of the California Vehicle Code;
 - 5.13.2.2 Sweeping of streets daily if visible soil material is carried onto adjacent public streets; and
 - 5.13.2.3 Installation of sandbags or other erosion control measures to prevent silt runoff to public roadways.
- 5.13.3 All construction vehicles shall be properly maintained and equipped with exhaust mufflers in accordance with State standards.
- 5.13.4 The plan shall include a contact name and phone number to receive and address any complaints.

5.14 Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance.

- 5.15 Prior to installation of street lighting, the project sponsor shall submit a lighting plan showing the light standards and light patterns for review and approval by the Public Works Department.
- 5.16 Prior to the commencement of any work within the City's right-of-way or the public easement areas, the project sponsor shall obtain an encroachment permit from the Public Works Department. All work within the City's right-of-way or the public easement areas shall conform to City standard details.
- 5.17 The project sponsor shall submit a plan for street paving and striping for review and approval by the Public Works Department. The streets shall be paved with a minimum of 4-inch asphalt concrete on 8-inch aggregate base. The final on-site street overlay lift shall be installed once final occupancy has been granted to 90 percent of the residences. All striping shall be thermoplastic.
- 5.18 During construction, the project sponsor shall implement the following noise mitigation measures in accordance with the City of Menlo Park noise regulations:
 - 5.18.1 Construction activities that exceed 50 dBA between 10 p.m. and 7 a.m. and 60 dBA between 7 a.m. and 10 p.m. may occur only between the hours of 8 a.m. and 6 p.m., Monday through Friday. Construction that exceeds the limits is prohibited on weekends and Federal holidays. In no case, shall noise levels be in excess of 85 dBA.
 - 5.18.2 Prior to the commencement of construction, a sign containing the permitted hours of construction activities in excess of the noise limits shall be posted at all entrances to the construction site for the purpose of informing contractors and subcontractors and all other persons at the construction site of the basic noise protection requirements. The sign shall be at least 5 feet above the ground level and shall consist of a white background with black letters.
- 5.19 The Final Subdivision Map shall be approved by the City Council and recorded at the County Recorder's Office prior to issuance of a building permit.
- 5.20 The following fees shall be paid in accordance with City requirements prior to the issuance of a building permit:
 - 5.20.1 Improvement Plan Check Fee is a minimum of \$338 with the actual fee determined by the Public Works Department upon submission of cost estimates for work within the public right-of-way and civil site work.
 - 5.20.2 Construction Inspection Fee is a minimum of \$338 with the actual fee determined by the Public Works Department upon submission of cost estimates for work within the public right-of-way and civil site work.

- 5.20.3 Final Subdivision Map Fee is \$740.
- 5.20.4 Storm Drainage Connection Fee is \$150 per residence.
- 5.20.5 Encroachment Permit Fee is \$250.
- 5.20.6 Building Construction Street Impact Fee is 0.58 percent of the total construction project value.
- 5.20.7 School Impact Fee is \$2.14 per square foot of building.

6. PROJECT SPECIFIC CONDITIONS:

- 6.1 A pre-construction survey for nesting raptors shall be conducted by a qualified ornithologist, including the visual inspection of all trees immediately adjacent to the construction area. If construction is to be implemented in the early part of the breeding season (January through April) the survey shall be conducted no more than 14 days prior to the initiation of construction. If construction is to be implemented in the late part of the breeding season (May through August) the survey shall be conducted no more than 30 days prior to the initiation of construction. If an active nest is found close enough to the construction area to be disturbed by construction activities, the ornithologist, in consultation with California Department of Fish and Game, will determine the extent of a construction-free buffer zone around the active nest until young birds have fledged.
- 6.2 Prior to building permit issuance, the project plans shall include the following noise mitigation measures:
 - 6.2.1 STC 50 construction, such as a wall comprising 2-inch by 6-inch framing, an exterior plaster/sheathing system of minimum 4 pounds per square foot surface weight, ½ inch interior gypsum board, with batt insulation in the stud cavities;
 - 6.2.2 STC 27 windows at the first floor and STC 38 windows at the second floor of all residences within 170 feet of the rail line where windows face in the direction of the rail line, and STC 25 windows at the first floor and STC 28 windows at the second floor of all residences within 170 feet of the rail line where windows face directly away from the rail line;
 - 6.2.3 STC 28 windows at all other residential units on the site; and
 - 6.2.4 Architectural-grade solid-core wood or insulated metal doors.
- 6.3 Prior to building permit issuance, detailed ground vibration mitigation measures shall be engineered and included in the project plans in accordance with Federal Transportation Authority guidelines to reduce ground-borne vibration to 80 dBA, possibly including the stiffening of the residential structures nearest the rail line by using extensive shear wall implementation and/or deeper floor joists.
- 6.4 In the event any significant cultural materials are encountered during site excavation, all construction within a radius of 50 feet of the find shall be halted, the Director of Community Development shall be notified, and a qualified archaeologist shall examine the find and make appropriate

recommendations regarding the significance of the find and the appropriate mitigation. Recommendations could include collection, recordation, and analysis of any significant cultural materials.

- 6.5 In the event that human remains and/or cultural materials are found, all project related construction shall cease within a 50-foot radius of the find in order to proceed with the testing and mitigation measures required. Pursuant to Section 7050.5 of the Health and Safety Code and Section 5097.94 of the Public Resources Code of the State of California, in the event of the discovery of human remains during construction, there shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent remains. The San Mateo County Coroner shall be notified and shall make a determination as to whether the remains are Native American. If the Coroner determines that the remains are not subject to his or her authority, he or she shall notify the Native American Heritage Commission who shall attempt to identify descendants of the deceased Native American. If no satisfactory agreement can be reached as to the disposition of the remains pursuant to this State law, then the land owner shall re-inter the human remains and items associated with Native American burials on the property. A final report shall be submitted to the Director of Community Development, which shall contain a description of the mitigation program that was implemented and its results, including a description of the monitoring and testing program, a list of the resources found, a summary of the resources analysis methodology and conclusions, and a description of the disposition/curation of the resources.
- 6.6 Prior to issuance of the grading plan and storm drainage plan, the plans shall include the following off-site improvements to be implemented by the project sponsor subject to the approval of the Director of Public Works or his designee.
- 6.6.1 New sidewalk in accordance with City standards along the property frontage on Hamilton Avenue and Chilco Street. The sidewalk on Chilco Street shall extend from the existing sidewalk to the railroad tracks.
 - 6.6.2 New vertical curb and gutter per City standards along Chilco Street from the existing curb and gutter to the railroad tracks.
 - 6.6.3 Removal and replacement of all damaged, cracked, uplifted or depressed curb and gutter per City standards along the property frontage.
 - 6.6.4 New street trees at approximately 25 feet on center along the property frontage on Hamilton Avenue and Chilco Street. The City Arborist shall approve the species of the trees prior to the installation.
- 6.7 The abandonment of the public easement (Future Street Line Easement for Hamilton) shall be completed and recorded prior to approval of the Final Subdivision Map in accordance with the requirements of the Public Works Department.

- 6.8 The removal of all existing private easements across proposed lots(PG&E Easement, USGS Easement and Easement for Menlo Park Sanitary District) shall be completed to the satisfaction of the City Attorney and the Engineering Division prior to approval of the Final Subdivision Map.
- 6.9 The project sponsor shall provide a storm drainage easement satisfactory to the Public Works Department that goes across the property at 605 Hamilton Avenue (Mt. Olive AOH Church) prior to the Final Subdivision Map. The project Sponsor shall be responsible for all costs associated with the easement.
- 6.10 In lieu of payment of the deposit as required by Chapter 12.48 (Salvaging and Recycling of Construction and Demolition Debris), the project sponsor shall use an on-site grinder capable of grinding concrete into aggregate base, sheetrock into gypsum soil amendments and wood into mulch to recycle waste from the project up to a diversion rate of 85 percent.
- 6.11 All materials and colors shall be as depicted in the approved plans and colors and materials board. Prior to building permit issuance, the project plans shall show the offsetting of windows in adjacent residences to the extent feasible.
- 6.12 Prior to issuance of a building permit for Lot 20, the project sponsor shall review the lot access with the Transportation Division to determine if revisions are necessary to ensure adequate back-up space.

Recommended for Approval by the
Menlo Park Planning Commission on
September 26, 2005

Approved by the
Menlo Park City Council on
_____, 2005

Arlinda Heineck, Community
Development Director

Silvia M. Vonderlinden, City Clerk

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ATTACHMENT G

RESOLUTION NO. ____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
WAIVING THE CONSTRUCTION AND DEMOLITION DEBRIS RECYCLING DEPOSIT
FOR DEVELOPMENT OF A HOUSING AND PARK PROJECT
LOCATED AT 507-555 HAMILTON AVENUE**

WHEREAS, Chapter 12.48 of the City of Menlo Park Municipal Code requires the salvage and recycling of construction and demolition debris such that 60 percent of the total generated waste tonnage is diverted from landfills for specified projects; and

WHEREAS, Chapter 12.48 applies to residential construction projects of 1,000 square feet or greater; and

WHEREAS, Chapter 12.48 requires as a condition precedent to the issuance of any building or demolition permit, the project applicant to post a cash or check deposit in the amount of \$50.00 for each estimated ton of construction and demolition debris, but not less than one thousand dollars, with such deposit being returned in full upon documentation through the use of receipts, weight tags and other written evidence from recycling and disposal companies and landfills that the required diversion rates have been met; and

WHEREAS, Chapter 12.48 includes a provision that allows the City Council to modify the amount of the required deposit by formal resolution; and

WHEREAS, the housing and park project located at 507-555 Hamilton Avenue includes 47 new housing units with a total of 95,977 square feet and would, therefore be subject to the provisions of Chapter 12.48; and

WHEREAS, the project sponsors have proposed use of an on-site grinder capable of grinding concrete into aggregate base, sheetrock into gypsum soil amendments and wood into mulch to recycle the construction waste up to a diversion rate of 85 percent; and

WHEREAS, the project sponsors have requested a waiver of the deposit since the grinder will not allow for the accurate tracking of the diversion rate since any weight tags or other written documentation from a landfill will not accurately represent the amount of recycled materials; and

WHEREAS, the City's Building Official and Environmental Programs Manager have reviewed the use of the grinder and have determined that its use is consistent with the green building practices being used throughout the project and will meet the provisions of Chapter 12.48.

NOW THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the City Council of the City Menlo Park that the construction and demolition debris recycling deposit is waived for the housing and park project located at 507-555 Hamilton Avenue in consideration for use of the on-site grinder during the construction of the project.

I, Silvia M. Vonderlinden, City Clerk of the City of Menlo Park, do hereby certify that the above and foregoing Resolution was duly and regularly passed and adopted at a meeting by said Council on the ___th day of _____, 2005 by the following vote:

AYES: Council Members:
NOES: Council Members:
ABSENT: Council Members:
ABSTAIN: Council Members:

I further certify that the foregoing copy of said Resolution is a true and correct copy of the original on file in the office of the City Clerk, Civic Center, Menlo Park, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City, this _____ day of _____, 2005.

City Clerk

RESOLUTION NO. ____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
WAIVING THE 40-FOOT STREET WIDTH REQUIREMENT FOR DEVELOPMENT OF
A HOUSING AND PARK PROJECT
LOCATED AT 507-555 HAMILTON AVENUE**

WHEREAS, California Streets & Highways Code section 1805 provides in pertinent part that:

The width of all city streets, except state highways, bridges, alleys, and trails, shall be at least 40 feet, except that the governing body of any city may, by a resolution passed by a four-fifths vote of its membership, determine that the public convenience and necessity demand the acquisition, construction and maintenance of a street of less than 40 feet and, after such determination, proceed with the acquisition, construction or maintenance of any such street.

WHEREAS, for public convenience and necessity, the housing and park project located at 507-555 Hamilton Avenue requires a smaller width than the 40-foot width required under California Streets & Highways Code section 1805; and

WHEREAS, the City desires to reduce the 40-foot street width requirement for this project.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the City Council of the City Menlo Park that the City Council finds that the 25-foot right-of-way widths as shown on the Tentative Subdivision Map for the Clarum Homes project located at 507-555 Hamilton Avenue will result in a reduction of impervious surface area and an increase in the landscaped area throughout the project site and a reduction in driving speeds that will serve to enhance the safety of pedestrians, bicyclists and motorists.

BE IT AND IT IS HEREBY FURTHER RESOLVED by the City Council of the City of Menlo Park that the City Council approves the reduction of the 40-foot street width requirement under California Streets & Highways Code section 1805 to the 25-foot width for the public convenience and necessity as provided above.

I, Silvia M. Vonderlinden, City Clerk of the City of Menlo Park, do hereby certify that the above and foregoing Resolution was duly and regularly passed and adopted at a meeting by said Council on the ___th day of _____, 2005 by the following vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

I further certify that the foregoing copy of said Resolution is a true and correct copy of the original on file in the office of the City Clerk, Civic Center, Menlo Park, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City, this _____ day of _____, 2005.

City Clerk

All documents referenced in this EIR are available for public review in the office of the City of Menlo Park, Community Development Department, Planning Division, 701 Laurel Street, Menlo Park, California, on Mondays through Thursdays from 7:30 a.m. to 5:30 p.m., and Fridays from 8:00 a.m. to 5:00 p.m. (closed alternate Fridays). In accordance with the CEQA Guidelines, the FEIR will be made available to the public ten days prior to the EIR certification hearing.

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I. LIST OF AGENCIES, ORGANIZATIONS, AND INDIVIDUALS RECEIVING THE DRAFT EIR.

Federal and State Agencies

U.S. Fish and Wildlife Service
California Highway Patrol
California Integrated Waste Management Board
California Native American Heritage Commission
California Public Utilities Commission
California State Air Resources Board
California State Clearinghouse
California State Department of Conservation
California State Department of Fish and Game, Region 3
California State Department of Health Services
California State Department of Parks and Recreation
California State Department of Toxic Substances Control
California State Department of Transportation
California State Department of Transportation, District 10
California State Department of Transportation, District 4
California State Department of Transportation, Division of Aeronautics
California State Department of Transportation, Division of Transportation Planning
California State Department of Water Resources
California State Office of Historic Preservation
California State Resources Agency
California State Water Resources Control Board

Regional and Local Agencies

Association of Bay Area Governments
Bay Area Air Quality Management District
City of East Palo Alto
City of Redwood City
City/County Association of Governments of San Mateo County
County of San Mateo
County of San Mateo Department of Environmental Health
County of San Mateo Recorder
Menlo Park Elementary School District
Menlo Park Fire Protection District
Ravenswood School District
Regional Water Quality Control Board, Region 2
San Francisco Bay Conservation and Development Commission
West Bay Sanitary District

Individual and Local Organizations

Browning-Ferris Industries
California Water Company
Comcast Corporation
Menlo Park Chamber of Commerce
Mid-Peninsula Citizens for Fair Housing
Pacific Gas and Electric Company
SBC Communications, Inc.
Sequoia Union High School District
Stanford University, Jonsson Library of Government Documents
Union Pacific Railroad

II. LIST OF AGENCIES, ORGANIZATIONS, AND INDIVIDUALS COMMENTING ON THE DRAFT EIR

Presented below is a list of agencies, organizations, and individuals commenting on the Draft EIR. The table below also identifies the date of the letter received, and whether the comment submitted requires substantive responses in the First Amendment. Comments that raise questions regarding the adequacy of the EIR or analyses in the EIR require substantive responses. Comments that contain only opinions regarding the proposed project do not require substantive responses in the First Amendment. Complete copies of all the letters are included in *Section V.* of this First Amendment to the Draft EIR.

	Comment Received From	Date of Letter	Response Required
<i>State Agencies</i>			
A.	State of California, Governor's Office of Planning & Research, State Clearinghouse	August 15, 2005	No
B.	State of California Public Utilities Commission	August 5, 2005	Yes
C.	State of California Department of Transportation	August 11, 2005	Yes
<i>Regional and Local Agencies</i>			
D.	Peninsula Corridor Joint Powers Board (Caltrain)	July 14, 2005	Yes
E.	West Bay Sanitary District	August 9, 2005	Yes
F.	Peninsula Corridor Joint Powers Board (Caltrain)	August 15, 2005	Yes
G.	West Bay Sanitary District	September 7, 2005	No

III. RESPONSES TO COMMENTS RECEIVED ON THE DRAFT EIR

The following section includes all of the comments requiring responses contained in letters received during the advertised 45-day review period by the City of Menlo Park regarding this DEIR. The comments are organized under headings containing the source of the letter and its date. The specific comments have been excerpted from the letters and are presented as “Comment” with each response directly following. Each of these letters submitted to the City of Menlo Park is contained in its entirety in *Section V.* of this document.

