NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE
On March 19, 2020, the Governor ordered a statewide stay-at-home order calling on all individuals living in the State of California to stay at home or at their place of residence to slow the spread of the COVID-19 virus. Additionally, the Governor has temporarily suspended certain requirements of the Brown Act. For the duration of the shelter in place order, the following public meeting protocols will apply.

Teleconference meeting: In accordance with Government Code section 54953(e), and in light of the declared state of emergency, all members of the Planning Commission, city staff, applicants, and members of the public will be participating by teleconference.

How to participate in the meeting

- Submit a written comment online up to 1-hour before the meeting start time: PlanningDept@menlopark.org *
- Access the meeting real-time online at: zoom.us/join – Meeting ID# 871 4022 8110
- Access the meeting real-time via telephone (listen only mode) at: (669) 900-6833
  Regular Meeting ID # 871 4022 8110
  Press *9 to raise hand to speak

*Written and recorded public comments and call-back requests are accepted up to 1 hour before the meeting start time. Written and recorded messages are provided to the Planning Commission at the appropriate time in their meeting. Recorded messages may be transcribed using a voice-to-text tool.

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, county and local orders, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the City’s website www.menlopark.org. The instructions for logging on to the webinar and/or the access code is subject to change. If you have difficulty accessing the webinar, please check the latest online edition of the posted agenda for updated information (menlopark.org/agenda).
Regular Meeting

A. Call To Order

B. Roll Call

C. Reports and Announcements

D. Public Comment

Under “Public Comment,” the public may address the Commission on any subject not listed on the agenda, and items listed under Consent Calendar. Each speaker may address the Commission once under Public Comment for a limit of three minutes. Please clearly state your name and address or political jurisdiction in which you live. The Commission cannot act on items not listed on the agenda and, therefore, the Commission cannot respond to non-agenda issues brought up under Public Comment other than to provide general information.

E. Consent Calendar

E1. Architectural Control/Alex Raymond/325 Sharon Park Drive:
Request for architectural control to conduct exterior modifications at an existing commercial development in the C-2 (Neighborhood Shopping) zoning district. (Staff Report #22-029-PC)

F. Public Hearing

F1. Use Permit and Architectural Control/David Neubauer/135 El Camino Real:
Request for architectural control review for modifications to an existing commercial building in the SP-ECR/D (El Camino Real/Downtown Specific Plan) zoning district, including modifications to the front façade and the addition of a roof deck, a second-story screening wall and trellises. The request also includes a use permit for a change of use from a restricted personal service to a mixed-use office and residential building with one residential unit on a property that is substandard with regard to parking. Continued to a future meeting

F2. Variance Revision and Extension of a Vesting Tentative Map/Phil Hydman/706-716 Santa Cruz Avenue:
Request for a revision to extend the expiration date of an approved variance by two years to continue to allow skylights on the third floor of a previously approved three-story, mixed-use building to exceed the 38-foot height limit, in the SP-ECR/D (El Camino Real/Downtown Specific Plan) zoning district. The applicant is also requesting a two-year extension of a vesting tentative map associated with a major subdivision not to exceed four residential condominium units and one commercial area, with rights reserved for up to ten commercial condominium units. The City Council is the final decision making body for the vesting tentative map extension. (Staff Report #22-030-PC)

F3. Development Agreement Annual Review/Stanford University/300-550 El Camino Real (Middle Plaza at 500 El Camino Real Project):
Annual review of the property owner’s good faith compliance with the terms of the Development Agreement for the Middle Plaza at 500 El Camino Real project. (Staff Report #22-031-PC)
G. Regular Business

G1. 2022-23 Capital Improvement Plan/General Plan Consistency: Consideration of consistency of the 2022-23 projects of the Five-Year Capital Improvement Plan with the General Plan. (Staff Report #22-032-PC)

H. Informational Items

H1. Future Planning Commission Meeting Schedule – The upcoming Planning Commission meetings are listed here, for reference. No action will be taken on the meeting schedule, although individual Commissioners may notify staff of planned absences.
   - Regular Meeting: June 27, 2022
   - Regular Meeting: July 11, 2022

I. Adjournment

At every regular meeting of the Planning Commission, in addition to the public comment period where the public shall have the right to address the Planning Commission on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Planning Commission on any item listed on the agenda at a time designated by the chair, either before or during the Planning Commission’s consideration of the item.

At every special meeting of the Planning Commission, members of the public have the right to directly address the Planning Commission on any item listed on the agenda at a time designated by the chair, either before or during consideration of the item. For appeal hearings, appellant and applicant shall each have 10 minutes for presentations.

If you challenge any of the items listed on this agenda in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Menlo Park at, or prior to, the public hearing.

Any writing that is distributed to a majority of the Planning Commission by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available by request by emailing the city clerk at jaherren@menlopark.org. Persons with disabilities, who require auxiliary aids or services in attending or participating in Planning Commission meetings, may call the City Clerk’s Office at 650-330-6620.

Agendas are posted in accordance with Government Code Section 54954.2(a) or Section 54956. Members of the public can view electronic agendas and staff reports by accessing the City website at menlopark.org/agenda and can receive email notification of agenda and staff report postings by subscribing to the “Notify Me” service at menlopark.org/notifyme. Agendas and staff reports may also be obtained by contacting City Clerk at 650-330-6620. (Posted: 06/08/22)
STAFF REPORT

Planning Commission
Meeting Date: 6/13/2022
Staff Report Number: 22-029-PC

Consent Calendar: Architectural Control/Alex Raymond/325 Sharon Park Drive

Recommendation
Staff recommends that the Planning Commission approve an architectural control request to conduct exterior modifications at an existing commercial development in the C-2 (Neighborhood Shopping) zoning district, at 325 Sharon Park Drive. A draft resolution, including the recommended conditions of approval, is included as Attachment A.

Policy Issues
Each architectural control request is considered individually. The Planning Commission should consider whether the required architectural control findings can be made for the proposal.

Background

Site location
The subject property consists of a commercial shopping center, known as the Sharon Heights Shopping Center, hereafter referred to as the center. The center contains two large tenant spaces currently occupied by Safeway and CVS Pharmacy, as well as a number of smaller tenant spaces occupied by a variety of neighborhood-serving commercial uses.

Using Sharon Park Drive in the east-west orientation, the subject property is located at the southern side of the street, with the subject property situated between Sharon Park Drive to the east and north and Sand Hill Road to the south, partially bounded by the intersection of Sharon Park Drive and Sand Hill Road to the southeast. The subject property, along with the neighboring Shell gas station at 125 Sharon Park Drive, is located in the C-2 (Neighborhood Shopping) zoning district.

There is a mixture of multi-family residences on parcels to the north and east of the project site, on the opposite side of Sharon Park Drive. To the west of the subject property, some parcels are zoned C-1(X) (Administrative and Professional District, Restrictive – Conditional). A location map is included as Attachment B.

Blanket Use Permit
On August 4, 2003, the Planning Commission approved a blanket use permit to allow all C-2 zoning district permitted uses, as defined in Section 16.39.010 of the Zoning Ordinance, to locate at the center without individual use permit approval by the Planning Commission despite a substandard number of
Analysis

Project description
The applicant is requesting to complete exterior modifications to their store frontage, as part of a tenant improvement project. No changes in gross floor area (GFA) are proposed. The project plans and the applicant’s project description letter are included as Attachments C and D, respectively.

Apart from the storefront area, the remaining components of the overall building would remain. Per the project plans and project description letter, the proposed modifications for the storefront, as a whole, involve the following:
- Remove all glazing and framing;
- Remove both angled entry doors;
- Install a new window and single-door system, with the entry door recessed into the building frontage; and
- Install a brick cladding artwork onto the wall to the right of the front entry door and glazing.

Design and materials
The proposed project would involve exterior modifications to align the suite’s frontage to be flush with the building frontage overall. The proposed design elements would include black anodized steel framing for the glazing and entry door, brick cladding alongside the glazing, and tiles for the floor space leading to the recessed entry door. Staff believes these changes would be consistent with the aesthetic of the existing building, with materials and colors used to establish a harmony with the appearance of the existing building, which includes more modern elements for other suite frontages. In addition, the existing GFA on site would remain as no building footprint modifications are occurring beyond the current footprint of the building that is recognized as GFA. In the case of the affected building, an outdoor corridor located in front of the suite’s frontage contains columns greater than 12 inches in thickness, which require the covered area and columns to be included as GFA, to the extent of the columns. This area, and its extent, would not change.

Correspondence
Staff has not received any items of correspondence on the proposed project.

Conclusion
Staff believes that the scale, materials, and proposed design would be compatible with the existing commercial development and surrounding buildings. The proposed project would result in a harmonious modernization that is compatible with other modern elements along the existing building, and no GFA changes are proposed. Staff recommends that the Planning Commission approve the proposed project.

Impact on City Resources
The project sponsor is required to pay Planning, Building and Public Works permit fees, based on the
City’s Master Fee Schedule, to fully cover the cost of staff time spent on the review of the project.

**Environmental Review**
The project is categorically exempt under Class 1 (Section 15301, “Existing Facilities”) of the current California Environmental Quality Act (CEQA) Guidelines.

**Public Notice**
Public Notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting. Public notification also consisted of publishing a notice in the local newspaper and notification by mail of owners and occupants within a 300-foot radius of the subject property.

**Appeal Period**
The Planning Commission action will be effective after 15 days unless the action is appealed to the City Council, in which case the outcome of the application shall be determined by the City Council.

**Attachments**
A. Draft Resolution
   Exhibits to Attachment A
   a. Project Plans (See Attachment D to this (June 13, 2022) Planning Commission Staff Report)
   b. Conditions of Approval
B. Location Map
C. Project Plans
D. Project Description Letter

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

**Exhibits to Be Provided at Meeting**
None

Report prepared by:
Matt Pruter, Associate Planner

Report reviewed by:
Corinna Sandmeier, Acting Principal Planner
PLANNING COMMISSION RESOLUTION NO. 2022-xx

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MENLO PARK APPROVING AN ARCHITECTURAL CONTROL REQUEST TO CONDUCT EXTERIOR MODIFICATIONS AT AN EXISTING COMMERCIAL DEVELOPMENT IN THE C-2 (NEIGHBORHOOD SHOPPING) ZONING DISTRICT

WHEREAS, the City of Menlo Park (“City”) received an architectural control application requesting exterior modifications at an existing commercial development in the C-2 (Neighborhood Shopping) zoning district (collectively, the “Project”) from Alex Raymond, Permit Advisors (“Applicant”), on behalf of the property owner Larry Meyer, Radin Co. (“Owner”), located at 325 Sharon Park Drive (APN 074-283-100) (“Property”). The Project architectural control request is depicted in and subject to the development plans which are attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the Property is located in the Neighborhood Shopping (C-2) zoning district. The C-2 zoning district supports a variety of commercial uses; and

WHEREAS, the proposed Project complies with all objective standards of the C-2 zoning district; and

WHEREAS, the proposed Project was reviewed by the Engineering Division and found to be in compliance with City standards; and

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

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

WHEREAS, the Project is categorically except from environmental review pursuant to Cal. Code of Regulations, Title 14, §15301 et seq. (Existing Facilities); and

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

WHEREAS, at a duly and properly noticed public hearing held on June 13, 2022, the Planning Commission fully reviewed, considered, and evaluated the whole of the record
NOW, THEREFORE, BE IT RESOLVED that the Planning Commission finds the foregoing recitals are true and correct, and they are hereby incorporated by reference into this Resolution.

BE IT FURTHER RESOLVED that the Planning Commission of the City of Menlo Park hereby approves the architectural control request subject to conditions, attached hereto and incorporated herein by this reference as Exhibit B, for the Project Revisions.

Project Description. The project is an architectural control request for the exterior modifications at an existing commercial development located in the C-2 zoning district. The Project is depicted in and subject to the development plans and documents attached hereto as Exhibit A and the conditions of approval attached hereto as Exhibit B and incorporated herein by this reference. The architectural control is effective upon close of the appeal period of the Planning Commission’s decision to approve the architectural control request.

The approval is granted based on the following findings which are made pursuant to Menlo Park Municipal Code Section 16.68.020:

1. That the general appearance of the structure is in keeping with character of the neighborhood; in that, the Project is designed in a modern architectural style. The materials and forms of the building and proposed modifications to the suite’s frontage entry door and glazing would comply with the C-2 zoning district objective standards, be compatible with the architectural style of the previously approved project, and would provide visual interest.

2. That the development will not be detrimental to the harmonious and orderly growth of the city; in that, the project is a commercial project. The proposed Project is consistent with all applicable requirements of the City of Menlo Park Municipal Code. The proposed Project is designed in a manner that is consistent with existing and anticipated future development in the area. The proposed front entry will satisfy all accessibility requirements as provided in the Building Code and Americans with Disabilities Act (ADA). Therefore, the proposed Project will not be detrimental to the harmonious and orderly growth of the city.

3. That the development will not impair the desirability of investment or occupation in the neighborhood; in that, the Project consists of a commercial development consistent with the Municipal Code. The proposed Project is designed in a manner consistent with all applicable codes and ordinances. Therefore, the Project would not impair the desirability of investment or occupation in the neighborhood.

4. That the development provides adequate parking as required in all applicable city ordinances and has made adequate provisions for access to such parking; in that, the proposed Project does not modify the gross floor area of the site, no on-site parking would be removed as part of the proposed Project, and a blanket use permit
for the site permits changes of use without individual use permit approvals despite a substandard number of parking spaces. Therefore, the Project will provide sufficient on-site parking.

5. That the development is consistent with any applicable specific plan; in that, the Project is not located within a specific plan area. However, the project is consistent with all applicable codes, ordinances, and requirements outlined in the City of Menlo Park Municipal Code.

ENVIRONMENTAL REVIEW. The Planning Commission makes the following findings, based on its independent judgment after considering the Project, and having reviewed and taken into consideration all written and oral information submitted in this matter:

A. The Project is categorically except from environmental review pursuant to Cal. Code of Regulations, Title 14, §15301 et seq. (Existing Facilities).

SEVERABILITY

If any term, provision, or portion of these findings or the application of these findings to a particular situation is held by a court to be invalid, void or unenforceable, the remaining provisions of these findings, or their application to other actions related to the Project Revisions, shall continue in full force and effect unless amended or modified by the City.

I, Corinna Sandmeier, Acting Principal Planner and Planning Commission Liaison of the City of Menlo Park, do hereby certify that the above and foregoing Planning Commission Resolution was duly and regularly passed and adopted at a meeting by said Planning Commission on June 13, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS THEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this ____ day of June, 2022
Corinna Sandmeier  
Acting Principal Planner and Planning Commission Liaison  
City of Menlo Park

Exhibits
   A. Project Plans  
   B. Conditions of Approval
PROPOSAL: Request for architectural control review to conduct exterior modifications at an existing commercial development in the C-2 (Neighborhood Shopping) zoning district.

DECISION ENTITY: Planning Commission
DATE: June 13, 2022
ACTION: TBD

VOTE: TBD (Barnes, DeCardy, Do, Harris, Riggs, Tate, Thomas)

PROJECT CONDITIONS:

1. Development of the Project shall be substantially in conformance with the plans prepared by Callison RTKL, Inc., attached to the June 13, 2022 Planning Commission staff report as Attachment C, and consisting of 12 plan sheets, dated received May 31, 2022 (hereinafter the “Plans”). The Plans may only be modified by the conditions contained herein, subject to review and approval of the Community Development Director or their designee.

2. All outstanding and applicable fees associated with the processing of this Project shall be paid prior to the issuance of any building permit for the Project.

3. Substantially consistent and minor modifications to building exteriors and locations, fence styles and locations, signage, and significant landscape features may be approved in writing by the Community Development Director or designee, based on the determination that the proposed modification is consistent with other building and design elements of the approved architectural control permit and will not have an adverse impact on the character and aesthetics of the site. The Director may refer any request for revisions to the plans to the Planning Commission. If the Director refers the plans to the Planning Commission, the Director shall provide written documentation of the Director’s determination that the modification is substantially consistent and a member of the Planning Commission may request to discuss these modifications on the next agenda within 72 hours of notification of the modifications by the Community Development Director. A public meeting could be called regarding such changes if deemed necessary by the Planning Commission. Further environmental review and analysis may be required if such changes necessitate further review and analysis pursuant to the California Environmental Quality Act.

4. Major modifications to the development plan which involve material changes, or expansion or intensification of development, may be allowed subject to obtaining an architectural control permit from the Planning Commission.

5. Applicant shall keep the property in a clean and sanitary condition at all times, and maintain its site in a fashion that does not constitute a public nuisance and that does not violate any provision of the City of Menlo Park Municipal Code.

6. The Project shall adhere to all ordinances, plans, regulations, and specifications of the City of Menlo Park and all applicable local, State, and Federal laws and regulations.

7. Prior to building permit issuance, the applicants shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies’ regulations that are directly applicable to the Project.

8. Prior to building permit issuance, the applicants shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the Project.

9. Prior to issuance of any building permit for the Project, Applicant shall clearly indicate compliance with all conditions of approval on the plans and/or provide written explanations to the Director of Community Development regarding any inability to satisfy all conditions of approval.
<table>
<thead>
<tr>
<th>LOCATION: 325 Sharon Park Drive</th>
<th>PROJECT NUMBER: PLN2022-00008</th>
<th>APPLICANT: Alex Raymond</th>
<th>OWNER: Larry Meyer</th>
</tr>
</thead>
</table>

**PROPOSAL:** Request for architectural control review to conduct exterior modifications at an existing commercial development in the C-2 (Neighborhood Shopping) zoning district.

**DECISION ENTITY:** Planning Commission  
**DATE:** June 13, 2022  
**ACTION:** TBD

**VOTE:** TBD (Barnes, DeCardy, Do, Harris, Riggs, Tate, Thomas)

**PROJECT CONDITIONS:**

10. The applicant or permittee shall defend, indemnify, and hold harmless the City of Menlo Park or its agents, officers, and employees from any claim, action, or proceeding against the City of Menlo Park or its agents, officers, or employees to attack, set aside, void, or annul an approval of the Planning Commission, City Council, Community Development Director, or any other department, committee, or agency of the City concerning a development, variance, permit, or land use approval which action is brought within the time period provided for in any applicable statute; provided, however, that the applicant’s or permittee’s duty to so defend, indemnify, and hold harmless shall be subject to the City’s promptly notifying the applicant or permittee of any said claim, action, or proceeding and the City’s full cooperation in the applicant’s or permittee’s defense of said claims, actions, or proceedings.
CITY OF MENLO PARK
LOCATION MAP
325 SHARON PARK DRIVE
Scale: 1:4,000   Drawn By: MAP   Checked By: CDS   Date: 6/13/2022
One Medical’s (1Life Healthcare, Inc.) comprehensive primary care practice delivers a modern, people centered experience built on a backbone of integrated technology that makes it faster, easier, and more enjoyable for people to get care that fits into their lives. With 100+ locations around the country and more than 600,000 patients, we have proven that consumers crave better, more convenient healthcare and we wish to continue that expansion in Sharon Heights. By opening a location at Menlo Park, One Medical will provide substantial benefits to the Sharon Heights shopping center, and the surround community included, but not limited to:

- Bringing high quality healthcare to a community that is under-served by primary care
- Beautiful, vibrant, welcoming storefronts, that feel more like spas than doctor’s offices, elevate the look and feel of the shopping center, drawing more people into the center and our space
- One Medical draws desirable shoppers out of hidden medical offices and into the retail landscape to support surrounding merchants
- One Medical’s customers are white collar workers and consumers of premium lifestyle amenities with disposable income, drawing valuable shoppers
- Guaranteed on-time appointments limit occupancy of parking spaces in shopping centers and allow customers the opportunity to allocate time to shop

**Services Rendered:** Tenant shall use the Premises to operate a medical clinic, including all uses incidental to a primary care medical practice (including without limitation drawing blood, laboratory services, and general business offices).

**Estimated number of patients to be present at any given time:** ~10-12 at capacity

**Operation Schedule:** 8 AM - 6 PM Mon - Sat

**Number of medical providers on-site at a time:** ~2-3 at launch; ~8-10 at capacity

In summary, One Medical’s modern, hospitality-focused approach to healthcare provides a unique platform for consumers to maintain their health and well-being in convenient, highly accessible places. We look forward to bringing this convenience and quality to the residents and workers of Menlo Park drawing new consumers to Sharon Heights.

Sincerely,

Donald Graham
Director of Construction
One Medical
Recommendation
Staff recommends that the Planning Commission take the following actions on the proposed project:

1. **Adopt a resolution recommending that the City Council adopt a resolution to approve a two-year extension of a vesting tentative map associated with a major subdivision** not to exceed four residential condominium units and one commercial area, with rights reserved for up to ten commercial condominium units (Attachment A); and

2. **Adopt a resolution approving a revision to an approved variance to extend the expiration date by two years** to continue to allow skylights on the third floor of an approved mixed-use building to exceed the 38-foot height limit, in the SP-ECR/D (El Camino Real/Downtown Specific Plan) zoning district (Attachment B).

Policy Issues
The proposed project requires the Planning Commission and City Council to consider whether or not the previously approved variance should be revised to extend the expiration date by two years, and whether or not the approved vesting tentative map should be extended for two years. The Planning Commission is the final decision making body on the revision to the variance and the City Council is the final decision making body on the extension of the vesting tentative map.

Background

**Site location**
The subject site, located at 706-716 Santa Cruz Avenue, is 23,454 square feet in size and is part the El Camino Real/Downtown Specific Plan (SP-ECR/D) zoning district and is within the Downtown (D) sub-district. A private surface parking lot is located on the rear half of the site and is currently accessed by driveways on Chestnut Street and Chestnut Lane.

The subject site is a corner lot with frontages along Santa Cruz Avenue, Chestnut Street, and Chestnut Lane, where Santa Cruz Avenue serves as the front and Chestnut Lane serves as the rear. The surrounding properties are also part of the SP-ECR/D district, and generally consist of commercial buildings. A location map is included as Attachment C.

**Project History**
On December 11, 2017, the Planning Commission reviewed an architectural control request for a mixed-use building with underground parking, retail space on the first level, nonmedical office space on the second
level, and four residential units on the third level. The Commission continued the project with direction for revisions.

On September 17, 2018, the Planning Commission reviewed a revised proposal at a study session. On December 9, 2019, the Planning Commission recommended that the City Council approve all entitlements aside from the variance. A motion to also recommend approval of the variance failed with a split vote.

On January 28, 2020, the City Council adopted a resolution to approve the following:

- Architectural control for the demolition of an existing commercial building and the construction of a new three-story, mixed-use building with below-grade parking, retail space and parking on the first level, office uses on the second level, and office uses and four residential units on the third level;
- Major Subdivision to create a Vesting Tentative Map not to exceed four residential condominium units and one commercial area, with rights reserved to allow up to 10 commercial condominiums;
- Removal of one on-street parking space on Chestnut Street; and
- Approval of a variance to allow skylights on the third floor to exceed the 38-foot maximum height limit.

The City Council also adopted a resolution adopting a below market rate housing agreement for the project. The City Council staff report and minutes are included as hyperlink Attachments E and F.

A variance expires if not implemented within one year of the approval date. For new construction, the variance is considered to be implemented with submittal of a complete building permit application. The Community Development Director has the authority to extend the effective date of the variance upon the written request of the applicant for up to one year if the Community Development Director finds that there is good cause for the extension based upon unusual circumstances and/or conditions not of the making of the applicant or its agents or employees.

On May 17, 2021 the Community Development Director approved a one year extension for the variance request based on conditions not of the applicant’s making, including economic constraints due to the pandemic.

**Analysis**

**Project description**

The applicant is now requesting an additional two-year extension for both the variance and the vesting tentative map. The applicant indicates the extensions are needed to secure financing for the project. The applicant’s letter is included as Attachment G.

The project approved in January 2020 meets the Specific Plan’s Base level standards. The maximum permitted base floor area ratio (FAR) for the D sub-district is 2.0 for all uses, inclusive of office, and the maximum FAR for non-medical office uses is half of the overall FAR. The approved project includes 46,908 square feet (2.0 FAR) of gross floor area and a total of 23,454 square feet (1.0 FAR) of office space, including proportionally calculated common areas such as the lobby and stairs.

The project was approved with a height of 37.75 feet where 38 feet is the maximum allowed height and it adheres to the façade height limit of 30 feet. The City Council’s approval included a variance for the third floor skylights to exceed the 38-foot maximum height. A four-foot tall parapet wall was proposed for the rooftop mechanical equipment screening and is not included in the maximum height of the building, as is
permitted by the Specific Plan.

**Major Subdivision and Variance**
The City Council’s 2020 approval of the project included a vesting tentative map associated with a major subdivision not to exceed four residential condominium units and one commercial area, with rights reserved to allow up to 10 commercial condominiums. The vesting tentative map expires two years from the date of approval. The condominium subdivision allows the individual residential units and commercial condominiums to be sold separately. The vesting tentative map gives the property owner flexibility to divide the retail and office space into no more than 10 units without requiring an additional tentative map.

The Subdivision Ordinance requires the preparation of a tentative map, which has been included in the applicant's approved project plans. The vesting tentative map has been reviewed by the City’s Engineering Division and has been found to comply with the provisions of the State Subdivision Map Act and the City’s Subdivision Ordinance subject to previous conditions of approval. There are no new recommended conditions of approval.

As part of the original proposal, the applicant requested a variance to allow six skylights on the third floor to exceed the 38-foot maximum height limit by approximately three feet, two inches, which was approved by the City Council along with the other entitlements.

The applicant is now requesting a revision to the approved variance to modify the expiration date by two years and an extension of the vesting tentative map, also by two years. Staff believes extending the expiration dates would be reasonable as this would be consistent with the City Council’s overall approval of the project and would allow continued implementation of the project. All conditions of approval from the January 28, 2020 approval would continue to apply but the expiration date of the variance and the vesting tentative map would both be extended to January 28, 2024.

**Correspondence**
Staff has not received any correspondence on the project at this time.

**Conclusion**
Staff believes both the revision to the approved variance to modify the expiration date by two years and the extension of the vesting tentative map, also by two years, to allow the applicant to secure funding for the project and to allow the approved project to be implemented, are appropriate. Staff recommends the Planning Commission approve the revision to extend the variance expiration date and recommend that the City Council approve the extension of the vesting tentative map.

**Impact on City Resources**
The project sponsor is required to pay Planning, Building and Public Works permit fees, based on the City’s Master Fee Schedule, to fully cover the cost of staff time spent on the review of the project.

**Environmental Review**
The Specific Plan process included detailed review of projected environmental impacts through a program Environmental Impact Report (EIR), as required by the California Environmental Quality Act (CEQA). In compliance with CEQA requirements, the Draft EIR was released in April 2011, with a public comment period that closed in June 2011. The Final EIR, incorporating responses to Draft EIR comments, as well as text changes to parts of the Draft EIR itself, was released in April 2012, and certified along with the final
Plan approvals in June 2012.

As specified in the Specific Plan EIR and the CEQA Guidelines, program EIRs provide the initial framework for review of discrete projects. The 706-716 Santa Cruz Avenue project was analyzed with regard to whether it would have impacts not examined in the Program EIR prior to the approval of the entitlements in 2020. The conformance checklist analyzed the project in relation to each environmental category in appropriate detail, and it was determined that the project would not result in greater impacts than were identified for the Program EIR. Relevant mitigation measures were adopted as part of the Mitigation Monitoring and Reporting Program (MMRP). Full compliance with the MMRP will be ensured through the conditions of approval. No new impacts have been identified and no new mitigation measures are required for the requested revision to the variance or the extension of the vesting tentative map.

Public Notice
Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting. Public notification also consisted of publishing a notice in the local newspaper and notification by mail of owners and occupants within a 300-foot radius of the subject property.

Attachments
A. Draft Planning Commission Resolution Recommending that the City Council Adopt a Resolution to extend the expiration date of an approved Vesting Tentative Map
   Exhibits to Attachment A:
   a. Project Plans (see Attachment D to this (June 13, 2022) Planning Commission Staff Report)
   b. Conditions of Approval
B. Draft Planning Commission Resolution Approving a Variance Revision
   a. Project Plans (see Attachment D to this (June 13, 2022) Planning Commission Staff Report)
   b. Conditions of Approval
C. Location Map
D. Project Plans
E. Hyperlink: City Council staff report, January 28, 2020
   https://www.menlopark.org/DocumentCenter/View/24055/G1-20200128-CC-706-Santa-Cruz
F. Hyperlink: City Council Minutes, January 28, 2020
   https://www.menlopark.org/AgendaCenter/ViewFile/Minutes/_01282020-3383
G. Applicant’s Letter

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

Exhibits to Be Provided at Meeting
None

Report prepared by:
PLANNING COMMISSION RESOLUTION NO. 2022-XX

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MENLO PARK RECOMMENDING THAT THE CITY COUNCIL APPROVE A TWO-YEAR EXTENSION OF A VESTING TENTATIVE MAP ASSOCIATED WITH A MAJOR SUBDIVISION NOT TO EXCEED FOUR RESIDENTIAL CONDOMINIUM UNITS AND ONE COMMERCIAL AREA, WITH RIGHTS RESERVED FOR UP TO TEN COMMERCIAL CONDOMINIUM UNITS.

