

**Community Amenities Proposal**  
**111 Independence Drive**  
**City of Menlo Park**

November 2, 2020

City of Menlo Park  
701 Laurel St.  
Menlo Park, CA 94025

SP Menlo LLC is pleased to provide this Revised Communities Amenities Proposal for the new apartment building proposed at 111 Independence Drive in Menlo Park.

We are excited to play a role in addressing the ongoing housing crises and improve the jobs:housing balance through a housing-only project that replaces existing commercial stock, while not introducing any new office space despite such use being permitted in the Residential Mixed Use (RMU) district.

SP Menlo LLC proposes the following as its community amenities:

- Two (2) one-bedroom Low Income BMR units.
- A ground-floor café (approximately 713 square feet).

Both of these community amenities are from the Resolution 6360 Community Amenities List. The need for affordable housing in Menlo Park is widely recognized as a City-wide imperative and as the top priority for community amenities. A ground-floor café is critical to bringing essential services to the Bayfront area which promotes the Live-Work-Play goals of ConnectMenlo.

As background, the following is a summary of prior events related to this community amenities proposal:

- April 9, 2019: An appraisal performed by a licensed appraiser meeting the City of Menlo Park's requirements, Joseph J. Blake and Associates, Inc., was submitted by SP Menlo to the City.
- June 6, 2019: The City dismissed the Joseph J. Blake appraisal and provided a "Peer Review" of the Appraisal Report by Chris Carneghi, the author of the appraisal instructions.
- August 23, 2019: SP Menlo responded to the "Peer Review" of the Appraisal Report along with an Addendum prepared by Joseph J. Blake to the original appraisal.
- June 30, 2020: The City, dismissed the second Joseph J. Blake and Associates appraisal, provided its own appraisal, this time prepared by Fabbro, Moore & Associates.

Per the attached Review of Appraisal Report and Community Amenity Valuation prepared by Joseph J. Blake and Associates, SP Menlo hereby asserts that the total value of the community amenities that SP Menlo should be requested to provide is \$1,440,000.

The value of the community amenities proposed by SP Menlo, as further described in the attached Review of Appraisal Report and Community Amenity Valuation, exceeds the above total and is itemized as follows:

- Two (2) one-bedroom Low Income BMR units: \$ 1,860,000
    - \$930,000 per BMR unit.
  - A ground-floor café approximately 713 sq ft: \$ 870,000
- Total: \$ 2,730,000

In addition, it should be formally recognized that SP Menlo is proposing to dedicate a portion of its property to the City to be used as part of the Independence Drive ROW. The value of the potential transfer of this strategic land has not yet been explicitly defined.

We sincerely hope that you share in our enthusiasm for this proposal, and we look forward to your agreement.

Sincerely,

Sateez Kadivar  
SP Menlo LLC  
111 Independence Drive  
Menlo Park, CA 94025