The CEQA Guidelines, in §15086, require that a local lead agency consult with and request comments on the Draft EIR prepared for a project of this type from responsible agencies (government agencies that must approve or permit some aspect of the project), trustee agencies for resources affected by the project, adjacent cities and counties, and transportation planning agencies. *Section I.* of this First Amendment to the DEIR lists all of the recipients of the DEIR.

The first two comment letters (Letters B and C) are from state public agencies. The CEQA Guidelines require that:

A responsible agency or other public agency shall only make substantive comments regarding those activities involved in the project that are within an area of expertise of the agency or which are required to be carried out or approved by the responsible agency. Those comments shall be supported by specific documentation. [§15086(c)].

The DEIR has identified the City of Menlo Park as an agency known at this time to have permitting authority regarding the proposed project.

Regarding mitigation measures identified by commenting public agencies, the CEQA Guidelines state:

Prior to the close of the public review period, a responsible agency or trustee agency which has identified what the agency considers to be significant environmental effects shall advise the lead agency of those effects. As to those effects relevant to its decision, if any, on the project, the responsible or trustee agency shall either submit to the lead agency complete and detailed performance objectives for mitigation measures addressing those effects or refer the lead agency to appropriate, readily available guidelines or reference documents concerning mitigation measures. If the responsible or trustee agency is not aware of mitigation measures that address identified effects, the responsible or trustee agency shall so state [§15086(d)].

None of the comment letters from public agencies include complete and detailed performance objectives for mitigation measures or any reference to readily available guidelines or reference documents concerning mitigation measures.

FEDERAL AND STATE AGENCIES

A. RESPONSES TO COMMENTS FROM THE CALIFORNIA STATE PUBLIC UTILITIES COMMISSION, DATED AUGUST 15, 2005.

Comment A1: As the state agency responsible for rail safety within California, we recommend that any development projects planned adjacent to or near the rail corridor in the County be planned with the safety of the rail corridor in mind. New developments may increase traffic volumes not only on streets and at intersections, but also at at-grade highway-rail crossings. This includes considering pedestrian circulation patterns/destinations with respect to Caltrain right-of-way.

Response A1: The proposed project is the construction of 47 single-family residential units and a one acre park adjacent to the planned future Dumbarton Rail Corridor project right-of-way (currently Union Pacific Railroad tracks). The proposed project was designed in anticipation of this future use as described in the DEIR (page 12 and *Section V.J., Noise*). The project includes a 10-foot tall solid soundwall with 40-foot returns at each end, as shown on Figure 4 of the DEIR (page 12). The soundwall would not only reduce noise on the project site from the future rail project, but would also avoid safety impacts by eliminating access to the rail corridor from the project site.

As stated in Section III. F of the DEIR, the proposed project would result in additional vehicular trips on the surrounding roadway network, including trips that would cross the future Dumbarton rail corridor. Since the Dumbarton rail corridor is not expected to be operational before a detailed design phase which is still in the early stages and which is informed of this project~~approximately 2030~~, it is assumed that traffic volumes and pedestrian circulation patterns in the project area (and all along the corridor) will be taken into account during its design phase. It is assumed that a traffic analysis will be prepared for the future rail project for both design and environmental review purposes. Rail crossing locations and design should be determined based upon the existing condition at that time.

Comment A2: Safety factors to consider include, but are not limited to, the planning for grade separations for major thoroughfares, improvements to existing at-grade highway-rail crossings due to increase in traffic volumes and appropriate fencing to limit the access of trespassers onto the railroad right-of-way.

Response A2: The proposed project does not include the planning or construction of any at-grade or grade separated roadway crossings of the future Dumbarton Rail Corridor. It is assumed that the design and construction of crossings will be done as part of the rail project and would take into consideration all safety factors. The construction of the proposed project would not preclude the construction of any at-grade or grade separated crossings of the rail corridor. As previously mentioned, pedestrian access from the project site to the railroad right-of-way would not be allowed due to the construction of a 10-foot tall soundwall along the northern boundary of the site with 40-foot returns.

Comment A3: The above-mentioned safety improvements should be considered when approval is sought for the new development. Working with Commission staff early in the conceptual design phase will help improve the safety to motorists and pedestrians in the County.

Response A3: As previously described, the proposed project would not allow pedestrian access

directly from the site to the adjacent railroad right-of-way. It is assumed that future rail crossings would be designed taking into account surrounding land uses and vehicle/pedestrian/bicycle circulation patterns. While the proposed project has been designed with the future rail corridor in mind, the City of Menlo Park will take into consideration the safety improvements suggested by the PUC during final approval of the proposed project.

B. RESPONSES TO COMMENTS FROM THE CALIFORNIA STATE DEPARTMENT OF TRANSPORTATION, DATED AUGUST 11, 2005.

Comment B1: Thank you for including the California Department of Transportation (Department) in the environmental review process for the above-referenced project. We have reviewed the draft Environmental Impact Report for the Hamilton Park/Clarum Homes Residential and Park Project. The Department is satisfied with this document and the information provided within. However, the document shows only the results of the intersection analysis. Please provide us with the actual intersection analysis for our review.

Response B1: The actual intersection analysis was contained in Appendix A of traffic report, which was on file at the City of Menlo Park's Community Development Department during the circulation period of the Draft EIR (June 30, 2005 through August 15, 2005). A copy of Appendix A was sent to Caltrans during the week of August 8, 2005.

REGIONAL AND LOCAL AGENCIES

C. RESPONSES TO COMMENTS FROM THE PENINSULA CORRIDOR JOINT POWERS BOARD (CALTRAIN), DATED JULY 14, 2005.

Comment C1: Thank you for the opportunity to comment on the Draft Environmental Impact Report (EIR) for the Hamilton Park/Clarum Homes Residential and Park- Project (507-555 Hamilton Avenue). As we noted in our response to the Notice of Preparation for the Draft Environmental Impact Report for this project, this site is of special concern to the San Mateo County Transit Authority because it is adjacent to the future location of the Willow Station on the planned Dumbarton Rail line, which will connect Menlo Park to BART, the Capital Corridor, and Altamont Commuter Express rail services in the East Bay.

Upon review of the Draft Environmental Impact Report, we continue to be concerned with the residential density of the proposed project. The Metropolitan Transportation Commission's (MTC) Resolution 3434 requires a connection between transit investments and land use policies that promote transit. As noted in our previous response to the Notice of Preparation for this project, the development of nine units per acre, single family, detached homes within station areas is generally not considered to be supportive of rail transit investments; in particular this project neither encourages transit ridership nor walkability around proposed station areas.

Response C1: The proposed project site is not located adjacent to the future location of the proposed Willow Station. As shown on Figure 15, which is taken from the *Summary of the Dumbarton Rail Corridor Project Study Report* (San Mateo County Transportation Agency, May 2004), the proposed Willow Station would be located approximately one-quarter of a mile to the southeast of the site near Willow Street.

The density of the proposed 47 unit residential project is higher than the surrounding

existing neighborhood and other locations along the future rail corridor. The City of Menlo Park must take land use compatibility into account when considering whether to approve new residential development. Developing at a higher density would not be consistent with the scale and character of the surrounding neighborhood, which is an objective of the proposed project (page 13 of the DEIR). In general, the City has supported the El Camino Real area of the city, which is adjacent to the existing Caltrain line, as a more suitable location for higher density, transit-oriented development based on its proximity to an existing Caltrain station, bus transit opportunities, and downtown commercial uses. The El Camino Real area also has more existing and planned medium to high density residential developments when compared to the existing neighborhood adjacent to the proposed project site.

It should be noted that the site was previously developed primarily with low-density industrial uses that have since been demolished to make way for the currently proposed residential and park project. The construction of residential uses at any density would encourage the use of transit when compared to the previous uses of the site. Depending upon the ultimate location of future rail stations, residents of the site would likely be within walking distance of a rail station. Sidewalks are located throughout the project area to facilitate access to a future rail station.

Comment C2: We support your efforts to encourage a jobs-housing balance within the Menlo Park community and find this goal consistent with MTC's Resolution 3434, however, providing each of the 47 units with a two-car garage encourages auto trips and counters regional goals of land use policies that are transit-supportive.

Response C2: Two-car garages are required for single-family residential uses within the City of Menlo Park (and other cities along the proposed future rail corridor) to minimize on-street parking. In the City of Menlo Park, overnight on-street parking is prohibited in residential zoning districts.

Comment C3: In addition, the predicted **significant unavoidable impact** of traffic (currently at Level of Service E) at the intersections of Willow Road and Newbridge Street, could impact grade crossings and train speeds along the future Dumbarton Rail Corridor at Willow Road and Chilco Street.

Response C3: The project's significant impact at the Willow Road/Newbridge Street intersection is due to the fact that the intersection is already operating at an unacceptable LOS E. Despite this conclusion, which is based on CEQA thresholds of significance, the City notes that the project would add only seven trips to this intersection during the AM peak hour. These additional trips would not impact future rail operations, especially since trains have priority at all at-grade intersections irrespective of traffic volumes.

Comment C4: As you noted in your Draft EIR, there would be **significant unavoidable impacts** of noise and vibration from the future Dumbarton Rail Corridor project, because you propose 20 units to directly abut the Dumbarton Rail Corridor right of way on the northern boundary of the site. Even with proposed mitigation of a sound wall, this would greatly impact 43% of your proposed project.

Response C4: As described in the DEIR (page 89), the project does not include balconies and only seven of the 20 homes would have backyard areas adjacent to the soundwall. With mitigation measures included in the project (pages 92, 93, and 94 of the DEIR), the impact from vibration and rail-generated noise impacts would be reduced to a less

than significant level, even at the 20 houses adjacent to the rail line.

Impacts due to single-event noise would occur at existing and future residential developments along the entire future rail corridor and would be similar to those along the existing Caltrain line which runs along much of the Peninsula. According to the Project Study Report (PSR) for the Dumbarton Rail Corridor Project, twelve rail events per day would occur at the site. The DEIR for the proposed project correctly describes that the proposed project would result in significant and unavoidable impacts due to single-event train noise, for which no feasible mitigation measures are available.

Comment C5: Moreover, we noted in your site plan included in the Draft EIR that exactly 20 units would be designated as below market rate (BMR) for qualified residents whose income falls a certain percentage below the median income for this geographic area. We hope that you will scatter site the BMR units around the proposed project area, as you briefly mention in your Draft EIR, and not simply designate the 20 units most susceptible to **significant unavoidable impacts** of noise and vibration as BMR (i.e., those you propose to abut the future Dumbarton Rail Corridor). This has implications for environmental justice communities, and as you may be aware, Executive Order 12898 mandates that as a transportation agency receiving federal funds, we must "*identify and address disproportionately high and adverse human health or environmental effects of policies, programs and activities on minority populations and low-income populations*" (United States Department of Transportation, National Environmental Policy Act of 1969 (NEPA), Title VI of the Civil Rights Act of 1964 (Title VI)).

Response C5: As stated on page 10 of the DEIR, the below market rate units would be distributed throughout the site and unit types and not located only along the northern boundary of the site adjacent to the future rail corridor.

Comment C6: We encourage you to explore your stated alternatives in your Draft EIR in greater depth, such as a proposed project re-design that can mitigate significant unavoidable impacts, provide densities that can meet your stated goals of providing affordable housing and parks/open space, yet encourage transit and pedestrian-friendly amenities in walkable neighborhoods to take advantage of proposed Dumbarton Rail Corridor station sites. This can also allow you to capitalize on MTC funding sources for smart growth and transit-oriented developments such as Housing Incentive Program and Transportation for Livable Communities funds.

Response C6: The comment is noted. The alternatives described in the EIR that would reduce significant environmental impacts (traffic and noise) include those that would reduce the density of the project, which, as stated in this letter, would not be considered by Caltrain to be as supportive of rail transit investments.

D. RESPONSES TO COMMENTS FROM THE WEST BAY SANITARY DISTRICT, DATED AUGUST 9, 2005.

Comment D1: The District owns and maintains a sanitary sewer force main, currently within a sanitary sewer easement, along the proposed Center Street and adjacent lands. The force main continues, within a sanitary sewer easement, through the proposed Lot 20 and 39 to Chilco Avenue and the District's Pump Station located at the end of Henderson Avenue. During our review of the proposed Tentative Map, these easements were not shown. The tentative map did show a storm easement in Lot 20 and granting land to adjacent owners on Lot 39. The District did not relinquish

any rights of the current easement and request that the existing easement to be shown on the Tentative Map.

Response D1: The City of Menlo Park received a subsequent letter from West Bay Sanitary District on September 7, 2005. This letter states that upon the District's review of a revised tentative map and utility plan for the proposed project, the District does not have any comments or concerns regarding the tentative map.

Comment D2: The Developer must extend the existing sanitary sewer system to serve the proposed project. The Developer must submit plans and specification to the District for approval for the proposed sanitary sewer improvements. The District will require a Class 3 permit to be obtained from the District prior to installation. The Class 3 permit is issued and accepted by the District Board. The Class 3 permit has an application fee of \$200 and a deposit of \$2,000 for plan checking and inspections.

- New laterals shall meet the requirements of the District standard details No. 6, 7, 8 and 13.
- Each residential unit will be required to have a separate 4" sewer lateral from the building to the sewer main.
- Conforming property line cleanouts within 5' of the property line will be required. Each line must maintain a minimum 2% slope from the property line cleanout to the main.
- No pool drains, roof gutters, surface drainage, and groundwater sump pumps are allowed to connect to the sanitary sewer.
- The developer/contractor must comply with all current District's Regulations and Standards.
- The developer must submit a final recorded map to the District with associated assessor parcel numbers.

Note that the developer/contractor must obtain a Class 3 permit (\$200.00 application fee plus \$2,000 deposit fee) and 47 Class 1A permits (\$100.00 each per application fee and associated connection fees).

Please note that there are annual sewer service charges (currently \$290 per year per residence). The Sewer Permits are to be applied for at the District's office.

Response D1: The developer/contractor of the proposed project will comply with all of the District's requirements regarding extension of the sanitary sewer system and connection of the proposed residential units. All required permits will be obtained and all required fees will be paid.

E. RESPONSES TO COMMENTS FROM THE PENINSULA CORRIDOR JOINT POWERS BOARD (CALTRAIN), DATED AUGUST 15, 2005.

Comment E1: The following letter is an addendum to the comment letter sent to you dated July 14, 2005, regarding the Draft Environmental Impact Report (EIR) for the Hamilton Park/Clarum Homes Residential and Park Project (507-555 Hamilton Ave). As noted in the response to the Draft Environmental Impact Report, this site is of special concern to the Peninsula Corridor Joint Powers Board (JPB) because it is adjacent to the future CalTrain Dumbarton line, which will connect Menlo Park to BART, the Capitol Corridor, and Altamont Commuter Express rail services in the East Bay.

I wish to advise you that on July 26, 2005 the Dumbarton Rail Policy Committee met to discuss

future developments along the future rail corridor. During this meeting, the committee put forth an action item directing the San Mateo County Transportation Authority to study the potential for grade separations along the corridor and highlight any potential conflicts between local roads and the Dumbarton Rail right of way.

While no commitments have yet been made to construct grade separations along the corridor, the Willow Road grade crossing will be an area carefully studied for grade separation because of the current high volume of traffic flow and congestion at this locale. Moreover, you noted in your Draft EIR that the Clarum Homes project would create a significant unavoidable impact of traffic (currently at Level of Service E) at the intersections of Willow Road and Newbridge Street.

Regardless of the results of this initial grade separation study, we anticipate future grade separations along the Dumbarton Rail corridor by the year 2030. Given the likelihood that grade separations may entail raising the tracks above grade, we express further concern that the proximity of homes proposed for the Hamilton Park/Clarum Homes development would affect future operations of the Dumbarton Rail Corridor.

Response E1: The comment notes that no commitments have yet been made to construct grade separations along the future Dumbarton Rail Corridor. As previously described in Response C3, the significant unavoidable impact at the intersection of Willow Road and Newbridge Street would not impact possible grade crossings or train speeds along the future rail corridor.

Comment E2: Additionally, you noted in your Draft EIR, there would be significant unavoidable impacts of noise and vibration from the future Dumbarton Rail Corridor project, especially for units directly abutting the Dumbarton Rail right of way. Even with proposed mitigation of a sound wall, a grade separation that raises the track may negate potential mitigation of a sound wall for homes in such close proximity to the right of way.

Response E2: Please refer to Response C4. Caltrain will be required to consider surrounding land uses when it studies what type of rail crossings to design and construct at each proposed crossing location. It is assumed that the location of the proposed Hamilton Park project will be taken into account when the type of crossing for the Chilco Street location is considered. As previously stated, the proposed Hamilton Park residential project would not preclude the construction of a rail crossing at Chilco Street.

Comment E3: Again, we respect your efforts to provide affordable housing in your community, however, the issue at hand is the proximity of the homes to the Dumbarton Rail right of way, as well as the potential impact to future development because of associated improvements along the right of way.