WHEREAS, the City of Menlo Park (“City”) received an application requesting a two-year extension of a vesting tentative map associated with a major subdivision not to exceed four residential condominium units and one commercial area, with rights reserved for up to ten commercial condominium units, and to extend the expiration date of an approved variance by two years to continue to allow skylights on the third floor of a previously approved three-story, mixed-use building to exceed the 38-foot height limit in the SP-ECR/D (El Camino Real/Downtown Specific Plan) zoning district (collectively, the “Project”) from Phillip Hyndman (“Applicant”), on behalf of the property owner 706-716 Santa Cruz Ave, LLC (“Owner”), located at 706-716 Santa Cruz Avenue (APN 071-102-250) (“Property”). The vesting tentative map is depicted in and subject to the development plans and documents which are attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the Property is located in the El Camino Real/Downtown Specific Plan (SP-ECR/D) zoning district and the El Camino Real Downtown (D) sub-district, which supports a variety of uses including personal services, business and professional offices and residential uses; and

WHEREAS, the proposed vesting tentative map extension complies with all objective standards of the SP-ECR/D district and D sub-district; and

WHEREAS, the findings and conditions for the vesting tentative map extension would ensure that all City requirements are applied consistently and correctly as part of the project’s implementation; and

WHEREAS, the proposed Project was reviewed by the Engineering Division and found to be in compliance with City standards; and

WHEREAS, the approval of the vesting tentative map extension is consistent with the City Council’s approval of the project and allows the project to be implemented; and

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

WHEREAS, the City had previously prepared and certified the Program Environmental Impact Report for adoption of the Specific Plan (“Specific Plan EIR”) and prepared a checklist for the original vesting tentative map request and overall project detailing that no new effects could occur and no new mitigation measures would be required; and

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

WHEREAS, at a duly and properly noticed public hearing held on May 13, 2022, the Planning Commission fully reviewed, considered, and evaluated the whole of the record including all public and written comments, pertinent information, documents and plans, prior to making a recommendation to the City Council on the proposed vesting tentative map extension.

WHEREAS, the Planning Commission of the City of Menlo Park having fully reviewed, considered and evaluated all the testimony and evidence submitted in this matter voted affirmatively to recommend to the City Council of the City of Menlo Park to approve the findings and conditions for the vesting tentative map extension; and

NOW, THEREFORE, THE MENLO PARK PLANNING COMMISSION HEREBY RESOLVES AS FOLLOWS:

Section 1. Recitals. The Planning Commission has considered the full record before it, which may include but is not limited to such things as the staff report, public testimony, and other materials and evidence submitted or provided, and the Planning Commission finds the foregoing recitals are true and correct, and they are hereby incorporated by reference into this Resolution.

Section 2. Vesting Tentative Map Extension. The Planning Commission recommends that the City Council approve the vesting tentative map extension for the Project (Exhibit A) and the associated conditions of approval attached hereto as Exhibit B and incorporated herein by this reference.

Section 3. ENVIRONMENTAL REVIEW. The Planning Commission recommends that the City Council make the following findings, based on its independent judgment after considering the Project, and having reviewed and taken into consideration all written and oral information submitted in this matter:

A. Make findings with regard to the California Environmental Quality Act (CEQA) that the proposal is within the scope of the project covered by the El Camino
Real/Downtown Specific Plan Program EIR, which was certified on June 5, 2012. Specifically, make findings that:

a. A checklist was prepared for the original vesting tentative map and overall project detailing that no new effects could occur and no new mitigation measures would be required.

b. Relevant mitigation measures were incorporated into the project through the Mitigation Monitoring and Reporting Program.

c. Upon completion of project improvements, the Specific Plan Maximum Allowable Development will be adjusted by 4 residential units and 20,328 square feet of non-residential uses, accounting for the project's net share of the Plan's overall projected development and associated impacts.

NOW, THEREFORE, BE IT RESOLVED THAT, ON THE BASIS OF THE ABOVE FINDINGS AND THE ENTIRE RECORD, THE PLANNING COMMISSION RECOMMENDS THAT THE CITY COUNCIL MAKES THE FOLLOWING ADDITIONAL FINDINGS IN SUPPORT OF THE RECOMMENDED APPROVAL:

B. Regarding the application requesting approval of Vesting Tentative Map Extension, the City Council finds that:

a. The proposed vesting tentative map extension does not modify any of the original Vesting Tentative Map's design, and therefore, all of the findings made on the original Vesting Tentative Map (City Council Resolution No. 6535) are still valid and apply to this extension; and

b. All conditions of approval in City Council Resolutions No. 6535, not otherwise modified by this resolution, are still in effect.

SEVERABILITY

If any term, provision, or portion of these findings or the application of these findings to a particular situation is held by a court to be invalid, void or unenforceable, the remaining provisions of these findings, or their application to other actions related to the Project, shall continue in full force and effect unless amended or modified by the City.

I, Corinna Sandmeier, Acting Principal Planner and Planning Commission Liaison of the City of Menlo Park, do hereby certify that the above and foregoing Planning Commission Resolution was duly and regularly passed and adopted at a meeting by said Planning Commission on June 13, 2022, by the following votes:

AYES:

NOES:

ABSENT:
ABSTAIN:

IN WITNESS THEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this 13\textsuperscript{th} day of June, 2022

______________________________
Corinna Sandmeier
Acting Principal Planner and Planning Commission Liaison
City of Menlo Park

Exhibits
   A. Project Plans
   B. Conditions of Approval
LOCATION: 706-716 Santa Cruz Avenue

APPLICATION: PLN20222-00006

APPLICANT: Phillip Hyndman

OWNER: 706-716 Santa Cruz Ave, LLC

PROJECT CONDITIONS – VESTING TENTATIVE MAP EXTENSION:

1. The vesting tentative map extension shall be subject to all conditions that were included in the City’s Council’s January 28, 2020 approval of the vesting tentative map and associated entitlements, except that the expiration date of the vesting tentative map is extended to January 28, 2024.
A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MENLO PARK APPROVING A REVISION TO EXTEND THE EXPIRATION DATE OF AN APPROVED VARIANCE BY TWO YEARS TO CONTINUE TO ALLOW SKYLIGHTS ON THE THIRD FLOOR OF A PREVIOUSLY APPROVED THREE-STORY, MIXED-USE BUILDING TO EXCEED THE 38-FOOT HEIGHT LIMIT, IN THE SP-ECR/D (EL CAMINO REAL/DOWNTOWN SPECIFIC PLAN) ZONING DISTRICT.

WHEREAS, the City of Menlo Park ("City") received an application requesting a two-year extension of a vesting tentative map associated with a major subdivision not to exceed four residential condominium units and one commercial area, with rights reserved for up to ten commercial condominium units, and to extend the expiration date of an approved variance by two years to continue to allow skylights on the third floor of a previously approved three-story, mixed-use building to exceed the 38-foot height limit in the SP-ECR/D (El Camino Real/Downtown Specific Plan) zoning district (collectively, the "Project") from Phillip Hyndman ("Applicant"), on behalf of the property owner 706-716 Santa Cruz Ave, LLC ("Owner"), located at 706-716 Santa Cruz Avenue (APN 071-102-250) ("Property"). The Variance is depicted in and subject to the development plans and documents which are attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the Property is located in the El Camino Real/Downtown Specific Plan (SP-ECR/D) zoning district, and the El Camino Real Downtown (D) sub-district, which supports a variety of uses including personal services, business and professional offices and residential uses; and

WHEREAS, the proposed Project complies with all objective standards of the SP-ECR/D district and the D sub-district with the approval of the variance; and

WHEREAS, the findings and conditions for the revision of the variance expiration would ensure that all City requirements are applied consistently and correctly as part of the project’s variance extension implementation; and

WHEREAS, the proposed Project was reviewed by the Engineering Division and found to be in compliance with City standards; and

WHEREAS, the approval of the revision to extend the variance expiration is consistent with the City Council’s previous approval of the project and allows the project to be implemented; and

WHEREAS, the Project, requires discretionary actions by the City as summarized above, and therefore the California Environmental Quality Act ("CEQA," Public Resources Code Section §21000 et seq.) and CEQA Guidelines (Cal. Code of Regulations, Title 14, §15000 et seq.) require analysis and a determination regarding the Project’s environmental impacts; and
WHEREAS, the City is the lead agency, as defined by CEQA and the CEQA Guidelines, and is therefore responsible for the preparation, consideration, certification, and approval of environmental documents for the Project; and

WHEREAS, the City had previously prepared and certified the Program Environmental Impact Report for adoption of the Specific Plan (“Specific Plan EIR”) and prepared a checklist for the original variance request and overall project detailing that no new effects could occur and no new mitigation measures would be required; and

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

WHEREAS, at a duly and properly noticed public hearing held on May 13, 2022, the Planning Commission fully reviewed, considered, and evaluated the whole of the record including all public and written comments, pertinent information, documents and plans, prior to taking action regarding the variance revision.

WHEREAS, the Planning Commission of the City of Menlo Park having fully reviewed, considered and evaluated all the testimony and evidence submitted in this matter voted affirmatively to approve the findings and conditions for the Variance revision; and

NOW, THEREFORE, THE MENLO PARK PLANNING COMMISSION HEREBY RESOLVES AS FOLLOWS:

Section 1. Recitals. The Planning Commission has considered the full record before it, which may include but is not limited to such things as the staff report, public testimony, and other materials and evidence submitted or provided, and the Planning Commission finds the foregoing recitals are true and correct, and they are hereby incorporated by reference into this Resolution.

Section 2. Variance. The Planning Commission approves the Variance revision, which is depicted in, and subject to the development plans and documents which are attached hereto and incorporated herein by this reference as Exhibit A. The Variance is conditioned in conformance with the conditions attached hereto and incorporated herein by this reference as Exhibit B.

Section 3. ENVIRONMENTAL REVIEW. The Planning Commission makes the following findings, based on its independent judgment after considering the Project, and having reviewed and taken into consideration all written and oral information submitted in this matter:

A. Make findings with regard to the California Environmental Quality Act (CEQA) that the proposal is within the scope of the project covered by the El Camino Real/Downtown Specific Plan Program EIR, which was certified on June 5, 2012. Specifically, make findings that:
a. A checklist was prepared for the original variance request and overall project detailing that no new effects could occur and no new mitigation measures would be required.

b. Relevant mitigation measures were incorporated into the project through the Mitigation Monitoring and Reporting Program.

c. Upon completion of project improvements, the Specific Plan Maximum Allowable Development will be adjusted by 4 residential units and 20,328 square feet of non-residential uses, accounting for the project's net share of the Plan's overall projected development and associated impacts.

SEVERABILITY

If any term, provision, or portion of these findings or the application of these findings to a particular situation is held by a court to be invalid, void or unenforceable, the remaining provisions of these findings, or their application to other actions related to the Project, shall continue in full force and effect unless amended or modified by the City.

I, Corinna Sandmeier, Acting Principal Planner and Planning Commission Liaison of the City of Menlo Park, do hereby certify that the above and foregoing Planning Commission Resolution was duly and regularly passed and adopted at a meeting by said Planning Commission on June 13, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS THEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this 13th day of June, 2022

______________________________
Corinna Sandmeier
Acting Principal Planner and Planning Commission Liaison
City of Menlo Park

Exhibits

A. Project Plans
B. Conditions of Approval
### PROJECT CONDITIONS – REVISION TO THE VARIANCE:

1. The revision to the approved variance shall be subject to all conditions that were included in the City’s Council’s January 28, 2020 approval of the variance and associated entitlements, except that the expiration date of the variance is extended to January 28, 2024.
706 SANTA CRUZ AVE. MENLO PARK
Architectural Review
706 Santa Cruz Ave., LLC.
**PROJECT DESCRIPTION:**

A new three story mixed use building with one and a half levels of below grade parking, ground floor residential and office lobies, parking & retail; second floor office and balconies; and third floor residential units, office and balconies.

**INDEX**

- **MASTER PLAN**
  - MP 0.1 Vicinity Map
  - MP 0.2 Site Plans
  - MP 0.3 Section Plans
  - MP 0.4 Building Elevation Plan
  - MP 0.5 Floor Plan
  - MP 0.6 Site Analysis

- **LANDSCAPE**
  - L 0.0 Landscape Notes & Legend
  - L 2.1 Landscape Plan
  - L 2.2 Landscape Plan
  - L 2.3 Landscape Plan
  - L 3.0 Landscape Details

- **CIVIL**
  - C 0.0 Topographic Survey & Boundary Survey
  - C 2.0 Preliminary Grading, Drainage, Utility Plan Ground Level
  - C 2.1 Preliminary Offsets Improvement Plans
  - C 2.2 Preliminary Grading, Drainage, Utility Plan Second Floor
  - C 3.0 Preliminary Stormwater Management Plan

- **ARCHITECTURAL**
  - A 0.1 Area Plan
  - A 0.2 Existing Site Plan
  - A 0.3 Proposed Site Plan
  - A 1.1 Ground Floor Plan
  - A 1.2 Second Floor Plan
  - A 1.3 Third Floor Plan

- **VESTING TENTATIVE MAP**
  - 1. Vesting Tentative Map
  - 2. Proposed Conditions Lower Level

- **UTILITY UNDERGROUNDING**
  - GAS RELocation
  - JT-1 Joint Trench Title Sheet
  - JT-2 Joint Trench Intent

- **SHORING PLANS**
  - SH-0.00 Cover Sheet
  - SH-1.00 Temporary Shoring Plan - Notes
  - SH-2.00 Temporary Shoring Plan - Plan
  - SH-3.00 Temporary Shoring Plan - Elevation
  - SH-3.02 Temporary Shoring Plan - Elevation
  - SH-3.03 Temporary Shoring Plan - Elevation
  - SH-3.04 Temporary Shoring Plan - Elevation
  - SH-4.00 Temporary Shoring Plan - Section

- **CONSTRUCTION PHASING**
  - CP-1 Crane Location & Site Access
  - CP-2 Phase 1 - Demo
  - CP-3 Phase 2 - Shoring & Mass Excavation
  - CP-4 Phase 3 - Footings / Slab / Podium
  - CP-5 Phase 4 - Erect Steel / Metal Stud Roof
  - CP-6 Phase 5 - Exterior Skin / Interior Build-out
  - CP-7 Parking Management
  - CP-8 Temporary Trenching & Scaffolding

**ELECTRICAL**

- E 0.1 SYMBOL LIST AND GENERAL NOTES
- E 0.2 PARKING LEVEL 2 PLAN - ELECTRICAL
- E 0.3 PARKING LEVEL 1 PLAN - ELECTRICAL
- E 0.4 FIRST FLOOR PLAN - ELECTRICAL
- E 0.5 LIGHT FIXTURE CUT SHEETS

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**706 SANTA CRUZ AVE. MENLO PARK**

Architectural Review
706 Santa Cruz Ave., LLC.

**DRAWING INDEX & PROJECT DATA**

CS 0.1
November 25, 2019

---

**PROJECT DATA:**

- **CONSTRUCTION TYPE:**
  - Type B

- **SITE AREA:**
  - 2,345 sf

- **BUILDING AREA NOTES & EXEMPTIONS**
  - Minimum FAR = 2.2
  - Allowable Office Area x 1 FAR
  - 9,544 sq f as offered
  - Maximum Residential Density
    - 9 units per acre
    - 2,345 sf x 1 FAR
  - Exclusion for covered parking
  - 6,000 sq f
  - Exclusion for Street parking
  - 6,000 sq f
  - Exclusion for Area with Noise Generating Equipment
  - 6,000 sq f

- **PERCENTAGE OF USE:**
  - 10,000 sf
  - 100%

---

**PARKING REQUIREMENTS:**

- Exemption from Parking Requirement = 1 FAR
  - 21,454 sf

- Exemption Credit that may be used on 2nd Floor
  - 12,400 sf

- Total Office Area
  - 21,454 sf

- Office Area to be capped at 3.2 FAR
  - 7,140 sf

- Parking Required
  - 47.29 spaces

- Office Space Surface Parking
  - 47.29 spaces

- Residential Requirement (1 per unit)
  - 4 spaces

- Total Parking Required
  - 51.79 spaces

---

**ELECTRICAL VEHICLE CHARGING**

- Conduct For 15% of stalls provided
  - 10 stalls (8 stalls in Level 1)
- Total Accessory CVS Space (10 stalls in Level 1)
  - 11 stalls (accessory staff at level 1)
- Total CEV Provided
  - 11 CEV Provided

---

**BICYCLE PARKING REQUIRED:**

- Short Term
  - 12 (6 provided at 706 Santa Cruz Ave.)
  - Long Term
  - 12 (6 provided at 706 Santa Cruz Ave.)
  - Total Required
  - 24
**CODE COMPLIANCE**

706 Santa Cruz Ave
Garage and Shell Mixed Use Building

**Code Analysis**
November 5, 2019

APN #: 071-02-250

Project Address: 706-716 Santa Cruz Ave
Menlo Park, CA 94025

Legal Jurisdiction: City of Menlo Park, CA 94025

County: San Mateo County

Building Codes: 2016 California Building Code
2016 California Plumbing Code
2016 California Mechanical Code
2016 California Electrical Code
2016 California Fire Code
2010 California Green Building Code
2008 California Energy Code
City of Menlo Park Building Codes & Ordinances

Construction Type: Type II-B Shell Office Building

Sprinkler System: 100% Sprinklered (CBC 903.1 / NFPA 13)

Fire Alarm: Fire Alarm provided (CBC 907.2)

Building Occupancy:
- A-2 occupancy (CBC 363.4 – assembly)
- B occupancy (CBC 364 – shell office / business)
- M occupancy (CBC 369 – mercantile)
- R-2 occupancy (CBC 310.4 – residential)
- S-2 occupancy (CBC 311.3 – storage / garage)

Net Building Area:
- Basement Level 2: 7,934 sf [S-2]
- Basement Level 1: 22,279 sf [S-2]
- Total: 30,213 sf
- Level 1: 26,138 sf of [M] 11,817 / S-2 6,994 sf of B
- Level 2: 7,934 sf [S-2]
- Level 3: 1,861 sf [R-2 3,317 / M-2 3,127 sf]
- Total: 34,026 sf
- Level 3: 1,861 sf [R-2 3,317 / M-2 3,127 sf]

**Building Area:**
- Allowable Building Area per story (CBC 506)
- UB Construction (separated uses with height increase)
- UB for “A3” Occupancy (CBC 506)
  - SM = 3,900 sf (height increase)
- UB for “B” Occupancy (CBC 506)
  - SM = 50,000 sf
- UB for “M” Occupancy (CBC 506)
  - SM = 20,000 sf (height increase)
- UB for “R2” Occupancy (CBC 506)
  - SM = 16,000 sf (height increase)
- UB for “S2” Occupancy (CBC 506)
  - S1 = 40,000 sf & SM = 30,000 sf

**Building Height – I-B Construction:**
- UB for “A3” Occupancy (CBC 506)
  - H = 75 ft / Stories = 3
- UB for “B” Occupancy (CBC 506)
  - H = 75 ft / Stories = 4
- UB for “M” Occupancy (CBC 506)
  - H = 75 ft / Stories = 3
- UB for “R2” Occupancy (CBC 506)
  - H = 75 ft / Stories = 5
- UB for “S2” Occupancy (CBC 506)
  - H = 75 ft / Stories = 4

**Separated Occupancies Allowable Area and Height:**
- No area increase by floorage considered.

Garage Basement: 29,494 + 104,000 = complete (CBC 306.1.2)
- First Floor: 6,044/73,000 = 11,817 / S-2 6,994 sf of B
- Level 2: 7,934 sf [S-2]
- Level 3: 1,861 sf [R-2 3,317 / M-2 3,127 sf]
- Total: 34,026 sf
- Level 3: 1,861 sf [R-2 3,317 / M-2 3,127 sf]

**Wall and Shaft Fire Rating Requirements:**
- Separation by Use (table 508.4): 2 hr.
- R-2 and S-2: 1 hr
- R-2 and R: 1 hr
- R-2 and M: 1 hr (CBC 708)

Per CBC 520, 705 and 711 wall and floor assembly separating dwelling units shall have a fire resistance rating of 1 hr.

**Occupant Load and Capacity Requirements:**
- Building per use (table 10.1.2):
  - A-2: Assembly = 15 sf/ ac
  - S-2: Parking Garage = 20 sf/ ac
  - M: Mercantile = 60 sf/ ac
  - B: Office = 100 sf/ ac
  - R-2: Residential = 250 sf/ ac

**Maximum Occupant Load Assumed:**
- Second floor “B” occupancy with 10% maximum allowed accessory assembly occupancy:
  - 18,604.1 + 1,069.9 to 1,069.9 + 1,069.9 + 1,069.9 = 30,027 sf
  - 18,604/100 to 1,069/100 to 1,069/100 = 189
  - 1,069/100 = 1,069/100 = 1,069/100 = 100
  - 1,069/100 = 1,069/100 = 1,069/100 = 100

**Residential Emergency Egress:**
- CBC Section 1353.44 max: AFF: 5.7 ft in open area; 24" min high, 22" min. wide.

**Residential Ventilation Requirements:**
- CBC Section 1207.6: 4% of floor area

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**FORM4 Architecture**
The Guzzardo Partnership • Kier & Wright • Adapta • Interface Engineering

706 SANTA CRUZ AVE. MENLO PARK
Architectural Review
706 Santa Cruz Ave., LLC.

CODE COMPLIANCE
CS 0.2
November 25, 2019
1. Chestnut St. Existing Streetscape

2. Chestnut St. Proposed Streetscape

3. Santa Cruz Ave Existing Streetscape

4. Santa Crus Ave Proposed Streetscape
### Detailed Area Summary

#### Garage Levels P1 & P2

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<th>Office</th>
<th>Retail</th>
<th>Residential</th>
<th>EXCD</th>
<th>EXCD 2%</th>
<th>EXCD 3%</th>
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#### 3rd Floor

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### FAR SUMMARY

- **Site Area**: 23,454 ft²
- **Max. FAR**: 2.0
- **Allowable FAR**: 46,908 ft²
- **Proposed Building Area**: 46,908 ft²
- **Proposed Office Area**: 23,454 ft²
- **Proposed Percent of Office Area**: 51.5%
- **Proposed Excess Percentage**: 15.0%
- **Proposed Area Included in FAR**: 1,707 ft²
- **Proposed Area Excluded from FAR**: 688 ft²

### Floor Plans & Area Analysis

(See following sheets for enlarged plans)

**Garage Level P2**

**Garage Level P1**

706 SANTA CRUZ AVE. MENLO PARK

Architectural Review
706 Santa Cruz Ave., LLC.

FLOOR PLANS & AREA ANALYSIS

(see following sheets for enlarged plans)

MP 1.1
November 25, 2019
706 SANTA CRUZ AVE. MENLO PARK
Architectural Review
706 Santa Cruz Ave., LLC.

CHESTNUT STREET RENDERING

A 2.3
November 25, 2019

Form4 Architecture
706 SANTA CRUZ AVE. MENLO PARK
Architectural Review
706 Santa Cruz Ave., LLC

MATERIALS
A 3.1
November 25, 2019

CLEAR GLASS GUARDRAIL W/ STAINLESS STEEL TOP RAIL
HIGH-PERFORMANCE CLEAR GLASS
LIGHT BEIGE STONE

WARM GRAY STONE
DARK BROWN METAL PANEL ROOF OVERHANG / SUNSHADE
STAINED WOOD SOFFIT, TYP. AT 3rd FLOOR SOFFITS
DARK GRAY METAL PLANTERS
MEDIUM BEIGE STONE
DARK BROWN METAL GUARDRAIL
DARK BROWN METAL PANEL FASCIA
DARK BROWN MULLIONS & DOORS
MEDIUM BEIGE STONE

EAST ELEVATION

STAINED WOOD SOFFIT, TYP. AT 3rd FLOOR SOFFITS
LIGHT BEIGE STONE
ROLL-UP GARAGE DOOR, DARK BROWN METAL TO MATCH WINDOW MULLIONS
MEDIUM BEIGE STONE

WARM GRAY STONE
CLEAR GLASS GUARDRAIL W/ STAINLESS STEEL TOP RAIL
DARK BROWN METAL PANEL SUNSHADES & FASCIA
DARK BROWN METAL GUARDRAIL
DARK BROWN METAL PANELS
HIGH-PERFORMANCE CLEAR GLASS
DARK BROWN METAL DOORS

WEST ELEVATION
TEMPORARY EARTH RETENTION SYSTEM
706-716 SANTA CRUZ AVENUE
MENLO PARK, CA
ALL SOLDIER PILES TO BE LOCATED OUTSIDE OF THE PUBLIC RIGHT OF WAY AND WITHIN PROPERTY LINES PER CITY OF MENLO PARK REQUIREMENTS

PRELIMINARY DESIGN NOT FOR CONSTRUCTION
ALL SOLDIER PILES TO BE LOCATED OUTSIDE OF THE PUBLIC RIGHT OF WAY AND WITHIN PROPERTY LINES PER CITY OF MENLO PARK REQUIREMENTS.
ALL SOLDIER PILES TO BE LOCATED OUTSIDE OF THE PUBLIC RIGHT OF WAY AND WITHIN PROPERTY LINES PER CITY OF MENLO PARK REQUIREMENTS

PRELIMINARY DESIGN NOT FOR CONSTRUCTION
ALL SOLDIER PILES TO BE LOCATED OUTSIDE OF THE PUBLIC RIGHT OF WAY AND WITHIN PROPERTY LINES PER CITY OF MENLO PARK REQUIREMENTS

PRELIMINARY DESIGN
NOT FOR CONSTRUCTION
ALL SOLDIER PILES TO BE LOCATED OUTSIDE OF THE PUBLIC RIGHT OF WAY AND WITHIN PROPERTY LINES PER CITY OF MENLO PARK REQUIREMENTS

PRELIMINARY DESIGN
NOT FOR CONSTRUCTION
ALL SOLDIER PILES TO BE LOCATED OUTSIDE OF THE PUBLIC RIGHT OF WAY AND WITHIN PROPERTY LINES PER CITY OF MENLO PARK REQUIREMENTS

PRELIMINARY DESIGN
NOT FOR CONSTRUCTION
ALL SOLDIER PILES TO BE LOCATED OUTSIDE OF THE PUBLIC RIGHT OF WAY AND WITHIN PROPERTY LINES PER CITY OF MENLO PARK REQUIREMENTS.

PRELIMINARY DESIGN NOT FOR CONSTRUCTION.
ALL SOLDIER PILES TO BE LOCATED OUTSIDE OF THE PUBLIC RIGHT OF WAY AND WITHIN PROPERTY LINES PER CITY OF MENLO PARK REQUIREMENTS.

TYPICAL SECTION WITH SD

TYPICAL SECTION-21'-0" MAX

TYPICAL SECTION-26'-0" MAX

TYPICAL SECTION-SLANT PILE

SCALE: 1" = 10'-0"

SCALE: 1" = 10'-0"

SCALE: 1" = 10'-0"

SCALE: 1" = 10'-0"
706 SANTA CRUZ AVE. MENLO PARK, CA

*ALL MATERIAL TO BE JUST IN TIME DELIVERY UNTIL UNDERGROUND BASEMENT IS CONSTRUCTED WITH WORKING FIRE SPRINKLERS.

SITE ACCESS LOCATION

Tentative crane Location. Final location to be determined during permit approval process.

Truck Unloading Location

RAMP DOWN
SLOPE 12%
Phase 4 - Erect Steel / Metal Stud / Roof
Phase 5 - Exterior Skin / Interior Build-Out
Preliminary Parking Management

Overall Notes

The intent of this plan is to address the different phases of parking during the 706 Santa Cruz Ave project located in Menlo Park, CA. This is preliminary as details, means, methods and schedule durations are currently being defined as we begin the demolition and construction process.

Phase 1 Demo

The phase 1 demo phase of this project, all subcontractors and workers will be encouraged to park offsite at the Cal Trans station which is 0.3 miles from the jobsite. All residential areas will be off limits to our subcontractors. Also, all workers will be encouraged to carpool to the site. Ownership is also researching options / possibilities of renting nearby parking lot spaces.

Pre-Construction and Construction Phase

During the 16-month duration of this project SBC will encourage all workers to park offsite at the Cal Trans station which is 0.3 miles from the jobsite. Notices and maps for the Cal Trans location and fees will be posted in our jobsite trailer and will be conveyed in all SBC / subcontractor meetings. SBC will require the subcontractors to provide a monthly public transportation/pooling fee within their bids. Ownership is also researching options / possibilities of renting nearby parking lot spaces. All residential areas will be off limits. SBC will also encourage subcontractors that will be working on this project to carpool to the site.

All parking to be offsite in the Menlo Park Caltrain station parking lot located at 1120 Merrill St. Menlo Park, CA 94025

CP-7
January 28, 2022
May 25, 2022 (revised)

To:  Fahteen N. Khan  
Assistant Planner  
City Hall - 1st Floor  
701 Laurel St  
650-330-6739

Re:  706 Santa Cruz Avenue (PLN2016-00111)  
Form4 Project No. 18080.00

Variance Approval Second Extension

To whom it may concern,

On January 28, 2020, the Menlo Park City Council approved architectural control, a variance for skylights, and a major subdivision for the subject property consisting of underground parking, retail and commercial uses, and residential dwelling units above. In March of 2021 the variance approval was extended to January 28, 2022.

This is a variance that was granted for architectural skylights proposed that will not be visible from the street, and without the need for other portions of the building to exceed planning height restrictions.

The applicant is currently in the process of securing financing for the project before authorizing the architects and engineers to finalize our construction documents services. Once these services are authorized, the permit application process is estimated to take approximately 6-8 months.

In the meantime, we have been informed that the major subdivision extension may be extended by 2 years pursuant to Gov. Code 66452.24. We respectfully request the Planning Commission consider approving a 2-year extension to the variance and the major subdivision, revising the deadline for building permit submittal to January 28, 2024, before these approvals expire.

Sincerely,

Philip Hyndman  
Form 4 Architecture

Cc:  James Tefend – Form4 Architecture  
     Vasile Oros – Owner
Recommendation
Staff recommends that the Planning Commission review the information provided and make a determination that Stanford University ("Stanford") has demonstrated good faith compliance with the provisions of the Middle Plaza at 500 El Camino Real Development Agreement for the period of March 2021 through May 2022. The draft Planning Commission resolution is included as Attachment A.

Policy Issues
The Planning Commission should consider whether or not Stanford has demonstrated its good faith compliance with the provisions of its development agreement. If the Commission finds that Stanford has demonstrated good faith compliance, it may vote affirmatively to make that determination.

Background
The City Council approved the Middle Plaza at 500 El Camino Real project on September 26 and October 10, 2017. The project is a mixed-use development consisting of office, retail, and residential uses on an 8.4-acre site, with a total of approximately 10,286 square feet of retail/restaurant, 142,840 square feet of non-medical office, and 215 residential units. Applicable entitlements and agreements for this project included Architectural Control, Development Agreement, Heritage Tree Removal Permits, and a Below Market Rate (BMR) Housing Agreement. The approved and recorded Development Agreement is available via hyperlink as Attachment B.

The project includes one mixed-use retail and office building, two office buildings, four residential buildings, and two, two-level underground parking garages. The project also includes an approximately one-half acre plaza at Middle Avenue (Middle Plaza) that will provide publicly-accessible open space and a connection between El Camino Real and a proposed grade-separated, pedestrian and bicycle crossing at the Caltrain tracks. All building permits have been issued for this project and the buildings are under construction.

On August 27, 2019, the City Council unanimously passed a motion to select the preferred concept for the associated Middle Avenue pedestrian and bicycle rail crossing, consisting of an undercrossing approximately 10 to 12 feet below the street/plaza elevation. On January 28, 2020, the City Council certified the environmental document for the crossing (an addendum to the El Camino Real and Downtown Specific Plan Environmental Impact Report), approved the 30 percent project plans, and authorized the City Manager to enter into all necessary agreements and amendments with the Peninsula Joint Powers Board (Caltrain) within the City Council-approved project budget. The City Council approved a Purchase and Sale
Agreement for the property at 800 El Camino Real on January 10, 2022, which is needed to construct the ramp that will access the tunnel on the west side of the tracks. As of spring 2022, the City has entered into an agreement with Caltrain to progress the design. Staff is also continuing to explore federal, state and local grants to secure the remaining funds needed to construct the project. A construction timeline is contingent upon securing these funds as well as with coordination with Caltrain’s electrification project and other permitting constraints. The City’s goal is for construction to start by late 2023 or early 2024, and for the crossing to be open by 2025, although this is contingent on progress with Caltrain’s electrification project and other permitting constraints.

On February 10, 2020, the Planning Commission made a determination that Stanford has demonstrated good faith compliance with the provisions of the Middle Plaza at 500 El Camino Real Development Agreement for the period of October 2017 through February 2020. (The first two-plus years of development agreement review were combined into a single review because there would have been little to report before construction began.)

On March 8, 2021, the Planning Commission made a determination that Stanford has demonstrated good faith compliance with the provisions of the Middle Plaza at 500 El Camino Real Development Agreement for the period of February 2020 through February 2021.

Analysis
A Development Agreement (DA) is a legally binding contract between the City of Menlo Park and an applicant that delineates the terms and conditions of a proposed development project. A Development Agreement allows an applicant to secure vested rights and allows the City to secure benefits that are generally not obtainable otherwise. Development Agreements are commonly used for land use developments that are implemented in phases over a period of time. Development Agreements provide assurances to both the applicant and the City that the terms of the agreement will be in force until the completion of the project, and in some cases, elements of the Development Agreement could be in effect for the life of the project. Development Agreements are enabled by California Government Code Sections 65864-65869.5.

The City Council adopted Resolution No. 4159 in January 1990, establishing the procedures and requirements for the consideration of Development Agreements. Resolution No. 4159 calls for the Planning Commission to conduct a public hearing at which the property owner (or representative for the property owner) must demonstrate good faith compliance with the terms of the agreement. The Planning Commission is to determine, upon the basis of substantial evidence, whether or not the property owner has, for the period under review, complied in good faith with the terms and conditions of the Agreement. The decision of the Planning Commission is final, unless it is appealed to the City Council. These provisions implement Government Code Section 65865.1, which requires the periodic review, at least once every 12 months, to determine compliance with the terms of the agreement.

The applicant has submitted a summary of the relevant Development Agreement requirements (Attachment C). In evaluating Stanford’s progress at implementing the Development Agreement, staff has developed a classification system to describe how the specific requirements are being implemented using four categories. Three of these categories are consistent with the principle of good faith compliance with the terms of the agreements and are as follows:

- **Completed:** A One-time Action was completed or an Ongoing Activity occurred during the DA review year.
• **In Progress/Ongoing:** A One-time Action is underway (acceptable progress).

• **Conditional:** The triggering event, condition, or requirement to undertake an item has not occurred and no action is necessary at this time.

The fourth category, described as Unacceptable Progress implies that, at least potentially, good faith compliance for that item may not have occurred. However, a determination of substantial and persistent non-implementation of a development agreement would have to occur before a lack of good faith compliance could truly be determined. None of the Development Agreement requirements have been identified as Unacceptable Progress.

The Development Agreement includes four action items that are associated with the annual Development Agreement tracking. Based upon the status of project construction, Stanford is in compliance with the terms of their Development Agreement. The summary of the implementation status of the four development agreement requirements is provided in the following table.

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The following is a more detailed description of the terms of the Development Agreement for the Middle Plaza at 500 El Camino Real project. The Development Agreement with Stanford contains two one-time actions and two ongoing or long-term actions that are further described below.

**One-time actions**

1. **Funding for Crossing.** Stanford will pay 50 percent of the cost of the Caltrain Pedestrian/Bicycle crossing, up to $5 million.

   **Status:** Conditional - This provision will not apply until after the City has secured full construction funding, and obtained all necessary approvals and property rights to construct and operate the crossing. As noted in the Background section, the City is proceeding with the relevant actions for the associated crossing project.

2. **Affordable Housing.** Stanford will record a Below Market Rate (BMR) Housing agreement for the provision of 10 residential units in the project affordable to individuals at the low-income level, or eight units affordable to individuals at the low-income level if the 2131 Sand Hill Road project is not approved. (The 2131 Sand Hill Road project is not currently approved.)

   **Status:** Completed - The BMR agreement has been executed and recorded. The building permits for the residential buildings have been issued and the buildings are currently under construction. Once the housing is occupied, the recorded BMR agreement requires that the BMR units are being rented in accordance with
applicable requirements, subject to ongoing Housing Division review.

**Ongoing actions**

3. **Education Foundation Payments.** Stanford will pay an initial lump sum payment of $1.5 million to the Menlo Park-Atherton Education Foundation (MPAEF) to be placed in an endowment fund for support of the Menlo Park City School District (MPCSD). In addition, Stanford will pay a second lump sum payment, up to $1 million, consisting of Stanford’s savings if its required contribution to the cost of the crossing is less than $5 million.

**Status:** Conditional - Stanford paid the initial lump sum of 1.5 million to the MPAEF in September 2021. Based on current project cost estimates, it is anticipated Stanford’s required contribution for the crossing will be $5 million, and therefore Stanford will not pay a second lump payment to the MPAEF.

Stanford has indicated faculty and other employees will be given priority for the housing units, significantly reducing the tax revenue that would go to the school district. However, on June 19, 2018, the City Council earmarked $1 million of the 2017-18 surplus property tax revenue to offset impacts of the project on the MPCSD. In anticipation of the residential occupancy later this year, staff is coordinating with the MPCSD regarding the proper legal mechanism to make such a payment subject to City Council approval.

4. **Privately Owned and Operated Publicly Accessible Open Space.** The project will include a privately owned and operated, publicly accessible plaza at Middle Avenue.

**Status:** Conditional - Prior to issuance of the first City permit allowing occupancy of office, retail, or residential space in the project, the City and Stanford will enter into a public use agreement. Stanford is currently targeting mid-to-late July for the first temporary occupancy, which would be of Office Building 3.

**Impact on City Resources**
Stanford has submitted an application and the required processing fee to cover the costs associated with the review of this agreement.

**Environmental Review**
The California Environmental Quality Act (CEQA) requires that activities which meet the definition of a Project be evaluated for their potential impacts on the environment. The Annual Review of the Development Agreements has no potential to result in an impact to the environment and does not meet the definition of a Project under CEQA; as a result, no environmental review or determination is needed. The environmental impacts of the project and associated development agreement was evaluated and considered at the time the project was initially approved by the City in 2017.

**Public Notice**
Public Notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.
Attachments

A. Draft Resolution
   Exhibit A. Development Agreement – Middle Plaza at 500 El Camino Real Project - Hyperlink: https://www.menlopark.org/DocumentCenter/View/24125/Middle-Plaza-500-El-Camino-Real---Development-Agreement

B. Summary of DA Requirements

Report prepared by:
Corinna Sandmeier, Acting Principal Planner

Report reviewed by:
Kyle Perata, Acting Planning Manager
PLANNING COMMISSION RESOLUTION NO. 2022-XX

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MENLO PARK FINDING THE PROPERTY OWNER TO BE IN GOOD FAITH COMPLIANCE WITH THE TERMS OF THE DEVELOPMENT AGREEMENT FOR THE MIDDLE PLAZA AT 500 EL CAMINO REAL PROJECT IN THE ECR/D SP (EL CAMINO REAL/DOWNTOWN SPECIFIC PLAN) ZONING DISTRICT

WHEREAS, the City of Menlo Park (“City”) received an application requesting project monitoring/annual review of the approved Development Agreement from Stanford University (“Applicant”), for the Middle Plaza at 500 El Camino Real project, a mixed-use project consisting of office, retail, and residential uses on an 8.4-acre site, with a total of approximately 10,286 square feet of retail/restaurant, 142,840 square feet of non-medical office, and 215 residential units, approved by the City Council on September 26 and October 10, 2017, and located at 500 El Camino Real (APN 071-440-170) (“Property”). The approved Development Agreement is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the Property is located in the El Camino Real/Downtown Specific Plan zoning (SP-ECR-D) zoning and the ECR SW sub-district, which supports a variety of uses including retail, personal services, offices, and residential uses; and

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

WHEREAS, the environmental impacts of the mixed-use project and associated development agreement was evaluated and considered at the time the project was initially approved by the City in 2017; and

WHEREAS, the annual review of the Development Agreement has no potential to result in an impact to the environment and does not meet the definition of a project under CEQA, and as a result, no environmental review or determination is needed; and

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

WHEREAS, at a duly and properly noticed public hearing held on June 13, 2022, the Planning Commission fully reviewed, considered, and evaluated the whole of the record including all public and written comments, pertinent information, documents and plans, prior to taking action.

NOW, THEREFORE, THE MENLO PARK PLANNING COMMISSION HEREBY RESOLVES AS FOLLOWS:
Section 1. Recitals. The Planning Commission has considered the full record before it, which may include but is not limited to such things as the staff report, public testimony, and other materials and evidence submitted or provided, and the Planning Commission finds the foregoing recitals are true and correct, and they are hereby incorporated by reference into this Resolution.

Section 2. Development Agreement Annual Review Findings. The Planning Commission of the City of Menlo Park does hereby make the following Findings:

1. Stanford University is in compliance with the provisions of the approved Development Agreement for the period of March 2021 through May 2022.

Section 5. SEVERABILITY

If any term, provision, or portion of these findings or the application of these findings to a particular situation is held by a court to be invalid, void or unenforceable, the remaining provisions of these findings, or their application to other actions related to the Project, shall continue in full force and effect unless amended or modified by the City.

I, Corinna Sandmeier, Acting Principal Planner and Planning Commission Liaison, do hereby certify that the above and foregoing Planning Commission Resolution was duly and regularly passed and adopted at a meeting by said Planning Commission on May 23, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS THEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this 23rd day of May, 2022

Corinna Sandmeier
Acting Principal Planner and Planning Commission Liaison
City of Menlo Park

Exhibit

A. Development Agreement – Middle Plaza at 500 El Camino Real Project
DEVELOPMENT AGREEMENT

MIDDLE PLAZA AT 500 EL CAMINO REAL PROJECT

SEPARATE PAGE, PURSUANT TO GOVT. CODE 27361.6
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THIS DEVELOPMENT AGREEMENT ("Agreement") is made and entered into as of this _____ day of __________, 2017, by and between the City of Menlo Park, a municipal corporation of the State of California ("City") and Board of Trustees of the Leland Stanford Junior University, a body having corporate powers under the laws of the State of California ("Owner"), pursuant to the authority of California Government Code Sections 65864-65869.5 and City Resolution No. 4159.

RECITALS

This Agreement is entered into on the basis of the following facts, understandings and intentions of the City and Owner:

A. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Government Code Sections 65864-65869.5 authorizing the City to enter into development agreements in connection with the development of real property within its jurisdiction by qualified applicants with a requisite legal or equitable interest in the real property which is the subject of such development agreements.

B. As authorized by Government Code Section 65865(c), the City has adopted Resolution No. 4159 establishing the procedures and requirements for the consideration of development agreements within the City.

C. Owner owns those certain parcels of real property having current addresses at 300 - 550 El Camino Real in the City of Menlo Park, California ("Property") as shown on Exhibit A attached hereto and being more particularly described in Exhibit B attached hereto, upon which Owner has applied to construct the Project commonly known as Middle Plaza.

D. Owner intends to demolish all existing structures on the Property and to construct the Project on the Property in accordance with the Project Approvals and any other Approvals.

E. The City examined the environmental effects of the Project in an Environmental Impact Report ("EIR") prepared for the Menlo Park El Camino Real/Downtown Specific Plan and an Infill EIR prepared for the Project pursuant to the California Environmental Quality Act ("CEQA"). On September 26, 2017 the City Council of the City reviewed and certified the Infill EIR.
F. The City has determined that the Project is a development for which a development agreement is appropriate. A development agreement will eliminate uncertainty in the City's land use planning for, and secure orderly development of, the Project and otherwise achieve the goals and purposes for which Resolution No. 4159 was enacted by City. The Project will further the goals and objectives of the Menlo Park El Camino Real/Downtown Specific Plan, and generate the additional public benefits described in this Agreement, along with other fees for the City. Owner will incur substantial costs in order to comply with the conditions of the Approvals and otherwise in connection with the development of the Project. In exchange for the public benefits and other benefits to the City, Owner desires to receive vested rights, including, without limitation, legal assurances that the City will grant permits and approvals required for the development, occupancy and use of the Property and the Project in accordance with the Existing City Laws, subject to the terms and conditions contained in this Agreement. In order to effectuate these purposes, the City and Owner desire to enter into this Agreement.

G. On August 28, 2017, after conducting a duly noticed public hearing pursuant to Resolution No. 4159, the Planning Commission of the City recommended that the City Council approve this Agreement, based on the following findings and determinations: that this Agreement: (1) is consistent with the objectives, policies, general land uses and programs specified in the General Plan and Menlo Park El Camino Real/Downtown Specific Plan (as both are defined in this Agreement); (2) is compatible with the uses authorized in and the regulations prescribed for the land use district in which the Property is located; (3) conforms with public convenience, general welfare and good land use practices; (4) will not be detrimental to the health, safety and general welfare of the City or the region surrounding the City; (5) will not adversely affect the orderly development of property or the preservation of property values within the City; and (6) will promote and encourage the development of the Project by providing a greater degree of certainty with respect thereto.

H. Thereafter, September 26, 2017 the City Council held a duly noticed public hearing on this Agreement pursuant to Resolution No. 4159. The City Council made the same findings and determinations as the Planning Commission. On that same date, the City Council made the decision to approve this Agreement by introducing Ordinance No. 1039 ("Enacting Ordinance"). A second reading was conducted on the Enacting Ordinance on October 10, 2017, on which date the City Council adopted the Enacting Ordinance, making the Enacting Ordinance effective on November 9, 2017.

NOW, THEREFORE, pursuant to the authority contained in Government Code Sections 65864-65869.5 and Resolution No. 4159, and in consideration of the mutual covenants and promises of the City and Owner herein contained, the City and Owner agree as follows:

1. Definitions. Each reference in this Agreement to any of the following terms shall have the meaning set forth below for each such term. Certain other terms shall have the meaning set forth for such term in this Agreement.
1.1 Approvals. Any and all permits or approvals of any kind or character required under the City Laws in order to authorize and entitle Owner to complete the Project and to develop and occupy the Property in accordance with Existing City Laws, this Agreement and the items described in the Project Approvals (as defined in this Agreement).

1.2 City Laws. The ordinances, resolutions, codes, rules, regulations and official policies of the City governing the permitted uses of land, density, design, and improvement applicable to the development of the Property. Specifically, but without limiting the generality of the foregoing, the City Laws shall include the General Plan, the Menlo Park El Camino Real/Downtown Specific Plan, and the City’s Zoning Ordinance.

1.3 City Manager. The City Manager or his or her designee as designated in writing from time to time. Owner may rely on the authority of the designee of the City Manager.

1.4 City Wide. Any City Law, Fee or other matter that is generally applicable to one or more kinds or types of development or use of property wherever located in the City or that is applicable only within the area included in the Menlo Park El Camino Real/Downtown Specific Plan. A City Law, Fee or other matter shall not be City Wide if, despite its stated scope, it applies only to the Property or to one or more parcels located within the Property, or if the relevant requirements are stated in such a way that they apply only to all or a portion of the Project and not to other parcels or properties in the Menlo Park El Camino Real/Downtown Specific Plan.

1.5 Community Development Director. The City’s Community Development Director or his or her designee.

1.6 Conditions. All conditions, dedications, reservation requirements, obligations for on- or off-site improvements, services, other monetary or non-monetary requirements and other conditions of approval imposed, charged by or called for by the City in connection with the development of or construction on real property under the Existing City Laws, whether such conditions constitute public improvements, mitigation measures in connection with environmental review of any project, or impositions made under applicable City Laws.

1.7 Crossing. A pedestrian/bicycle crossing at or near Middle Avenue that will improve bicycle and pedestrian circulation between El Camino Real and Alma Street, connecting the downtown and residential neighborhoods west of El Camino Real with Burgess Park, the Menlo Park Civic Center complex, and the north-south bicycle lanes on Alma Street.

1.8 Default. As to Owner, the failure of Owner to comply substantially and in good faith with any obligations of Owner under this Agreement; and as to the City, the failure of the City to comply substantially and in good faith with any obligations of City under this Agreement; any such failure by Owner or the City shall be subject to cure as provided in this Agreement.
1.9 Effective Date. The effective date of the Enacting Ordinance pursuant to Government Code Section 65367.5, as specified in Recital H of this Agreement.

1.10 El Camino Real/Downtown Specific Plan: Collectively, the Specific Plan governing the Property, as adopted by the City Council in June 2012 and that become effective on July 12, 2012, as amended as of the date of adoption of the Enacting Ordinance.

1.11 Existing City Laws. The City Laws in effect as of the Effective Date.

1.12 Fees. All exactions, costs, fees, in-lieu fees, payments, charges and other monetary amounts imposed or charged by the City in connection with the use, development of or construction on real property under Existing City Laws, but not including Processing Fees. Fees includes impact fees, which are the monetary amount charged by the City or equivalent in-kind obligation in connection with a development project for the purpose of defraying all or a portion of the cost of mitigating the impacts of the development project or development of the public facilities related to the development project, including any "fee" as that term is defined by Government Code Section 66000(b) and including any fees included in the MMRP.

1.13 General Plan. Collectively, the General Plan for the City, including all elements as adopted by the City Council on November 29, 2016.

1.14 Laws. The laws and Constitution of the State of California, the laws and Constitution of the United States and any state or federal codes, statutes, executive mandates or court decisions thereunder. The term "Laws" shall exclude City Laws.

1.15 Mitigation Measures. The mitigation measures applicable to the Project, developed as part of the EIR process and required to be implemented through the MMRP for the Project, which includes the applicable measures required to be implemented by the Menlo Park El Camino Real/Downtown Specific Plan.

1.16 MMRP. The Mitigation Monitoring and Reporting Plan adopted as part of the Project Approvals and applicable to the Project.

1.17 Mortgage. Any mortgage, deed of trust or similar security instrument encumbering the Property, any portion thereof or any interest therein.

1.18 Mortgagee. With respect to any Mortgage, any mortgagee or beneficiary thereunder.

1.19 Party. Each of the City and Owner and their respective successors, assigns and transferees (collectively, "Parties").
1.20 Processing Fee. A fee imposed by the City upon the submission of an application or request for a permit or Approval, which is intended to cover only the estimated cost to the City of processing such application or request and/or Issuing such permit or Approval and which is applicable to similar projects on a City Wide basis, including but not limited to building permit plan check and inspection fees, public works, engineering and transportation plan check and inspection fees, subdivision map application, review and processing fees, fees related to the review, processing and enforcement of the MMRP, and fees related to other staff time and attorney's time incurred to review and process applications, permits and/or Approvals; provided such fees are not duplicative of or assessed on the same basis as any Fees.

1.21 Project. The uses of the Property, the site plan for the Property and the Vested Elements (as defined in Section 3.1), as authorized by or embodied within the Project Approvals and the actions that are required pursuant to the Project Approvals. Specifically, the Project includes the demolition of the existing structures on the Property and the construction of new buildings including residential, non-medical office space, ground floor retail/restaurant space, at-grade parking, an underground parking garage, a privately owned and operated publicly accessible plaza, and related site improvements, landscaping and infrastructure, as more particularly described in the Project Approvals.

1.22 Project Approvals. The following approvals for the Project granted, issued and/or enacted by the City as of the date of this Agreement, as amended, modified or updated from time to time: (a) this Agreement; (b) the findings, statement of overriding considerations and adoption of the MMRP and other actions in connection with environmental review of the Project; (c) Architectural Control; (d) Lot Merger; (e) Heritage Tree Removal Permits; and (f) Below Market Rate Housing Agreement.

1.23 Resolution No. 4159. City Resolution No. 4159 entitled "Resolution of the City Council of the City of Menlo Park Adopting Regulations Establishing Procedures and Requirements for Development Agreements" adopted by the City Council of the City of Menlo Park on January 9, 1990.

1.24 Substantial Crossing Progress. To constitute Substantial Crossing Progress: (i) the City must have completed and the City Council must have approved the final design for the Crossing; (ii) the City must have completed all steps necessary to achieve compliance with the California Environmental Quality Act to construct and operate the Crossing; and (iii) the City must have made substantial progress toward obtaining funding for the cost of construction of the Crossing. For purposes of this paragraph, substantial progress toward obtaining funding for the cost of construction of the Crossing means that the City has secured a minimum of fifteen percent (15%) of the cost to construct the Crossing (excluding Owner’s contribution).

2. Effective Date; Term.
2.1 Effective Date. This Agreement shall be dated and the rights and obligations of the Parties hereunder shall be effective as of the Effective Date. Not later than ten (10) days after the Effective Date, the City and Owner shall execute and acknowledge this Agreement, and the City shall cause this Agreement to be recorded in the Official Records of the County of San Mateo, State of California as provided for in Government Code Section 65868.5. However, the failure to record this Agreement within the time period provided for in Government Code Section 65868.5 shall not affect its validity or enforceability among the Parties.

2.2 Term. This Agreement shall terminate ten (10) years from the Effective Date (the "Term"), unless earlier terminated under Sections 10, 12, or 17 of this Agreement or extended by mutual written agreement under Section 10.1. Notwithstanding the foregoing, and subject to this Agreement's termination provisions, if the City has made Substantial Crossing Progress, then the term of this Agreement shall continue until the earlier of: (a) payment by the Owner of the Crossing Payment pursuant to Section 5; (b) the City Council's decision to abandon pursuit of the funding and construction of the Crossing; or (c) five (5) years beyond the initial ten (10)-year term.

2.3 Expiration of Term. Except as otherwise provided in this Agreement or any of the Approvals, upon the expiration of the Term of this Agreement: (a) this Agreement, and the rights and obligations of the Parties under this Agreement, shall terminate; and (b) Owner shall thereafter comply with the provisions of the City Laws and Approvals then in effect or thereafter enacted and applicable to the Property and/or the Project, except that the expiration of the Term of this Agreement shall not affect any rights of Owner that are or would be vested under City Laws in the absence of this Agreement or any other rights arising from Approvals granted or issued by the City for the construction or development of all or any portion of the Project.

3. General Development of the Project.

3.1 Project. Owner shall have the vested right to develop and occupy the Property in accordance with the terms and conditions of this Agreement and the Project Approvals, and any additional Approvals for the Project and/or the Property obtained by Owner, as the same may be amended from time to time upon application by Owner; and City shall have the right to control development of the Property in accordance with the Approvals for the Project and/or the Property and the provisions of this Agreement, so long as this Agreement remains effective. Except as otherwise specified herein, until the expiration or earlier termination of this Agreement, this Agreement, the Approvals and the Existing City Laws (the three of which collectively constitute the "Vested Elements") shall control the overall development, use and occupancy of the Property, and all improvements and appurtenances in connection therewith, including, without limitation, the density and intensity of use, and all Mitigation Measures and Conditions required or imposed in connection with the Project Approvals in order to minimize or eliminate environmental impacts of the Project. The Project Approvals shall not expire so long as this Agreement remains effective.
3.2 Subsequent Projects. The City agrees that as long as Owner develops and occupies the Project in accordance with the terms of this Agreement, Owner’s right to develop and occupy the Property shall not be diminished despite the impact of future development in the City on public facilities, including, without limitation, City streets, water systems, sewer systems, utilities, traffic signals, sidewalks, curbs, gutters, parks and other City owned public facilities that may benefit the Property and other properties in the City.

3.3 Other Governmental Permits. Owner or City (whichever is appropriate) shall apply for such other permits and approvals from governmental or quasi-governmental agencies other than the City having jurisdiction over the Project (e.g., the California Department of Transportation) as may be required for the development of or provision of services to the Project; provided, however, the City shall not apply for any such permits or approvals without Owner’s prior written approval. The City shall use its best efforts to promptly and diligently cooperate, at no cost to the City, with Owner in its endeavors to obtain such permits and approvals and, from time to time at the request of Owner, shall proceed with due diligence and in good faith to negotiate and/or enter into binding agreements with any such entity in order to assure the availability of such permits and approvals or services. All such applications, approvals, agreements, and permits shall be obtained at Owner’s cost and expense, including payment of City staff time in accordance with standard practices, and Owner shall indemnify City for any liabilities imposed on City arising out of or resulting from such applications, permits, agreements and/or approvals. The indemnifications set forth in this Section 3.3 shall survive the termination or expiration of this Agreement. To the extent allowed by applicable Laws, Owner shall be a party or third party beneficiary to any such agreement between City and such agencies and shall be entitled to enforce the rights of Owner or the City thereunder and/or the duties and obligations of the parties thereto. Notwithstanding any provision in this Agreement, the design, construction and operation of the Crossing is not part of the Project and Owner shall bear no responsibility for paying for applications, approval, agreements, and permits for the Crossing, nor shall Owner indemnify the City for any liabilities imposed on City arising out of or resulting from applications, permits, agreements and/or approvals for the Crossing.

3.4 Vesting. The Parties acknowledge and agree that this Agreement vests Owner’s rights to develop the Project in accordance with the terms of this Agreement, the Project Approvals and all plans and specifications upon which such Project Approvals are based (as the same may be modified from time to time in accordance with the terms of the Project Approvals), and the provisions of state law concerning development agreements.

3.5 Processing Fees. Notwithstanding any other provision of this Agreement, and notwithstanding the provisions of Section 3.1, at the time any Approvals are applied for, the City may charge Processing Fees to Owner for land use approvals, building permits, encroachment permits, subdivision maps, and other similar permits and
approvals which are in force and effect on a City Wide basis at the time Owner submits an application for those permits.

3.6 Additional Fees: Except as set forth in this Agreement and the Project Approvals, the City shall not impose any new or additional Fees not in existence as of October 1, 2017 or not applicable to the Project in accordance with the Existing City Laws, the Project Approvals and this Agreement, whether through the exercise of the police power, the taxing power, or any other means, other than those set forth in the Project Approvals, the Existing City Laws, and this Agreement. In addition, except as set forth in this Agreement, the base or methodology for calculating all such Fees applicable to the construction and development of the Project shall remain the same as the base or methodology for calculating such Fees that is in effect as of October 1, 2017. Notwithstanding the foregoing, if as of October 1, 2017, the Existing City Laws under which the Fees applicable to the Project have been imposed provide for automatic increases in Fees based upon the consumer price index or other method, then the Project shall be subject to any such increases in such Fees resulting solely from the application of any such index or method in effect on October 1, 2017. Notwithstanding the foregoing, the following provisions shall apply:

3.6.1 If the City forms an assessment district including the Property, and the assessment district is City Wide or applied to all El Camino Real/Downtown Specific Plan properties and is not duplicative of or intended to fund any matter that is covered by any Fee payable by Owner, the Property may be legally assessed through such assessment district based on the benefit to the Property (or the methodology applicable to similarly situated properties), which assessment shall be consistent with the assessments of other properties in the district similarly situated. In no event, however, shall Owner's obligation to pay such assessment result in a cessation or postponement of development and occupancy of the Property or affect in any way Owner's development rights for the Project.

3.6.2 The City may charge Processing Fees to Owner for land use approvals, building permits, encroachment permits, subdivision maps, and other similar permits and approvals which are in force and effect on a City Wide basis or applicable to all El Camino Real/Downtown Specific Plan properties at the time Owner submits an application for those permits.

3.6.3 If the City exercises its taxing power in a manner which will not change any of the Conditions applicable to the Project, and so long as any new taxes or increased taxes are uniformly applied on a City Wide basis or applied uniformly to El Camino Real/Downtown Specific Plan properties, the Property may be so taxed, which tax shall be consistent with the taxation of other properties in the City similarly situated.

3.6.4 If the City enacts new impact fees that apply on a City Wide basis or are applied uniformly to El Camino Real/Downtown Specific Plan properties and which address matters that are not identified or addressed by the mitigation measures, Conditions on the Project, community benefits, or required on- or off-site improvements, then the Project
shall be subject to any such impact fees as of the effective date of the City ordinance. For purposes of this Section, the parties agree that any impact fees addressing transportation including railroad crossings, housing, open and publicly accessible spaces, utilities including energy and water, and any impacts identified and mitigated in the Environmental Impact Report for the project, constitute impact areas that are addressed by the Project and the Project Approvals, and that any new impact fees related to these impact areas shall not apply to the Project. This list is not intended to be exhaustive, but to illustrate some of the areas in which new impact fee programs would not apply to the project.