The JPB wishes to identify any potential areas of concern, for our mutual benefit. By working in partnership, we can identify these conflicts early in order to develop viable solutions for the benefit of all parties concerned.

Response E3: The comment is noted.

IV. REVISIONS TO THE TEXT OF THE DRAFT EIR

The following section contains revisions to the *Draft Environmental Impact Report, Hamilton Park/Clarum Homes Residential and Park Project*, dated June 2005. Underlining depicts text added, while strikeouts depict text deleted.

Page xiii **SUMMARY OF SIGNIFICANT IMPACTS, Mitigation and Avoidance Measures, Noise Impacts**

REVISE the second column as follows:

~~Although feasible mitigation measures are not available to reduce exterior noise impacts to a less than significant level, t~~ While exterior noise levels are above City standards, they do not exceed levels determined to be unacceptable for residential development (75 dBA). The following mitigation measures will reduce interior noise exposure and will be included in the project:

Page xiv **SUMMARY OF SIGNIFICANT IMPACTS, Mitigation and Avoidance Measures, Noise Impacts, continued**

REVISE the second column as follows:

~~**Exterior: Significant Unavoidable Impact**~~

~~**Interior: Less Than Significant with Mitigation**~~

~~While there are no feasible mitigation measures to reduce these noise impacts to a less than significant level, future development on the project site will be required to conform to the General Plan policies listed in *Section III. H. 3., Noise* of this EIR.~~

There are no feasible mitigation measures to reduce single-event noise generated by the train horns to a less than significant level.

DELETE the first paragraph, first column as follows:

~~Exterior noise generated by the future Dumbarton Rail Corridor Project would result in significant adverse impacts to future residents of the project site.~~

Appendix G (Last Page) **SOIL REMEDIATION COMPLETION REPORT, Letter from Dean D. Peterson, San Mateo County Health Department, “Case closure for hazardous materials removed at 1470 Chilco Street, Menlo Park, California.” Page 4.**

Maximum Documented Contaminant Concentrations – Before and After Cleanup

<i>Contaminant</i>	SOIL (ppm)		GROUNDWATER (PPb)	
	<i>Before</i>	<i>After</i>	<i>Before</i>	<i>After</i>
PAHs	3.1468	16.389*	NA	NA
Benzo(a)pyrene	0.321	3.75*	NA	NA
TEPH	3,190	NA	ND	NA

*The increase in PAHs and specifically benzo(a)pyrene was attributed to a sidewall confirmation sample along the property boundary. This indicates PAHs likely exist on and may even originate from the adjacent property. The Site Investigation Report/Remedial Action Plan prepared in March 2003 included testing the site for Polycyclic Aromatic Hydrocarbons (PAHs), which include benzo(a)pyrene. Elevated benzo(a)pyrene levels were found in the northwest corner of the property near the railway line. Repeated tests in May 2003 confirmed the elevated surface levels of PAHs. The area was excavated during the remediation of the property in the spring of 2004, to as deep as three feet and to within six inches of the northern property line, as confirmed by survey. The sidewall of the excavation pit near the railroad was sampled and found to have elevated levels of benzo(a)pyrene, and several other PAHs. Remediation was not extended onto the UPRR parcel. Statistical analysis and further testing confirmed that it was not likely that benzo(a)pyrene was above remediation goals within the property, and the area will be filled with clean soil for floodplain mitigation when developed for residential use.

V. COPIES OF COMMENT LETTERS

The original comment letters received on the *Draft Environmental Impact Report, Hamilton Park/Clarum Homes Residential and Park Project*, dated June 2005, are provided on the following pages.

V:\staffrpt\cc\2005\102505 Clarum – Attachment Q – Redlined FEIR



September 20, 2005

Ms. Jodi Starbird
David J. Powers and Associates.
1885 The Alameda, Suite 204
San Jose, CA 96126

Subject: Response to Caltrans Comments on Hamilton Park/Clarum Homes Project

Dear Ms. Starbird:

Hexagon Transportation Consultants has read the Caltrans letter dated September 14, 2005 with comments on the Hamilton Park/Clarum Homes Traffic Report. We offer the following responses, which may be included in the City's staff report.

Comment: "In Appendix H, Tables 6 and 7 LOS, (Near-Term No Project Conditions, with all the proposed developments combined), explain why the traffic volumes do not show significant changes when compared to the Existing Condition..."

Response: The Near-Term No-Project Scenario includes traffic generated by approved and planned developments listed in Table 5. The distribution of traffic generated by these future developments was obtained from the City of Menlo Parks Circulation System Assessment (CSA) document. Most of the pending projects listed in Table 5 are outside the immediate project vicinity and thus would generate little traffic at the Hamilton Park study intersections. In fact, according to the CSA, only those developments east of US 101 would generate traffic at local study intersections within the Belle Haven neighborhood. In addition, the Near-Term No-Project traffic volumes at the study intersections on Willow Road also include trips generated by pending projects that enter/exit the City via SR 84 East.

Comment: "In Appendix H, Table 4, the Newbridge Street/Willow Road intersection operates at LOS E... We believe this intersection operates at LOS F."

Response: The existing traffic volumes and level of service reported in the Hamilton Park/Clarum Homes Traffic Report were obtained from the City's CSA document. The calculated level of service accurately reflects intersection operations at the date of the traffic count (4/23/2002).

Comment: "The TIA report should address project impacts, if any, on State Route 84 (Bayfront Expressway) and Route 101."

Response: The TIA report includes an evaluation of potential project impacts on Willow Road (State Route 84) including the intersection of Willow Road and Bayfront Expressway. As reported in the TIA, the proposed project is expected to generate only 1 vehicle trip at this intersection during both the AM and PM peak hours. The project trip assignment is consistent with the CSA document, which states that only 2% of the traffic generated by residential projects east of US 101 is to/from SR 84 East. Based on the City's significance criteria, the project's impact at this intersection is considered to be less than significant.



Ms. Jodi Starbird
September 20, 2005
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According to the CSA, the Hamilton Park/Clarum Homes project can be expected to draw 26% of its trips from US 101 North and 7% of its trips from US 101 South. This equates to fewer than 10 peak-hour trips on any particular directional freeway segment. Because project trips represent less than 1% of the freeway segments capacity, the project's impact on US 101 is considered to be less than significant.



PLANNING COMMISSION STAFF REPORT

FOR THE PLANNING COMMISSION
MEETING OF SEPTEMBER 26, 2005
AGENDA ITEM C1

LOCATION:	507-555 Hamilton Avenue	APPLICANT:	Clarum Corporation
		PROPERTY OWNER:	Menlo Park Community Development Agency
EXISTING USE:	Primarily Vacant (two residences under construction)	APPLICATION:	General Plan Amendment, Rezoning, Conditional Development Permit, Tentative Subdivision Map, and Environmental Review
PROPOSED USE:	Single-Family Residential and Public Park		
EXISTING GENERAL PLAN DESIGNATION:	Medium Density Residential	PROPOSED GENERAL PLAN DESIGNATION	Medium Density Residential and Parks and Recreation
EXISTING ZONING:	R-3 (Apartment District)	PROPOSED ZONING:	R-3-X (Apartment District – Conditional Development) and OSC (Open Space and Conservation)

PROPOSAL

The applicant is proposing to develop 47 single-family residential units and an approximately one-acre neighborhood park on 6.2 acres of primarily vacant land located on the northerly side of Hamilton Avenue between Henderson Avenue and Chilco Street. The proposal requires the approval of the following requests:

- General Plan Amendment to change the land use designation of an approximately one-acre portion of the property from Medium Density Residential to Parks and Recreation for the development of the neighborhood park;
- Rezoning from R-3 (Apartment District) to R-3-X (Apartment District – Conditional Development) and OSC (Open Space and Conservation);

- Conditional Development Permit to establish specific development regulations and review architectural designs for the construction of the 47 residences;
- Major Subdivision to subdivide the property for single-family residential and park use;
- Disposition and Development Agreement (DDA) for the acquisition and development of the property by Clarum Homes;
- Acceptance of alternative street right-of-way widths; and
- Environmental Impact Report (EIR) for the proposal.

The proposal requires review and recommendations by the Planning Commission on the General Plan Amendment, Rezoning, Conditional Development Permit, Major Subdivision, and EIR. The Council/Community Development Agency Board (Agency Board) is the final-decision-making body on these applications, as well as the decision-making body on the DDA and use of alternative street right-of-way widths. The City Council/Agency Board will also consider the recommendations of the Las Pulgas Committee on the overall project, the Housing Commission with regard to the Below Market Rate Housing proposal and the Parks and Recreation Commission regarding the conceptual park design.

BACKGROUND

Initiation of Project

On January 18, 2000, the Agency Board approved a work plan for the development of housing and a neighborhood park on the 6.2-acre property located at 507-555 Hamilton Avenue. The work plan directed staff to acquire the necessary land, identify the specific needs for a park, and to select a developer to implement the proposal. The Council's discussion included consideration of several development scenarios with various park sizes and number of housing units. At the conclusion of the meeting, the Council expressed a preference for a park of approximately 2.5 acres with the remaining land in housing, streets and infrastructure. The Council further directed staff to work with the neighborhood in refining the mix of uses and design of the project.

Selection of Developer

In early 2003, and subsequent to Agency acquisition of the property, a Request for Proposals (RFP) was distributed to qualified developers. Three finalists were chosen by staff for consideration by a Council-appointed selection committee comprised of representatives of the neighborhood, Belle Haven Homeowner's Association, Las Pulgas Committee, Housing Commission, Transportation Commission, Parks and Recreation Commission, Planning Commission and Council. In April 2003, the Council supported the recommendation of the Committee and ratified Clarum Corporation (Clarum) as the project developer.

The Agency entered into an Exclusive Negotiating Rights Agreement (ENRA) with Clarum in August 2003. The ENRA establishes a framework for the Agency and

Clarum to negotiate, over a stipulated period of time, the terms of a Disposition and Development Agreement (DDA) for the acquisition and development of the property by Clarum. In April 2004, the Agency Board extended the ENRA through July 1, 2005, with an option for an additional six-month extension in order for a DDA and project review to be completed. The current expiration date of the ENRA is January 1, 2006.

Development of Project Plans

Clarum's initial proposal to the selection committee included a design with a 2.2-acre park and 40 residential units with 24 detached units and 16 attached units. The committee selected Clarum for its overall quality and responsiveness to the RFP, but was not unanimous in its position on the park size, number of units or unit design. There was a strong sense that the park should be limited to one acre in size, that there should be an increase in the number of units and that the units should be detached structures.

Following selection as the developer, Clarum held two neighborhood meetings, met with the Las Pulgas Committee, Housing Commission and Park and Recreation Commission, and attended a Council study meeting in order to refine the project proposal. Following these meetings, Clarum submitted a formal application in December 2003 for the development of 47 single-family residential units, including 20 Below Market Rate units, and an approximately one-acre neighborhood park.

Planning Commission Review

The proposal appeared before the Planning Commission at a study session on April 26, 2004. At this meeting, the Commission reviewed two design options. Both options included an approximately one-acre park as the centerpiece of the design and 47 residential units surrounding the park. The primary difference between the options was the relationship of the residential units to the park with one option having the rear yards of units directly adjacent to the park and a second option having the park bordered by streets with the residential units fronting on the streets and facing the park. The Commission expressed a unanimous preference for the option with the streets bordering the park. Additionally, the Commission provided comments related to guest parking, lighting and landscaping, storm drainage, privacy between units, variety in the sizes of the units, fostering a sense of community within the project and park design. Subsequent to the meeting, the applicant refined the project plans, incorporating changes to address the Commission's comments.

On August 8, 2005, the Planning Commission held a public hearing to provide the public and the Commission an opportunity to comment on the nature of the project and the Draft EIR prepared for the project. Subsequent to the public hearing and discussion, the consensus of the Commission was that project is appropriate for the location and is well designed with a good mix of architectural styles. The Commission commented that the information and analysis contained in the Draft EIR is adequate for the purposes of evaluating the proposed project. The Commission requested that the applicant provide

a detailed area plan and consider elements such as off-setting of windows between units, flexibility for minor changes in the properties in the future, and the accommodation of additional on-street parking. Excerpts of the Planning Commission minutes are provided as Attachment N.

The applicant has submitted a letter (Attachment K) addressing the provision of on-street parking and the offsetting of windows in adjacent units. Staff would also note that the project plans include notes regarding the need to offset windows to the extent feasible. The applicant will also have available at the meeting a large-scale area plan and has submitted a diagram detailing the eastern end of the property (Attachment J).

The CDP (Attachment G) includes terms that allow for minor changes in the exterior of the units, landscaping and fencing that are consistent with the CDP through an administrative review process. Major modifications to the exterior of the units, landscaping and fencing may be considered through an architectural control application to the Planning Commission. Modifications involving room additions or other expansions, construction of accessory structures or a change in land use, development standards or conditions would require an amendment of the CDP.

Sunset Magazine Idea Home Program

On May 24, 2005, the Council/Agency Board approved an indemnification agreement allowing for the construction of two of the proposed project's residences as part of the Sunset Magazine Idea Home Program. The two homes are located on an existing single lot within the overall development site (future lots 43 and 44). The residences are being constructed in accordance with all required zoning and building codes for the existing R-3 zoning of the property.

The residences will serve to demonstrate the latest advances in green building design and construction, as well as promote the benefits of sustainable building practices. The green-built residences are to be featured in Sunset Magazine in October and December 2005, requiring staging and photography of the houses in September 2005. The houses will be open to the public for viewing October 7, 2005 through January 22, 2006.

The indemnification agreement was required since the residences will be constructed and open for public viewing prior to the acquisition of the property from the Agency by Clarum. The agreement serves to protect the Agency's interests and grants Clarum the right of entry to build the residences and provides that by approving the agreement, the City is not committing to approve the development plans submitted by Clarum.

The residences are nearing completion and provide a tangible example of the proposed residences.

Dumbarton Rail Corridor Project

The Dumbarton Rail Corridor Project (DRC) is proposed to extend commuter rail service across the Bay between the Peninsula and the East Bay by rehabilitating and reconstructing rail facilities on the existing railroad alignments and right-of-ways. As a part of the project, a new rail station is planned in the general area of Willow Road. The DRC project is currently undergoing further study and preparation of environmental review.

Due to the proximity of the project site to the existing rail line and proposed station, the reestablishment of rail service will have impacts on the proposed project. The Draft EIR addresses the potential impacts.

ANALYSIS

The purpose of the September 26, 2005 public hearing on this proposal is to give the public and the Planning Commission an opportunity to comment on the project and the Final EIR that has been prepared for the project. Subsequent to the public hearing, the Commission should formulate and forward to the City Council its final recommendation on the project and Final EIR. The Council is tentatively scheduled to hold a public hearing on the project on October 25, 2005.

For purposes of discussion in this staff report, directional references are based on Hamilton Avenue running east/west. Therefore, the front of the property facing Hamilton Avenue is the southerly side of the property, the rear along the Peninsula Corridor Joint Powers Board (PCJPB) (formerly Union Pacific) Railroad right-of-way is the northerly side, the left side of the property is the westerly side, and the right side is the easterly side. The subject property is surrounded by residential and institutional uses to the south across Hamilton Avenue, the east and the west. The railroad right-of-way and industrial uses are to the north.

Existing Site

The project site was previously developed with a church and a variety of industrial and commercial uses including a cabinet-maker, heating and ventilation company, roofing company, plumbing and painting companies, and storage of construction equipment and materials. Based on the Agency Board direction in 2000, the Agency completed acquisition of the property and removal of the existing structures in 2003 to allow for soil remediation for hazardous contamination to a level suitable for residential and park development. The site is devoid of vegetation and has been maintained by the Agency as a vacant property since 2003. Remediation of the soil contamination was completed in June 2004. As referenced in the Draft EIR (pages 51–60 and Appendix G), closure letters have been issued by San Mateo County Environmental Health Department.

Proposed Project

The proposed project is the development of a 0.92-acre neighborhood park and 47 detached single-family residential units on small lots (Attachment B). The project is

designed with the park as a central focus, fronting on Hamilton Avenue. The residential units surround the park on the remaining three sides, with access provided by four streets perpendicular to and accessing Hamilton Avenue. The four streets connect with a fifth street that runs parallel to Hamilton Avenue toward the north side of the site. The residential units back up to an existing church and single-family residences to the west, the existing PCJPB railroad right-of-way to the north and an existing church to the east.

The project includes a Disposition and Development Agreement (DDA) for the acquisition and development of the property. The DDA identifies the terms, conditions and standards under which the project will be developed and the residential property sold to Clarum. Although the City Council has the review and approval authority for the DDA, the Planning Commission is required to make a finding that the sale and disposition of the land is consistent with the General Plan.