3.7 Effect of Agreement. This Agreement, the Project Approvals and all plans and specifications upon which such Project Approvals are based (as the same may be modified from time to time in accordance with the terms of the Project Approvals), shall constitute a part of the Enacting Ordinance, as if incorporated by reference therein in full.

3.8 Review and Processing of Approvals. The City shall accept, review and shall use its best efforts to expeditiously process Owner's applications and requests for Approvals in connection with the Project in good faith and in a manner which complies with and is consistent with the Project Approvals and this Agreement. The City shall approve any application or request for an Approval which complies and is consistent with the Project Approvals. Owner shall provide the City with the Processing Fees, applications, documents, plans, materials and other information necessary for the City to carry out its review and processing obligations. Owner shall submit all applications and requests for Approvals in the manner required under the procedures specified in the applicable City Laws in effect as of the time of such submittal. The Parties shall cooperate with each other and shall use diligent, good faith efforts to cause the expeditious review, processing, and issuance of the approvals and permits for the development and occupation of the Project in accordance with the Project Approvals.

4. Specific Criteria Applicable to the Project.

4.1 Applicable Laws and Standards. Notwithstanding any change in any Existing City Law, including, but not limited to any change by means of ordinance, resolution, initiative, referendum, policy or moratorium, and except as otherwise expressly provided in this Agreement, the laws and policies applicable to the Property are and shall be as set forth in Existing City Laws (regardless of future changes in Existing City Laws by the City) and the Project Approvals. Owner shall also have the vested right to develop and occupy or to cause the Property to be developed and occupied in accordance with the Vested Elements; provided that the City may apply and enforce the California Building Standards Code as amended and adopted by the City (including the Mechanical Code, Electrical Code and Plumbing Code), the California Fire Code as amended and adopted by the City and/or the Menlo Park Fire Protection District, the California Energy Code, and the California Green Building Standards, all as amended by the City from time to time, as such codes may be in effect at the time Owner submits an application for a building permit for any aspect of the Project or Property. Without limiting the generality of the foregoing, except as otherwise expressly provided in this Agreement, during the
Term of this Agreement, the City shall not, without the prior written consent of Owner:
(a) apply to the Project or Property any new or amended ordinance, resolution, rule, regulation, requirement or official policy that is inconsistent with any Existing City Laws or Approvals and that would have the effect of delaying, preventing, adversely affecting or imposing any new or additional condition with respect to the Project; or (b) apply to the Project or Property or any portion thereof any new or amended ordinance, resolution, rule, regulation, requirement or official policy that requires additional discretionary review or approval for the proposed development, use and/or occupancy of the Project. Nothing herein shall affect Owner's right to challenge any amendments to the aforementioned codes.

4.2 Application of New City Laws. Nothing herein shall prevent the City from applying to the Property new City Laws that are not inconsistent or in conflict with the Existing City Laws or the intent, purposes or any of the terms, standards or conditions of this Agreement, and which do not affect the Vested Elements or impose any new or additional Fees or other conditions on the Project or Property that are inconsistent with this Agreement or the intent of this Agreement. Any action or proceeding of the City that has any of the following effects on the Project or Property shall be considered in conflict with this Agreement and the Existing City Laws:

(a) Limiting or reducing the uses or mix or uses permitted on the Property or the density or intensity of use of the Property;

(b) Limiting grading or other improvements on the Property in a manner that is inconsistent with or more restrictive than the limitations included in the Project Approvals; or

(c) Applying to the Project or the Property any law, regulation, or rule restricting or affecting a use or activity otherwise allowed by the Project Approvals.

The above list of actions is not intended to be comprehensive, but is illustrative of the types of actions that would conflict with this Agreement and the Existing City Laws. Prior to the adoption of any new City Law, including without limitation any change in the City's affordable housing rules or policies, City shall, upon Owner's request, confer as to whether such new City Law would be considered in conflict with this Agreement and Existing City Laws.

4.3 Timing. Without limiting the foregoing, no moratorium or other limitation affecting the development and occupancy of the Project or the rate, timing or sequencing thereof shall apply to the Project.

4.4 Subsequent Environmental Review. The Parties acknowledge and agree that the EIR contains a thorough environmental analysis of the Project, and specifies the feasible Mitigation Measures available to eliminate or reduce to an acceptable level the environmental impacts of the Project. The Parties further acknowledge and agree that the EIR provides an adequate environmental analysis for
the City's decisions to authorize Owner to proceed with the Project as embodied in the Project Approvals and this Agreement and subsequent development of the Project during the Term of this Agreement. The Mitigation Measures imposed are appropriate for the implementation of proper planning goals and objectives and the formulation of Project conditions of approval. In view of the foregoing, the City agrees that the City will not require another or additional environmental impact report or environmental review for any subsequent Approvals implementing the Project to the extent that is consistent with the California Environmental Quality Act. Owner shall defend, indemnify and hold the City harmless from any costs or liabilities incurred by the City in connection with any litigation seeking to compel the City to perform additional environmental review of any subsequent Approvals.

4.5 Easements; Improvements. The City shall cooperate with Owner in connection with any arrangements for abandoning existing easements and facilities and the relocation thereof or creation of any new easements within the Property necessary or appropriate in connection with the development of the Project. If any such easement is owned by the City or an agency of the City, the City or such agency shall, at the request of Owner, take such action and execute such documents as may be reasonably necessary in order to abandon and relocate such easement(s) as necessary or appropriate in connection with the development of the Project in accordance with the Project Approvals. All on-site and off-site improvements required to be constructed by Owner pursuant to this Agreement, including those set forth in the Project Approvals, shall be constructed by Owner.

5. Funding for Crossing. Owner shall be obligated to pay the City fifty percent (50%) of the cost to construct the Crossing, up to a maximum of Five Million Dollars ($5,000,000) ("Crossing Payment"). For purposes of this Section 5, "costs" shall include design, permitting, right-of-way acquisition, construction and other costs reasonably related to such construction. The Crossing Payment shall be made as a one-time lump sum payment within sixty (60) days of written demand by City supported by evidence of the cost of Crossing construction reasonably acceptable to Owner, once City has confirmation that: (i) it has obtained or has been awarded complete and full funding to construct all components of the Crossing; (ii) the City has completed and the City Council has approved the final design for the Crossing; (iii) the City has completed all steps necessary to achieve compliance with the California Environmental Quality Act to construct and operate the Crossing; and (iv) the City has obtained all necessary approvals, permits and property rights from other public agencies and private landowners to construct and operate the Crossing. Until the Crossing Payment is made, the maximum amount of the payment shall be adjusted annually by the Engineering News Record Construction Cost Index for the San Francisco Bay Area on June 30 of each year. If the Term expires without extension pursuant to Section 2.2, Owner shall be relieved of the obligation to make the Crossing Payment. In no event shall the Crossing Payment exceed the unfunded portion of the costs of the Crossing. "Unfunded" shall mean the portion of the cost not funded by grants and/or payments from third parties. If, after collecting the Crossing Payment from Owner, City decides not to construct the Crossing, City shall refund the full Crossing Payment to Owner.
6. **Education Foundation Payments.** To support the Menlo Park City School District, Owner agrees to pay the Menlo Park Atherton Education Foundation an initial lump sum payment of One Million Five Hundred thousand dollars ($1,500,000) to be placed in an endowment fund for support of the District. The initial lump sum payment shall be due and payable one (1) year after issuance of the last building permit for the residential and office buildings to be constructed as part of the Project. In addition, Owner agrees to pay the Menlo Park Atherton Education Foundation a second lump sum payment for the same endowment fund of up to One Million dollars ($1,000,000) of any savings by Owner in its contribution to the cost of the Crossing to be determined as follows: (a) the second lump sum payment shall be due and payable to the Education Foundation within sixty (60) days of completion of construction of the Crossing; (b) the amount of the second lump sum payment shall be equal to the difference between the maximum amount of the Crossing Payment described in Section 5 of this Agreement (Five Million dollars [$5,000,000] as adjusted annually by the Engineering News Record Construction Cost Index) and any lesser amount demanded by the City for Owner's contribution to the Crossing pursuant to Section 5 of this Agreement, so long as the resulting second lump sum payment does not exceed One Million dollars ($1,000,000). For example, if application of the Construction Cost Index results in a maximum Crossing Payment of Five Million Two Hundred Thousand dollars ($5,200,000) and, based on the City's demand, Owner's actual 50% share of the crossing is Four Million Five Hundred Thousand dollars ($4,500,000), the amount of the second lump sum payment to the Education Foundation would be Seven Hundred Thousand dollars ($700,000). If application of the Construction Cost Index results in a maximum Crossing Payment of Five Million Two Hundred Thousand dollars ($5,200,000) and, based on the City's demand, Owner's actual 50% share of the crossing is Four Million dollars ($4,000,000), the amount of the second lump sum payment to the Education Foundation would be One Million dollars ($1,000,000) because the One Million Two Hundred Thousand dollar ($1,200,000) difference would be capped at a payment of One Million dollars ($1,000,000). In no event would the combined total of the Crossing Payment demanded by the City pursuant to Section 5 of this Agreement and the second lump sum payment to the Education Foundation exceed Five Million Dollars ($5,000,000) as adjusted annually by the Engineering News Record Construction Cost Index.

7. **Affordable Housing.** Concurrently with the recordation of this Agreement, Owner and City shall execute and record an Affordable Housing Agreement ("Affordable Housing Agreement") in the form attached as Exhibit C, which shall provide, among other things, for the provision of a total of ten (10) units in the Project to be occupied exclusively by, and rented to, Low Income Households ("Low Income Units"). (If the 2131 Sand Hill Road project is not approved, Owner would provide eight (8) one-bedroom BMR units at the low-income level.) Owner further acknowledges, under Civil Code Sections 1954.52(b) and 1954.53(a)(2), that it has agreed to limit rents in the Low Income Units in
consideration for the City's agreements to enter into a Development Agreement for the Project and for the City's approval of this Agreement, as described in the BMR Housing Agreement. Owner hereby agrees that any Low Income Units provided pursuant to this Agreement are not subject to Civil Code Section 1954.52(a) or any other provision of the Costa-Hawkins Act inconsistent with controls on rents, and further agrees that any limitations on rents imposed on the Affordable Units are in conformance with the Costa-Hawkins Act.

8. Privately Owned and Operated Publicly Accessible Open Space: The Project includes a privately owned and operated publicly accessible plaza at Middle Avenue. Prior to issuance of a City permit allowing occupancy of office, retail, or residential space in the Project, the Parties shall enter into and record a public use agreement in substantially the same form as the agreement attached to this Agreement as Exhibit D (the "Public Use Agreement"). The Public Use Agreement may be amended from time to time by mutual agreement of the City and the Owner, and any amendment to the Public Use Agreement shall automatically be deemed to be incorporated into this Agreement without any further requirement to amend this Agreement.

9. Indemnity. Owner shall indemnify, defend and hold harmless City, and its elective and appointive boards, commissions, officers, agents, contractors, and employees (collectively, "City Indemnified Parties") from any and all claims, causes of action, damages, costs or expenses (including reasonable attorneys' fees) arising out of or in connection with, or caused on account of, any work to construct the Project, or litigation challenging any Approval with respect thereto (collectively, "Owner Claims"); provided, however, that Owner shall have no liability under this Section 8 for Owner Claims arising from the sole negligence or willful misconduct of any City Indemnified Party, or for Claims arising from, or that are alleged to arise from, the repair or maintenance by the City of any improvements that have been offered for dedication by Owner and accepted by the City.


10.1 Annual Review. The City shall, at least every twelve (12) months during the Term of this Agreement, review the extent of Owner's good faith compliance with the terms of this Agreement pursuant to Government Code § 65865.1 and Resolution No. 4159. Notice of such annual review shall be provided by the City's Community Development Director to Owner not less than thirty (30) days prior to the date of the hearing by the Planning Commission on Owner's good faith compliance with this Agreement and shall to the extent required by law include the statement that any review may result in amendment or termination of this Agreement. Owner shall demonstrate good faith compliance with this Agreement. At the conclusion of the review, the Planning Commission shall determine on the basis of substantial evidence whether the Owner has complied in good faith with the terms and conditions of this Agreement. The decision of the Planning Commission may be appealed to the City Council within ten (10) days of its decision. A finding by the Planning Commission or City Council, as applicable, of good
faith compliance with the terms of this Agreement shall conclusively determine the issue up to and including the date of such review.

10.2 Non-Compliance. If the Planning Commission (if its finding is not appealed) or City Council finds that Owner has not complied in good faith with the terms and conditions of this Agreement, the City shall provide written notice to Owner describing: (a) such failure and that such failure constitutes a Default; (b) the actions, if any, required by Owner to cure such Default; and (c) the time period within which such Default must be cured. If the Default can be cured, Owner shall have a minimum of thirty (30) days after the date of such notice to cure such Default, or in the event that such Default cannot be cured within such thirty (30) day period, if Owner commences within such thirty (30) day time period the actions necessary to cure such Default and diligently proceeds to complete such actions necessary to cure such Default, Owner shall have such additional time period as may be required by Owner within which to cure such Default.

10.3 Failure to Cure Default. If Owner fails to cure a Default within the time periods set forth above, the City Council may amend or terminate this Agreement as provided below.

10.4 Proceeding Upon Amendment or Termination. If, upon a finding under Section 10.2 of this Agreement and the expiration of the cure period specified in such Section 10.2 without the Owner having cured a Default, the City determines to proceed with amendment or termination of this Agreement, the City shall give written notice to Owner of its intention so to do. The notice shall be given at least thirty (30) days before the scheduled hearing and shall contain:

(a) The time and place of the hearing;

(b) A statement that the City proposes to terminate or to amend this Agreement; and

(c) Such other information as is reasonably necessary to inform Owner of the nature of the proceeding.

10.5 Hearings on Amendment or Termination. At the time and place set for the hearing on amendment or termination, Owner shall be given an opportunity to be heard, and Owner shall be required to demonstrate good faith compliance with the terms and conditions of this Agreement. If the City Council finds, based upon substantial evidence, that Owner has not complied in good faith with the terms or conditions of this Agreement, the City Council may terminate this Agreement or, with Owner's agreement to amend rather than terminate, amend this Agreement and impose such conditions as are reasonably necessary to protect the interests of the City. The decision of the City Council shall be final, subject to judicial review pursuant to Section 1094.5 of the California Code of Civil Procedure.
10.6 Effect on Transferees. If Owner has transferred a partial interest in the Property to another party so that title to the Property is held by Owner and additional parties or different parties, the City shall conduct one annual review applicable to all parties with a partial interest in the Property and the entirety of the Property. If the City Council terminates or amends this Agreement based upon any such annual review and the determination that any party with a partial interest in the Property has not complied in good faith with the terms and conditions of this Agreement, such action shall be effective as to all parties with a partial interest in the Property and to the entirety of the Property.


11.1 Extension of Times of Performance. In addition to any specific provisions of this Agreement, the performance by any Party of its obligations under this Agreement shall not be deemed to be in Default, and the time for performance of such obligation shall be extended; where delays or failures to perform are due to war, insurrection, strikes, lockouts, riots, floods, earthquakes, fire, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, restrictions imposed by governmental or quasi-governmental entities other than the City, unusually severe weather, acts of another Party, acts or the failure to act of any public or governmental agency or entity (except that acts or the failure to act of the City shall not excuse the City's performance) or any other causes beyond the reasonable control, or without the fault, of the Party claiming an extension of time to perform. An extension of time for any such cause shall only be for the period of the enforced delay, which period shall commence to run from the time of the commencement of the cause of the delay. If a delay occurs, the Party asserting the delay shall use reasonable efforts to notify promptly the other Parties of the delay. If, however, notice by the Party claiming such extension is sent to the other Party more than thirty (30) days after the commencement of the cause of the delay, the period shall commence to run as of only thirty (30) days prior to the giving of such notice. The time period for performance under this Agreement may also be extended in writing by the joint agreement of the City and Owner. Litigation attacking the validity of the EIR, this Agreement, the Project Approvals, future Approvals and/or the Project shall also be deemed to create an excusable delay under this Section 11.1, but only to the extent such litigation causes a delay and the Party asserting the delay complies with the notice and other provisions regarding delay set forth hereinabove. Notwithstanding this Section 11.1, in no event shall the Term (or any extended term) of this Agreement as set forth in Section 2.2 be extended by any such delay without approval of the City Council and the mutual written agreement of the City and Owner.

11.2 Superseded by Subsequent Laws. If any Law made or enacted after the date of this Agreement prevents or precludes compliance with one or more provisions of this Agreement, then the provisions of this Agreement shall, to the extent feasible, be modified or suspended as may be necessary to comply with such new Law. Immediately after enactment of any such new Law, the Parties shall meet and confer reasonably and in good faith to determine the feasibility of any such modification or suspension based on the effect such modification or suspension would have on the purposes and intent of this
Agreement. If such modification or suspension is infeasible in Owner's reasonable business judgment, then Owner shall have the right to terminate this Agreement by written notice to the City. Owner shall also have the right to challenge the new Law preventing compliance with the terms of this Agreement, and in the event such challenge is successful, this Agreement shall remain unmodified and in full force and effect. Notwithstanding the preceding, nothing herein shall permit the City to enact Laws that conflict with the terms of this Agreement.

12. Termination.

12.1 City's Right to Terminate. The City shall have the right to terminate this Agreement only under the following circumstances: The City Council has determined that Owner is not in good faith compliance with the terms of this Agreement, and this Default remains uncured, all as set forth in Section 9 of this Agreement.

12.2 Owner's Right to Terminate. Owner shall have the right to terminate this Agreement only if both of the following occur:

(a) In the notice to the City terminating this Agreement, Owner requests City in writing to rescind the Project Approvals; and

(b) One of the following has occurred:

(1) Owner has determined that the City is in Default, has given the City notice of such Default and the City has not cured such Default within thirty (30) days following receipt of such notice, or if the Default cannot reasonably be cured within such thirty (30) day period, the City has not commenced to cure such Default within thirty (30) days following receipt of such notice and is not diligently proceeding to cure such Default; or

(2) Owner is unable to complete the Project because of supersedure by a subsequent Law or court action, as set forth in Sections 11.2 and 16 of this Agreement; or

(3) Owner determines in its business judgment that it does not desire to proceed with the construction of the Project.

12.3 Mutual Agreement. This Agreement may be terminated upon the mutual written agreement of the Parties.

12.4 Effect of Termination. If this Agreement is terminated pursuant to this Section 11, such termination shall not affect any condition or obligation due to the City from Owner prior to the date of termination.

12.5 Recordation of Termination. In the event of a termination, the City and Owner agree to cooperate with each other in executing and acknowledging a
13. Remedies.

13.1 No Damages. City and Owner acknowledge that the purpose of this Agreement is to carry out the Parties' objectives as set forth in the recitals. City and Owner agree that to determine a sum of money which would adequately compensate either Party for choices they have made which would be foreclosed should the Property not be developed as contemplated by this Agreement is not possible and that damages would not be an adequate remedy. Therefore, City and Owner agree that in no event shall a Party, or its boards, commissions, officers, agents, or employees, be liable in damages for an Default under this Agreement. This exclusion on damages shall not preclude actions by a Party to enforce payments of monies or fees due or the performance of obligations requiring the expenditures of money under the terms of this Agreement.

13.2 Remedies Cumulative. In the event of a breach of this Agreement, the only remedies available to the non-breaching Party shall be: (a) suit for specific performance to remedy a specific breach; (b) suits for declaratory or injunctive relief; (c) suit for mandamus under Code of Civil Procedure Section 1085, or special writ; and (d) termination or cancellation of this Agreement. While Owner is in Default under this Agreement, City shall not be obligated to issue any permit or grant any Approval until Owner cures the Default. All of these remedies shall be cumulative and not exclusive of one another, and the exercise of any one or more of these remedies shall not constitute a waiver or election with respect to any other available remedy.

13.3 Parties' Agreement. In connection with the foregoing provisions, each Party acknowledges, warrants and represents that it has been fully informed with respect to, and represented by counsel of such Party's choice in connection with, the rights and remedies of such Party hereunder and the waivers herein contained, and after such advice and consultation has presently and actually intended, with full knowledge of such Party's rights and remedies otherwise available at law or in equity, to waive and relinquish such rights and remedies to the extent specified herein, and to rely to the extent herein specified solely on the remedies provided for herein with respect to any breach of this Agreement by the other Party. The provisions of this Section 12 shall survive and remain in effect following the expiration of the Term or termination or cancellation of this Agreement.

14. Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such Party's right to demand strict compliance by such other Party in the future. No waiver by a Party of a Default shall be effective or binding upon such Party unless made in writing by such Party, and no such waiver shall be implied from any omission by a Party to take any action with respect to such Default. No express written waiver of any Default shall affect any other Default, or cover any other period of time, other than any Default and/or period of time specified in such express waiver.
15. **Attorneys' Fees.** If a Party brings an action or proceeding (including, without limitation, any cross-complaint, counterclaim, or third-party claim) against another Party by reason of a Default, or otherwise to enforce rights or obligations arising out of this Agreement, the prevailing Party in such action or proceeding shall be entitled to recover from the other Party its costs and expenses of such action or proceeding, including reasonable attorneys' fees and costs, and costs of such action or proceeding, which shall be payable whether such action or proceeding is prosecuted to judgment. "Prevailing Party" within the meaning of this Section 14 shall include, without limitation, a Party who dismisses an action for recovery hereunder in exchange for payment of the sums allegedly due, performance of the covenants allegedly breached, or consideration substantially equal to the relief sought in the action.

16. **Limitations on Actions.** The City and Owner hereby renounce the existence of any third party beneficiary of this Agreement and agree that nothing contained herein shall be construed as giving any other person or entity third party beneficiary status. If any action or proceeding is instituted by any third party challenging the validity of any provisions of this Agreement, or any action or decision taken or made hereunder, the Parties shall cooperate in defending such action or proceeding.

17. **Owner's Right of Termination; Indemnity.** If any court action or proceeding is brought by any third party to challenge the EIR, the Project Approvals and/or the Project, or any portion thereof, and without regard to whether Owner is a party to or real party in interest in such action or proceeding, or this Agreement is the subject of a referendum petition submitted to the City, then Owner shall have the right to terminate this Agreement upon thirty (30) days' notice in writing to City, given at any time during the pendency of such action, proceeding, or referendum, or within ninety (90) days after the final determination therein (including any appeals), irrespective of the nature of such final determination, provided that in the notice to the City, Owner requests City in writing to rescind the Project Approvals. If Owner elects not to terminate this Agreement, any such action, proceeding, or referendum shall constitute a permitted delay under Section 11.1 of this Agreement and Owner shall pay the City's cost and expense, including attorneys' fees and staff time incurred by the City in defending any such action or participating in the defense of such action, including any court action or proceeding involving a referendum petition regarding this Agreement, and shall indemnify the City from any award of attorneys' fees awarded to the party challenging this Agreement, the Project Approvals or any other permit or Approval or attorneys' fees awarded to a third party related to a referendum petition. The defense and indemnity provisions of this Section 16 shall survive Owner's election to terminate this Agreement. Notwithstanding anything to the contrary herein, Owner shall retain the right to terminate this Agreement pursuant to this Section 16 even after: (a) it has vacated the Property; and (b) its other rights and obligations under this Agreement have terminated.

18. **Estoppel Certificate.** Any Party may, at any time, and from time to time, deliver written notice to the other Party requesting such other Party certify in writing, to the knowledge of the certifying Party: (a) that this Agreement is in full force and effect and
a binding obligation of the Parties; (b) that this Agreement has not been amended or modified either orally or in writing, and if so amended, identifying the amendments; (c) that the requesting Party is not in Default in the performance of its obligations under this Agreement, or if the requesting Party is in Default, the nature and amount of any such Defaults; (d) that the requesting Party has been found to be in compliance with this Agreement, and the date of the last determination of such compliance; and (e) as to such other matters concerning this Agreement as the requesting Party shall reasonably request. A Party receiving a request hereunder shall execute and return such certificate within thirty (30) days following the receipt thereof. The City Manager shall have the right to execute any certificate requested by Owner hereunder. The City acknowledges that a certificate may be relied upon by transferees and Mortgagees.

19. Mortgagee Protection; Certain Rights of Cure.

19.1 Mortgagee Protection. This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, after the date of recordation of this Agreement in the San Mateo County, California Official Records, including the lien of any Mortgage. Notwithstanding the foregoing, no breach hereof shall defeat, render invalid, diminish or impair the lien of any Mortgage, and subject to Section 18 of this Agreement, all of the terms and conditions contained in this Agreement shall be binding upon and effective against any person (including any Mortgagee) who acquires title to the Property, or any portion thereof, by foreclosure, trustee’s sale, deed in lieu of foreclosure or otherwise, and the benefits hereof will inure to the benefit of such party.

19.2 Mortgagee Not Obligated. Notwithstanding the provisions of Section 19.1 above, no Mortgagee or other purchaser in foreclosure or grantee under a deed in lieu of foreclosure, and no transferee of such Mortgagee, purchaser or grantee shall: (a) have any obligation or duty under this Agreement to construct, or to complete the construction of, improvements, to guarantee such construction or completion or to perform any other monetary or nonmonetary obligations of Owner under this Agreement; and (b) be liable for any Default of Owner under this Agreement; provided, however, that a Mortgagee or any such purchaser, grantee or transferee shall not be entitled to use the Property in the manner permitted by this Agreement and the Project Approvals unless it complies with the terms and provisions of this Agreement applicable to Owner.

19.3 Notice of Default to Mortgagee; Right of Mortgagee to Cure. If the City receives notice from a Mortgagee requesting a copy of any notice of Default given Owner hereunder and specifying the address for service thereof, then City shall deliver to such Mortgagee, concurrently with service thereon to Owner, any notice of a Default or determination of noncompliance given to Owner. Each Mortgagee shall have the right (but not the obligation) for a period of ninety (90) days after the receipt of such notice from City to cure or remedy, or to commence to cure or remedy, the Default claimed or the areas of noncompliance set forth in the City’s notice. If the Default or such noncompliance is of a nature which can only be remedied or cured by such Mortgagee upon obtaining possession of the Property, or any portion thereof, such Mortgagee may seek to obtain possession with diligence and continuity through a receiver, by foreclosure or otherwise,
and may thereafter remedy or cure the Default or noncompliance within ninety (90) days after obtaining possession of the Property or such portion thereof. If any such Default or noncompliance cannot, with reasonable diligence, be remedied or cured within the applicable ninety (90) day period, then such Mortgagee shall have such additional time as may be reasonably necessary to remedy or cure such Default or noncompliance if such Mortgagee commences a cure during the applicable ninety (90) day period, and thereafter diligently pursues such cure to completion.


20.1 Owner's Right to Assign. Subject to the terms of this Agreement, Owner shall have the right to transfer, sell and/or assign Owner's rights and obligations under this Agreement in conjunction with the transfer, sale or assignment of all or a partial interest in the Property. If the transferred interest consists of less than Owner's entire Property, or less than Owner's entire title to or interest in the Property, Owner shall have the right to transfer, sell, and/or assign to the transferee only those of Owner's rights and obligations under this Agreement that are allocable or attributable to the transferred property. Any transferee shall assume in writing the obligations of Owner under this Agreement and the Project Approvals relating to the transferred property and arising or accruing from and after the effective date of such transfer, sale or assignment. Owner shall notify City within ten (10) days of any such transfer, sale, or assignment.

20.2 Financing. Notwithstanding Section 20.1 of this Agreement, Mortgages, sales and lease-backs and/or other forms of conveyance required for any reasonable method of financing requiring a security arrangement with respect to the development of the Property are permitted without the need for the lender to assume in writing the obligations of Owner under this Agreement and the Project Approvals. Further, no foreclosure, conveyance in lieu of foreclosure or other conveyance or transfer in satisfaction of indebtedness made in connection with any such financing shall require any further consent of the City, regardless of when such conveyance is made, and no such transferee will be required to assume any obligations of Owner under this Agreement.

20.3 Release upon Transfer of Property. Upon Owner's sale, transfer and/or assignment of all of Owner's rights and obligations under this Agreement in accordance with this Section 19, Owner shall be released from Owner's obligations pursuant to this Agreement which arise or accrue subsequent to the effective date of the transfer, sale and/or assignment, provided that Owner has provided notice to the City as required by Section 19.1.

21. Covenants Run with the Land. All of the provisions, agreements, rights, powers, standards, terms, covenants and obligations contained in this Agreement shall constitute covenants that shall run with the land comprising the Property, and the burdens and benefits of this Agreement shall be binding upon, and shall insure to the benefit of, each of the Parties and their respective heirs, successors, assignees, devisees, administrators, representatives and lessees, except as otherwise expressly provided in this Agreement.
22. Amendment.

22.1 Amendment or Cancellation. Except as otherwise provided in this Agreement, this Agreement may be cancelled, modified or amended only by mutual consent of the Parties in writing, and then only in the manner provided for in Government Code Section 65868 and Article 7 of Resolution No. 4159. Any amendment to this Agreement which does not relate to the Term of this Agreement, the Vested Elements or the Conditions relating to the Project shall require the giving of notice pursuant to Government Code Section 65867, as specified by Section 65868 thereof, but shall not require a public hearing before the Parties may make such amendment.

22.2 Recordation. Any amendment, termination or cancellation of this Agreement shall be recorded by the City Clerk not later than ten (10) days after the effective date thereof or of the action effecting such amendment, termination or cancellation; provided, however, a failure of the City Clerk to record such amendment, termination or cancellation shall not affect the validity of such matter.

23. Notices. Any notice shall be in writing and given by delivering the notice in person or by sending the notice by registered or certified mail, express mail, return receipt requested, with postage prepaid, or by overnight courier to the Party’s mailing address. The respective mailing addresses of the Parties are, until changed as hereinafter provided, the following:

City: City of Menlo Park  
701 Laurel Street  
Menlo Park, CA 94025  
Attention: City Manager

With a copy to:  
City of Menlo Park  
701 Laurel Street  
Menlo Park, CA 94025  
Attention: City Attorney

Owner: Stanford University  
Vice President, Land Buildings and Real Estate  
3160 Porter Drive, Suite 200  
Palo Alto, CA 94304  
Attention: Robert Reidy
With a copy to: Stanford University
Vice President and General Counsel
P.O. Box 20386
Stanford, CA 94305
Attention: Debra Zumwalt

A Party may change its mailing address at any time by giving to the other Party ten (10) days' notice of such change in the manner provided for in this Section 22. All notices under this Agreement shall be deemed given, received, made or communicated on the date personal delivery is effected, or if mailed, on the delivery date or attempted delivery date shown on the return receipt.

24. Miscellaneous.

24.1 Negation of Partnership. The Parties specifically acknowledge that the Project is a private development, that no Party is acting as the agent of the other in any respect hereunder and that each Party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the Parties in the businesses of Owner, the affairs of the City, or otherwise, nor shall it cause them to be considered joint venturers or members of any joint enterprise.

24.2 Consents. Unless otherwise provided herein, whenever approval, consent or satisfaction (herein collectively referred to as an "approval") is required of a Party pursuant to this Agreement, such approval shall not be unreasonably withheld or delayed. If a Party shall not approve, the reasons therefor shall be stated in reasonable detail in writing. The approval by a Party to or of any act or request by the other Party shall not be deemed to waive or render unnecessary approval to or of any similar or subsequent acts or requests.

24.3 Approvals Independent. All Approvals which may be granted pursuant to this Agreement, and all Approvals or other land use approvals which have been or may be issued or granted by the City with respect to the Property, constitute independent actions and approvals by the City. If any provisions of this Agreement or the application of any provision of this Agreement to a particular situation is held by a court of competent jurisdiction to be invalid or unenforceable, or if the City terminates this Agreement for any reason, such invalidity, unenforceability or termination of this Agreement or any part hereof shall not affect the validity or effectiveness of any Approvals or other land use approvals.

24.4 Severability. Invalidation of any of the provisions contained in this Agreement, or of the application thereof to any person, by judgment or court order, shall in no way affect any of the other provisions hereof or the application thereof to any other person or circumstance and the same shall remain in full force and effect, unless enforcement of this Agreement as so invalidated would be unreasonable or grossly
inequitable under all the circumstances or would frustrate the purposes of this Agreement. Notwithstanding the preceding, this Section 23.4 is subject to the terms of Section 11.2.

24.5 Exhibits. The Exhibits referred to herein are deemed incorporated into this Agreement in their entirety.

24.6 Entire Agreement. This written Agreement and the Project Approvals contain all the representations and the entire agreement between the Parties with respect to the subject matter hereof. Except as otherwise specified in this Agreement and the Project Approvals, any prior correspondence, memoranda, agreements, warranties or representations are superseded in total by this Agreement.

24.7 Construction of Agreement. The provisions of this Agreement shall be construed as a whole according to their common meaning and not strictly for or against any Party in order to achieve the objectives and purpose of the Parties. The captions preceding the text of each Section and Subsection are included only for convenience of reference and shall be disregarded in the construction and interpretation of this Agreement. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neuter genders, or vice versa. All references to "person" shall include, without limitation, any and all corporations, partnerships, limited liability companies or other legal entities.

24.8 Further Assurances; Covenant to Sign Documents. Each Party covenants, on behalf of itself and its successors, heirs and assigns, to take all actions and do all things, and to execute, with acknowledgment or affidavit if required, any and all documents and writings that may be necessary or proper to achieve the purposes and objectives of this Agreement.

24.9 Governing Law. This Agreement, and the rights and obligations of the Parties, shall be governed by and interpreted in accordance with the laws of the State of California. Venue shall be San Mateo County Superior Court.

24.10 Construction. This Agreement has been reviewed and revised by legal counsel for Owner and City, and no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Agreement.

24.11 Time. Time is of the essence of this Agreement and of each and every term and condition hereof. In particular, City agrees to act in a timely fashion in accepting, processing, checking and approving all maps, documents, plans, permit applications and any other matters requiring City's review or approval relating to the Project or Property.

25. Counterparts. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all of which when taken together shall constitute but one Agreement.
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

CITY:

CITY OF MENLO PARK, a municipal corporation of the State of California

By:  

Kirsten Keith, Mayor  
PETER OHTAKI, MAYOR PRO TEM  
Date: 11-17-17

ATTEST:

City Clerk  
Date: 11-17-17

APPROVED AS TO FORM:

City Attorney  
Date: 11-14-17

OWNER:

BOARD OF TRUSTEES OF THE LELAND  
STANFORD JUNIOR UNIVERSITY

By:  

Robert C. Reidy  
Its: Vice President Land, Buildings & Real Estate  
November 13, 2017
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Mateo

On NOVEMBER 17, 2017 before me, JELENA HARADA, NOTARY PUBLIC,

Date

personally appeared PETER I. OHTAKI JR.

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Optional

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document
Title or Type of Document: __________________________ Document Date: __________
Number of Pages: _______ Signer(s) Other Than Named Above: __________

Capacity(ies) Claimed by Signer(s)
Signer's Name: __________________________________________
☐ Corporate Officer — Title(s): ____________________________
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney In Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: __________________________
Signer Is Representing: ___________________________________

Signer's Name: __________________________________________
☐ Corporate Officer — Title(s): ____________________________
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney In Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: __________________________
Signer Is Representing: ___________________________________
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

On November 13, 2017, before me, Amy M. Hartfield, Notary Public, personally appeared, Robert C. Reidy, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Signature]
Name: Amy M. Hartfield
Notary Public
EXHIBIT A
SITE PLAN OF PROPERTY
EXHIBIT B

LEGAL DESCRIPTION OF PROPERTY

Real property in the City of Menlo Park, County of San Mateo, State of California, described as follows:

TRACT ONE
PORTION OF THAT CERTAIN 14.80 ACRE TRACT OF LAND AS DESCRIBED IN THE DEED FROM CHARLES CROCKER, ET AL, TO LELAND STANFORD DATED OCTOBER 19, 1885 ANDRecorded IN BOOK 39 OF DEEDS, PAGE 354, RECORDS OF SAN MATEO COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ORDER, SOUTH 50° 25' 00" EAST 400.00 FEET; THENCE LEAVING SAID LAST MENTIONED LINE NORTH 39° 35' 00" EAST 184.54 FEET TO THE SOUTHWESTERLY BOUNDARY LINE OF THAT CERTAIN 40 FOOT STRIP OF LAND CONTAINING 2.33 ACRES AS DESCRIBED IN THE DEED FROM THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY TO THE SOUTHERN PACIFIC RAILROAD COMPANY, DATED MARCH 26, 1902 AND RECORDED IN BOOK 92 OF DEEDS, PAGE 374, RECORDS OF SAN MATEO COUNTY, CALIFORNIA; THENCE ALONG SAID LAST MENTIONED LINE NORTH 51° 35' 10" WEST 400.08 FEET TO THE MOST EASTERLY CORNER OF SAID CERTAIN PARCEL OF LAND LEASED BY THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY TO SIMPSON MOTORS, ABOVE REFERRED TO; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID LAST MENTIONED PARCEL OF LAND SOUTH 39° 35' 00" WEST 176.37 FEET TO THE POINT OF BEGINNING.

TRACT TWO

THENCE LEAVING SAID LAST MENTIONED LINE, NORTH 39° 35' 00" EAST 176.37 FEET TO THE SOUTHWESTERLY BOUNDARY LINE OF THAT CERTAIN 40 FOOT STRIP OF LAND CONTAINING 2.33 ACRES, CONVEYED FROM SAID UNIVERSITY TO THE SOUTHERN PACIFIC RAILROAD COMPANY BY DEED DATED MARCH 26, 1902 AND RECORDED IN BOOK 92 OF DEEDS, PAGE 374, RECORDS OF SAN MATEO COUNTY, CALIFORNIA; THENCE ALONG SAID LAST MENTIONED LINE NORTH 51° 35' 10" WEST 414.51 FEET TO THE INTERSECTION THEREOF WITH THE ABOVE MENTIONED NORTHWESTERLY BOUNDARY LINE OF THE 14.80 ACRE TRACT CONVEYED TO STANFORD; THENCE ALONG SAID LAST MENTIONED LINE, SOUTH 38° 24' 50" WEST 167.95 FEET TO THE POINT OF BEGINNING.

TRACT THREE

RELOCATING THEREIN AND/OR REMOVING THEREFROM STORM SEWER AND DRAINAGE FACILITIES AND ALL APPURTENANCES NECESSARY AND CONVENIENT THERETO.

TRACT FOUR

PORTION OF THAT CERTAIN 14.80 ACRE TRACT OF LAND AS DESCRIBED IN THAT CERTAIN DEED FROM CHARLES CROCKER, ET AL, TO LELAND STANFORD, DATED OCTOBER 19, 1885, AND RECORDED IN BOOK 39 OF DEEDS, PAGE 354 RECORDS OF SAN MATEO COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHEASTERLY LINE OF EL CAMINO REAL, WHICH POINT IS DISTANT 50 FEET MEASURED AT RIGHT ANGLES, NORTHEASTERLY FROM THE CENTER LINE STATION 593+50.00, SAID POINT OF BEGINNING BEING MARKED BY AN IRON PIPE MONUMENT;

THENCE FROM SAID POINT OF BEGINNING, ALONG THE SAID NORTHEASTERLY LINE OF EL CAMINO REAL, NORTH 50° 17' 53" WEST 87.63 FEET TO THE TRUE POINT OF BEGINNING AT THE LANDS TO BE DESCRIBED HEREIN; THENCE FROM SAID TRUE POINT OF BEGINNING, ALONG THE SAID NORTHEASTERLY LINE OF EL CAMINO REAL, NORTH 50° 17' 53" WEST 62.43 FEET AND NORTH 50° 25' WEST 337.57 FEET; THENCE LEAVING SAID LINE OF EL CAMINO REAL, NORTH 39° 35' 00" EAST 188.83 FEET TO THE SOUTHWESTERLY BOUNDARY LINE OF THAT CERTAIN 40 FOOT WIDE STRIP OF LAND CONTAINING 2.33 ACRES, AS DESCRIBED IN THAT CERTAIN DEED FROM THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY TO THE SOUTHERN PACIFIC RAILROAD COMPANY, DATED MARCH 26, 1902 AND RECORDED IN BOOK 92 OF DEEDS, PAGE 374, RECORDS OF SAN MATEO COUNTY, CALIFORNIA; THENCE SOUTH 51° 35' 10" EAST 400.08 FEET; THENCE SOUTH 39° 35' 00" WEST 197.12 FEET TO THE POINT OF BEGINNING.

TRACT FIVE

PARCEL B OF THAT CERTAIN PARCEL MAP FILED OCTOBER 06, 1983 IN BOOK 54 OF PARCEL MAPS, PAGE 3, SAN MATEO COUNTY RECORDS.
TRACT SIX

BEGINNING AT A POINT WHERE THE SOUTHWEST LINE OF THE LANDS OF THE SOUTHERN PACIFIC RAILROAD COMPANY INTERSECTS THE CENTERLINE OF SAN FRANCISQUITO CREEK, SAID POINT BEING SITUATE FIFTY (50) FEET SOUTHWESTERLY AT RIGHT ANGLES FROM THE LOCATED CENTERLINE OF SAID RAILROAD AT OR NEAR ENGINEER'S STATION 228+49.9 OF SAID CENTERLINE; THENCE RUNNING NORTHWESTERLY ALONG SAID SOUTHWEST LINE OF THE LANDS OF SAID RAILROAD COMPANY, PARALLEL WITH SAID CENTERLINE OF RAILROAD, A DISTANCE OF TWENTY-FIVE HUNDRED AND FORTY-THREE (2543), MORE OR LESS, TO AN INTERSECTION WITH THE SOUTHEASTERLY LINE OF THE LANDS OF SAID RAILROAD COMPANY, AT A POINT SITUATE FIFTY (50) FEET SOUTHWESTERLY AT RIGHT ANGLES FROM SAID CENTERLINE OF RAILROAD AT OR NEAR ENGINEER'S STATION 203+06.9 OF SAID CENTERLINE OF RAILROAD; THENCE RUNNING SOUTHWESTERLY ALONG SAID SOUTHEASTERLY LINE OF THE LANDS OF SAID RAILROAD COMPANY TO A POINT SITUATE NINETY (90) FEET SOUTHWESTERLY AT RIGHT ANGLES FROM SAID CENTERLINE OF RAILROAD; AND THENCE RUNNING NORTHEASTERLY ALONG THE CENTERLINE OF SAID CREEK TO THE POINT OF BEGINNING; BEING A STRIP OF LAND FORTY (40) FEET WIDE, LYING IMMEDIATELY ADJACENT ON THE SOUTHWEST TO THE LANDS OF THE SAID RAILROAD COMPANY, AND EXTENDING FROM THE CENTERLINE OF SAID CREEK TO SAID SOUTHEASTERLY LINE OF THE LANDS OF SAID RAILROAD COMPANY; BEING THE SAME LANDS AS CONVEYED BY JANE L. STANFORD, ET AL TO THE SOUTHERN PACIFIC RAILROAD COMPANY, BY DEED RECORDED APRIL 02, 1902 IN BOOK 92 OF DEEDS, PAGE 374, RECORDS OF SAN MATEO COUNTY. ALSO BEING A PORTION OF PARCEL "B" AS SHOWN ON THAT CERTAIN MAP ENTITLED, "PARCEL MAP, BEING ALL OF PARCEL ONE-REMAINDER AS SHOWN ON THAT CERTAIN PARCEL MAP RECORDED IN VOLUME 51 OF PARCEL MAPS, PAGES 5, 6 & 7 SAN MATEO COUNTY RECORDS", WHICH MAP WAS RECORDED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA ON JANUARY 07, 1982, IN BOOK 52 OF PARCEL MAPS, PAGE 31.
EXCEPTING THEREFROM ALL THAT PORTION OF SAID PROPERTY AS CONVEYED TO SOUTHERN PACIFIC LAND COMPANY BY INSTRUMENT RECORDED MARCH 23, 1981 UNDER RECORDER'S DOCUMENT NO. 265227-AS, OFFICIAL RECORDS.

AND FURTHER EXCEPTING ALL THAT PORTION OF SAID PROPERTY AS CONVEYED TO THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY BY INSTRUMENT RECORDED JANUARY 18, 1982, UNDER RECORDER'S DOCUMENT NO. 82004513, OFFICIAL RECORDS.

EXCEPTING THEREFROM ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, OIL AND GAS AND RIGHTS THERETO, TOGETHER WITH THE SOLE, EXCLUSIVE AND PERPETUAL RIGHT TO EXPLORE FOR, REMOVE AND DISPOSE OF SAID MINERALS BY ANY MEANS OR METHODS SUITABLE BUT WITHOUT ENTERING UPON OR USING THE SURFACE OF THE PROPERTY, AND IN SUCH MANNER AS NOT TO DAMAGE THE SURFACE OF SAID LANDS OR TO INTERFERE WITH THE USE THEREOF AS RESERVED BY UNION PACIFIC RAILROAD COMPANY IN GRANT DEED RECORDED JULY 01, 1999, DOCUMENT NO. 99112045.

APN: APN(S): 071-440-030 (AFFECTS TRACT ONE); 071-440-040-5 (AFFECTS TRACT TWO); 071-440-050-4 (AFFECTS TRACT THREE); 071-440-060-3 (AFFECTS TRACT FOUR); 071-440120-5 (AFFECTS TRACT FIVE) AND 071-440-130-4 (AFFECTS TRACT SIX)

JPN(S): 071-044-440-03A (AFFECTS TRACT ONE); 071-044-440-04A (AFFECTS TRACT TWO); 071-044-440-05A (AFFECTS TRACT THREE); 071-044-440-06A (AFFECTS TRACT FOUR); 071044-440-07.01A (AFFECTS TRACT FIVE) AND 071-044-440-08 (AFFECTS TRACT SIX)

26. NOTE: THE PARCELS DESCRIBED HEREIN ABOVE ARE PART OF A LOT MERGER THAT HAS BEEN CONDITIONALLY APPROVED AS OF OCTOBER 12, 2017, PER LETTER FROM ASSISTANT PUBLIC WORKS DIRECTOR NICOLE H. NAGAYA, P.E.
EXHIBIT C

BMR HOUSING AGREEMENT
AFFORDABLE HOUSING AGREEMENT

AND

DECLARATION OF RESTRICTIVE COVENANTS

MIDDLE PLAZA AT 500 EL CAMINO REAL PROJECT

THIS AFFORDABLE HOUSING AGREEMENT AND DECLARATION OF
RESTRICTIVE COVENANTS ("Agreement") is entered into as of October 10, 2017, by and
between the CITY OF MENLO PARK, a California municipal corporation ("City"), and THE
BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY, a body
having corporate powers under the laws of the State of California ("Owner") with reference to the
following facts:

RECITALS

A. Owner is the owner of those certain parcels of real property having current
addresses at 300-550 El Camino Real in the City of Menlo Park, California ("Property"), as more
particularly described in Exhibit A attached hereto.

B. The Parties have entered into a Development Agreement ("Development
Agreement"), effective November 9, 2017, of even date herewith, to facilitate development of the
Property subject to certain terms and conditions. Owner intends to demolish all existing structures
on the Property and to construct the Project on the Property, as defined in the Development
Agreement (the "Project"). All capitalized terms not otherwise defined in this Agreement have
the meaning ascribed to them in the Development Agreement.

C. As a material consideration for the long term assurances, vested
rights, and other
City obligations provided by the Development Agreement and as a material inducement to City to
enter into the Development Agreement, Owner offered and agreed to certain terms as specified in
the Development Agreement. Section 7 of the Development Agreement specifies that the Parties
shall enter into and record this Agreement for the benefit of the City. This Agreement provides
that the Project shall include ten (10) units to be occupied exclusively by, and rented to, qualified
Low Income Households, as defined below (the "Low Income Units"). (If the 2131 Sand Hill
Road project is not approved, Owner would provide eight (8) one-bedroom BMR units at the low-
income level.) This Agreement further ensures that the Project will comply with the City’s
Municipal Code Chapter 16.96 and the City’s BMR Housing Program Guidelines as adopted by
the City Council of Menlo Park, and amended from time to time and, as in effect as of the date of
this Agreement, attached hereto as Exhibit B ("Guidelines").

NOW, THEREFORE, the Parties hereto agree as follows. The recitals are incorporated
into this Agreement by this reference.
100. CONSTRUCTION OF THE IMPROVEMENTS.

101. Construction of the Property. To the extent provided in the Development Agreement, the Owner agrees to construct the Project in accordance with the City Municipal Code, the Development Agreement, the Guidelines, and all other applicable state and local building codes, development standards, ordinances and zoning codes. No portion of any residential building may be approved for occupancy unless the percentage of Low Income Units approved for occupancy in that portion of the building is equivalent to, or greater than, the percentage of Low Income Units in the entire building (e.g., if 11 percent of the units in the entire building will be Low Income Units, then at least 11 percent of the units approved for occupancy must be Low Income Units).

102. City and Other Governmental Permits. Before commencement of the Project, the Owner shall secure or cause its contractor to secure any and all permits which may be required by the City or any other governmental agency affected by such construction, including without limitation building permits. Except as otherwise provided in the Development Agreement, the Owner shall pay all necessary fees and timely submit to the City final drawings with final corrections to obtain such permits; the staff of the City will, without incurring liability or expense therefor, process applications in the ordinary course of business for the issuance of building permits and certificates of occupancy for construction that meets the requirements of the City Code, and all other applicable laws and regulations.

103. Compliance with Laws. The Owner shall carry out the acquisition, design, construction and operation of the Project in conformity with all applicable laws, including all applicable state labor standards, City zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions of the City Municipal Code, to the extent that these laws, codes, and standards are consistent with the provisions of the Development Agreement. The Owner shall also ensure that the Project is constructed and operated in compliance with all applicable disabled and handicapped access requirements, including without limitation the Americans With Disabilities Act, 42 U.S.C. Section 12101, et seq., Government Code Section 4450, et seq., Government Code Section 11135, et seq., and the Unruh Civil Rights Act, Civil Code Section 51, et seq.

200. OPERATION OF HOUSING

201. (a) Provision of Low Income Units. The Low Income Units shall be one-bedroom units, shall be of a quality comparable to all of the other rental units in the Project, and shall be equitably distributed throughout the Project’s residential buildings. Prior to occupancy of the first residential unit in the Project, the Owner shall notify the City and the City shall approve of the locations of the Low Income Units within the residential buildings. The location of the individual Low Income Units may float to account for the Next Available Unit Requirement set forth below and as otherwise necessary for the smooth and professional maintenance of the Project, provided that the location of Low Income Units shall remain equitably distributed throughout the Project’s residential buildings. Rental of each Low Income Unit shall include the right to use one parking space in the residential buildings’ parking garage.
201. (b) **Low Income Units.** As described in Recital C above, the Owner agrees to make available, restrict occupancy, and lease not less than ten (10) of the rental units on the Property exclusively to Low Income Households at Affordable Low Income Rent, as defined below. For purposes of this Agreement, “Low Income Households” shall mean those households with incomes that do not exceed the low income limits for San Mateo County, adjusted for household size, as set forth in the Guidelines, and as established and amended from time to time in accordance with the low income limits for San Mateo County established by the State of California in the California Code of Regulations, Title 25, Section 6932 or successor provision (“Low Income Limits”). A qualified Low Income Household shall continue to qualify unless at the time of recertification, for two consecutive years, the household’s income exceeds the Low Income Limits, then the tenant shall not longer be qualified. Upon the Owner’s determination that any such household is no longer so qualified, the unit shall no longer be deemed a Low Income Unit, and the Owner shall make the next available one-bedroom unit, which is comparable in terms of size, features and number of bedrooms, a Low Income Unit (“Next Available Unit Requirement”) and take such other actions, including as specified in Section 11.1.7 of the Guidelines, as may be necessary to ensure that the total required number of units are rented to Low Income Households. The Owner shall notify the City annually if Owner substitutes a different unit for one of the designated Low Income Units pursuant to this paragraph.

201. (c) **Income Certification.** On or before July 1 of each year, commencing with the calendar year that the first unit in the Project is rented to a tenant, and annually thereafter, the Owner shall obtain from each household occupying a Low Income Unit and submit to the City a completed income computation and certification form, which shall certify that the income of the household is truthfully set forth in the income certification form, in the form attached hereto as Exhibit C unless a different form is specified by the City or proposed by Owner and approved by the City’s Director of Community Development (“Director”). The Owner shall certify that each household leasing a Low Income Unit meets the income and eligibility restrictions for the Low Income Unit.

202. (a) **Affordable Rent, Low Income.** The maximum Monthly Rent chargeable for the Low Income Units and actually paid by a Low Income Household shall be thirty percent (30%) of the Low Income Limits, adjusted for assumed household size of two persons in a one-bedroom Low Income Unit (the “Affordable Low Income Rent”).

202. (b) **Monthly Rent.** For purposes of this Agreement, “Monthly Rent” means the total of monthly payments actually made by the household for (a) use and occupancy of each Low Income Unit and land and facilities associated therewith, (b) any separately charged fees or service charges mandatorily assessed by the Owner which are required of all tenants, other than security deposits, (c) a reasonable allowance for an adequate level of service of utilities not included in (a) or (b) above, and which are not paid directly by the Owner, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuels, but not including telephone service, cable, and internet service, and (d) possessory interest, taxes or other fees or charges assessed for use of the land and facilities associated therewith by a public or private entity other than Owner.
A sample utility allowance schedule prepared by San Mateo County as of the date of this Agreement is attached as Exhibit D.

203. Lease Requirements. At least ninety (90) days prior to occupancy of any residential space in the Project, the Owner shall submit a standard lease form for approval by the Director. The City shall reasonably approve such lease form upon finding that such lease form is consistent with this Agreement and contains all of the provisions required by the Guidelines. The Owner shall enter into a written lease, in the form approved by the City, with each new tenant of a Low Income Unit upon such tenant's rental of the Low Income Unit. Each lease shall be for an initial term of not less than one year, and shall not contain any of the provisions which are prohibited by the Guidelines.

204. Selection of Tenants. Each Low Income Unit shall be leased to tenant(s) selected by the Owner who meet all of the requirements provided herein, and, to the extent permitted by law, with priority given to those eligible households who either live or work in the City of Menlo Park. The City may, from time to time, provide to the Owner names of persons who have expressed interest in renting Low Income Units for the purposes of adding such interested persons to Owner's waiting list to be processed in accordance with Owner's customary policies. The Owner shall not refuse to lease to a holder of a certificate or a rental voucher under the Section 8 program or other tenant-based assistance program, who is otherwise qualified to be a tenant in accordance with the approved tenant selection criteria.

205. Maintenance. The Owner shall maintain or cause to be maintained the interior and exterior of the residential buildings at the Property in a decent, safe and sanitary manner, and consistent with the standard of maintenance of first class multifamily apartment projects within San Mateo County, California of the age of the Property improvements. If at any time Owner fails to maintain the Property in accordance with this Agreement and such condition is not corrected within five (5) days after written notice from the City with respect to graffiti, debris, waste material, and general maintenance, or thirty (30) days after written notice from the City with respect to landscaping and building improvements (or such longer time in accordance with Section 301 of this Agreement), then the City, in addition to whatever remedy it may have at law or at equity, shall have the right to enter upon the applicable portion of the Property and perform all acts and work necessary to protect, maintain, and preserve the Property, and to attach a lien upon the Property, or to assess the Property, in the amount of the expenditures arising from such acts and work of protection, maintenance, and preservation by the City and/or costs of such cure, including a reasonable administrative charge, which amount shall be promptly paid by Owner to the City upon demand.

206. Monitoring and Recordkeeping. Throughout the Affordability Period, as defined below, Owner shall comply with all applicable recordkeeping and monitoring requirements set forth in the Guidelines and shall annually complete and submit to City by July 1st a Certification of Continuing Program Compliance in a form approved by the City. Representatives of the City shall be entitled to enter the Property, upon at least twenty-four (24) hour notice, to monitor compliance with this Agreement, to inspect the records of the Project with respect to the Low Income Units, and to conduct, or cause to be conducted, an
independent audit or inspection of such records. The Owner agrees to cooperate with the City in making the Property available for such inspection or audit. If for any reason the City is unable to obtain the Owner’s consent to such an inspection or audit, the Owner understands and agrees that the City may obtain at Owner’s expense an administrative inspection warrant or other appropriate legal order to obtain access to and search the Property. Owner agrees to maintain records in businesslike manner, and to maintain such records for the Affordability Period.

207. **Non-Discrimination Covenants.** Owner covenants by and for itself, its successors and assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, religion, sex, marital status, familial status, disability, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall Owner itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property.

208. **Agreement to Limitation on Rents.** The Owner covenants that it has agreed to limit Monthly Rent in the Low Income Units in consideration for the City’s agreement to enter into a Development Agreement for the Project, under Civil Code Sections 1954.52(b) and 1954.53(a)(2). The Owner hereby agrees, for so long as this Agreement is operative, that any Low Income Units provided pursuant to this Agreement are not subject to Civil Code Section 1954.52(a) or any other provision of the Costa-Hawkins Act inconsistent with controls on rents and further agrees that any limitations on Monthly Rent imposed on the Low Income Units are in conformance with the Costa-Hawkins Act.

209. **Term of Agreement.** The Property shall be subject to the requirements of this Agreement from the date of recordation of this Agreement until the fifty-fifth (55th) anniversary of the date of the City’s signoff of the final building permit permitting occupancy of all planned residential space in the Project. The duration of this requirement shall be known as the "Affordability Period."

210. **Expiration of Affordability Period; Release of Property from Agreement.** Prior to the expiration of the Affordability Period, Owner shall provide all notifications required by Government Code Sections 65863.10 and 65863.11 or successor provisions and any other notification required by any state, federal, or local law. In addition, at least six (6) months prior to the expiration of the Affordability Period, the Owner shall provide a notice by first-class mail, postage prepaid, to all tenants in the Low Income Units. The notice shall contain (a) the anticipated date of the expiration of the Affordability Period and (b) any anticipated Monthly Rent increase upon the expiration of the Affordability Period. The Owner shall file a copy of the above-described notice with the City Manager. Upon the expiration of the Affordability Period for all Low Income Units, City shall execute and record a release of the Project, the Property, and each unit in the Project from the burdens of this Agreement within thirty (30) days following written notice from the Owner, if at the time the Owner is in compliance with all terms of this...
300. DEFAULT AND REMEDIES

301. Events of Default. The following shall constitute an “Event of Default” by Owner under this Agreement: there shall be a material breach of any condition, covenant, warranty, promise or representation contained in this Agreement and such breach shall continue for a period of thirty (30) days after written notice thereof to the defaulting Party without the defaulting Party curing such breach, or if such breach cannot reasonably be cured within such thirty (30) day period, commencing the cure of such breach within such thirty (30) day period and thereafter diligently proceeding to cure such breach within ninety (90) days, unless a longer period is granted by the City; provided, however, that if a different period or notice requirement is specified for any particular breach under any other paragraph of Article 300 of this Agreement, the specific provision shall control.

302. Remedies. The occurrence of any Event of Default under Section 301 shall give the non-defaulting Party the right to proceed with an action in equity to require the defaulting Party to specifically perform its obligations and covenants under this Agreement or to enjoin acts or things which may be unlawful or in violation of the provisions of this Agreement, and the right to terminate this Agreement. Any Event of Default under this Agreement shall constitute a Default under the Development Agreement.