Staff believes that the park and housing project is consistent with the land use designations and goals and policies of the General Plan and that it is appropriate to make the required finding. The housing and park project addresses a high priority need for new entry-level ownership housing and a passive use neighborhood park identified in the Belle Haven Community Needs Assessment. The residential component of the project is consistent with the existing Medium Density Residential land use designation for the property and serves to execute a Housing Element implementation strategy for the conversion of the site from industrial use to residential use. It is also consistent with the following goals and policies.

- **Land Use I-A:** To maintain and improve the character and stability of Menlo Park's existing residential neighborhoods while providing for the development of a variety of housing types. The preservation of open space shall be encouraged.
- **Land Use I-A-1:** New construction in existing neighborhoods shall be designed to emphasize the preservation and improvement of the stability and character of the individual neighborhood.
- **Land Use I-A-2:** New residential developments shall be designed to be compatible with Menlo Park's residential character.
- **Land Use I-A-3:** Quality design and usable open space shall be encouraged in the design of all new residential developments.
- **Housing III-A:** To promote the development of a balanced range of housing types and densities for all economic segments and all geographic areas of the community.
- **Housing III-A-4:** The City will promote the development of housing on appropriate City-owned land.

The proposed Parks and Recreation land use designation for the park would be a compatible designation to the residential use and is consistent with the following policies of the General Plan.

- **Land Use I-G-1:** The city shall develop and maintain a parks and recreation system that provides areas and facilities conveniently located and properly designed to serve the recreation needs of all Menlo Park residents.

- **Land Use I-G-2:** The community should contain an ample supply of specialized open space in form of squares, greens and parks whose frequent use is encouraged through placement and design.
- **Land Use I-G-4:** Dedication of land, or payment of fees in lieu thereof, for park and recreation purposes shall be required of all new residential development.
- **Land Use I-G-6:** The City shall encourage the retention of open space on large tracts of land through consideration of various alternatives to future development including rezoning consistent with existing uses, cluster development, acquisition of a permanent open space easement, and/or transfer of development rights.

In order to implement the proposed project, the applicants have prepared a Tentative Subdivision Map allowing for the subdivision of the property into the park area, 47 residential lots and public streets. The Engineering Division and affected agencies and utilities have reviewed the map and have determined that it is technically correct and in compliance with the State Subdivision Map Act and the City's Subdivision Ordinance.

The Las Pulgas Committee has participated in the development of the project and completed its final review of the project at its September 21, 2005 meeting. The Committee is unanimously recommending approval of the project. Excerpts of the Committee's meeting are provided as Attachment P.

Neighborhood Park

The project site is currently designated as Medium Density Residential in the General Plan and is zoned R-3 (Apartment District). In order to accommodate the proposed neighborhood park, the General Plan land use designation would need to be changed to Parks and Recreation for the 0.92-acre portion of the site on which the park would be located. The Parks and Recreation designation allows for public and private golf courses, passive and active recreation uses, educational facilities and similar and compatible uses. The proposed park also requires a change in the zoning of the park site from R-3 to OSC (Open Space and Conservation). The OSC designation allows for public and private recreation facilities, public buildings, salt evaporation ponds, agricultural uses, botanical conservatories and similar facilities, and native wildlife sanctuaries as conditional uses at a maximum Floor Area Ratio (FAR) of 2.5 percent.

The park is proposed to be a passive use park. In consideration of comments received by the Parks and Recreation Commission and Planning Commission, Clarum highlighted the following goals in the design of the park:

- Preserve sight lines into the park from Hamilton Avenue;
- Create pedestrian access and circulation throughout the park and provide for emergency vehicle access as appropriate;
- Provide a barrier to prevent unauthorized vehicular access;
- Incorporate drinking fountains, seating and trash/recycling facilities throughout the park;
- Avoid large gathering areas;

- Include tot and play areas for different age children with the ability to maximize supervision of the children;
- Provide deciduous trees for summer shade and winter sun; and
- Provide lighting for park safety.

Although the park may be accessed from all sides, a main entry is located along Hamilton Avenue. The entry is designed with special paving materials, park signage, seating and steps up to the lawn area. The perimeter of the park is designed with an undulating landscape berm to provide interest and a sense of enclosure, while maintaining views into the park. A walkway meanders just inside the park boundary connecting to the corners with interlocking paving stones. The focal point of the park is a grove of trees located in a plaza with seating and game tables in the northeastern quadrant of the park. To either side of the focal point are play areas designed for different age groups. Seating, water fountains, lighting, and trash/recycling facilities are located throughout the park.

The focus of the landscaping is on trees of varying sizes and lower-growing groundcovers and accent planting in order to maximize views into the park. A preliminary planting legend is located on page 26 of the plan set (Attachment B).

The DDA includes detailed specifications for the development of the park. The final park design and DDA are subject to review and approval by the City Council.

The inclusion of the park in the project addresses a need identified by the community in the Belle Haven Community Needs Assessment conducted in the early 1990s. Since that time, the community has continued to express a need for a passive use park. Staff believes that the General Plan amendment and associated rezoning are consistent with the goals and policies of the General Plan and would therefore recommend approval of the amendment and rezoning.

Clarum's development of the park will serve to fulfill the required Recreation-in-Lieu fee for the project. At the completion of the project, the park will be dedicated to the City for public use. The City will be responsible for the long-term maintenance of the park. The design of the park had been developed in cooperation with the Public Works Department to minimize the long-term cost of maintenance and with the Police Department to maximize public safety.

The Parks and Recreation Commission has participated in the development of the park design and completed its final review of the conceptual park design at its September 21, 2005 meeting. The Commission is unanimously recommending approval of the conceptual park design.

Residential Use

The development of the 47 residential units would occur on approximately 5.3 acres of the project site. The development of the residential use is consistent with the Medium

Density Residential land use designation for the property as stated in the General Plan. However, in order to accommodate the specific development, the applicants are proposing to rezone the approximately 5.3-acre portion of the property from the existing R-3 (Apartment) to R-3-X (Apartment – Conditional Development). The rezoning would be accompanied by a Conditional Development Permit (CDP) that would establish the development regulations for the development as well as serve as the vehicle for review of the site layout and architectural design of the project. The underlying General Plan designation and R-3 zoning allow for a maximum density of 18.5 units per acre. The project proposes a density of approximately nine units per acre (excluding the park area).

The CDP allows the Planning Commission and City Council to establish the development regulations for the development. In this case, the applicant is requesting a CDP to allow for flexibility in the following regulations: lot size, paving, landscaping, setbacks, distance between buildings and fence height. These are discussed in more detail in the following sections of the report.

Site Layout and Design

The site layout and street pattern are intended to reflect the surrounding Belle Haven neighborhood. The streets are designed to be approximately 24 feet in width with sidewalks. Sidewalks would also be located along the Hamilton Avenue frontage. The streets would be dedicated as public streets at the completion of the project. The streets include 12 public parking spaces located in several bays throughout the project. Because, the project will include street right-of-ways less than the City's current standard of 40 feet, the Council will consider approving the alternative street widths as part of its action on the project.

The residences are designed to face the street frontages. Fences and landscaping are included throughout the project. The primary use of fencing is for the individual lots and includes six-foot tall wood "good neighbor" fences (five feet of solid fencing with one foot of lattice). Fencing begins for each lot at the connection with the front elevation. Additional site fencing includes a 10-foot-tall sound wall separating the proposed residential units from the railroad right-of-way and tracks on the northern boundary of the project site and iron fencing around new storm drainage swales. The 10-foot-tall sound wall would exceed the standard seven-foot fence height requirement for a residential zoning district. The additional fence height may be allowed through the approval of the CDP. The additional height is necessary in order to mitigate noise impacts from the rail line located to the rear of the project. All other project fencing would be consistent with fence heights requirements.

Landscaping includes combinations of deciduous canopy trees, evergreen screening trees, flowering accent trees and evergreen shrubs. Specifically, deciduous canopy trees are located along street frontages. The front landscaping for the lots directly across from the park along Sandlewood Street are designed to be compatible with the park landscaping, in essence extending the park across the street. Page 2 of the plan

set provides an overview of the landscaping while Page 23 provides detailed plans for three of the lots. Staff would note that although the plans indicate landscaping for the entire property, Clarum would be responsible only for the landscaping in front yards and side yards up to the point of the good neighbor fences.

The property is located in the flood zone. Although the streets will remain at elevations consistent with existing streets in the Belle Haven neighborhood and the park will remain lower than the flood elevations, fill will be required to raise the building pads between one and two feet.

The project includes new drainage systems for the property that will improve drainage over the existing conditions. The applicant developed the new storm drain system with the involvement of the Public Works Department. The new system would drain the majority of the project site along the new internal streets toward the Hamilton Avenue storm drainage system, which is sized to accommodate the project.

A new drainage swale along the northern boundary of the project site (adjacent to the railroad right-of-way) would replace an existing swale that will be covered over by the project. The swale would be constructed behind the 10-foot tall sound wall. The existing culvert at Henderson Avenue is undersized to properly drain the new swale. As a result, a new 30-inch storm drain at the eastern end of the project site would be constructed to carry the water to the swales further east of the site. This additional storm drain line requires an access easement on the adjacent property located at 605 Hamilton Avenue. The agreement for the access easement is currently under review by the Public Works Department and will be final prior to approval of the Final Subdivision Map.

The project also includes the installation of a drainage swale along the western boundary of the property between the proposed project and the existing residences on Chilco Street. The swale will drain the backyards of the residences on Chilco Street that currently drain directly onto the project site. The water will then be conveyed to the project's storm drain system.

Staff would also note that the project includes the use of bioswales along the internal streets and surrounding the park. The bioswales are a nonstructural control measure to minimize the addition of runoff volume and pollution to the storm water system and to comply with a hydromodification management program approved by the Regional Water Quality Control Board.

The project is required to adhere to the City's requirements for the salvaging and recycling of construction and demolition debris such that waste is diverted from landfills. The requirements state that an applicant must meet a diversion rate of 60 percent of the total generated waste tonnage. To ensure compliance, a developer is required to submit a deposit to the City at the start of construction equal to \$50 per ton of construction and/or demolition debris, but not less than \$1,000. The deposit is returned in full upon documentation through the use of receipts, weight tags and other written

evidence from recycling and disposal companies and landfills that the required diversion rate has been meet.

Clarum will be using a grinder on site that is capable of grinding concrete into aggregate base, sheetrock into gypsum soil amendments and wood into mulch to recycle waste from the construction up to a diversion rate of 85 percent. The use of the grinder will make tracking the diversion rate difficult since any weight tags from a landfill will not accurately represent the amount of material recycled. For this reason, Clarum is requesting a waiver of the deposit. The City Council has the authority to waive the deposit through adoption of a resolution. The Council will be considering the request as part of its review and action on the project. The Building Official and Environmental Programs Manager have reviewed the proposed use of the grinder and request for waiver of the deposit. Both support the use of the grinder and believe that it is appropriate to waive the deposit given Clarum's commitment to green building practices.

Below Market Rate Units

The project includes 20 Below Market Rate (BMR) units, equivalent to approximately 43 percent of the total number of units. This substantially exceeds the City's requirement that 15 percent of the units be BMR units. The units are dispersed throughout the site. The applicant has been working with the Housing Commission to refine the BMR proposal and completed its final review at its August 31, 2005 meeting. The Housing Commission is unanimously recommending approval of the BMR proposal. Draft excerpts of the Housing Commission minutes are included as Attachment O.

At its May 25, 2004 meeting, the Agency Board determined that 20 BMR units was an appropriate number of BMR units for the project and developed a list of preferences for

the BMR units. Each preference would be first applied to households on the BMR Waiting List and then to new BMR unit applicants. The Board's BMR unit preferences are listed below:

1. Accredited teachers in the Belle Haven Elementary School;
2. City of Menlo Park employees;
3. Belle Haven residents;
4. Other accredited public school teachers who serve the Menlo Park community (including Ravenswood City Elementary School District, Menlo Park City School District, Menlo-Atherton High School, and Las Lomas School District schools that serve Menlo Park students, and the San Mateo Community College District);
5. Health care workers who work in Menlo Park;
6. Health care workers who live in Menlo Park; and
7. Fire fighters and paramedics of the Menlo Park Fire Protection District

In its review of the BMR proposal, the Housing Commission also considered the proposed preferences. The Commission is recommending that households that have been on the waiting list for more than five years be given first priority. The Council will consider the Commission's recommendation as part of its review of the project.

Staff is currently holding a series of workshops with the various preference groups to advise the groups of the project, BMR unit requirements and preferences and application process. To date, a significant amount of interest has been shown by existing residents of the Belle Haven neighborhood.

Individual Unit Design

The individual residential lots range in size from approximately 2,540 to 5,680 square feet with the average lot size being 3,735 square feet. Lot widths vary between 45 and 60 feet, with the majority of lots at approximately 50 feet in width. Lot depths vary between 65 and 80 feet. As noted earlier, the proposed lot sizes require approval of a Conditional Development Permit (CDP) in order to vary from the standard lot sizes of the R-3 zoning district (minimum area of 7,000 square feet, minimum width of 65 feet and minimum depth of 100 feet).

The project includes six different plans for the residential units, with three of the plans having two distinct elevations, for a total of nine home styles. The attached plan set (Attachment B) includes the elevations. The table on the following page (Table 1) indicates the number of bedrooms and baths and square footage of each plan, number of lots on which the plans would be developed and the number of BMR units of each plan type.

Table 1: Residential Plans

Plan	Bedroom/Bath	Square Footage				Quantity	BMR Units
		1 st Floor	2 nd Floor	Garage	Total		
1	3/2.5	622	1,013	400	1,635	8	6
2	3/2.5	622	1,013	400	1,635	10	9
3	4/3	836	948	400	2,184	12	2
4	4/3	952	1,020	400	2,372	8	1
5	4/3	952	1,020	400	2,372	4	1
6	4/3	955	1,020	400	2,375	5	1

The residences are designed as two-story tall structures with heights that range from 25 feet to 27 feet, 8 inches where the height limit is 35 feet. Daylight plane regulations are not applicable in R-3 zoning. All plans are reminiscent of Craftsman-style architecture with front porches, articulated gable and hip roof massing, shutters, brackets and combinations of stucco and lap Hardiplank horizontal siding, and trim details at windows, doors, and porch columns. There are also accent materials of brick and stacked stone used at unit entries and on front elevations. Color and materials boards will be available at the meeting.

All of the plan types include two-car, attached garages. Additionally, the driveways are designed to allow for side-by-side parking of two vehicles without overhanging onto the sidewalk.

The FAR for the project is calculated on the ratio of the building square footage, exclusive of the garages, to the land area currently designated and zoned for residential use exclusive of the proposed park area, or approximately 5.3 acres. The proposed FAR for the project is approximately 36.5 percent where 45 percent is allowed under the base R-3 zoning. For reference purposes, the FAR on individual residential lots varies from approximately 35 to 64 percent, with an average FAR of 48 percent.

Similar to the FAR calculations, building coverage maximums, paving maximums and landscaping minimums are based on the land area currently designated and zoned for residential use exclusive of the park area. The table on the following page (Table 2) provides the percentages of building coverage, paving and landscaping compared to the requirements of the underlying R-3 zoning district. The table indicates that the project will be within the standard R-3 requirements for building coverage, but not paving or landscaping. The higher amount of paving is a factor of the inclusion of the streets in the paving calculation. Through the CDP review process, the increased paving and reduced landscaping may be considered in light of the overall project, with special consideration given to the inclusion of the park in the project.

Table 2: Building Coverage, Paving and Landscaping Comparisons

	Percent Required in R-3	Proposed Percentage Based on
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	District	Gross Land Area (excludes park)
Coverage	30% maximum	24%
Paving	20% maximum	32%
Landscaping	50% minimum	44%

Based on the smaller lot sizes, the applicants are proposing smaller setbacks through the CDP review process. The table (Table 3) below provides the proposed setbacks for each plan type. Staff would note that the setbacks required in the base R-3 zoning district are included in the table for comparison purposes.

Table 3: Proposed Setback Comparison

	R-3	Plan 1*	Plan 2	Plan 3	Plan 4	Plan 5	Plan 6
Front	20	9	9	5.5	10	7	12.34
Rear	15	11	4	3 to 4	11	4	7.5
Right Interior Side	10	4	12	4	4	12	5
Left Interior Side	10	4	4	4	4	4	4
Street Side	15	4 to 11	NA	5.5	NA	NA	5

* Plan 1 located on Lot 47 has setbacks of 12 feet in the front, 11 feet in the rear, 4 feet on the right side and 11 feet on the left side.

Related to the setbacks, there is a requirement unique to the R-3 zoning district for a minimum of 20 feet between main buildings on adjacent properties. Through the CDP review process, the applicants are requesting a reduction in this distance to a minimum of eight feet.