303. Obligations Personal to Owner. The liability of the Owner under this Agreement to any person or entity is limited to the Owner’s interest in the Project, and the City and any other such persons and entities shall look exclusively thereto for the satisfaction of obligations arising out of this Agreement or any other agreement securing the obligations of the Owner under this Agreement. From and after the date of this Agreement, no deficiency or other personal judgment, nor any order or decree of specific performance (other than pertaining to this Agreement, any agreement pertaining to any Project or any other agreement securing the Owner’s obligations under this Agreement), shall be rendered against the Owner, the assets of the Owner (other than the Owner’s interest in the Project), its partners, members, successors, transferees or assigns and each of their respective officers, directors, employees, partners, agents, heirs and personal representatives, as the case may be, in any action or proceeding arising out of this Agreement or any agreement securing the obligations of the Owner under this Agreement, or any judgment, order or decree rendered pursuant to any such action or proceeding. No subsequent owner of the Project shall be liable or obligated for the breach or default of any obligations of the Owner under this Agreement on the part of any prior Owner. Such obligations are personal to the person who was the Owner at the time the default or breach was alleged to have occurred and such person shall remain liable for any and all damages occasioned thereby even after such person ceases to be the Owner. Each Owner shall comply with and be fully liable for all obligations of an “owner” hereunder during its period of ownership.

304. Force Majeure. Subject to the Party’s compliance with the notice requirements as set forth below, performance by either Party hereunder shall not be deemed
to be in default, and all performance and other dates specified in this Agreement shall be extended, where delays or defaults are due to causes beyond the control and without the fault of the Party claiming an extension of time to perform, which may include, without limitation, the following: war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, assaults, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually severe weather, inability to secure necessary labor, materials or tools, acts or omissions of the other Party, or acts or failures to act of any public or governmental entity (except that the City’s acts or failure to act shall not excuse performance of the City hereunder). An extension of the time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the Party claiming such extension is sent to the other Party within thirty (30) days of the commencement of the cause.

305. **Attorneys’ Fees.** In addition to any other remedies provided hereunder or available pursuant to law, if either Party brings an action or proceeding to enforce, protect or establish any right or remedy hereunder, the prevailing Party shall be entitled to recover from the other Party its costs of suit and reasonable attorneys’ fees.

306. **Remedies Cumulative.** No right, power, or remedy given by the terms of this Agreement is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy shall be cumulative and in addition to every other right, power, or remedy given by the terms of any such instrument, or by any statute or otherwise.

307. **Waiver of Terms and Conditions.** The City may, in its sole discretion, waive in writing any of the terms and conditions of this Agreement. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition.

308. **Non-Liability of City Officials and Employees.** No member, official, employee or agent of the City shall be personally liable to the Owner or any occupant of any Low Income Unit, or any successor in interest, in the event of any default or breach by the City or failure to enforce any provision hereof, or for any amount which may become due to the Owner or its successors, or on any obligations under the terms of this Agreement.

400. **GENERAL PROVISIONS**

401. **Guidelines.** This Agreement incorporates by reference the provisions of Sections 1, 2, 3.1, 4.1.2, 5.1, 5.2, 5.3, 7.1, 7.2.1, 7.2.3, 7.2.4, 7.2.5, 11.1.1, 11.1.2, 11.1.3 through 11.1.6, 11.1.8, 13.6, and 13.7 of the Guidelines as of the date of this Agreement and any successor sections as the Guidelines may be amended from time to time and expresses the entire obligations and duties of Owner with respect to the Owner’s obligations under the Guidelines. No other requirements or obligations under the Guidelines shall apply to Owner except as expressly provided for in this Agreement. In the event of any conflict or ambiguity between this Agreement, the Development Agreement, the requirements of state and federal fair housing laws, and the Guidelines, the
terms and conditions of this Agreement, the Development Agreement, and the 
requirements of state and federal fair housing laws shall control. In the event of any 
conflict or ambiguity between this Agreement and the Development Agreement, the 
Development Agreement shall control.

402. Time. Time is of the essence in this Agreement.

403. Notices. Any notice requirement set forth herein shall be deemed to be 
satisfied three (3) days after mailing of the notice first-class United States certified mail, 
postage prepaid, or by personal delivery, addressed to the appropriate Party as follows:

Owner: Stanford University 
Vice President, Land Buildings & Real Estate 
3160 Porter Drive, Suite 200 
Palo Alto, CA 94304 
Attention: Robert C. Reidy 

With a copy to: 
Stanford University 
Vice President and General Counsel 
P.O. Box 20386 
Stanford, CA 94305 
Attention: Debra Zumwalt 

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

With a copy to: 
City of Menlo Park 
701 Laurel Street 
Menlo Park, California 94025-3483 
Attention: City Attorney 

Such addresses may be changed by notice to the other Party given in the same manner as 
provided above.

404. Covenants Running with the Land; Successors and Assigns. The City 
and Owner hereby declare their express intent that the covenants and restrictions set forth 
in this Agreement shall apply to and bind Owner and its heirs, executors, administrators, 
successors, transferees, and assignees having or acquiring any right, title or interest in or 
to any part of the Property and shall run with and burden the Property. Until all or portions 
of the Property are expressly released from the burdens of this Agreement, each and every 
contract, deed or other instrument hereafter executed covering or conveying the Property 
or any portion thereof shall be held conclusively to have been executed, delivered, and 
accepted subject to such covenants and restrictions, regardless of whether such covenants 
or restrictions are set forth in such contract, deed or other instrument. In the event of
foreclosure or transfer by deed-in-lieu of all or any portion of the Property, title to all or any portion of the Property shall be taken subject to this Agreement. Owner acknowledges that compliance with this Agreement is a land use requirement and a requirement of the Development Agreement, and that no event of foreclosure or trustee's sale may remove these requirements from the Property. Whenever the term “Owner” is used in this Agreement, such term shall include any other permitted successors and assigns as herein provided.

405. Subordination. At Owner's request, this Agreement may be subordinated to liens, including a deed of trust (in each case a “Senior Loan”), which secure the financing used to acquire, construct, operate, or refinance the Project, but only if all of the following conditions are satisfied:

(a) The Owner shall submit to the City an appraisal of the Property, completed or updated within 90 days of the proposed closing of the Senior Loan, demonstrating that the amount of all proposed Senior Loans does not exceed eighty percent (80%) of the appraised fair market value of the Property.

(b) The proposed lender of the Senior Loan (the “Senior Lender”) must not be an Affiliated Party. For the purposes of this Section, an “Affiliated Party” is any corporation, limited liability company, partnership, or other entity which is controlling of, or controlled by, or under common control with the Owner, and “control,” for purposes of this definition, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting securities, by contract, or otherwise. The terms “controlling” and “controlled” have the meanings correlative to “control.”

(c) Any subordination agreement shall provide that the Low Income Units described in this Agreement unconditionally shall continue to be provided as required by the Development Agreement and Section 404 of this Agreement, provided that any successor in interest to Owner as owner of the Property claiming through the foreclosure or sale under any deed of trust shall not be liable for any violations of the BMR agreement which occurred prior to such successor taking title. In addition, any subordination agreement shall provide that such successor shall, within 90 days after taking title to the Property, execute a new BMR agreement approved by the City and consistent with the provisions of this Agreement, evidencing the obligation to continue to provide the Low Income Units.

(d) No subordination agreement may limit the effect of this Agreement before a foreclosure, nor require consent of the Senior Lender or assignee to exercise of any remedies by the City under this Agreement or the Development Agreement;

(e) The subordination described in this Section 405 may be effective only during the original term of the loan of the Senior Lender and not during any extension of its term or refinancing, unless otherwise approved in writing by the City Manager, which approval shall not be unreasonably withheld or delayed, provided that the conditions in this Section 405 are met.
(f) Owner shall submit adequate documentation to City so that City may determine that a proposed Senior Loan conforms with the provisions of this Section 405. Upon a determination by the City Manager that the conditions in this Section 405 have been satisfied, the City Manager is authorized to execute the approved subordination agreement.

406. Intended Beneficiaries. The City is the intended beneficiary of this Agreement, and shall have the sole and exclusive power to enforce this Agreement. It is intended that the City may enforce this Agreement in order to satisfy its obligations to improve, increase and preserve affordable housing within the City, as required by the Guidelines, and to provide that a certain percentage of new housing is made available at affordable housing cost to persons and families of low income, as required by the Guidelines, and to implement the provisions of the Development Agreement. No other person or persons, other than the City and the Owner and their assigns and successors, shall have any right of action hereon.

407. Partial Invalidity. If any provision of this Agreement shall be declared invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

408. Governing Law. This Agreement and other instruments given pursuant hereto shall be construed in accordance with and be governed by the laws of the State of California. Any references herein to particular statutes or regulations shall be deemed to refer to successor statutes or regulations, or amendments thereto. The venue for any action shall be the County of San Mateo.

409. Each Party's Role in Drafting the Agreement. Each Party to this Agreement has had an opportunity to review the Agreement, confer with legal counsel regarding the meaning of the Agreement, and negotiate revisions to the Agreement. Accordingly, neither Party shall rely upon Civil Code Section 1654 in order to interpret any uncertainty in the meaning of the Agreement.

410. Amendment. This Agreement may not be changed orally, but only by agreement in writing signed by Owner and the City.

411. Approvals. Where an approval or submission is required under this Agreement, such approval or submission shall be valid for purposes of this Agreement only if made in writing. Where this Agreement requires an approval or consent of the City, such approval may be given on behalf of the City by the City Manager or his or her designee. The City Manager or his or her designee is hereby authorized to take such actions as may be necessary or appropriate to implement this Agreement, including without limitation the execution of such documents or agreements as may be contemplated by this Agreement and amendments which do not substantially change the uses or restrictions hereunder, or substantially add to the costs of the City hereunder.
IN WITNESS WHEREOF, the Parties hereto have executed this Below Market Rate Housing Agreement as of the date and year set forth above.

OWNER:

THE BOARD OF TRUSTEES OF THE
LELAND STANFORD JUNIOR UNIVERSITY,
a body having corporate powers under the laws of
the State of California

By:

______________________________
Robert C. Reidy, Vice President Land,
Buildings & Real Estate

Date:

CITY:

CITY OF MENLO PARK,
a California municipal corporation

By:

______________________________
Alex D. McIntyre, City Manager

Date:

List of Exhibits:
Exhibit A: Property Description
Exhibit B: Below Market Rate Housing Program Guidelines
Exhibit C: Compliance Forms and Certifications
Exhibit D: Sample Utility Allowance
Exhibit A

Property Description

Real property in the City of Menlo Park, County of San Mateo, State of California, described as follows:

TRACT ONE

PORTION OF THAT CERTAIN 14.80 ACRE TRACT OF LAND AS DESCRIBED IN THE DEED FROM CHARLES CROCKER, ET AL, TO LELAND STANFORD DATED OCTOBER 19, 1885 AND RECORDED IN BOOK 39 OF DEEDS, PAGE 354, RECORDS OF SAN MATEO COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHEASTERLY BOUNDARY LINE OF EL CAMINO REAL, AS ESTABLISHED BY THAT CERTAIN FINAL ORDER OF CONDEMNATION ISSUED OUT OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF SAN MATEO ON JULY 07, 1930 IN ACTION NO. 17642, ENTITLED "THE PEOPLE OF THE STATE OF CALIFORNIA, ETC. VS. THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY", A COPY OF SAID ORDER BEING RECORDED IN BOOK 483 OF OFFICIAL RECORDS, PAGE 240 (FILE NO. 64056-B), RECORDS OF SAN MATEO COUNTY, CALIFORNIA, DISTANT THEREON SOUTH 25' 00" EAST 411.00 FEET FROM THE POINT OF INTERSECTION OF THE NORTHWesterLY BOUNDARY LINE OF SAID 14.80 ACRE TRACT WITH THE NORTHEASTERLY BOUNDARY LINE OF EL CAMINO REAL, SAID POINT OF BEGINNING ALSO BEING THE MOST SOUTHERLY CORNER OF THE LANDS DESCRIBED IN THAT CERTAIN MEMORANDUM OF LEASE, BY AND BETWEEN THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY AND SIMPSON MOTORS, DATED APRIL 01, 1961 AND RECORDED APRIL 10, 1961 IN BOOK 3963 OF OFFICIAL RECORDS OF SAN MATEO COUNTY, CALIFORNIA, PAGE 678 (FILE NO. 47143-T); THENCE FROM SAID POINT OF BEGINNING ALONG SAID NORTHEASTERLY BOUNDARY LINE OF EL CAMINO REAL, AS ESTABLISHED BY SAID ORDER, SOUTH 50° 25' 00" EAST 400.00 FEET; THENCE LEAVING SAID LAST MENTIONED LINE NORTH 39° 35' 00" EAST 184.54 FEET TO THE SOUTHWESTERLY BOUNDARY LINE OF THAT CERTAIN 40 FOOT STRIP OF LAND CONTAINING 2.33 ACRES AS DESCRIBED IN THE DEED FROM THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY.
UNIVERSITY TO THE SOUTHERN PACIFIC RAILROAD COMPANY, DATED MARCH 26, 1902 AND RECORDED IN BOOK 92 OF DEEDS, PAGE 374, RECORDS OF SAN MATEO COUNTY, CALIFORNIA; THENCE ALONG SAID LAST MENTIONED LINE NORTH 51° 35' 10" WEST 400.08 FEET TO THE MOST EASTERLY CORNER OF SAID CERTAIN PARCEL OF LAND LEASED BY THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY TO SIMPSON MOTORS, ABOVE REFERRED TO; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID LAST MENTIONED PARCEL OF LAND SOUTH 39° 35' 00" WEST 176.37 FEET TO THE POINT OF BEGINNING.

TRACT TWO

PORTION OF THAT CERTAIN 14.80 ACRE TRACT OF LAND CONVEYED FROM CHARLES CROCKER, ET AL, TO LELAND STANFORD BY DEED DATED OCTOBER 19, 1885 AND RECORDED IN BOOK 39 OF DEEDS, PAGE 354, RECORDS OF SAN MATEO COUNTY, CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY BOUNDARY LINE OF SAID 14.80 ACRE TRACT WITH THE NORTHEASTERLY BOUNDARY LINE OF EL CAMINO REAL AS ESTABLISHED BY THAT CERTAIN FINAL ORDER OF CONDEMNATION ISSUED OUT OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF SAN MATEO ON JULY 07, 1930 IN ACTION NO. 17642, ENTITLED "THE PEOPLE OF THE STATE OF CALIFORNIA, ETC., VS. THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY", A COPY OF SAID ORDER BEING RECORDED IN BOOK 483 OF OFFICIAL RECORDS, PAGE 240 (FILE NO. 64056-B), RECORDS OF SAN MATEO COUNTY, CALIFORNIA; THENCE FROM SAID POINT OF BEGINNING ALONG SAID NORTHEASTERLY LINE OF EL CAMINO REAL, AS ESTABLISHED BY SAID ORDER, SOUTH 50° 25' 00" EAST 411 FEET; THENCE LEAVING SAID LAST MENTIONED LINE, NORTH 39° 35' 00" EAST 176.37 FEET TO THE SOUTHWESTERLY BOUNDARY LINE OF THAT CERTAIN 40 FOOT STRIP OF LAND CONTAINING 2.33 ACRES, CONVEYED FROM SAID UNIVERSITY TO THE SOUTHERN PACIFIC RAILROAD COMPANY BY DEED DATED MARCH 26, 1902 AND RECORDED IN BOOK 92 OF DEEDS, PAGE 374, RECORDS OF SAN MATEO COUNTY, CALIFORNIA; THENCE ALONG SAID LAST MENTIONED LINE NORTH 51° 35' 10" WEST 414.51 FEET TO THE INTERSECTION THEREOF WITH THE ABOVE MENTIONED NORTHWESTERLY BOUNDARY.
LINE OF THE 14.80 ACRE TRACT CONVEYED TO STANFORD; THENCE ALONG SAID LAST
MENTIONED LINE, SOUTH 38° 24' 50" WEST 167.95 FEET TO THE POINT OF BEGINNING.

TRACT THREE

PORTION OF THAT CERTAIN 14.80 ACRE TRACT OF LAND AS DESCRIBED IN THE DEED FROM
CHARLES CROOKER, ET AL, TO LELAND STANFORD, DATED OCTOBER 19, 1885 AND RECORDED
IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA,
IN BOOK 39 OF DEEDS, PAGE 354, SAID PORTION BEING MORE PARTICULARLY DESCRIBED AS
FOLLOWS:
BEGINNING AT A POINT ON THE NORTHEASTERLY BOUNDARY LINE OF EL CAMINO REAL, AS
ESTABLISHED BY THAT CERTAIN FINAL ORDER OF CONDEMNATION ISSUED OUT OF THE
SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF SAN MATEO ON
JULY 07, 1930 IN ACTION 17642, ENTITLED "THE PEOPLE OF THE STATE OF CALIFORNIA, ETC.,
VS. THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY", A COPY OF
SAID ORDER BEING RECORDED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN
MATEO, STATE OF CALIFORNIA, IN BOOK 483 OF OFFICIAL RECORDS, PAGE 240, (FILE NO.
64056-B), DISTANT THEREON SOUTH 50° 25' 00" EAST 811.00 FEET FROM THE POINT OF
INTERSECTION OF THE NORTHWESTERLY BOUNDARY LINE OF SAID 14.80 ACRE TRACT WITH
THE NORTHEASTERLY BOUNDARY LINE OF EL CAMINO REAL, SAID POINT OF BEGINNING ALSO
BEING THE MOST SOUTHERLY CORNER OF THE LANDS DESCRIBED IN THAT CERTAIN
MEMORANDUM OF LEASE, BY AND BETWEEN THE BOARD OF TRUSTEES OF THE LELAND
STANFORD JUNIOR UNIVERSITY AND KENNETH R. LOWELL AND AUDREY T. LOWELL, DATED
OCTOBER 11, 1961, AND RECORDED OCTOBER 11, 1961, IN THE OFFICE OF THE RECORDER OF
THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, IN BOOK 4071 OF OFFICIAL RECORDS,
PAGE 580;
THENCE FROM SAID POINT OF BEGINNING ALONG SAID NORTHEASTERLY BOUNDARY LINE OF
EL CAMINO REAL, AS ESTABLISHED BY SAID ORDER, SOUTH 50° 25' 00" EAST 210.00 FEET;
THENCE LEAVING SAID LAST MENTIONED LINE NORTH 39° 35' 00" EAST 188.83 FEET TO THE
SOUTHWESTERLY BOUNDARY LINE OF THAT CERTAIN 40 FOOT STRIP OF LAND CONTAINING
2.33 ACRES, AS DESCRIBED IN THE DEED FROM THE BOARD TRUSTEES OF THE LEELAND
STANFORD JUNIOR UNIVERSITY TO THE SOUTHERN PACIFIC RAILROAD COMPANY, DATED
MARCH 26, 1902 AND RECORDED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN
MATEO, STATE OF CALIFORNIA, IN BOOK 92 OF DEEDS, PAGE 374;
THENCE ALONG SAID LAST MENTIONED LINE NORTH 51° 35' 10" WEST 210.04 FEET TO THE
MOST EASTERLY CORNER OF SAID CERTAIN PARCEL OF LAND LEASED BY THE BOARD OF
TRUSTEES OF THE LEELAND STANFORD JUNIOR UNIVERSITY TO KENNETH R. LOWELL AND
AUDREY T. LOWELL, ABOVE REFERRED TO;
THENCE ALONG THE SOUTHEASTERLY LINE OF SAID LAST MENTIONED PARCEL OF LAND SOUTH 39° 35'
00" WEST 184.54 FEET TO THE POINT OF BEGINNING AND BEING A PORTION
OF LOT 76 OF THE UNRECORDED MAP OF THE LANDS OF THE BOARD OF TRUSTEES OF THE
LEELAND STANFORD JUNIOR UNIVERSITY.
EXCEPTING AND RESERVING THEREFROM AN EASEMENT 10 FEET IN WIDTH CONTIGUOUS
WITH AND LYING SOUTHWESTERLY FROM THE SOUTHWESTERLY LINE OF LANDS OF
SOUTHERN PACIFIC RAILROAD COMPANY. SAID EASEMENT IS EXCEPTED AND RESERVED
UNTO LESSOR, ITS SUCCESSORS AND ASSIGNS, AS APPURTENANT TO AND FOR THE BENEFIT
OF OTHER LANDS OF LESSOR, FOR THE PURPOSE OF CONSTRUCTING, INSTALLING,
OPERATING, MAINTAINING, USING, ALTERING, REPAIRING, INSPECTING, REPLACING AND
RELOCATING THEREIN AND/OR REMOVING THEREFROM STORM SEWER AND DRAINAGE
FACILITIES AND ALL APPURTENANCES NECESSARY AND CONVENIENT THERETO.

TRACT FOUR
PORTION OF THAT CERTAIN 14.80 ACRE TRACT OF LAND AS DESCRIBED IN THAT CERTAIN DEED FROM
CHARLES CROCKER, ET AL, TO LEELAND STANFORD, DATED OCTOBER 19, 1885 AND RECORDED IN BOOK
39 OF DEEDS, PAGE 354 RECORDS OF SAN MATEO COUNTY, CALIFORNIA, MORE PARTICULARLY
DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT ON THE NORTHEASTERLY LINE OF EL CAMINO REAL, WHICH POINT IS
DISTANT 50 FEET MEASURED AT RIGHT ANGLES, NORTHEASTERLY FROM THE CENTER LINE
STATION 593+50.00, SAID POINT OF BEGINNING BEING MARKEED BY AN IRON PIPE MONUMENT;
THENCE FROM SAID POINT OF BEGINNING, ALONG THE SAID NORTHEASTERLY LINE OF EL
CAMINO REAL, NORTH 50° 17' 53" WEST 87.63 FEET TO THE TRUE POINT OF BEGINNING AT THE
LANDS TO BE DESCRIBED HEREIN; THENCE FROM SAID TRUE POINT OF BEGINNING, ALONG THE SAID NORTHEASTERLY LINE OF EL CAMINO REAL, NORTH 50° 17' 53" WEST 62.43 FEET AND NORTH 50° 25' WEST 337.57 FEET; THENCE LEAVING SAID LINE OF EL CAMINO REAL, NORTH 39° 35' 00' EAST 188.83 FEET TO THE SOUTHWESTERLY BOUNDARY LINE OF THAT CERTAIN 40 FOOT WIDE STRIP OF LAND CONTAINING 2.33 ACRES, AS DESCRIBED IN THAT CERTAIN DEED FROM THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY TO THE SOUTHERN PACIFIC RAILROAD COMPANY, DATED MARCH 26, 1902 AND RECORDED IN BOOK 92 OF DEEDS, PAGE 374, RECORDS OF SAN MATEO COUNTY, CALIFORNIA; THENCE SOUTH 51° 35' 10" EAST ALONG SAID LAST MENTIONED LINE, 400.08 FEET; THENCE SOUTH 39° 35' 00' WEST 197.12 FEET TO THE POINT OF BEGINNING.

TRACT FIVE
PARCEL B OF THAT CERTAIN PARCEL MAP FILED OCTOBER 06, 1983 IN BOOK 54 OF PARCEL MAPS, PAGE 3, SAN MATEO COUNTY RECORDS.

TRACT SIX
BEGINNING AT A POINT WHERE THE SOUTHWEST LINE OF THE LANDS OF THE SOUTHERN PACIFIC RAILROAD COMPANY INTERSECTS THE CENTERLINE OF SAN FRANCISQUITO CREEK, SAID POINT BEING SITUATE FIFTY (50) FEET SOUTHWESTERLY AT RIGHT ANGLES FROM THE LOCATED CENTERLINE OF SAID RAILROAD AT OR NEAR ENGINEER'S STATION 228+49.9 OF SAID CENTERLINE; THENCE RUNNING NORTHWESTERLY ALONG SAID SOUTHWEST LINE OF THE LANDS OF SAID RAILROAD COMPANY, PARALLEL WITH SAID CENTERLINE OF RAILROAD, A DISTANCE OF TWENTY-FIVE HUNDRED AND FORTY-THREE (2543), MORE OR LESS, TO AN INTERSECTION WITH THE SOUTHEASTERLY LINE OF THE LANDS OF SAID RAILROAD COMPANY, AT A POINT SITUATE FIFTY (50) FEET SOUTHWESTERLY AT RIGHT ANGLES FROM SAID CENTERLINE OF RAILROAD AT OR NEAR ENGINEER'S STATION 203+06.9 OF SAID CENTERLINE OF RAILROAD; THENCE RUNNING SOUTHWESTERLY ALONG SAID SOUTHEASTERLY LINE OF THE LANDS OF SAID RAILROAD COMPANY TO A POINT SITUATE NINETY (90) FEET SOUTHWESTERLY AT RIGHT ANGLES FROM SAID CENTERLINE OF
RAILROAD; AND THENCE RUNNING NORTHEASTERLY ALONG THE CENTERLINE OF SAID CREEK TO THE POINT OF BEGINNING; BEING A STRIP OF LAND FORTY (40) FEET WIDE, LYING IMMEDIATELY ADJACENT ON THE SOUTHWEST TO THE LANDS OF THE SAID RAILROAD COMPANY, AND EXTENDING FROM THE CENTERLINE OF SAID CREEK TO SAID SOUTHEASTERLY LINE OF THE LANDS OF SAID RAILROAD COMPANY; BEING THE SAME LANDS AS CONVEYED BY JANEL L. STANFORD, ET AL TO THE SOUTHERN PACIFIC RAILROAD COMPANY, BY DEED RECORDED APRIL 02, 1902 IN BOOK 92 OF DEEDS, PAGE 374, RECORDS OF SAN MATEO COUNTY. ALSO BEING A PORTION OF PARCEL "B" AS SHOWN ON THAT CERTAIN MAP ENTITLED, "PARCEL MAP, BEING ALL OF PARCEL ONE-REMAINDER AS SHOWN ON THAT CERTAIN PARCEL MAP RECORDED IN VOLUME 51 OF PARCEL MAPS, PAGES 5, 6 & 7 SAN MATEO COUNTY RECORDS", WHICH MAP WAS RECORDED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA ON JANUARY 07, 1982, IN BOOK 52 OF PARCEL MAPS, PAGE 31.

EXCEPTING THEREFROM ALL THAT PORTION OF SAID PROPERTY AS CONVEYED TO SOUTHERN PACIFIC LAND COMPANY BY INSTRUMENT RECORDED MARCH 23, 1981 UNDER RECORDER'S DOCUMENT NO. 265227-AS, OFFICIAL RECORDS.

AND FURTHER EXCEPTING ALL THAT PORTION OF SAID PROPERTY AS CONVEYED TO THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY BY INSTRUMENT RECORDED JANUARY 18, 1982, UNDER RECORDER'S DOCUMENT NO. 82004513, OFFICIAL RECORDS.

EXCEPTING THEREFROM ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, OIL AND GAS AND RIGHTS THERETO, TOGETHER WITH THE SOLE, EXCLUSIVE AND PERPETUAL RIGHT TO EXPLORE FOR, REMOVE AND DISPOSE OF SAID MINERALS BY ANY MEANS OR METHODS SUITABLE BUT WITHOUT ENTERING UPON OR USING THE SURFACE OF THE PROPERTY, AND IN SUCH MANNER AS NOT
TO DAMAGE THE SURFACE OF SAID LANDS OR TO INTERFERE WITH THE USE THEREOF AS RESERVED BY UNION PACIFIC RAILROAD COMPANY IN GRANT DEEDRecorded July 01, 1999, Document No. 99112045.

APN: APN(S): 071-440-030 (AFFECTS TRACT ONE); 071-440-040-5 (AFFECTS TRACT TWO); 071-440-050-4 (AFFECTS TRACT THREE); 071-440-060-3 (AFFECTS TRACT FOUR); 071-440120-5 (AFFECTS TRACT FIVE) AND 071-440-130-4 (AFFECTS TRACT SIX)

JPN(S): 071-044-440-03A (AFFECTS TRACT ONE); 071-044-440-04A (AFFECTS TRACT TWO); 071-044-440-05A (AFFECTS TRACT THREE); 071-044-440-06A (AFFECTS TRACT FOUR); 071044-440-07.01A (AFFECTS TRACT FIVE) AND 071-044-440-08 (AFFECTS TRACT SIX)

NOTE:

THE PARCELS DESCRIBED HEREINABOVE ARE PART OF A LOT MERGER THAT HAS BEEN CONDITIONALLY APPROVED AS OF OCTOBER 12, 2017, PER LETTER FROM ASSISTANT PUBLIC WORKS DIRECTOR NICOLE H. NAGAYA, PE.
BELOW MARKET RATE HOUSING PROGRAM GUIDELINES

The rental BMR provisions contained in this document are not currently enforceable due to the Palmer court decision. The severability clause (13.6) allows the remainder of the guidelines to remain in effect. If changes are made to state law that allow the resumption of rental BMR programs, these provisions will be reinstated or changed as needed to comply with state law.

May 4, 2011

Income Limits/Section 14, Tables A and B Updated for 2017-18
Originally Adopted by City Council on January 12, 1988

Revised by City Council on the following dates:
- December 17, 2002 (No Resolution)
- March 25, 2003 (Resolution No. 5433)
- January 13, 2004 (No Resolution)
- March 22, 2005 (Resolution No. 5586)
- March 2, 2010 (Resolution No. 5915)
- May 10, 2011 (No Resolution)
- May 6, 2014 (Resolution No. 6196)
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1. OVERVIEW

The high cost and scarcity of housing in Menlo Park have been caused in large part because the number of jobs in Menlo Park has grown, but the supply of housing has not increased significantly. A majority of new employees earn low- and moderate-incomes and are most severely impacted by the lack of affordable housing in Menlo Park. Because of the high cost of housing, families who seek to live in Menlo Park cannot afford to purchase homes here and are forced to rent. Many renters pay a disproportionately high amount of their incomes in rent.

1.1 Purpose. The City of Menlo Park's Below Market Rate (BMR) Housing Program is intended to increase the housing supply for households that have very low, low- and moderate-incomes compared to the median income for San Mateo County. The primary objective is to obtain actual housing units, either "rental" or "for sale," rather than equivalent cash. Occupancy of BMR units is determined according to these City Council established guidelines from those on a numbered waiting list maintained by the City or its designee.

1.2 Enabling Legislation. The Below Market Rate Housing Program is governed by Chapter 16.96 of the Municipal Code. The BMR Program is administered under these Below Market Rate Housing Program Guidelines ("Guidelines").

2. BMR HOUSING AGREEMENT AND REVIEW PROCESS

2.1 BMR Housing Agreement. Before acceptance of plans for review by the City of Menlo Park staff, a developer should provide a proposal for meeting the requirements of the Below Market Rate Housing Program. The proposal should include one or a combination of the following alternatives: a) Provision of BMR units on site; and/or b) Provision of BMR units off site; and/or c) Payment of an in lieu fee. These alternatives are listed in order of preference.

2.2 Review Steps. The following review steps apply to most development projects:

- City Staff will review a BMR For-Sale Agreement or the Affordability Restriction Agreement (collectively, "BMR Housing Agreement"), that has been prepared by the developer's attorney on a form substantially similar to that provided by the City and shall make a recommendation with respect to it to the Planning Commission and, if applicable, the City Council.

- The Planning Commission will review the application for development with the BMR Housing Agreement. The City Attorney must approve the BMR Housing Agreement prior to its review by the Planning Commission. If the City Council has final approval authority for the project, the Planning Commission will recommend the BMR Housing Agreement for City Council approval. Otherwise the Planning Commission will approve the BMR
Housing Agreement.

- The City Council grants approval of the BMR Housing Agreement for projects which it reviews. The BMR Housing Agreement must be immediately signed and recorded after City Council approval.

3. REQUIREMENTS FOR DEVELOPMENTS BY TYPE

3.1 Commercial Developments. The Below Market Rate Housing Program requires commercial developments which bring employees to Menlo Park to provide BMR units or to contribute to the BMR Housing Fund that is set up to increase the stock of housing for very low-, low-, and moderate-income households, with preference for workers whose employment is located in the City of Menlo Park, and for City residents.

3.1.1 Commercial Development Requirements. Commercial buildings of ten thousand (10,000) square feet or more gross floor area are required to mitigate the demand for affordable housing created by the commercial development project. In order to do so, it is preferred that a commercial development project provide below market rate housing on-site if allowed by zoning, or off-site, if on-site BMR units are infeasible. A density bonus of up to fifteen percent (15%) above the density otherwise allowed by zoning may be permitted when below market rate housing is provided on-site. The BMR Housing Agreement will detail the BMR Housing Program participation of a particular development.

Although the provision of actual BMR units is strongly preferred, it is not always possible to provide BMR housing units. In such cases, the developer shall pay a commercial in-lieu fee rather than provide actual BMR housing units. Commercial in-lieu fees must be paid prior to the issuance of a building permit.

Commercial in-lieu fees are charged at different rates to two groups based on the employee housing demand the uses produce. Group A uses are office and research and development (R & D). Group B uses are all other uses not in Group A.

Commercial in-lieu fee rates are adjusted annually on July 1st. The amount of the adjustment is based on a five-year moving average of the percentage increase in the Consumer Price Index (Shelter Only) for All Urban Consumers in the San Francisco-Oakland-San Jose area.

(Refer to Section 14, Table D, for the current year's Commercial In-lieu Fee Rates.)

3.1.2 Applicability. The BMR Housing Program applies to conditional use permits, conditional development permits, planned development permits, subdivision approvals, architectural control approvals, variance approvals and building permits for any commercial development. The BMR Housing Program also applies to the construction of any new square footage or any square footage that is converted from an exempt use to a non-exempt use. Finally, the BMR Housing Program applies to the
conversion of floor area from a less intensive use (Commercial/Industrial uses) to a more intensive use (Office/R&D).

3.1.3 Exemptions. The following are exempted from the BMR Housing Program:

(a) Private schools and churches;

(b) Public facilities;

(c) Commercial development projects of less than ten thousand (10,000) square feet; and

(d) Projects that generate few or no employees.

3.2 Residential Developments. The Below Market Rate Housing Program requires residential developments which use scarce residentially zoned land in Menlo Park to provide BMR units or to contribute to the BMR Housing Fund. The BMR Fund is set up to increase the stock of housing for very low-, low- and moderate-income families, with preference for workers whose employment is located in the City of Menlo Park, and for City residents.

3.2.1 Residential Development Requirements. Residential developments of five (5) or more units are subject to the requirements of the Below Market Rate Housing Program. These requirements also apply to condominium conversions of five (5) units or more. As part of the application for a residential development of five (5) or more units, the developer must submit a Below Market Rate Housing Agreement, in a form substantially similar to that provided by the City, which details the developer's plan for participation in the BMR Program. No building permit or other land use authorization may be issued or approved by the City unless the requirements of the BMR Program have been satisfied.

3.2.2 Condominium Conversions. If an apartment complex already participating in the BMR program elects to convert the complex to condominiums, then the existing BMR rental apartments shall be converted to BMR condominium units under the BMR Housing Program.

When market rate rental units are removed from the rental housing stock for conversion to condominiums, and they are not already participating in the BMR Program, then the project shall meet the same requirements as new developments to provide BMR units in effect at the time of conversion. When the property owner notifies the City of the intent to sell, the property owner shall notify any BMR tenants of such units of the pending sale and non-renewal of lease. Such tenant(s) shall be given the right of first refusal to purchase the unit. If the tenant seeks to purchase the unit, at the close of escrow the unit shall exist as a For-Sale BMR unit. If the tenant does not seek to purchase, the tenant shall vacate the unit at the expiration of the current lease term and the unit will be sold to
an eligible third party according to the BMR Guidelines and held as a for-sale BMR unit. The tenant who vacates will have priority to move to other vacant BMR rental units in the City for two (2) years from the date the lease expired, regardless of the place of residence of the displaced BMR tenant.

3.3 Mixed Use Developments. Mixed use developments must comply with the requirements for commercial developments in the commercial portion of the development and must comply with the requirements for residential developments for the residential portion of the development.

3.4 Required Contribution for Residential Development Projects. All residential developments of five (5) units or more are required to participate in the BMR Program. The preferred BMR Program contribution for all residential developments is on-site BMR units. If that is not feasible, developers are required to pay an in lieu fee as described in Section 4.3. The requirements for participation increase by development size as shown below:

One (1) to Four (4) Units. Developers are exempt from the requirements of the BMR Housing Program.

Five (5) to Nine (9) Units. It is preferred that the developer provide one (1) unit at below market rate to a very low-, low-, or moderate-income household.

Ten (10) to Nineteen (19) Units. The developer shall provide not less than ten percent (10%) of the units at below market rates to very low-, low- and moderate-income households.

Twenty (20) or More Units. The developer shall provide not less than fifteen percent (15%) of the units at below market rates to very low-, low- and moderate-income households. On a case-by-case basis, the City will consider creative proposals for providing lower cost units available to lower income households such as smaller unit size, duet-style, and/or attached units that are visually and architecturally consistent with the market-rate units on the exterior, and that meet the City’s requirements for design, materials, and interior features of BMR units.

3.4.1 Fraction of a BMR Housing Unit. If the number of BMR units required for a residential development project includes a fraction of a unit, the developer shall provide either a whole unit, the preferred form of participation, or make a pro rata residential in lieu payment on account of such fraction per Section 4.3.

Example: A residential project is developed with 25 condominium units. The preferred BMR Program participation is 4 BMR units. In this case the developer would pay no in lieu fee. If the developer is able to demonstrate that producing four BMR units is not feasible, the developer would provide three BMR units, which is the required amount for a 20 unit project. The developer would be eligible for three bonus units for the three BMR units, and would pay in lieu fees for the remaining two market rate units in the development.
4. BMR PROGRAM REQUIREMENTS FOR ON-SITE BMR UNITS, OFF-SITE BMR UNITS AND IN LIEU FEES

4.1 On-Site BMR Units.

4.1.1 Initial Price for For-Sale Unit. The initial selling price of BMR For-Sale units is based on what is affordable to households with incomes at One Hundred Ten Percent (110%) of the median income related to household size, as established from time to time by the State of California Housing and Community Development Department (HCD) for San Mateo County. See Section 14, Table A.

4.1.2 Initial Price for Rental Unit. The initial monthly rental amounts for BMR rental units will be equal to or less than thirty percent (30%) of sixty percent (60%) of median-income limits for City subsidized projects and thirty percent (30%) of Low-Income limits for non-subsidized private projects, minus eligible housing costs. In no case shall the monthly rental amounts for BMR units (subsidized or unsubsidized) exceed 75% of comparable market rate rents. The maximum rent for specific BMR units will be based on Section 14, Table B of the BMR Guidelines. See also Sections 11.1.1 and 11.1.2.

The purchase or rental price for BMR units shall be established and agreed upon in writing by the City Manager, or his or her designee, prior to final building inspection for such BMR units.

4.1.3 Bonus Unit. For each BMR unit provided, a developer shall be permitted to build one additional market rate (bonus) unit. However, in no event shall the total number of units in a development be more than fifteen percent (15%) over the number otherwise allowed by zoning.

4.2 Off-Site BMR Units. If authorized by the City as described in Section 2.2, developers may propose to provide BMR units at a site other than the proposed development. These off-site BMR units must be provided on or before completion of the proposed development and must provide the same number of units at below market rates to very low-, low- and moderate-income households as required for on-site developments. Such units may be new or existing. Provision by the developer and acceptance by the City of off-site units shall be described in the BMR Housing Agreement. Size, location, amenities and condition of the BMR units shall be among the factors considered by the City in evaluating the acceptability of the off-site BMR units. For existing units the developer shall be responsible for correcting, at his expense, all deficiencies revealed by detailed inspection of the premises by qualified inspectors, including a certified pest inspector.

The initial price or rent for the BMR units shall be established as stated in Sections 4.1.1 and 4.1.2 and in accordance with the BMR Income Guidelines in Section 14 in effect at the time the BMR unit is ready for sale or rent. Fractions of required BMR units shall be handled by provision of an in lieu fee for the market rate units for which no BMR unit is provided.
4.3 Residential In Lieu Payments Based on Sales Price.

4.3.1 Developments of Ten (10) or More Units. In developments of ten (10) or more units, the City will consider an in lieu payment alternative to required BMR units only if the developer substantiates to the City’s satisfaction that the BMR units cannot be provided on or off site. In developments of ten (10) or more units which provide BMR units, upon the close of escrow on the sale of each unit in the subdivision for which a BMR unit has not been provided, the developer shall pay to the City an in lieu payment calculated at three percent (3%) of the actual sales price of each unit sold. In lieu payments for fractions of BMR units shall be determined by disregarding any bonus units and as three percent (3%) of selling price of each market rate unit sold if the developer substantiates to the City’s satisfaction that the BMR units cannot be provided on or off site.

If a portion of a BMR requirement is met by a provision of BMR units, and the developer substantiates to the City’s satisfaction that a sufficient number of BMR units cannot be provided on or off site, then BMR in lieu payments will be required from the sales of the number of market rate units (excluding bonus units) that is in proportion to the BMR requirement that is not met.

4.3.2 Developments of Five (5) to Nine (9) Units.

Residential In Lieu Payments Based on Sales Price. In developments of five (5) to nine (9) units, the City will consider an in lieu payment alternative to required BMR units only if the developer cannot provide an additional BMR unit. If providing an additional BMR unit is not feasible, developers are required to pay a residential in lieu fee as described below.

<table>
<thead>
<tr>
<th>Unit No.</th>
<th>In lieu fee for each unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1, 2 and 3</td>
<td>1% of the sales price</td>
</tr>
<tr>
<td>4, 5 and 6</td>
<td>2% of the sales price</td>
</tr>
<tr>
<td>7, 8 and 9</td>
<td>3% of the sales price</td>
</tr>
</tbody>
</table>

Example: In a development of 7 units, the BMR contribution would be, in order of preference: a) One BMR unit out of the seven units, with the possibility of a density bonus of one unit, or, if that is not feasible, b) Three units designated to pay an in lieu fee of 1% of the sales price, three units to pay in lieu fees of 2% of their sales prices and one unit to pay 3% of its sales price.

Units paying in lieu fees are designated so that they are distributed by unit size and location throughout the project.
In developments of 10 or more units which provide BMR units, upon the close of escrow on the sale of each unit in the subdivision for which a BMR unit has not been provided, the developer shall pay to the City an in lieu payment calculated at 3% of the actual sales price of each unit sold.

Example: Two possible plans to meet the BMR requirement for a project of 15 housing units are, in order of preference: a) Two BMR units are provided, and no in lieu fees are paid, or b) One BMR unit is provided out of the first ten units, one bonus unit is granted for the provision of the BMR unit, and four units pay in lieu fees.

Units held as rental, in lieu fee. If the developer retains any completed unit as a rental, either for its own account or through subsidiary or affiliated organizations, the BMR contribution including BMR housing unit or in lieu payment for such unit shall be negotiated between the developer and the City. If an in lieu fee is paid, the market value shall be based on an appropriate appraisal by an appraiser agreed upon by the City and the developer and paid for by the developer. The basis for such appraisal shall be as a condominium rather than as a rental.

5. CHARACTERISTICS OF BMR UNITS

5.1 Size and Location of BMR Units. BMR housing units shall generally be of the same size (number of bedrooms and square footage) as the market-rate units. The BMR units should be distributed throughout the development and should be indistinguishable from the exterior. BMR units shall contain standard appliances common to new units, but need not have luxury accessories, such as Jacuzzi tubs. The Planning Commission and/or City Council shall have the authority to waive these size, location and appearance requirements of BMR units in order to carry out the purposes of the BMR Housing Program and the Housing Element.

5.2 Design and Materials in BMR Units. The design and materials used in construction of BMR units shall be of a quality comparable to other new units constructed in the development, but need not be of luxury quality.

5.3 The BMR Price Must Be Set Before Final Building Inspection. There shall be no final inspection of BMR housing units until their purchase or rental prices have been agreed upon in writing by the developer and the City Manager, or his or her designee. Also, the sale or rental process will not begin until the sales price is set.

5.3.1 Final Inspection Schedule for Smaller and Larger Developments.

Less Than Ten (10) Units. In developments of less than ten (10) units with one (1) or more BMR units, all BMR units must pass final inspection before the last market rate unit passes final inspection.

Ten (10) to Nineteen (19) Units. In developments of ten (10) or more units, including developments that are constructed in phases, for the first ten (10) housing units,
a BMR unit must pass final inspection before nine (9) market rate units may pass final inspection. For each additional group of ten (10) housing units, one (1) additional BMR unit must pass final inspection before nine (9) additional market rate units may pass final inspection.

**Twenty (20) or More Units.** In developments of twenty (20) or more units, including developments that are constructed in phases, for the first ten (10) housing units, a BMR unit must pass final inspection before nine (9) market rate units may pass final inspection. In addition, two (2) additional BMR units must pass final inspection before eight (8) additional market rate units may pass final inspection. For each additional group of Twenty (20) housing units, three (3) additional BMR units must pass final inspection before seventeen (17) additional market rate units may pass final inspection. No project or phase may pass final inspection unless all the BMR units, which equal fifteen percent (15%) or more of the housing units in that phase or project, have passed final inspection for that phase or project.

**Last Unit.** In no case may the last market rate unit pass final inspection before the last BMR unit has passed final inspection.

### 5.4 Sales Price Determination for BMR For-Sale Units

The maximum sales price for BMR units shall be calculated as affordable to households on the BMR waiting list, which are eligible by income at the time that the maximum prices are set and which are of the smallest size eligible for the BMR units (excluding two-bedroom units, which shall be based on incomes for two person households even when units are made available to one person households). See Section 14, Table A, for income eligibility limits for the current year. The affordability of maximum prices will take into consideration mortgage interest rates, minimum down payments, mortgage debt-to-income ratios and other qualifying criteria used by lenders at the time the sales prices are set, as well as cost of insurance, taxes, homeowners' dues and any other necessary costs of homeownership.

#### 5.4.1 Price Determination for Projects with Condominium Maps That Will Rent for an Indefinite Period of Time

Projects with condominium subdivision maps that will rent BMR units for an indefinite period shall have basic sales prices established at the outset for such BMR units in accordance with the Guidelines. Such initial sales prices shall be adjusted for the period between the month of completion of the BMR units and the month of notification of intent to sell the units, with further adjustments for improvements and deterioration per the Guidelines. The adjustments shall be based on one-third of the increase in the Consumer Price Index, All Urban Consumers, San Francisco-Oakland-San Jose, published by the U.S. Department of Labor, Bureau of Labor Statistics, plus certain other equitable adjustments.

### 5.5 Legal Characteristics of BMR Units: Right of First Refusal and Deed Restrictions

All BMR units shall be subject to deed restrictions and conditions which include a right of first refusal in favor of the City for a period of fifty-five (55) years under which the City or its designee will be entitled to purchase the property at the lower of (1) market value, or (2) the purchase price paid by seller, plus one-third of the increase
(during the period of seller's ownership) in the Consumer Price Index (CPI), All Urban Consumers, San Francisco-Oakland-San Jose, published by the U.S. Department of Labor, Bureau of Labor Statistics, plus certain other equitable adjustments. The deed restrictions will also prohibit sales or transfers of the property except with the written consent of the City and at a price computed as above. Exceptions from all prohibitions against sale or transfer will include:

1. Demonstrated unlikelihood of obtaining a qualified buyer within a reasonable period;

2. Transfer by termination of joint tenancy or by gift or inheritance to parents, spouse, children, grandchildren or their issue.

The prohibition against sales or transfers will not terminate at the end of fifty-five (55) years in the event of an exempt transfer by termination of joint tenancy or by gift or inheritance to family members. The prohibition against sales or transfers will terminate in the event of an exempt sale or transfer when there is a demonstrated unlikelihood of obtaining a qualified buyer within a reasonable period of time.

In the event of an exempt sale when there is a demonstrated unlikelihood of obtaining a qualified buyer within a reasonable period of time, the seller will be entitled to receive the lesser of (A) market value or (B) the purchase price paid by the seller plus one-third of the increase (during the seller's ownership) in the CPI, plus certain other equitable adjustments, as specified in the deed restrictions. The balance of the proceeds shall be paid to the City of Menlo Park to be deposited in the BMR Housing Fund. Any transferee pursuant to an exempt transfer by termination of joint tenancy or by gift or inheritance to family members must reside in the BMR unit and must qualify under the income criteria of the BMR Program at the time of the transfer of the BMR unit.

6. ELIGIBILITY REQUIREMENTS FOR HOUSEHOLDS APPLYING TO PURCHASE BMR UNITS

Note: Eligibility requirements for households that wish to be placed on the BMR waiting list are identified in Section 7. The requirements identified below apply at the actual time of application to purchase a BMR unit. In order for a household to be eligible at the time of application to purchase, ALL of the following requirements must be met.

6.1 BMR Waiting List. Applicants are eligible to have their names placed on the BMR waiting list if they meet the following three requirements at the time they submit an application for the waiting list: (1) currently live or work within incorporated Menlo Park; (2) meet the current income limit requirements (per household size) for purchase of a BMR unit; and (3) all applicants currently live together as a household.

6.1.1 Definition of Household. For the purposes of this program, household is defined as a single person, or two or more persons sharing residency whose
income resources are available to meet the household’s needs. To be considered a household, all applicants/household members must live together in a home that is their primary residence. To be considered part of the household and included in household size, children under the age of 18 (including foster children) must reside in the home at least part-time or parents must have at least partial (50%) custody of the child/children.

6.2 **Live and/or Work Eligibility.** Households that live and/or work within incorporated Menlo Park shall be eligible for the Below Market Rate Housing Program in accordance with the following provisions:

6.2.1 **Eligibility by Living in Menlo Park.** To qualify as living in Menlo Park, the applicant household must meet the following two requirements at the time of application: (1) currently live in Menlo Park as the household’s primary residence and (2) must have continuously lived in Menlo Park for a minimum of one (1) year prior to the date of actual application to purchase.

6.2.2 **Eligibility by Working in Menlo Park.** To qualify as a household that works in Menlo Park, a member of the applicant’s household must meet the following two requirements at the time of application: (1) currently work in Menlo Park at least twenty (20) hours per week, or (if currently less than 20 hours per week) hours worked over the course of the one year prior to application averages a minimum of twenty (20) hours per week and (2) must have continuously worked in Menlo Park for a minimum of one (1) year prior to the date of actual application to purchase.

6.2.2.1 **Types of Work.** Work is defined as (1) owning and operating a business at a Menlo Park location; (2) employment for wages or salary by an employer located at a Menlo Park location; (3) contract employment where the actual work is conducted at a Menlo Park location for one (1) year; or (4) commission work, up to and including a one hundred percent (100%) commission arrangement, conducted in Menlo Park.

6.2.2.2 **Employer-Based Work.** If employed for wages or salary by an employer, working in Menlo Park is defined as the employer is located in Menlo Park AND the employment/actual work is performed within incorporated Menlo Park.

6.2.2.3 **Owning and Operating a Business at a Menlo Park Location.** This does NOT include owning (either wholly or in part) a residential or commercial property for investment purposes only.

6.2.2.4 **Work does NOT include volunteer or unpaid work.**

6.3 **Household Requirement.** To constitute a household, all members of the applicant household must currently live together (in a location that is their primary residence) at the time of application. Also at the time of application and regardless of where they currently live, all members who make up the applicant household must have continuously lived together for a minimum of one (1) year prior to the date of application.
Exceptions. Exceptions to this minimum one (1) year joint-residency requirement include:

- Children under the age of 18 who have recently joined the household in conjunction with marriage, separation, or divorce, or similar family reorganization, and for whom there is evidence of a custody agreement or arrangement. This also applies to foster children.
- Children born into a household.
- Households newly formed as a result of marriage.

6.4 First Time Homebuyer. All members of the applicant household must be first time homebuyers, defined as not having owned a home as your primary residence within the last three (3) years prior to the date of application. First time homebuyers DO include owners of mobile homes, as well as applicants whose names are on title for properties they have not lived in as their primary residences for the last three years (for instance rental properties, which must be considered as part of the applicant's eligibility per assets).

Exceptions. Exceptions to this requirement are:

- Applicants who are current BMR homeowners and are otherwise eligible for the BMR Program, are eligible to place their names on the BMR waiting list and to purchase a smaller or larger home needed due to changes in household size or family needs, such as for handicap accessibility (per Section 7.2.6, below).
- Applicants whose names were placed on the BMR waiting list prior to March 2, 2010.
- Applicant households that currently and/or within the last three (3) years prior to the date of application own homes as their primary residences more than fifty (50) miles outside Menlo Park city limits, that are otherwise eligible for the BMR Program.

6.5 Complete One-Time Pre-Purchase Homebuyer Education. After an applicant's name is placed on the BMR waiting list and before receiving an offer to purchase a BMR property, all adult applicants/household members must complete a one-time homebuyer education workshop, class, or counseling session. When applicants' names are placed on the waiting list to purchase BMR units, program staff provides them with a list of approved local organizations that provide pre-purchase homebuyer education. Applicants choose an education provider or program from the approved list and may choose to attend in either a group or individualized setting. It is the applicants' responsibility to provide the City or the City's BMR program provider with evidence that a pre-purchase homebuyer education workshop or session was completed. In most cases, the education providers will provide applicants with certificates of completion, which...
applicants can submit to the City's BMR program provider as proof that the pre-purchase education requirement was completed. Households on the waiting list that have not completed the homebuyer education requirement will retain their rank on the list but will NOT be invited to apply to purchase BMR units. Only households on the waiting list that have completed the education requirement will be invited to apply when units become available. Elderly parents of applicants living in the household need not complete the education requirement.

6.5.1 Prior Completion of Pre-Purchase Homebuyer Education. At the time of application to the BMR waiting list, applicants who provide written evidence of having completed an approved homebuyer education workshop, class, or counseling session within the previous twelve months prior to the date of application to the waiting list are not required to complete an additional workshop, class, or counseling session.

6.5.2 Homebuyer Education Provider. At the City's discretion, the City may elect to work exclusively with one or more homebuyer education providers/organizations. The City may also choose to contract with a particular person or organization to provide this educational component.

6.5.3 Long-Term Education or Counseling Required for Certain Applicants. Applicants who are invited to apply to purchase BMR units and are twice denied (on separate occasions) due to long-term or significant credit problems, will be required to meet individually with a credit counseling professional in order to remain on the waiting list. The applicant must provide evidence of completion of credit counseling within six (6) months to the City's BMR provider or the applicant will be removed from the BMR waiting list. This does not exclude the applicant from applying to the waiting list again, to be placed at the bottom of the list.

6.6 Ownership Interest. A minimum of fifty percent (50%) of the ownership interest in the property must be vested in the qualifying applicant(s), regardless of income.

6.7 Income and Asset Limits for Purchasers of BMR Units. Income eligibility limits are established by the State of California Housing and Community Development Department (HCD). Income limits are updated by State HCD on an annual basis. BMR units shall only be sold to very low-, low-, and moderate-income households. Only households having gross incomes at or below one hundred ten percent (110%) of the Area Median Income (AMI) for San Mateo County, adjusted for household size, are eligible to purchase and occupy BMR for-sale units, either upon initial sale or upon any subsequent resale, as specified in the deed restrictions.

(Refer to Section 14, Table A, for the current year's income eligibility limits.)

An asset is a cash or non-cash item that can be converted into cash. Only households having non-retirement assets that do not exceed the purchase price of the BMR units are considered eligible.
• Assets include: cash held in checking accounts, savings accounts, and safe deposit boxes; equity in real property; cash value of stocks (including options), bonds, Treasury bills, certificates of deposit, money market accounts, and revocable trusts; personal property held as an investment such as gems, jewelry, coin and art collections, antiques, and vintage and/or luxury cars; lump sum or one-time receipts such as inheritances, capital gains, lottery winnings, victim's restitution, and insurance settlements; payment of funds from mortgages or deeds of trust held by the applicant(s); boats and planes; and motor homes intended for primary residential use.

• Assets DO NOT Include: cars and furniture (except cars and furniture held as investments such as vintage and/or luxury cars, and antiques); company pension and retirement plans; Keogh accounts; dedicated education funds/savings accounts; and funds dedicated to federally recognized retirement programs such as 401K's and IRA's.

Note that equity in real property or capital investments is defined as follows: the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and all reasonable costs (e.g. broker/realtor fees) that would be incurred in selling the asset.

6.7.1 Senior or Disabled Households That Use Assets for Living Expenses. An exception to the income and asset limit requirement is a household whose head is over sixty-two (62) years of age, or permanently disabled and unable to work, with assets valued up to two (2) times the price of the BMR unit. The applicant must be able to demonstrate that the sole use of his/her assets has been for household support for at least the three (3) previous years, and that the total annual household income meets the Guidelines.

7. BMR WAITING LIST FOR RENTAL AND FOR-PURCHASE UNITS

7.1 Waiting List Eligibility Requirements. A numbered waiting list of households eligible for rental and/or for-purchase BMR units is maintained by the City or the City's designee. Households are eligible to be placed on the BMR waiting list if they meet the following four (4) requirements at the time they submit applications for the waiting list:

• The household currently resides within incorporated Menlo Park as its primary residence OR a member of the household currently works at least 20 hours per week within incorporated Menlo Park.

• The household meets the current income limit requirements (per household size) for rent and/or purchase of a BMR unit. See Section 14, Table A, for income eligibility limits for the current year.
• All persons included as members of the household currently live together in a residence that is their primary home. Applicant households may submit applications and, if eligible, will be placed on the numbered BMR waiting list in the order in which their applications were received.

• In accordance with Section 6.4, all members of the household must be first-time homebuyers.

7.2 Waiting List Management. BMR units available for rent or purchase are offered to households on the BMR waiting list in the order in which the waiting list applications were received.

7.2.1 Annual affirmation of continued interest in remaining on the BMR waiting list. On an annual basis, all households on the BMR waiting list will be required to confirm their continued interest in remaining on the list. At or around the same time each year, the City's BMR program provider will mail and/or email annual update forms/applications to all current households on the waiting list. Households on the waiting list that wish to remain on the list are asked to complete the form and return it to the City's BMR program provider within a specified period of time (usually about one month) with a $10 annual fee for processing. Households who do not respond by completing and returning the forms and the fee by the specified deadline, or whose mail is returned undeliverable to the City's BMR program provider or who otherwise cannot be reached, shall be removed from the BMR waiting list. This does not exclude households removed from the waiting list from re-applying to the list, to be added to the bottom of the list in accordance with normal procedures.

7.2.2 Complete One-Time Pre-Purchase Homebuyer Education for Households That Would Like to Purchase a BMR Unit. For households that indicate they would like to purchase BMR units, after households are placed on the BMR waiting list and before receiving offers to purchase BMR properties, all adult applicants/household members must complete a one-time homebuyer education workshop, class, or counseling session, per Section 6.5.

7.2.3 When a BMR unit is offered for purchase or rent, applicants must enter into a purchase agreement or lease within a defined, reasonable period of time. If an applicant fails to do so, the BMR unit will be offered to the next eligible applicant on the waiting list. The City of Menlo Park reserves the right to establish other criteria to give preference to certain categories of eligible participants on the waiting list.