All of the proposed structures incorporate sustainable, environmentally friendly and energy efficient systems and materials, including components such as solar electric home power systems, energy efficient windows, water-conserving features, high efficiency furnaces, radiant roof barrier sheathing, tankless water heaters and engineered wood construction.

The project will be a mix of high quality, below-market-rate housing and market-rate housing at a density half of the legally allowed maximum, providing for an upgrade to the former industrial site that is consistent with the density of the surrounding single-family residential neighborhood. The smaller lot sizes and associated reduced setbacks do not represent an increased density, but do allow for a well-designed project that includes a new neighborhood park as a central feature. Additionally, the inclusion of the park adds substantially to the landscaping of the project, although the park area is not included in the landscaping percentages for the project. For these reasons, staff believes that the CDP is appropriate and will allow for a well-designed project that meets community needs.

CEQA--ENVIRONMENTAL REVIEW

A Draft Environmental Impact Report (EIR) was prepared for this project and released for public review from June 30, through August 15, 2005. Seven comment letters were

received from five State, regional or local agencies. A *First Amendment to the Draft Environmental Impact Report* (Attachment C) was prepared to respond to the comment letters. Together with the Draft EIR, the two documents comprise the Final EIR for the project.

The Final EIR was released for public review on September 15, 2005. The public review period will end on September 26, 2005. To date, no letters have been received on the Final EIR.

One letter was received on the Draft EIR after the close of the review period from the Department of Transportation (Caltrans). Although the City is not required to provide a response to late comments, the traffic consultant for the project, Hexagon Transportation Consultants, Inc. (Hexagon) has prepared a response. Both the letter from Caltrans and the response from Hexagon are included as Attachments L and M, respectively.

In order to complete an EIR process and certify the final document, CEQA requires the preparation of Findings for Certification, a Statement of Certification and a Mitigation Monitoring and Reporting Program. The Findings for Certification address the significant impacts identified in the EIR, describing the impact, the mitigation and the determination of significance following mitigation. The Statement of Certification states that the City has met all procedural requirements of CEQA. The Mitigation Monitoring and Reporting Program establishes responsibility and time frames for implementation of all required mitigation measures. The Findings for Certification, Statement of Certification and Mitigation Monitoring and Reporting Program are included as Attachments D, E and F, respectively.

As noted in the following section of the report, *EIR Analysis of Impacts*, the project will result in significant, unavoidable noise and traffic impacts. In order to approve a project with significant and unavoidable adverse environmental impacts, the City must adopt a Statement of Overriding Considerations. This is a specific finding that the project includes substantial public benefits that outweigh its significant adverse environmental impacts warranting approval of the project. The Statement of Overriding Considerations is a part of the Findings for Certification and can be found on pages D-14 and D-15 of the attachments.

The Planning Commission should review and forward a recommendation to the City Council on the adequacy of the Final EIR, Findings for Certification, Statement of Overriding Considerations, Statement of Certification and Mitigation Monitoring and Reporting Program. The City Council will be the final decision-making body on all documents associated with the certification of the Final EIR.

EIR Analysis of Impacts

The EIR analyzes the potential environmental impacts of the project across a wide range of impact areas. The EIR determined that the project would have a less-than-

significant impact without the need for mitigation on the following impact areas: geology and soils, hazardous materials, visual quality/aesthetics, services and utilities, energy, and public services. For most of the remaining environmental impact areas, including land use, hydrology and water quality, biological resources, cultural resources, and air quality, the EIR concluded that the project would have a less-than-significant impact with the adoption of specific mitigation measures. These mitigation measures are typical and often included with larger development projects. A complete list of these mitigation measures is included in the *Summary* of the Draft EIR on pages vi through xxiii. Staff would note that these mitigation measures would be included as conditions of approval for the project.

The EIR found that two of the environmental impact areas would have significant unavoidable impacts as a result of the project. These are noise and transportation and are explained in more detail below.

Noise

Three sources of noise were evaluated. They are ambient noise levels, future rail service noise and vibration and short-term construction noise. The EIR determined that with the inclusion of the proposed 10-foot tall sound wall along the northern boundary of the project site and appropriate mitigation, the impacts associated with ambient noise, future rail service, and construction noise would be reduced to a less than significant level. The mitigation necessary to reduce the impacts to a less than significant level is outlined in the *Summary* section of the Draft EIR and includes the preparation of a detailed acoustical analysis, use of noise-insulating windows, walls and doors, use of mechanical ventilation systems, use of construction techniques to reduce ground-borne vibration, use of sound muffling construction equipment and limits on hours of noisy construction.

The one noise source that the EIR concluded would remain significant and unavoidable even after the inclusion of mitigation is single-event rail service noise. Train pass-bys constitute a single-event noise source, especially in terms of train horn noise that would occur at the Chilco Street grade crossing to the west of the site. At the residences nearest the rail line, maximum horn noise may reach a level of 73 dBA, even with sound insulating construction.

The Noise Element of the General Plan outlines an exterior noise range of between 60 and 70 dBA as satisfactory for residential development conditioned upon the inclusion of noise mitigating features. Residential uses are considered generally unacceptable where the exterior ambient noise level exceeds 70 dBA, and clearly unacceptable above 75 dBA. The Noise Element further indicates that interior noise level for residential development should not exceed 45 dBA. Since the EIR determines that there is no mitigation that would reduce the maximum horn noise to below the stated levels, the single-event noise from the rail line would remain a significant and unavoidable impact.

Transportation

The transportation analysis considered impacts to signalized and unsignalized intersections, roadway segments, transit, bicycle and pedestrian access, and site access, circulation and parking. The analysis was based on a 50-unit residential development and assumed no trips from the previous uses. As such, the analysis is a conservative estimate of the project's potential traffic impacts.

Signalized Intersections

The following five signalized intersections were analyzed:

- Willow Road/Newbridge Street;
- Willow Road/O'Brien Drive;
- Willow Road/Ivy Drive;
- Willow Road/Hamilton Avenue; and
- Willow Road and Bayfront Expressway.

The intersections on Willow Road, north of US 101, are State-controlled and as such, the City does not have authority over operational or capital improvements. Therefore, only the local approaches to these intersections were analyzed. Under near-term no project conditions, three local approaches to two of the State-controlled signalized intersections operate at an unacceptable Level of Service (LOS) E. These are northbound and southbound Newbridge Street at Willow Road and southbound Bayfront Expressway at Willow Road.

Under near-term project conditions, the three local approaches to the State-controlled intersections would continue to operate at an unacceptable level. For State-controlled intersections where the level of service is unacceptable (LOS E or F) under near-term no project conditions, the threshold of significance is based on whether the project would result in an increase of 0.8 seconds or more to critical-movement delay. The analysis determined that the project would have a less than significant impact on the southbound Bayfront Expressway approach to Willow Road, and on the northbound and southbound Newbridge Street approaches at Willow Road during the PM peak hour. The project, under near-term conditions, would have a significant impact (increase of 0.8 seconds) for the northbound Newbridge Street approach to Willow Road during the AM peak hour. Under long-range conditions, the increase in delay in the AM peak hour would be 1.1 seconds.

There are two physical improvements to the intersection that could mitigate the significant impact. The first is the addition of a second right-turn lane on the southbound Newbridge Street approach to Willow Road. This would require the acquisition of additional right-of-way and the demolition of an existing building located at the intersection. The second improvement would be the addition of a right-turn lane on westbound Willow Road. This would require widening pavement and reducing landscaping on the north side of the street, but would only provide a minimal reduction in vehicular delay. The two improvements would also have the potential to increase pedestrian crossing times and bicycle and pedestrian conflicts. For these reasons, the

improvements are not considered to be feasible. The one remaining mitigation that could be considered would be a reduction in the project size to 39 units under near-term conditions or to 36 units under long-term conditions. However, as discussed in the *Alternatives* chapter of the Draft EIR (pages 127-132), such reductions would not reduce other significant traffic and noise impacts or meet the objectives of the project. The EIR concluded that the increase in delay at the southbound Newbridge Street approach to Willow Road in the AM peak hour would remain a significant and unavoidable impact.

Unsignalized Intersections

The following four unsignalized intersections were analyzed:

- Chilco Street/Ivy Drive;
- Chilco Street/Hamilton Avenue;
- Chilco Street/Newbridge Street; and
- Chilco Street/Terminal Avenue.

The four unsignalized intersections current operate at LOS A and would continue to operate at LOS A under near-term and long-term project conditions. The EIR determined that there is a less than significant impact to unsignalized intersections.

Roadway Segments

The EIR analyzed 16 roadway segments within the Belle Haven neighborhood. The segments are focused on Ivy Drive, Hamilton Avenue, Newbridge Street, Almanor Avenue, Chilco Street and Terminal Avenue. The Draft EIR includes a complete list of the segments on page 65 of the document.

The EIR determined that the project would have a significant impact under near-term and long-term conditions on the following five roadway segments:

- Hamilton Avenue, east of Almanor Avenue;
- Chilco Street, north of Terminal Avenue;
- Chilco Street, north of Ivy Drive;
- Chilco Street, south of Ivy Drive; and
- Terminal Avenue, west of Chilco Street.

The affected streets are designated as local streets, each carrying greater than 1,350 average daily trips. The project will add more than 25 average daily trips to each of these segments. An increase of greater than 25 average daily trips on a local street carrying greater than 1,350 average daily trips is considered a potentially significant impact in the City's Transportation Impact Analysis Guidelines (TIA Guidelines).

The City's significance criteria are based on the projected increase in daily traffic volume, therefore significant impacts cannot be mitigated through physical roadway improvements. Measures to reduce actual volumes could have secondary impacts on other roadways. The only mitigation available would be to reduce the project size to

four residential units, which as noted in the *Alternatives* chapter of the Draft EIR, would not be considered a feasible mitigation. The EIR concludes that the impacts to five local street segments would be significant and unavoidable.

Transit, Bicycle and Pedestrian Access

The EIR states that the project is within walking distance of existing transit services, including the City's midday shuttle and bus routes operated by SamTrans, and that the small number of transit riders that would be generated by the project would not have a significant impact on existing transit services. Additionally, the project would not preclude the construction of the Dumbarton Rail Project or a possible train station in the vicinity of the project site.

The project would not have an adverse impact on existing bicycle and pedestrian facilities. The project would include sidewalks along the project frontage on Hamilton Avenue and on both sides of most of the new internal streets. The EIR concluded that impacts to transit, bicycle and pedestrian access would be less than significant.

Project Access, Circulation and Parking

The EIR also analyzed site access, on-site circulation and parking. The project includes five new internal streets, four of which would access Hamilton Avenue at new intersections. The internal streets would be approximately 24 feet wide and are considered sufficient to accommodate garbage and other trucks within the development.

The EIR notes that the project includes two short dead-end segments of "Center Street" within the development and that the units on either end of the street (Lots 20 and 39) may have difficulty backing out of the driveways. Although this is not considered an environmental impact, the developers are looking into options for addressing the issue, including providing a turnout for Lot 20 and allowing use of the storm drain easement access area for Lot 39.

The development provides two-car garages for each unit, as well as driveways of sufficient length to enable vehicles to park in the driveways without blocking the sidewalk. Additionally, the project includes 12 parallel parking spaces at selected locations throughout the development. The EIR concludes that impacts to project access, circulation and parking are less than significant.

RECOMMENDATION

Recommend to the City Council:

1. Adopt the Findings for Certification of the Environmental Impact Report, including the Statement of Overriding Considerations, as provided in Attachment D.
2. Certify the Final Environmental Impact Report as provided in Attachment E.

3. Adopt the Mitigation Monitoring and Reporting Program prepared for the project as provided in Attachment F.
4. Make a finding that the proposed General Plan amendment to change the land use designation of an approximately one-acre portion of the property from medium Density Residential to Parks and Recreation for the development of a neighborhood park would be consistent with the adopted General Plan.
5. Make a finding that the proposed rezoning of an approximately 5.3-acre portion of the project site from R-3 (Apartment District) to R-3-X (Apartment District - Conditional Development) is consistent with the existing General Plan land use designation of Medium Density Residential for the property.
6. Make a finding that the proposed rezoning of an approximately one-acre portion of the project site from R-3 (Apartment District) to OSC (Open Space and Conservation) is consistent with the proposed General Plan land use designation of Parks and Recreation.
7. Make a finding that the sale and disposition of the land for the implementation of the proposed project is consistent with the adopted General Plan.
8. Make a finding that the proposed conditional development permit will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed planned development, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
9. Make a finding that the conditional development permit allows for a proposal that provides new entry level ownership housing and a passive use neighborhood park as identified in the Belle Haven Community Needs Assessment in a development that mixes high quality market rate units with 20 Below-Market Rate units at a density half of the legally allowed maximum, providing an overall upgrade to the former industrial sites that is consistent with the density of the surrounding single-family neighborhood. Furthermore, the proposed development conforms to all of the development regulations of the underlying R-3 (Medium Density Residential) zoning district except for lot areas, dimensions, setbacks, distance between buildings, fence heights, paving and landscaping.
10. Make a finding that the tentative subdivision map has been reviewed by the Engineering Division and has been found to be technically correct and in compliance with the State Subdivision Map Act and the City's Subdivision Ordinance.

11. Approve a resolution amending the General Plan to change the land use designation of an approximately one-acre portion of the property located at 507-555 Hamilton Avenue from Medium Density Residential to Parks and Recreation.
12. Introduce an ordinance rezoning an approximately 5.3-acre portion of the property located at 507-555 Hamilton Avenue from R-3 (Apartment District) to R-3-X (Apartment District – Conditional Development) and an approximately one-acre portion of the property located at 507-555 Hamilton Avenue from R-3 (Apartment District) to OSC (Open Space and Conservation).
13. Approve the Conditional Development Permit for the construction of 47 single-family residential units on an approximately 5.3 acre portion of the property located at 507-555 Hamilton Avenue subject to the terms and conditions of the Conditional Development Permit.

Arlinda Heineck
Community Development Director
Report Author

PUBLIC NOTIFICATION

Public notification consisted of publishing a legal notice in the local newspaper and notification by mail of owners and residents within a 300-foot radius of the subject property. Planning Commission action will be in the form of a recommendation to the City Council.

ATTACHMENTS

- A. Location Map
- B. Project Plans
- C. First Amendment to the Draft Environmental Impact Report (Final EIR)
- D. Findings for Certification of the Environmental Impact Report, including the Statement of Overriding Considerations
- E. Certification of the Final Environmental Impact Report
- F. Mitigation Monitoring and Reporting Program for the Environmental Impact Report
- G. Draft Conditional Development Permit, dated September 26, 2005
- H. Draft Resolution amending the General Plan to change the land use designation of an approximately one-acre portion of the property located at 507-555 Hamilton Avenue from Medium Density Residential to Parks and Recreation
- I. Draft Ordinance rezoning an approximately 5.3-acre portion of the property located at 507-555 Hamilton Avenue from R-3 (Apartment District) to R-3-X (Apartment District – Conditional Development) and an approximately one-acre portion of the

property located at 507-555 Hamilton Avenue from R-3 (Apartment District) to OSC (Open Space and Conservation)

- J. Diagram of eastern end of project site provided by Clarum
- K. Letter from John Suppes, Clarum Homes, dated September 20, 2005
- L. Letter from Department of Transportation, dated September 14, 2005
- M. Letter from Hexagon Transportation Consultants, Inc. dated September 20, 2005
- N. Excerpt of Planning Commission minutes of the August 8, 2005 meeting
- O. Excerpt of the Housing Commission minutes of the August 31, 2005 meeting
- P. Excerpt of the Las Pulgas Commission Minutes of the September 21, 2005 meeting
- Q. Draft Environmental Impact report prepared by David J. Powers & Associates, dated June 2005 (previously distributed and available for review at the Planning Division Offices)

EXHIBITS TO BE PROVIDED AT MEETING

1. Area Plan
2. Color and Material Board
3. Colored Renderings

Note: Attached are reduced versions of maps and diagrams submitted by the applicant. The accuracy of the information in these drawings is the responsibility of the applicant, and verification of the accuracy by City Staff is not always possible. The original full-scale maps and drawings are available for public viewing at the Community Development Department.

V:\STAFFRPT\PC\2005\080895ah - Clarum.doc

August 2, 2005

Arlinda Heineck
Community Development Director
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025

Re: Hamilton Park, Menlo Park - Follow Up on Comments of April 2004 Study Session

Dear Arlinda:

As a follow up to the study session in April 2004, this letter is a summary of the modifications that have been made to the project design:

Guest Parking

The project includes a total of twelve guest parking spaces – two (2) on West Street, eight (8) on Center Street, and two (2) on East Street.

Lighting and Landscaping Plan

A comprehensive photometric lighting plan will be ordered from our lighting consultant subsequent to Planning Commission approval to ensure that there is adequate lighting for safety and that the trees in the project are placed accordingly so that lighting is not blocked.

Flood Elevations

The flood elevations for each house and the drainage for the project have been studied by our Civil Engineer and our Hydrology Engineer. The project is being designed in accordance with said studies and FEMA requirements, and the CLOMAR application has been submitted to FEMA.

Privacy between Existing Homes

The project has been designed so that only four homes are adjacent to existing residences on Chilco Street. These homes have been plotted with the required setbacks to attain maximum privacy.

Unit Mix

This 47-unit project has been designed with six different floor plans that have a total of three exterior elevations per plan. In essence, there are eighteen (18) different types of homes.

Gates between Back-to-Back Residences

Our analysis of the market indicates that rear yard gates between homes is not a desired feature, and therefore, we did not incorporate this comment into the project design.

599 COLLEGE AVE.

PALO ALTO,

CALIFORNIA 94306

PHONE (650) 322-7069

FAX (650) 322-4550

Arlinda Heineck
Page 2
August 2, 2005

Redesign of Park Features

The park has been redesigned with the assistance of the Parks Commission and the Public Works Department. The tot lot has been moved to the back of the park, the tot lot now provides shade trees, and the mounded turf and water features have been removed.

Trash Removal

The trash receptacles for the park have been placed in locations by the Public Works Department to provide maximum effectiveness in trash removal.

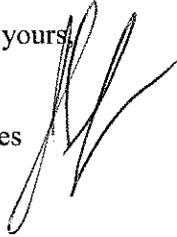
Fire Department Review

The Fire Department has reviewed the project design and have given us preliminary approval.

Clarum Homes is looking forward to meeting with the Planning Commission on this project next week. In the meantime, if you or any of the commissioners have any questions, please contact me at 650.322.7069, x22.

Very truly yours,

John Suppes
Principal

A handwritten signature in black ink, appearing to read 'John Suppes', is written over the typed name and title.



September 20, 2005

Arlinda Heineck
Community Development Director
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025

RE: Hamilton Park
Follow up to comments from August 2005 Planning Commission meeting.

Dear Arlinda,

As follow up to the Planning Commission meeting of August 8, 2005, this letter summarizes responses to issues raised by commissioners.

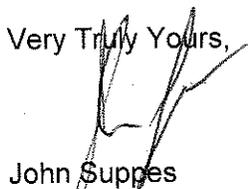
Guest Parking

The project includes a total of twelve (12) guest parking spaces. The spaces are parallel spaces in parking bays. The spaces are located as follows: two (2) spaces on Rosemary St., eight (8) spaces on Sandalwood Street and two (2) spaces on Ginger Street. The number and allocation of guest spaces has been extensively reviewed and discussed by staff and the Planning Commission. At the April 2004 Study Session, the Planning Commission inquired, discussed and provided direction for the quantity and location of guest spaces within the project. The commissioners were informed that their input and direction would affect the overall design of the site plan that would be returned for their consideration.

Privacy between proposed homes

Throughout the application and project review process, including the Planning Commission's April 2004 Study Session and August 2005 Public Hearing, there has remained a priority to enhance privacy for the proposed homes by off-setting windows where appropriate for opposing parallel wall planes on adjacent lots. The exterior elevations provided as part of the application submittal package depict the typical size and location of various window openings for exterior walls of the different floor plans. The proposed size of the openings, the room sizes and layouts will allow for shifting of windows in each unit to unit condition to provide sufficient window offset. The provision applies even where a plan might be mirrored to the same plan on an adjacent lot. The process will involve an analysis of conditions and preparation of construction drawings for the alternate window placements. This item can be processed as a condition of approval to be monitored by staff during plan check and / or inspection.

Very Truly Yours,


John Suppes
Principal

599 COLLEGE AVE.

PALO ALTO,

CALIFORNIA 94306

PHONE (650) 322-7069

FAX (650) 322-4550



MENLO PARK PLANNING COMMISSION EXCERPT MINUTES

Regular Meeting
August 8, 2005
7:00 p.m.
City Council Chambers
701 Laurel Street, Menlo Park, CA 94025

Teleconference with participation by Commissioner Keith from:
1013 Snidow Drive
West Lynn, Ore
(Posted August 8, 2005)

CALL TO ORDER – 7:00 p.m.

ROLL CALL – Bims (Vice-chair), Deziel, Henry, Keith, Pagee (Chair), Riggs, Sinnott (Absent)

INTRODUCTION OF STAFF – Heineck, Murphy

A. PUBLIC COMMENTS

There were none.

C. PUBLIC HEARINGS

5. **General Plan Amendment, Rezoning, Conditional Development Permit, Major Subdivision, and Environmental Review/Clarum Homes/507-555 Hamilton Avenue**: Requests for the following: 1) General Plan Amendment to change the land use designation of an approximately one acre portion of the property from Medium Density Residential to Parks and Recreation; 2) Rezoning from R-3 (Apartment District) to R-3-X (Apartment District – Conditional Development) and OSC (Open Space and Conservation); 3) Conditional Development Permit to establish specific development regulations and review architectural designs for the construction of 47 single-family residences and an approximately one acre/public park; and 4) Major Subdivision to subdivide the property for single-family residential and public park use. The proposal requires the preparation of an Environmental Impact Report (EIR).

Staff Comment: Director Heineck said the proposal before the Commission was the Hamilton Avenue Park and Housing Development. She said the proposal included the development of 47 two-story, single-family residences, which included 20 Below Market Rate (BMR) residences, and an approximately one-acre neighborhood park. She said two of the houses were under construction as part of the Sunset Magazine Idea Home Program. She said the applicant had received authorization from the City Council in May 2005 to begin construction on the two homes. She said the Commission would be reviewing the applications and making a

recommendation on the General Plan Amendment, Rezoning, Conditional Development Permit, Major Subdivision, and the draft EIR. She said other Commissions were reviewing the proposal and would forward their individual recommendations directly to the City Council. She said the Las Pulgas Committee would review the overall project, the Housing Commission would review the BMR component of the project, and the Parks and Recreation Commission would review the conceptual design of the park.

Director Heineck said the City Council, serving as the Redevelopment Agency Board, would be the final decision-making body on all aspects of the project. She said the Council/Agency Board would consider the recommendations of the four commissions in addition to taking action on a disposition and development agreement for the development and the acquisition of the property by the developer, on the establishment of new street names for the project, and if necessary, on the acceptance of alternative street right-of-way widths.

Director Heineck said the meeting tonight was the first of two meetings scheduled before the Planning Commission on the project. She said the meeting focus tonight was to provide the public and the Commission an opportunity to comment on the project and the draft EIR. She said the second meeting tentatively scheduled for September 26, 2005 would be for the Commission to make its recommendation on the draft EIR and the project.

Director Heineck said that Mr. John Suppes, Clarum Corporation, would make a presentation on the development proposal. She said the draft EIR had been prepared and released for public review on June 30, 2005 and the review period would extend through August 15, 2005. She said the meeting tonight was an opportunity to provide comment on the adequacy of the information and analysis contained in the draft EIR. She said Ms. Jodi Starbird, David Powers and Associates, the EIR consultant, was also present to answer questions on the draft EIR.

Director Heineck said the draft EIR determined that the project would result in a significant and unavoidable impact related to traffic and single-event train noise. She said the approval of the project would require preparation of a Statement of Overriding Considerations, which would state essentially that the benefits of the project, such as the inclusion of BMR units, would outweigh the impacts of the project. She said the Commission might want to comment on the project's benefits for inclusion in the Statement of Overriding Considerations. She said that following the close of the public review period, the final EIR would be prepared and would include responses to all of the comments received during the review process, findings for approval, the Statement of Overriding Considerations, and a Mitigation Monitoring Plan. She said the final EIR would be released for a 10-day review prior to the Commission's next meeting on the project.

Public Comment: Mr. John Suppes, Clarum Homes, Palo Alto, introduced Mr. Stuart Welte, EDI Architecture, and Ms. Stephanie Morris of Hoag Land Design. He said Mr. Welte was the architect for the project and Ms. Morris was the landscape architect. He said the last Study Session with the Planning Commission had been in April of 2004.

Mr. Suppes said their original response to the Request for Proposal (RFP) was submitted in January 2003, and had been for 20 detached single-family residences, 16 attached single-family town homes, and a 2.2-acre park. He said the 2.2-acre park was at the direction of the committee that issued the RFP. He said two community meetings were held in the Belle Haven community in May and June of 2003. He said through those meetings, it was determined that

the park size should be reduced based on the neighbors not wanting a big park for security reasons. He said the neighbors had also not wanted attached homes as the surrounding neighborhoods had detached homes. He said the application for 47 single-family detached residences and a 1-acre park was submitted in September 2003.

Mr. Suppes showed the street elevation along Hamilton Avenue and where the residences were proposed to be located. He said the Parks and Recreation Commission were given two park designs to review and selected the design with the street going around the park for better security. He said the lot sizes ranged from 2,500 to 5,680 square feet, and the average lot size was 3,660 square feet. He said there were six different floor plans with three different elevations and that totaled 18 styles of homes. He said 20 of the residences would be BMR and the preference for buyers would be for Belle Haven teachers, City employees, Belle Haven residents, Menlo Park teachers, and health care workers living and working in Menlo Park.

Mr. Suppes said that all 47 residences would be built under the Zero Energy Home Program, a certification set up by the U.S. Department of Energy under the Building America Program. He said the homes would be 50 to 90 percent more energy-efficient than what was required under the Title 24 Compliance Guidelines. He said all of the homes would feature Green Building practices that Clarum Corporation used in the "Enviro-Home." He said the main features were solar-electric roof tiles, tank-less water heaters, low EU value windows and radiant barriers on the homes.

Mr. Suppes said the two Idea Homes would be open October 7, 2005 through January 22, 2006 for the public to view. He said the one of the homes would be fully finished and decorated and would showcase Green Building design and finishes; he said the other would be fully decorated but perhaps cutaways would be used to show what Green Building systems were.

Mr. Suppes said he had responded to issues raised at the previous Planning Commission meeting. He said one of the issues that they did not completely mitigate was the lighting as the photometric study had not yet been done. He said ordinarily the photometric study was done after the approval of the project. He said staff would review that study for approval.

Mr. Stuart Welte, EDI Architecture, project architect, said his firm was an international one. He said they felt this project was a perfect combination of housing type, amenities, environmentally-conscious design with a pedestrian-friendly environment for the area.

Ms. Stephenie Morris, Hoag Land Design, said she was the landscape architect for the project. She said bio-swales would be used throughout the site to control storm water. She said she had worked with the Parks and Recreation Commission on the park design and the tot lots had been pushed back into the design in response to concerns about safety and security. She said there were two separate play areas for different aged children that were fenced and would be surrounded by deciduous trees for summer shade and winter warmth. She said a central feature of the park would be a grove of trees and tables, game tables and benches for a small group of people that would not encourage the gathering of a large group of people. She said there were a number of shade trees throughout the park and around the perimeter very low planting groundcover so there would be a high level of visibility and security. She said there would be a buffer to prevent vehicular or malicious access into the park.

In response to a question from Commissioner Deziel regarding how the 18-foot driveway was measured, Mr. Welte said that one of the central design features of the neo-traditional aspect of the project was to have a planting strip between the sidewalk and street. He said the property line was behind the sidewalk and the setback to the garage was measured from behind the sidewalk.

Commissioner Riggs asked about the project goals or what direction had been received for internal lighting, noting that the most charming communities had the least streetlights. Mr. Welte said they would recommend the neo-traditional look of a light standard of about 12 to 14 feet tall, which was shielded depending on its location. He said the site would be very visible from Hamilton Avenue so the amount of lighting needed was minimal. He said they typically struck a balance between a romantic, outdoor village type of setting and a secure, well-lit community.

Commissioner Bims confirmed the sound wall would be 10-feet and asked what mitigations were being done to lessen the impact of a 10-foot wall. Mr. Welte said the homes had been designed architecturally to allow some flexibility in the orientation of their usable space. He said the side yards for the homes along the north end (back end) were much wider than the rear yards and the houses were oriented toward the side yard as the usable, private yard. He said that enabled solar access and allowed the southeast to almost southwest sun to penetrate the yard at all times. He said the distance between the rear of the homes and the 10-foot wall would become a minimally-used yard and landscaping and the minimized size of the windows there would soften the view from the home. Ms. Morris said that proposed landscape screening in that area would be evergreen screening shrubs and vines on the wall.

In response to a question from Commissioner Keith, Mr. Welte said that all of the proposed homes per an acoustical engineer would have mitigation of the noise level. Mr. Suppes said the mitigation prescribed by the draft EIR was to have an increased STC rating of 50 for the homes and that could be accomplished through exterior drywall, sound bats and RC channel inside as well as a T-mask concrete wall system on the homes. He said they would do window treatments as well. He said that all of the mitigations together would significantly decrease noise impact and the mitigations were deemed sufficient by the draft EIR and Clarum's sound engineer, Mr. Charles Salter. Commissioner Henry asked what the decibel level in the interior of the homes would be with the mitigation. Mr. Suppes said that it was in the sound engineer's report that was part of the draft EIR. Director Heineck said the noise impacts were mitigated to a less than significant impact except for the single-event of the train horn. Chair Pagee asked how this noise level would compare with the residents along Alma Street. Director Heineck said that the City's EIR consultant, Ms. Starbird, had indicated it would be about the same.

Commissioner Henry asked about the distance between the existing fences along Chilco Street and the new fences for the project. He asked if there would be a channel between the two fences. Mr. Suppes said the channel would be on the project side of the fence and the fence would be exactly at the property line. Mr. Suppes said he did not know the distance between the existing fences and new fences for the project. Commissioner Henry asked whether the channel would tie into an existing five-foot channel and then tie into a 24-inch storm drainpipe, noting that his concern was that flooding occurred in that area. Mr. Suppes said the proposed channel would tie into the storm system directly. He said there would be an access for maintenance. Chair Pagee asked how the left side terminated, whether it sloped to the right. Mr. Suppes said that it terminated into an underground drain that went to the storm drain

system. (Slight break in the comments when tape went to next side.) Chair Pagee restated Mr. Suppes' comments. She said the homes on Chilco Street were currently draining storm water onto the project site and that storm water would be diverted into the proposed swale that would travel behind the homes on the northwest side of West Street. Chair Pagee confirmed with Mr. Suppes that there would be a locked gate that would prevent the public's access to the swale.

Commissioner Henry asked about the determination of the STC rating for the windows that ranged from 38 to 28. He said a report said that an eighth-inch window with a quarter-inch space and another eighth-inch window would equal 25 STC. He asked how Mr. Suppes would increase the rating. Mr. Suppes said that caulking was used in the panes as well as an insulated sash. He said exterior shutters could also be used. He said each component of the wall system was measured and the rating averaged, so if windows were less than the average rating then the other parts of the wall system had to compensate for that and get the average rating to 50 STC.

Commissioner Henry noted the report on the saw cleanup on 1490 Chilco Street in Appendix G of the draft EIR. He said the report indicated that the contaminants parts per million were actually higher after the cleanup and it was suggested that the reason was that the contaminants might have originated from an adjacent property. He asked which adjacent property that would be. Mr. Suppes said that Clarum Homes had retained their own environmental engineer who read the report and talked to the County Environmental Health Services. He said he was told that all levels were below public nuisance levels and that there was no adjacent property that had a drip. In response to Chair Pagee, Director Heineck said she had no additional information to provide. She said that there were instances where contaminants migrated from nearby properties that were not necessarily adjacent properties. She said it was usually very difficult to find the source of the contaminants.

Commissioner Bims asked for confirmation that there would be no internal parking on the streets except for six spaces adjacent to the park. Mr. Suppes said there were 12 parking spaces, two on Easy Street, six spaces along the park, two spaces on Center Street, and two on West Street.

Commissioner Henry asked if the applicant had addressed the problem of cars being able to turnaround on the two ends of the street. Mr. Suppes said they would create a backup turnaround area on the ends and both turnarounds would be addressed on the plans the next time the Commission saw them.

In response to a question from Commissioner Keith, Mr. Suppes said that all the market research they had done indicated that people did not want gates between their properties.

Chair Pagee closed the public hearing.

Commission Comment: Commissioner Deziel said the only creditable challenge to the project in the draft EIR was the alternative of reducing the residential density to 36 units. He said the project was driven by economics and 47 units was the optimal level for the project. He said a letter from Caltrain questioned the number of homes along the train rail but he could not see any benefit in clustering more homes along the train rail. He said if there were to be more residences as Caltrain had suggested, there would be more traffic. He said putting more homes on the site would force the developer to use attached housing and the economic value would

drop and that would affect the land value when the developer bought the property from the City. He said the developer would either have to dramatically reduce the number of BMR units to shore up the dollars being paid to the City or the total number of dollars being paid to the City would have to be reduced. He said either way the cost of the BMR units would increase. To illustrate this, he said if more units were put on the property, there would either need to be fewer BMR units or the cost of the BMR units would be greater. He said on the other hand if there was lower density, the reduction of units would have to come out of the BMR total or there would be a decrease in the value of the land that the developer paid for to the City. He said any other plan would lead to an increase to the cost of the BMR units and the City would be able to afford fewer BMR units. He said the stated purpose of the project was to get BMR units.

Commissioner Riggs said Caltrain had proposed the Dumbarton Rail Corridor that would connect the lower East Bay through to Redwood City through a number of residential communities. He said it was difficult to burden the project site by requiring the applicant to come to a higher level of noise abatement than what the hundreds of existing homes along the proposed corridor would have. He said that in the rail corridor he did not think any of those homes had double-glazed, much less triple-glazed windows or controlled frames, nor was there a sound wall.

Commissioner Bims said that the project seemed very well designed and there seemed to be a good mix of architecture on the site that was appropriate for the neighborhood. He said he was generally positive about the project.

Chair Pagee asked if the landscaping front and back would be included in the purchase price of the homes. Mr. Suppes said just the front landscaping would be included. Chair Pagee asked if the landscaping plan for the rear of the project was just the desired landscaping. Mr. Suppes said they had found that many people wanted the amenity of landscaping their own backyards. Chair Pagee asked if the property owners were responsible for the maintenance of the streetscape. Mr. Suppes said the City would maintain the streetscape trees and the landscape area after the curb. He said the property owners would be responsible for the maintenance of the front yard to the sidewalk. He noted that they would install automatic irrigation systems and controllers in the front yards; he said there would be enough of the controllers' stations that the property owners could add their backyards to the system.

Chair Pagee said she liked the architecture and was pleased that mirror-image homes would have offsetting windows. She said however that all homes adjacent to one another should have offset windows. She said she liked the changes in the elevations and variety of home styles. She said the siding seemed to stop at the front in most elevations and the view of a residence on a corner lot might just be two-stories of a stucco wall. She said perhaps the landscaping would mitigate that. Mr. Suppes said that the siding on second floors for corner lots was always wrapped. Chair Pagee said she liked the "eyes on the park" concept and a similar plan had worked very well in Palo Alto.

Commissioner Riggs said the proposal was a very good example of residential planning and local neighbors were looking forward to the project.

Commissioner Deziel said that Menlo Park was in some ways a "train" town and the issue of noise was something that a number of residents had come to expect to live with in Menlo Park.

He said that there had been no area plan in the plan set, which had made it difficult for him to understand the interfaces of the proposal to other properties and in particular, the northeast corner of the property was unclear in its interface with the adjacent property. He said he would like to see the full width of the rail corridor and what uses were on the other side of it. Planner Murphy noted that the majority of what the Commission reviewed was of a much smaller scale and it was much simpler to do an area plan for those projects. He said there was a much larger context for this project. He said the Commission would need to decide whether it was worth the effort of the applicant to put that material together before the Commission's next review of the project. Mr. Suppes suggested taking a blown-up aerial photo with the project outlined.

Commissioner Deziel asked if the interlocking paving connected with the adjacent parking lot. Mr. Suppes said there is a gate and a fence there and a detail would be provided at the next meeting. Commissioner Deziel asked where the access to the railroad right-of-way was. Mr. Suppes said the access was adjacent to lot 39 and there was a sidewalk and steps to the sound wall. He said they could show the details of that as well.

Commissioner Deziel said he thought the 18-foot for the driveway was tight and 19-foot or 20-foot would be better. He said he would like doggy-bag dispensers in the park such as in Vintage Oaks. (Someone indicated that the dispensers there did not work well.) He asked if the Conditional Development Permit would be worded such that minor changes would not have to come back before the Commission. Director Heineck said that had been discussed with the applicant and they were working on a process to do that. Commissioner Deziel said he also would like to see additional guest parking. Mr. Suppes said they had struggled to locate each space possible. He said the aprons would provide space on each driveway for two additional vehicles. Commissioner Deziel noted two locations where guest parking might be sited similar to currently proposed parking.

Commissioner Bims suggested that the detail needed in terms of an area plan could be found in the diagrams associated with the draft EIR. Commissioner Riggs said he concurred with Commissioner Deziel that an area plan was needed for a number of reasons.

Commissioner Riggs said it appeared there was no daytime parking allowed along the curb and noted Center Street as an example. Director Heineck said there are spaces set aside for the project, but she did not think the width of the street would accommodate general curb parking. Mr. Suppes said that the paved area was 24-foot curb to curb. Commissioner Riggs said that he was surprised that the whole 24-foot width was needed. He said parking in residential planning had come back into vogue as it took away the sterile look of the environment and the unwelcoming aspect of a non-parked curb. Director Heineck said that the Fire District needed to review the street widths and their ability to access and maneuver around the neighborhood. Commissioner Riggs said an 18-foot driveway was quite enough and would encourage property owners to not use their garages for storage.

Commissioner Deziel said one of his questions for an area plan was whether the center street would be extended to other properties and why it was terminated flush.

Commission Action: Following Commission discussion of the project and Draft EIR, the consensus of the Commission was that the project was appropriate for the location and well designed with a good mix of architectural styles. The Commission commented that the information and analysis contained in the Draft EIR was adequate for the purposes of evaluating

the proposed project. The Commission requested that the applicant provide a detailed area plan and consider elements such as the offsetting of windows between all adjacent units, the allowance of flexibility for minor changes to the properties in the future, and the accommodation of additional on-street parking.

ADJOURNMENT

The meeting adjourned at 11:30 p.m.

Staff Liaison: Justin Murphy, Principal Planner

Prepared by: Brenda Bennett, Recording Secretary

V:\staffrpt\cc\2005\102505 Clarum – Attachment X – PC excerpts – August 2005



MENLO PARK PLANNING COMMISSION DRAFT EXCERPT MINUTES

Regular Meeting
September 26, 2005
7:00 p.m.
City Council Chambers
701 Laurel Street, Menlo Park, CA 94025

CALL TO ORDER – 7:00 p.m.

ROLL CALL – Bims (Vice-chair), Deziel, Henry, Keith, Pagee (Chair), Riggs, Sinnott (absent)

INTRODUCTION OF STAFF – Heineck, Murphy

A. PUBLIC COMMENTS

There was none.

B. PUBLIC HEARINGS

1. **General Plan Amendment, Rezoning, Conditional Development Permit, Major Subdivision, and Environmental Review/Clarum Homes/507-555 Hamilton Avenue**: Requests for the following: 1) General Plan Amendment to change the land use designation of an approximately one acre portion of the property from Medium Density Residential to Parks and Recreation; 2) Rezoning from R-3 (Apartment District) to R-3-X (Apartment District – Conditional Development) and OSC (Open Space and Conservation); 3) Conditional Development Permit to establish specific development regulations and review architectural designs for the construction of 47 single-family residences and an approximately one acre public park; and 4) Major Subdivision to subdivide the property for single-family residential and public park use. The proposal requires the preparation of an Environmental Impact Report (EIR).

Staff Comment: Director Heineck said the project before the Commission was the Hamilton Avenue Park and Housing project and included the development of 47 two-story single-family residential units, 20 of which would be Below Market Rate (BMR) units, and an approximately one-acre neighborhood park. She noted this was the Commission's final meeting on the project and following the public hearing and Commission discussion, the Commission should formulate its recommendation to the City Council on both the project and the Final EIR (FEIR). She said the project had a number of components, some under the jurisdiction of other Commissions and some under the sole jurisdiction of the City Council. She outlined the specific elements that the Planning Commission should include in its recommendation. She said those elements were outlined on pages 20 and 21 (items 1 through 13) of the staff report.

Questions of Staff: In response to Commissioner Deziel, Director Heineck said the streets would be public.

Public Comment: Mr. John Basman, the project manager for Clarum Homes, located in Palo Alto, said they were moving into the final phase of the review process. He said Clarum became involved in the Hamilton Avenue Park and Housing project late in 2002 when the City had sent out a request for proposals. He said they presented a proposal in January 2003, were selected by the Selection Committee and that selection was approved by the City Council in March 2003. He said they entered into a number of public meetings with the Belle Haven community in May and June 2003. He said they then entered into an exclusive negotiating rights agreement with the City in June 2003; the agreement was approved in August 2003. He said using everything that they had gleaned from the Selection Committee, the Belle Haven community meetings, follow up meetings with staff and the various City Commissions leading into a study session with the Council, they had presented a proposal for 50 homes with a one-acre park. He said through that process they refined the proposal and came to the Planning Commission in April 2004 for a study session and presented two revised schemes for how the park would interface with the neighborhood, but with 47 homes and an approximately one-acre park. He said from that study session, they revised the plan based on Commission comment and information from technical studies that were being done. He said then they began the EIR process. He noted that the plan and Draft EIR had been brought to the Planning Commission in August 2005. He said tonight they were bringing what they thought was a comprehensive and complete application. He introduced other members of the development team.

Commissioner Keith said that the staff report included a discussion about Center Street and options the developer was looking at for turnouts for two of the homes, lots 20 and 39. She asked if they had addressed the access issues. Mr. Basman said they had not revised the plan for Lot 39 since, after further review, it was determined that the access drive for Public Works to reach flood control areas could also be used by Lot 39 to back out and maneuver. He said this was a 24-foot back out. He said they could reconfigure the area for Lot 20 and create a hammerhead, but that this would require changes in the circulation plan. He said for both lots there was no problem backing out straight and turning.

Mr. Stuart Welte, EDI Architecture, project architect, said they began the project with the idea of bringing an appropriate housing type to the City of Menlo Park that would fit with the existing neighborhood and work well with the park. He said they designed a pattern of six single-family homes in keeping with the fabric of the neighborhood. He said they designed the homes to be a type of home that would allow large porches and a good arrangement and variety of windows. He said they knew that to provide a large park they would need a slightly higher density of the homes and yard orientation with window locations that could be easily shifted to keep the architecture aesthetically beautiful and also provide good privacy. He said they decided the Craftsman style provided a good mix of styles. He said they wanted the porches along the Hamilton Avenue side to present a friendly streetscape. He said there were very few driveway aprons proposed fronting on Hamilton Avenue and most of the other driveways focused inward toward the site. He said they addressed how the homes would interface with the park area so that people using the park would feel comfortable in open space surrounded by homes that were designed to allow residents in the homes to commune with people in the park on a casual basis or more formal basis, dependent upon how residents wanted to use their yards. He said another idea they wanted to incorporate was solar orientation. He said that was a nice aspect of Craftsman style homes as there was flexibility in the arrangement of windows, rooms,

porches, and overhangs to allow for the location of the yard space that would be used most often. He said they tried to make sure that a southerly direction was the main focus of the private yard. He said that all of the homes along the rear of the site would have side yards to the southeast. He said the homes were designed to be sustainable. He said one of the most dramatic elements of that was the photovoltaic roofing for each of the homes; that in conjunction with the tank-less water heaters every resident would save on their energy bill.

Commissioner Bims asked what the photovoltaic roofs would look like. Mr. Welte said he had photographs. He said early versions of those roofs included an item that had to be mounted in a separate assembly in addition to the roofing. He said the photovoltaic roofs were now very streamlined and the panels looked like roofing tiles. Mr. John Suppes, principal for Clarum Homes, said that the photovoltaic roof was called BIPT, which stood for Building Integrated Portable Tiles, and were used for the roof tiles. He said the homes they had built for Sunset Magazine had those tiles on them and they were almost indiscernible from the other roof tiles.

Commissioner Henry asked about the tank-less water heaters and what size the homes would have and the rating. Mr. Welte said the model was a 2526W and one of the largest, more rapidly heating types of tank-less water heaters. He said it would heat a gallon per minute. Mr. Suppes said they were rated to run two bathroom fixtures (showers) and one appliance, such as a washing machine or dishwasher simultaneously.

Commissioner Deziel asked about the color scheme. Mr. Welte explained a handout provided to the Commission. Mr. Bassman said they would hire an outside color consultant to generate the color schemes. Mr. Suppes said the two homes built for Sunset Magazine were actual color boards of materials and colors. He said those two color themes, roof tile colors, and rock facades were typical of what would be used throughout the project.

Commissioner Bims asked in regard to the tentative subdivision map if the property line extended to the curb. Mr. Basman said where there were bioswales, the property lines for the individual lots extended all the way to the back of curb. Commissioner Bims asked about the maintenance of the trees and the curb and if there was an easement for the City. Mr. Bassman said the City's policy was that the property owners were responsible for the maintenance to the back of the curb. Commissioner Deziel said it would be good if the property owners knew upfront that they were responsible for the maintenance of the landscaping to the back of the curb. Mr. Bassman said that one of the conditions was a requirement for the recording of a deed restriction for those properties that had the bioswales, so the property owner would know at the time of the purchase that they were responsible for the maintenance of the landscaping to the curb. Commissioner Bims confirmed with Mr. Basman that easements would be provided for the utilities and sidewalk.

Chair Pagee brought the Commission's attention to the map supplied by the applicant that showed the relationship of the project site with the surrounding uses. Commissioner Deziel asked if the applicant would provide clarification regarding the stairwell and culvert on the north side of the property. Mr. Basman stated that on the northwest side there were five existing residences on Chilco Street that currently drain to the project site. To address this existing situation, a small drainage easement was being provided along the rear yards of those residences. The water would be carried to the six-foot wide channel on the north side of the property. The channel on the north side of the property will also drain the railroad area and convey it along northern portion of site. He said on the east end, near the Mt. Olive Church, the

channel turned. He said in the small 10-foot area shown between the sound wall and the Mt. Olive Church, there was a four or five-foot sidewalk that was only available to the Menlo Park maintenance people. He said maintenance would occur mostly at the headwall and that final design plans would be part of the building permit process. Commissioner Deziel said his concern was whether children could fall into the ditch. Mr. Rick Tso, the applicant's engineer, said a fence would be constructed to prevent access to the drain channel. Mr. Basman said there would be a six-foot privacy fence on top of the retaining wall along that side.

Commissioner Keith asked how the project would impact the Dumbarton Rail project and grade separation. Mr. Basman said there would be no impact on that project or any future grade separation. Commissioner Keith asked about the grinder that would be used. Mr. Basman said that it would be used to process all of the construction waste to be used in other building processes. Commissioner Keith asked how much material would be recycled. Mr. Suppes said the goal was to recycle 90 percent of the debris.

Commissioner Keith asked why the site was not connected through Sandalwood to Chilco Street. Mr. Basman said that the City has reviewed the issue. He said there was no left turn allowed onto Hamilton Avenue from Chilco Street at certain times of the day. He said the concern was that people would turn into the project and use the project streets to cut through to Hamilton Avenue.

Chair Pagee closed the public hearing.

Commissioner Deziel said on page C-8 of the staff report that there was a response to the California State Public Utilities Commission that indicated the Dumbarton rail corridor would not be completed until 2030. He said his understanding was the target date was 2010. He suggested revising the sentence to replace "approximately 2030" with "a detailed design phase, which is still in early stages, and is informed of this project." Director Heineck said that change could be made as part of the Commission's recommendation on the project. She said information had changed since the initial traffic study was completed for the project and that the current target date is 2010. She said the responses were sent to the entities that filed letters on the DEIR and there had been no further response.

Commissioner Keith said for lot 20 she would want the property owners to have the ability to back up and go straight out rather than having to reverse.

In response to a question from Commissioner Riggs, Mr. Basman said the units would probably be in the \$600,000 to \$700,000 range. In response to a question from Commissioner Keith, Director Heineck said she recalled the range for the BMR units was approximately \$350,000 to \$375,000.

Commissioner Deziel said that there were floor plans (2, 4 and 5) that had walls with no windows as well as a kitchen with no windows. He asked what the rationale was. Mr. Welte said there was a trade-off for cabinets in kitchens and there were large sliding glass doors in the dining rooms that provided a good source of light. He said the kitchens were not large enough to dine in. Mr. Basman said there were certain plans where they did not want windows facing windows, such as in plan 4.

In response to a question from Commissioner Riggs, Director Heineck said the Commission could add a condition that prior to the issuance of a building permit for lot 20, the applicants would work with staff to reassess the driveway access for the unit.

Commission Action: Riggs/Keith to recommend to the City Council approval of the following findings and actions.

1. Modify the First Amendment to the Draft Environmental Impact Report, Response A1 to replace "approximately 2030" with "a detailed design phase which is still in the early stages and which is informed of this project."
2. Adopt the Findings for Certification of the Environmental Impact Report, including the Statement of Overriding Considerations.
3. Certify the Final Environmental Impact Report.
4. Adopt the Mitigation Monitoring and Reporting Program prepared for the project.
5. Make a finding that the proposed General Plan amendment to change the land use designation of an approximately one-acre portion of the property from medium Density Residential to Parks and Recreation for the development of a neighborhood park would be consistent with the adopted General Plan.
6. Make a finding that the proposed rezoning of an approximately 5.3-acre portion of the project site from R-3 (Apartment District) to R-3-X (Apartment District - Conditional Development) is consistent with the existing General Plan land use designation of Medium Density Residential for the property.
7. Make a finding that the proposed rezoning of an approximately one-acre portion of the project site from R-3 (Apartment District) to OSC (Open Space and Conservation) is consistent with the proposed General Plan land use designation of Parks and Recreation.
8. Make a finding that the sale and disposition of the land for the implementation of the proposed project is consistent with the adopted General Plan.
9. Make a finding that the proposed conditional development permit will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed planned development, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
10. Make a finding that the conditional development permit allows for a proposal that provides new entry level ownership housing and a passive use neighborhood park as identified in the Belle Haven Community Needs Assessment in a development that mixes high quality market rate units with 20 Below-Market Rate units at a density half of the legally allowed maximum, providing an overall upgrade to the former industrial sites that is consistent with the density of the surrounding single-family neighborhood. Furthermore, the proposed development conforms to all of the development

regulations of the underlying R-3 (Medium Density Residential) zoning district except for lot areas, dimensions, setbacks, distance between buildings, fence heights, paving and landscaping.

11. Make a finding that the tentative subdivision map has been reviewed by the Engineering Division and has been found to be technically correct and in compliance with the State Subdivision Map Act and the City's Subdivision Ordinance.
12. Approve a resolution amending the General Plan to change the land use designation of an approximately one-acre portion of the property located at 507-555 Hamilton Avenue from Medium Density Residential to Parks and Recreation.
13. Introduce an ordinance rezoning an approximately 5.3-acre portion of the property located at 507-555 Hamilton Avenue from R-3 (Apartment District) to R-3-X (Apartment District – Conditional Development) and an approximately one-acre portion of the property located at 507-555 Hamilton Avenue from R-3 (Apartment District) to OSC (Open Space and Conservation).
14. Approve the Conditional Development Permit for the construction of 47 single-family residential units on an approximately 5.3 acre portion of the property located at 507-555 Hamilton Avenue subject to the terms and conditions of the Conditional Development Permit and as modified to include the following condition:

6.12 Prior to the issuance of a building permit for Lot 20, the project sponsor shall review the lot access with the Transportation Division to determine if revisions are necessary to ensure adequate back-up space.

Motioned carried, 6-0 with Commissioner Sinnott absent.

V:\staffrpt\cc\2005\102505 Clarum – Attachment Y – PC excerpts – September 2005



HOUSING AND REDEVELOPMENT
701 Laurel Street/Menlo Park, CA 94025-3483
(650) 330-6706/Fax (650) 327-1759

MEMORANDUM

DATE: August 4, 2004

TO: City Council

FROM: Housing Commission

SUBJECT: Preference for Below Market Rate Housing Waiting List Households for Below Market Rate Housing Units at the Hamilton Avenue Park and Housing Development

At the July 27th meeting, the Housing Commission voted to recommend that households that have been on the BMR Waiting List for more five years be given priority to purchase a BMR home at the Hamilton Avenue Park and Housing Development. There are currently 401 households on the BMR Waiting List. These 401 households represent 1101 people. Fifty five percent of these households have been waiting more than five years to purchase a BMR home. Many of these households have been on the list for so long because most market rate homes in Menlo Park sell for prices that they cannot afford. This is the first time that a large number of BMR homes will be available. For these reasons, the Housing Commission recommends that the City Council to give first priority to the households who have been on the BMR Waiting List for more than five years.

Attachments:

- A. Memorandum titled "BMR and PAL Report to Housing Commissioners Updated on 7/26/04 to Include Resales"
- B. Memorandum dated August 4, 2004 on the subject "Number of persons on BMR Waiting List"

BMR and PAL Report to Housing Commissioners
Updated on 7/26/04 to Include Resales

Question #1: How many BMR units were purchased with PAL loans?				
Total number of BMR units and current owners = 28				
Total number of resold BMR units/former owners = 4				
Total BMR home sales (including resales) = 32				
Total BMR units (including resales) that were purchased with PAL loans = 18				
Percent of BMR units (including resales) that were purchased with PAL loans = 56%				
Total number of all PAL loans made since beginning of PAL Program = 53 (first loan was in 90/91)				
Question #2: What percentage and numbers of BMR Waiting List people have waited how long?				
Total number of names on Waiting List as of 7/22/04 = 401				
Application Date	# of Persons on List	Percent of Total Applicants		Years Waited
1988	1	0.2%		16
1989	0	0.0%		15
1990	15	4.0%		14
1991	2	0.5%		13
1992	3	1.0%		12
1993	7	2.0%		11
1994	4	1.0%		10
1995	11	3.0%		9
1996	50	12.0%		8
1997	28	7.0%		7
1998	30	7.0%		6
1999	28	7.0%		5
2000	57	14.0%		4
2001	34	8.0%		3
2002	47	12.0%		2
2003	53	13.0%		1
2004	31	8.0%		0
TOTALS =	401	99.7%		



HOUSING AND REDEVELOPMENT

701 Laurel Street/Menlo Park, CA 94025-3483
(650) 330-6706/Fax (650) 327-1759

MEMORANDUM

DATE: August 4, 2004
TO: Housing Commissioners
FROM: Megan Norwood, Management Analyst
SUBJECT: Number of persons on BMR Waiting List

As of 8/4/04, the total number of persons on the BMR Waiting List (rather than households, which currently equals 399) is as follows:

1 person households = 97 = 97 people
2 person households = 100 = 200 people
3 person households = 81 = 243 people
4 person households = 67 = 268 people
5 person households = 29 = 145
6 person households = 18 = 108 people
7 person households = 2 = 14 people
8 person households = 2 = 16 people
9 person households = 0 = 0 people
10 person households = 1 = 10 people

Total number of people on Waiting List as of 8/4/04 = 1,101



HOUSING COMMISSION MINUTES

Regular Meeting
August 31, 2005 - 5:30 p.m.
City Council Conference Room, First Floor
701 Laurel Street, Menlo Park, CA 94025-3483

CALL TO ORDER

Chairperson Carol Louchheim called the meeting to order at 5:30 p.m. in the Administrative Building City Council Conference Room.

ROLL CALL

Housing Commission Members Present: Patricia Boyle, Elizabeth Lasensky; Carol Louchheim, Chair; Anne Moser; Jack O'Malley; Clarice O'Neal

Housing Commission Member Absent: Elza Keet

Staff Present: Arlinda Heineck, Community Development Director, Megan Norwood, Management Analyst; Gretchen Hillard, Housing and Redevelopment Manager

A. PUBLIC COMMENT – None.

B. REPORTS AND ANNOUNCEMENTS – Carol Louchheim proposed that the order of the agenda be rearranged to consider Item 3. before Item 2.

C. BUSINESS ITEMS

1. Welcome new member – Elizabeth Lasensky. The members and staff introduced themselves and welcomed Elizabeth Lasensky to the Housing Commission.
2. Report on informational meetings with teachers and Belle Haven residents concerning BMR units at Hamilton Park.

Megan Norwood described the marketing process that Housing staff is engaged in. Housing staff has made presentations to the preference groups about the availability of BMR units, starting with teachers. They've heard that most teachers have households too small, less than three people, or incomes too low to qualify to purchase the BMR homes. Belle Haven residents have expressed the most interest. She distributed a table with information about the meetings, a flyer about the development, and the Spring 2005 issue of the Belle Haven Newsletter with an article about the development.

3. Recommendation to City Council concerning BMR Agreement for Hamilton Avenue Park Housing Development, including consideration of preferences for purchase of the BMR units.

Gretchen Hillard summarized the changes in the BMR proposal for the Hamilton Avenue development: one BMR house was redesignated from the rear to the front of the property, and the distribution was changed to include more three bedroom homes and fewer four bedroom homes, while maintaining the total at 20. She distributed a table quantifying the changes. The Housing Commissioners reviewed their Memorandum to the City Council dated August 24, 2004, noting that their recommendation is different from the Agency

Board's preferences. The Memorandum states, "Each preference would be first applied to households on the BMR waiting list and then to new BMR unit applicants." And "The Commission is specifically recommending that first preference be given to households that have been on the BMR Waiting List for more than five years."

Anne Moser pointed out that there are households in the preference groups already on the Waiting List. Many on the Waiting list reside in Belle Haven. Elizabeth Lasensky noted that the largest group being Belle Haven residents gets the development support.

Arlinda Heineck responded to a question about the green built idea homes. She said there are two houses that will be Sunset Idea homes. Sunset will charge a fee for tours. Later the houses will be model homes from the project. Jon Bassman summarized the changes to the development and the public process. He said that the funds Sunset collects would be donated to meet a City need. Jack O'Malley asked about whether the Council has decided to have 20 BMR units out of the 47 homes to be built. Arlinda Heineck explained that the City Council had already made that decision. Carol Louchheim said that the Housing Commission has always wanted smaller units. The BMR houses are distributed throughout and have the same floor plan. The exteriors are identical. Jack O'Malley made the motion to approve the BMR Agreement as proposed. Patricia Boyle seconded. Anne Moser and Clarice O'Neal asked clarifying questions. Arlinda Heineck responded that the motion covered the requirements for the number of units, the mix, the location and the square footage. (M/S O'Malley/Boyle, 6-0)

In response to a call for a motion on the preferences, Anne Moser proposed that the Commission reiterate the July 2004 Memorandum. Clarice O'Neal stated that the teachers' households are too small for the Hamilton Avenue BMR houses. Carol Louchheim said that the Housing Commission continues to believe that the most equitable approach is to give households on the Waiting List highest priority. Patricia Boyle asked why configure who is more worthy or needy. Keep simple straightforward criteria. The ranking seems arbitrary. Elizabeth Lasensky asked why should what you do for a living be considered less worthy than what your neighbor does? Carol Louchheim said that the City Council is looking out for what is best for the City's safety and community services. Patricia Boyle said that the Housing Commission has stated its position. The Waiting List is most equitable. Jack O'Malley made the motion to support the August 24, 2005 Memorandum to the City Council, and that the Housing Commission maintains that position. (M/S O'Malley/Moser, 6-0)

4. Should the PAL loan interest change to 3% if a loan is paid off before five years?

Gretchen Hillard introduced the item by explaining that the Finance Department had noticed that two Pal loans had paid off in the first two years out of the 11 PAL loans originated since the loan terms changed to include the five year period of deferred payments at zero percent. Finance staff suggested that the PAL loan terms change to include a requirement that 3% interest be paid if the loan is paid off before five years, to cover the extra administrative costs of originating the loan. The Commissioners discussed the possible disincentive that could result from 3% interest for early payoffs. Jack O'Malley stated that a borrower would pay 3% a year for a payoff for up to five years, but at five years and one day, the 3% would not apply. Other Commissioners expressed the thought that it was reasonable to cover the administrative costs in this circumstance. (M/S O'Neal/Boyle 5-1, O'Malley opposed)

5. Should there be a ceiling on the dollar amount of upgrade a BMR purchaser can buy if they take a \$75,000 PAL loan?

Gretchen Hillard summarized, saying that BMR buyers of new homes must put up cash for a down payment and for upgrades at the time of purchase. City of Menlo Park PAL loans are offered to assist with a downpayment as well as to reduce the monthly payment the first five years. Should there be a ceiling amount that a homebuyer can spend on upgrades if they take the maximum PAL loan available to them. She distributed cost sheets for upgrades at Shorebreeze, Clarum's development in East Palo Alto, which was sold a couple of years previously. The Commissioners discussed the difficulty of determining how much would be a reasonable expenditure for upgrades, what the standard finishes and upgrades are, and how you could tell the BMR units if they were the only ones without upgrades, because the market rate buyers could finance upgrades with their mortgages. Clarice O'Neal made the motion not to make the proposed change to the PAL program. (M/S O'Neal/Moser, 5-0-1, Boyle abstained.)

6. Approval of June 1, 2005 and August 15, 2005 Minutes Anne Moser made the motion to approve the Minutes of the July 1 and August 15, 2005 meetings. (M/S Moser/O'Malley, 5-0-1, Lasensky abstained.)
7. Housing Loan Committee Minutes of June 6, 2005 and June 13, 2005. The Commissioners accepted the Minutes.
8. Monthly Reports on the Housing Rehabilitation Loan Program for May, June and July 2005 The Commissioners accepted the reports.

B. INFORMATION ITEMS

1. Housing Element Patricia Boyle reported that the Governor had cut the funding for updating the Housing Needs Determination. from the State Budget. ABAG has proposed that the current Needs Determination numbers be considered in effect for two additional years. The City Council said they'd wait until the next round, but they've already waited a very long time, since 1992. The traffic study will be completed by December. We need to have a strategic plan. There is a need to update the sites identified as potential housing sites, because some have been developed and others appear to be coming available. The Housing Commission could give the city Council a nudge to move expeditiously on the Housing element. The City is not eligible for Housing Trust Fund and other funding because of this. It's been a year since the Housing Commission spoke to the City Council.
2. Housing Loan Advisory Committee The following Commissioners volunteered to serve on the Loan Advisory Committee: September plus the first week in October; Anne Moser; October, Elizabeth Lasensky; November, Clarice O'Neal; December, Patricia Boyle; January, Carol Louchheim.

E. ADJOURNMENT The meeting was adjourned at 7:20 p.m. by consensus.

Respectfully submitted,

Gretchen Hillard
Housing and Redevelopment Manager



DRAFT

**Las Pulgas Committee Minutes
Regular Meeting
September 21, 2005
5:30 PM
Menlo Park Senior Center
110 Terminal Avenue
Menlo Park, CA**

CALL TO ORDER Margaret Greer called the meeting to order at 5:30 PM.

ROLL CALL

Members Present: Sheryl Bims; Jim Calhoun, Vice-Chairperson; Margaret Greer, Chairperson; Carolyn Clarke; Ron Mallia; John Preyer

Member Absent: Jacquie Mundley

Staff Present: Arlinda Heineck, Community Development Director; Gretchen Hillard, Housing and Redevelopment Manager

PUBLIC COMMENTS: None

REPORTS AND ANNOUNCEMENTS - none

BUSINESS ITEMS

1. Approval of June 15, 2005 minutes Jim Calhoun made the motion to approve the Minutes of the April 20, 2005 meeting. (M/S Preyer/Calhoun, 4-0)

1. Recommendation to City Council concerning the Hamilton Avenue Park Housing Development Jon Bassman, Clarum Homes project manager, gave a brief history of the development plan. He showed an elevation from Hamilton Avenue. He said that the houses would be 1600 to 2100 sq. ft. without the garages counted. They would have three or four bedrooms and 2.5 baths. Ron Mallia asked if the BMR units would be distributed throughout. Jon Bassman said yes, and said they'd be green built. He said the site plan is pretty much the same as the last time the Las Pulgas committee saw it. Drainage issues had caused some changes; for example the site lost six feet of buildable area across the back. He declined to discuss the expected prices, and said that the proposal is going to be reviewed by the Planning Commission on Monday night (October 2).

Sheryl Bims asked when the sales would begin. Jon Bassman said the most recent date that he had heard is spring 2006. On noise abatement, he said there is significant ambient noise, and some noise from Tyco as well as train noise six times a day including a train whistle at the Chilco Street crossing. The train whistle cannot totally be mitigated, but sound attenuation will be accomplished by use of acoustical windows and walls. He said that five Belle Haven intersections will have significant traffic impacts, which cannot be mitigated. Ron Mallia asked if the sewer line was adequate. Jon Bassman said that West Bay Sanitary District said that it is. The storm drain, water and electrical also have adequate capacity.

Sheryl Bims complimented the look of the homes. Jon Bassman said that the Sunset homes will have much more elaborate design features than the typical homes in the project. Jim Calhoun asked if the Sunset upgrades would be available for the other homes. Jon Bassman said no. On the prices he said that the City and Clarum set a base price, and the City will get a percentage of any increase over the base. The sales will start before all and maybe any of the units are built. He didn't know what the phasing pattern for sales would be. Clarum will use the Sunset homes as

models. Options will be available. Jim Calhoun made the motion that the Las Pulgas Committee recommend the Hamilton Avenue park and Housing development to the City Council as proposed. (M/S Calhoun/Bims 6-0)

INFORMATION ITEMS

1. Belle Haven Capital Projects Update Gretchen Hillard reported on the following projects:
 - Overall street improvements This project is for slurry seal to the streets. The contract is complete and the work will begin in October.
 - Willow Road Commercial The City has three bids to upgrade the fence in front of Baneth's pharmacy.
2. City Council Budget Study Gretchen Hillard encouraged the members to complete the budget survey and turn it in by the end of the month. The City has received 700 and would like to have at least 1400.

ADJOURNMENT The meeting was adjourned by acclamation at 6:30 p.m.

Respectfully submitted,

Gretchen Hillard
Housing and Redevelopment Manager

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