7.2.4 A tenant of a BMR rental unit who is required to vacate the BMR rental unit due to its conversion to a BMR for sale unit, shall have first priority for vacant BMR rental units for which the tenant is eligible and qualifies for two (2) years from the expiration of the lease, regardless of the place of residence of the displaced tenant.
7.2.5 Preference for Handicap Accessible Units for Bona Fide Wheelchair Users. If the BMR unit is wheelchair accessible, then bona fide wheelchair users on the BMR waiting list who are otherwise eligible for the BMR unit, including by household size and income, will receive preference over other applicants, and the BMR unit will be offered to the bona fide wheelchair users in the order that their applications were received.

7.2.6 Households who are current BMR homeowners are eligible to place their name on the BMR waiting list and to purchase a smaller or larger home needed due to changes in their household size or family needs, such as for a handicapped accessible unit.

8. THE BMR UNIT PURCHASE PROCESS: BUYER SELECTION AND SALE PROCEDURES

8.1 New Units and Condominium Conversions.

8.1.1 The participating developer informs the City or its designee in writing that the BMR unit has received its final building inspection and that the BMR unit is ready for sale and occupancy. "The City" shall mean the City Manager, or his or her designee.

8.1.2 City of Menlo Park staff or the City's BMR program provider inspects the BMR unit. After approval of the unit, the City or the City's BMR program provider writes a certifying letter that states the BMR unit meets the BMR Program's requirements and satisfies the BMR Agreement's provisions. The certifying letter will also state the price for the BMR unit. The price for the BMR unit will be determined based on the information described in the next three sections.

8.1.3 The City or its designee obtains necessary information for determining the price of the BMR unit. These include, but may not be limited to, the estimated tax figures from the developer and the County Assessor, as well as Homeowner's Association dues, Covenants, Conditions and Restrictions, and insurance figures from the developer. Also included will be all associated Homeowner Association documentation.

8.1.4 Household size and income qualifications are established. In households in which an adult holds fifty percent (50%) or more custody of a minor child or children through a legally binding joint custody settlement, each such child shall count as a person in determining the household size.

8.1.5 The City or its designee determines the maximum price of the BMR unit based on an income up to one hundred ten percent (110%) of the San Mateo County median income for the smallest household size eligible for the BMR unit (excluding two-bedroom units, which are based on income for a two person household), monthly housing costs including current mortgage rates, insurance costs, homeowners' dues, taxes,
closing costs and any other consideration of costs of qualifying for a first mortgage and
purchase of the BMR unit. See Section 14, Table A, for income eligibility limits for the
current year. When these documents and the information described in this and preceding
sections have been received, the City will provide the developer with a certifying letter in
which the City states the price for the BMR unit, accepts the BMR unit as available for
purchase and the purchase period will commence.

8.1.6 If there is a standard pre-sale requirement by the BMR applicant's
lender for a certain percentage of units in the project to be sold before the BMR applicant's
lender will close, then the time for the City's purchase or the buyer's purchase will be
extended until that requisite number of units has closed.

8.1.7 The City may retain a realtor to facilitate the sale of the property.

8.1.8 Contact is established between the City or its designee and the
developer's representative to work out a schedule and convenient strategy for
advertisements, if needed, when the units will be open for viewing, and for when the
interested applicants may obtain detailed information about the units.

8.1.9 All marketing and sales procedures for BMR units must be approved
by the City and will be subject to review on a periodic basis for compliance.

8.1.10 An information packet and application forms are designed and
duplicated by the City or its designee. The developer provides information about the unit,
including a floor plan of the unit and of the building showing the location of the unit,
dimensions, appliances, amenities, and finishes.

8.1.11 The City or the City's BMR program provider holds an application
orientation meeting(s). Households on the waiting list with the lowest numbers are
contacted and invited to attend the orientation meeting(s). Only households that are
eligible by household size and have completed the one-time pre-purchase education
requirement are contacted and invited to attend the orientation. Applications to purchase
BMR units can only be obtained by attending an application orientation meeting. At the
meeting, potential applicants are provided with the following information:

- A detailed description of the BMR program, including the rights, restrictions,
  and responsibilities of owning a BMR home.

- A complete description of the property or properties being offered for sale
  including buyer eligibility requirements, the purchase price, home owner
  association costs (if any), estimated property taxes, and home features.

- An overview of the home loan application process and description of
  necessary costs including down payment (if required), closing costs, real
  estate taxes, and mortgage insurance.
A description of the BMR and home loan approval process. Potential applicants are informed they must work with one of the program's approved mortgage providers. Per the City's discretion the potential applicants are also informed of the kinds of acceptable mortgage financing, and also of mortgage financing not allowed at that time (for instance negative amortizing loans).

Based on the purchase price, estimates are provided on the minimum annual income required to purchase, as well as possible monthly housing costs including principal and interest, property taxes, and insurance payments.

A step-by-step explanation of the BMR purchase application. If there are several sizes of units for which applicants may be eligible, applicants are instructed where to indicate their unit size preferences.

Potential applicants are invited to ask questions. Meeting attendees are invited to sign up to tour the property or properties for sale. Attendees are given applications and a reasonable deadline to submit their completed applications.

8.1.12 Completed applications are submitted to the City or its designee along with income and asset verifications.

8.1.13 When the application period closes, the City or its designee reviews the completed applications. The complete, eligible, qualifying applications are ranked in order by BMR waiting list numbers and/or other criteria established by the City. The complete applications with the lowest numbers, and meeting other qualifying criteria for each unit, if any, are selected, and the households that submitted them are notified of the opportunity to purchase the BMR unit, in the order of their numbers on the BMR waiting list. They are invited to an orientation meeting.

8.1.14 If the leading applicant for a unit fails to contact the developer, provide a deposit, or obtain appropriate financing within the period of time specified in the notification letter, the City or its designee will contact the next household on the list.

8.1.15 The City of Menlo Park or its designee submits to the title insurance company the Grant Deed, BMR Agreement and Deed Restrictions, and Request for Notice to be recorded with the deed to the property.

8.1.16 The developer shall be free to sell a BMR unit without restriction as to price or qualification of buyer if all of the following criteria are met, unless the BMR applicant's lender has a loan condition that a specific number of units in the development must be sold before the loan can be approved: (1) the City and the developer are unable to obtain a qualified buyer within six (6) months after the City has provided written notice both certifying that the unit is available for purchase and setting the price for the BMR unit, (2) the City or its designee does not offer to purchase the BMR unit within said six
(6) months period, and complete said purchase within not more than sixty (60) days following the end of the six (6) month period, (3) the developer has exercised reasonable good faith efforts to obtain a qualified buyer. A qualified buyer is a buyer who meets the eligibility requirements of the BMR Program and who demonstrates the ability to complete the purchase of the BMR unit. Written notice of availability shall be delivered to the City Manager, City of Menlo Park, 701 Laurel Street, Menlo Park, CA 94025. Separate written notice of availability shall also be delivered to the City Manager, City of Menlo Park, 701 Laurel Street, Menlo Park, CA 94025.

9. OCCUPANCY REQUIREMENTS FOR OWNER-OCCUPIED BMR UNITS

9.1 Primary Residence. The owners listed on title to the BMR property must occupy it as their primary residence and remain in residence for the duration of the Deed Restrictions (fifty-five years). Occupancy is defined as a minimum stay of ten months in every twelve month period. BMR owners may not terminate occupancy of the BMR property and allow the property to be occupied by a relative, friend, or tenant. Failure of the purchaser to maintain a homeowner’s property tax exemption shall be construed as evidence that the BMR property is not the primary place of residence of the purchaser. As necessary, the City may request that BMR owners provide evidence that their units are currently occupied by them as their primary residences. Examples of such evidence may include current copies of any of the following: homeowner’s insurance, car/vehicle registration, and utility bills.

9.2 Refinancing and BMR Valuations. BMR owners may refinance the debt on their property at any time following purchase, however, they must contact the City's designated BMR program provider first, prior to a refinance or equity line. The City's BMR contractor will provide the owner with clear instructions to ensure program compliance. At that time and at any other time the owner requests it, the BMR contractor will provide the owner and/or the lender with the current BMR value of the home, in accordance with the formula specified in the BMR Deed Restrictions. Only the City's BMR contractor can determine the appraised value of a BMR property and it is the owner's responsibility to inform their lender that the property is a BMR property. BMR owners are not allowed to take out loans against their property that exceed the BMR value of the home. There is a fee for refinancing a BMR home that is set by the City's BMR Housing contractor.

9.3 Transfers of Title. Prior to adding an additional person to title or transferring title to the BMR property, BMR owners must contact the City for clear instructions to ensure program compliance.

The following transfers of title are exempt from the City's right of first refusal and do NOT re-start the fifty-five (55) year deed restriction clock:

- Transfer by devise or inheritance to the owner's spouse.
- Transfer of title by an owner's death to a surviving joint tenant, tenant in common, or a surviving spouse of community property (that is, another
owner already on title).

- Transfer of title to a spouse as part of divorce or dissolution proceedings.
- Transfer of title or an interest in the property to the spouse in conjunction with marriage.

Transfers by devise or inheritance (such as to a child or other family member), are permitted under certain terms and conditions identified in the BMR Deed Restrictions. These kinds of transfers must first be reviewed and approved by the City or the BMR program contractor. If the person inheriting the property meets the following terms and conditions, then that person may take title, assume full ownership, and reside in the BMR unit. This would then restart the fifty-five (55) year deed restriction clock. If the person inheriting the property does NOT meet the following terms and conditions they may still inherit the property but are not allowed to live there. In such case, the inheriting party must sell the property and shall be entitled to receive any proceeds from the sale after payment of sales expenses and all liens against the property. The property would then be sold by the City through the BMR Program to an eligible, qualified household on the BMR waiting list.

For transfers of title by devise or inheritance, the inheriting party (Transferee) must meet the following terms and conditions in order to live in the BMR unit:

- Transferee shall occupy, establish and maintain the property as the Transferee's primary residence.
- The Transferee must meet all current eligibility requirements for the BMR Program, as identified at the time of transfer in the BMR Guidelines.
- The Transferee must sign a new BMR Deed Restrictions Agreement for the property. This restarts the fifty-five (55) year clock.

10. PROCESS FOR RESALE OF BMR UNITS

10.1 The seller notifies the City by certified mail that he/she wishes to sell the unit. The City notifies its designee, if applicable. The unit must be provided in good repair and salable condition, or the cost of rehabilitating the unit will be reimbursed to the City out of the proceeds of the sale. The definition of “salable condition” for any given unit shall be provided on a case-by-case basis following the City’s inspection of the unit, and shall be at the discretion of the City Manager or his/her designee. “Salable condition” shall refer to the general appearance, condition, and functionality of all: flooring; painted surfaces; plumbing, heating, and electrical systems; fixtures; appliances; doors; windows; walkways; patios; roofing; grading; and landscaping. In addition for each unit, the City reserves the right to withhold the cost of having it professionally cleaned from the seller’s proceeds. Once cleaning is complete, the seller will be refunded any difference between the amount withheld and the actual cost to clean the unit.
10.2 When the seller notifies the City or the City's BMR contractor, and it has been determined that the unit is in good repair and salable condition, and the City has set the price for the BMR unit, then the City or the City's BMR contractor will state in writing that the one-hundred and eighty day (180) period for completing the sale of the BMR unit shall commence. The price will be set using information in Sections 10.3 through 10.6 below.

10.3 The City or its designee obtains an appraisal made to ascertain the market value of the unit, giving consideration to substantial improvements made by the seller, if needed.

10.4 The City or its designee obtains figures for homeowners' dues, insurance, and taxes from the seller.

10.5 The City or its designee checks major lending institutions active in this market to ascertain current mortgage information (prevailing interest rates, length of loans available, points, and minimum down payments). Monthly housing costs are estimated.

10.6 The City or its designee establishes a sales price, based on the original selling price of the unit, depreciated value of substantial improvements made by the seller, and 1/3 of the increase in the cost of living index for the Bay Area. The selling price is established for the unit at the appraised market value or the computed price whichever is the lower.

10.7 The City retains a realtor to facilitate the sale of the property.

10.8 Agreement is reached between seller and the City or its designee for a schedule of open houses for the unit, at the seller's convenience.

10.9 The procedure continues the same as in Sections 8.1.7 - 8.1.16 above, with the seller substituted for the developer.

10.10 The City or its designee submits to the title insurance company the Grant Deed, BMR Agreement and Deed Restrictions, and Request for Notice and the seller's release from the old deed restrictions, to be recorded with the new deed to the property.

11. REQUIREMENTS FOR BMR RENTAL DEVELOPMENTS

11.1 Income and Rent Standards.

11.1.1 Income Limits upon Occupancy of BMR Rental Units. Only households having gross incomes at or below the Low Income for San Mateo County, adjusted for household size, are eligible to occupy BMR rental units, either when initially rented or upon filling any subsequent vacancy. See Section 14, Table A (Below Market Rate Household Income Limits).
11.1.2 BMR Rent. BMR units may be rented for monthly amounts not exceeding thirty percent (30%) of sixty (60%) of median household income limits for City subsidized projects and thirty percent (30%) of Low Income limits for non-subsidized private projects, minus eligible housing costs. In no case shall the monthly rental amounts for BMR units (subsidized or unsubsidized) exceed 75% of comparable market rate rents. The maximum rental amounts are listed in Section 14, Table B, (Maximum Monthly Housing Cost Limits for BMR Rental Units.) BMR rents may be adjusted from time to time to reflect any changes to the then current Income limits.

11.1.3 Tenant Selection and Certification Procedures. Priority for occupancy of all BMR rental units shall be given to those eligible households who either live or work in the City of Menlo Park. During the fifteen (15) day period following the date the City and its designee receive notification from the owner (or owner's agent) of an impending availability or vacancy in a BMR rental unit, priority for occupancy of that unit, when available, shall be given to eligible households on the Waiting List, on a first-come, first-served basis. The selected household shall be allowed up to thirty (30) days to move into the unit after it is ready for occupancy.

If no qualified household living or working in Menlo Park is available to occupy the vacated unit as aforesaid, the owner shall be free to rent the BMR unit to any other eligible BMR tenant.

11.1.4 BMR Waiting List. The qualifications of BMR rental tenants will be independently verified by the City or its designee. The City of Menlo Park or the City's designee shall maintain the waiting list for BMR rental units.

11.1.5 One-Year Lease Offer. Each BMR tenant shall be offered the opportunity to enter into a lease, which has a minimum term of one (1) year. Such offer must be made in writing. If the tenant rejects the offer, such rejection must also be in writing. A lease may be renewed upon the mutual agreement of both parties.

11.1.6 Vacation of Units and Re-Renting. When a BMR tenant vacates, the owner must provide notice to the City, and re-rent the unit to a qualified BMR tenant in accordance with these Guidelines and the Affordability Restriction Agreement for the unit.

11.1.7 Annual Recertification of BMR Units. The City of Menlo Park or the City's BMR contractor will recertify annually, by procedures to be established in the Affordability Restriction Agreement, the provision of BMR rental units as agreed at the time of application for the permit. If, at the time of recertification, for two consecutive years, a Tenant's household income exceeds the eligibility requirements set forth in the Guidelines ("Ineligible Tenant"), the Ineligible Tenant shall no longer be qualified to rent the BMR unit and the Lease shall provide that the Lease term shall expire and the Tenant shall vacate the BMR unit on or prior to sixty (60) days after delivery of a notice of ineligibility by the property manager or City or City's designee to the Tenant. Upon expiration of the Lease term pursuant to the foregoing, if the Tenant has not vacated the
BMR unit as required, the property manager shall promptly take steps to evict the ineligible Tenant and replace the BMR unit with an Eligible Tenant as soon as reasonably possible.

11.1.8 Annual Report. On an annual basis on or before July 1 of each year, the Developer or subsequent owner shall submit a report (the "Annual Report") to the City which contains, with respect to each BMR unit, the name of the Eligible Tenant, the rental rate and the income and household size of the occupants. The Annual Report shall be based on information supplied by the Tenant or occupant of each BMR unit in a certified statement executed yearly by the Tenant on a form provided or previously approved by the City or designee. Execution and delivery thereof by the Tenant may be required by the terms of the Lease as a condition to continued occupancy at the BMR rate. In order to verify the information provided, City shall have the right to inspect the books and records of Developer and its rental agent or bookkeeper upon reasonable notice during normal business hours. The Annual Report shall also provide a statement of the owner's management policies, communications with the tenants and maintenance of the BMR unit, including a statement of planned repairs to be made and the dates for the repairs.

12. EQUIVALENT ALTERNATIVES

Nothing set forth herein shall preclude the City from considering reasonably equivalent alternatives to these Guidelines, including, but not limited to, the size of units and differentiation of internal materials.

13. BELOW MARKET RATE HOUSING FUND ("BMR FUND") AND SEVERABILITY CLAUSE

13.1 Purpose. The City of Menlo Park Below Market Rate Housing Fund is a separate City fund set aside for the specific purpose of assisting the development of housing that is affordable to very low, low and moderate-income households. The BMR Fund is generated by such income as in-lieu fees. All monies contributed to the BMR Fund, as well as repayments and interest earnings accrued, shall be used solely for this purpose, subject to provisions set forth below.

13.2 Eligible Uses. The BMR Fund will be used to reduce the cost of housing to levels that are affordable to very low, low and moderate-income households, as defined in the Housing Element of the City's General Plan. A preference will be given to assisting development of housing for households with minor children; however, this preference does not preclude the use of funds for other types of housing affordable to households with very low, low and moderate-income.

13.3 Eligible Uses in Support of Very Low-, Low- and Moderate-Income Housing Development. The BMR Fund may be used for, but is not limited, to the following:
• Provision of below market rate financing for homebuyers.
• Purchase of land or air rights for resale to developers at a reduced cost to facilitate housing development for very low, low or moderate-income households.
• Reduction of interest rates for construction loans or permanent financing, or assistance with other costs associated with development or purchase of very low, low or moderate-income housing.
• Rehabilitation of uninhabitable structures for very low, low or moderate-income housing.
• On-site and off-site improvement costs for production of affordable housing.
• Reduction of purchase price to provide units that are very low, low or moderate cost.
• Rent subsidies to reduce the cost of rent for households with limited incomes.
• Emergency repair and/or renovation loan program for BMR owners of older units.
• Loan program to assist BMR condominium owners who have no other way to pay for major special assessments.
• City staff time and administrative costs associated with implementation of the BMR program.

13.4 Procedures. Requests for use of BMR Housing Fund money shall be submitted to staff for review and recommendation to the City Council. A request for funding shall provide the following minimum information:

• A description of the proposal to be funded and the organizations involved in the project. Public benefit and relevant Housing Element policies and programs should be identified.
  • Amount of funding requested.
• Identification of the number of very low, low and moderate-income households to be assisted and the specific income range of those assisted.
  • Reasons why special funding is appropriate.
• Identification of loan rate, financial status of applicants, and source of
repayment funds or other terms.

- Identification of leverage achieved through City funding.

13.5 Annual Report. At the close of each fiscal year, City staff shall report on activity during the previous year (deposits and disbursements) and available funds. The City's auditor shall periodically examine this report and all other BMR Fund financial records, and shall report the results of this examination. In addition, City staff shall report annually on activities assisted by monies from the BMR Fund. The report will review how the program is serving its designated purpose. It will include a discussion of the timely use of funds for actions taken to provide Below Market Rate housing units, a review of management activities, and staff recommendations for policy changes to improve the program's performance. In addition it will provide, for each activity, information corresponding to that required of funding requests listed above in Section 13.4.

13.6 Severability Clause. If any one or more of the provisions contained in the Below Market Rate Housing Program Guidelines shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then such provisions shall be deemed severable from the remaining provisions contained in the Guidelines, and the Guidelines shall be construed as if such invalid, illegal or unenforceable provision(s) had never been contained herein.

13.7 Administrative Updates. Future updates to tables in Section 14 may be made annually without Council approval when data becomes available from the appropriate state and federal agencies.
Table A

Below Market Rate Household Income Limits

<table>
<thead>
<tr>
<th>Household Size</th>
<th>HUD &amp; State Very Low</th>
<th>60% of Median</th>
<th>HUD &amp; State Low</th>
<th>Median</th>
<th>110% of Median</th>
<th>120% of Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>48,100</td>
<td>48,420</td>
<td>73,750</td>
<td>80,700</td>
<td>88,770</td>
<td>96,840</td>
</tr>
<tr>
<td>2</td>
<td>52,650</td>
<td>55,350</td>
<td>84,300</td>
<td>92,250</td>
<td>101,475</td>
<td>110,700</td>
</tr>
<tr>
<td>3</td>
<td>59,250</td>
<td>62,250</td>
<td>94,850</td>
<td>103,750</td>
<td>114,125</td>
<td>124,500</td>
</tr>
<tr>
<td>4</td>
<td>65,800</td>
<td>69,180</td>
<td>105,350</td>
<td>115,300</td>
<td>126,830</td>
<td>138,360</td>
</tr>
<tr>
<td>5</td>
<td>71,100</td>
<td>74,700</td>
<td>113,600</td>
<td>124,900</td>
<td>135,950</td>
<td>149,400</td>
</tr>
<tr>
<td>6</td>
<td>76,350</td>
<td>80,250</td>
<td>122,250</td>
<td>133,750</td>
<td>147,125</td>
<td>160,500</td>
</tr>
<tr>
<td>7</td>
<td>81,600</td>
<td>85,770</td>
<td>130,650</td>
<td>142,950</td>
<td>157,245</td>
<td>171,540</td>
</tr>
<tr>
<td>8</td>
<td>86,900</td>
<td>91,320</td>
<td>139,100</td>
<td>152,200</td>
<td>167,420</td>
<td>182,640</td>
</tr>
</tbody>
</table>


Table B

Maximum Monthly Housing Cost Limits for BMR Rental Units

<table>
<thead>
<tr>
<th>Unit Size</th>
<th>30% of 60% of</th>
<th>30% of 60% of</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Median</td>
<td>HUD &amp; State Low</td>
</tr>
<tr>
<td>Studio</td>
<td>1.211</td>
<td>1.644</td>
</tr>
<tr>
<td>1</td>
<td>1.384</td>
<td>2.108</td>
</tr>
<tr>
<td>2</td>
<td>1.555</td>
<td>2.371</td>
</tr>
<tr>
<td>3</td>
<td>1.730</td>
<td>2.634</td>
</tr>
<tr>
<td>4</td>
<td>1.868</td>
<td>2.845</td>
</tr>
<tr>
<td>5</td>
<td>2.005</td>
<td>3.056</td>
</tr>
</tbody>
</table>
Table C
Occupancy Standards

Occupancy of BMR units shall be limited to the following:

<table>
<thead>
<tr>
<th>Unit Size</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>4</td>
<td>4</td>
<td>9</td>
</tr>
</tbody>
</table>

Note: Smallest household size for purposes of determining the maximum rental amount shall be one (1) person per bedroom or studio. The City Manager or his/her designee has the discretion to vary the persons per unit for unusually large units, not to exceed one (1) person per bedroom, plus one (1).

Table D
Commercial In-Lieu Fees for 2017-18

| Group A uses are Research & Development and Office. | Fee: $16.90 per square foot of gross floor area. |

| Group B uses are all other Commercial Uses not in Group A. | Fee: $9.17 per square foot of gross floor area. |

Commercial In-Lieu Fees are adjusted annually on July 1.
Exhibit C

Compliance Forms and Certifications

Project Name: Middle Plaza at 500 El Camino Real
Project Location: 300-550 El Camino Real, Menlo Park, CA

Pursuant to Section 204, of the Affordable Housing Agreement and Declaration of Restrictive Covenants ("Agreement"), by and between the City of Menlo Park, a California municipal corporation ("City"), and The Board of Trustees of the Leland Stanford Junior University, a body having corporate powers under the laws of the State of California ("Owner") on __________, I, __________________ [name], a representative of the Owner, hereby certify that, as of the date of this Certification, the multi-family residential rental project that is the subject of the Agreement is in compliance with all of the terms and conditions set forth in the Agreement.

Owner has obtained and maintains on file income certifications executed by each tenant renting a BMR Unit and hereby submits to the City a completed Income Computation and Certification Form for each household occupying a BMR Unit. Owner has made a good faith effort to obtain third party verification of the accuracy of the information provided by each tenant on an income certification. Good faith effort includes conducting a credit agency or other similar search, obtaining an income tax return for the most recent year (unless tenant is not legally required to file an income tax return) and taking one or more of the following steps: (1) obtaining a pay stub for the most recent pay period; (2) obtaining an Income verification form from the tenant's current employer; or (3) obtaining an income certification from the Social Security Administration or California Department of Social Services if the tenant receives assistance from either of such agencies. To the best of Owner's knowledge and belief, each household leasing a BMR Unit meets the income and eligibility restrictions for the BMR Unit.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

______________________________       ______________
Signature of Officer               Date

______________________________
Printed Name of Officer

______________________________
Title of Officer/Corporation
Middle Plaza at 500 El Camino Real 300-550 El
Camino Real Menlo Park, CA 94025

Household Name: __________________________
Apartment/Application#: ____________________

I certify (or declare) under penalty of perjury under the laws of the State of California that the family household is comprised of the following: (Enter the amount of income and income from assets for all members of the household).

**INCOME:**

<table>
<thead>
<tr>
<th>Household Member</th>
<th>Source</th>
<th>Actual Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total Income (A)

**ASSETS:**

<table>
<thead>
<tr>
<th>HHLD Member</th>
<th>Source</th>
<th>Cash Value</th>
<th>Income from Asset</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total Income Assets (B)

Total Annual Household Income (A + B): _____

I certify that the information presented in this certification is true and accurate to the best of my/our knowledge and belief.

__________________________________________  Date
Signature

__________________________________________  Date
Signature
Exhibit D

Sample Utility Allowance
# Allowances for Tenant Furnished Utilities and other Services

**Locality:** Housing Authority of the County of San Mateo, CA  
**Unit Type:** Multi-Family (Apartment/Condo/Duplex)  
**Date (mm/dd/yyyy):** 11/01/2017

<table>
<thead>
<tr>
<th>Utility or Service</th>
<th>0 BR</th>
<th>1 BR</th>
<th>2 BR</th>
<th>3 BR</th>
<th>4 BR</th>
<th>5 BR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heating a. Natural Gas</td>
<td>$16.00</td>
<td>$20.00</td>
<td>$22.00</td>
<td>$24.00</td>
<td>$26.00</td>
<td>$28.00</td>
</tr>
<tr>
<td>b. Bottle Gas/Propane</td>
<td>$13.00</td>
<td>$15.00</td>
<td>$19.00</td>
<td>$23.00</td>
<td>$27.00</td>
<td>$31.00</td>
</tr>
<tr>
<td>c. Electric</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>d. Electric Heat Pump</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>e. Oil / Other</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Cooking a. Natural Gas</td>
<td>$3.00</td>
<td>$3.00</td>
<td>$5.00</td>
<td>$7.00</td>
<td>$9.00</td>
<td>$10.00</td>
</tr>
<tr>
<td>b. Bottle Gas/Propane</td>
<td>$5.00</td>
<td>$6.00</td>
<td>$9.00</td>
<td>$12.00</td>
<td>$14.00</td>
<td>$17.00</td>
</tr>
<tr>
<td>c. Electric</td>
<td>$12.00</td>
<td>$14.00</td>
<td>$16.00</td>
<td>$22.00</td>
<td>$20.00</td>
<td>$30.00</td>
</tr>
<tr>
<td>d. Oil / Other</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Other Electric (Lights &amp; Appliances) &amp; Climate Credit</td>
<td>$17.00</td>
<td>$20.00</td>
<td>$30.00</td>
<td>$42.00</td>
<td>$54.00</td>
<td>$67.00</td>
</tr>
<tr>
<td>Water Heating a. Natural Gas</td>
<td>$7.00</td>
<td>$8.00</td>
<td>$11.00</td>
<td>$15.00</td>
<td>$19.00</td>
<td>$22.00</td>
</tr>
<tr>
<td>b. Bottle Gas/Propane</td>
<td>$12.00</td>
<td>$14.00</td>
<td>$16.00</td>
<td>$22.00</td>
<td>$20.00</td>
<td>$30.00</td>
</tr>
<tr>
<td>c. Electric</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>d. Oil / Other</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Water (avg)</td>
<td>$52.00</td>
<td>$53.00</td>
<td>$58.00</td>
<td>$65.00</td>
<td>$104.00</td>
<td>$123.00</td>
</tr>
<tr>
<td>Sewer</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Trash Collection (avg)</td>
<td>$24.00</td>
<td>$24.00</td>
<td>$24.00</td>
<td>$24.00</td>
<td>$24.00</td>
<td>$24.00</td>
</tr>
<tr>
<td>Range / Microwave Tenant-supplied</td>
<td>$12.00</td>
<td>$12.00</td>
<td>$12.00</td>
<td>$12.00</td>
<td>$12.00</td>
<td>$12.00</td>
</tr>
<tr>
<td>Refrigerator Tenant-supplied</td>
<td>$13.00</td>
<td>$13.00</td>
<td>$13.00</td>
<td>$13.00</td>
<td>$13.00</td>
<td>$13.00</td>
</tr>
</tbody>
</table>

**Actual Family Allowances**

To be used by the family to compute allowance. Complete below for the actual unit rented.

<table>
<thead>
<tr>
<th>Utility or Service</th>
<th>per month cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heating</td>
<td>$</td>
</tr>
<tr>
<td>Cooking</td>
<td>$</td>
</tr>
<tr>
<td>Other Electric</td>
<td>$</td>
</tr>
<tr>
<td>Air Conditioning</td>
<td>$</td>
</tr>
<tr>
<td>Water Heating</td>
<td>$</td>
</tr>
<tr>
<td>Water</td>
<td>$</td>
</tr>
<tr>
<td>Sewer</td>
<td>$</td>
</tr>
<tr>
<td>Trash Collection</td>
<td>$</td>
</tr>
<tr>
<td>Range / Microwave</td>
<td>$</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>$</td>
</tr>
<tr>
<td>Other</td>
<td>$</td>
</tr>
</tbody>
</table>

**Total:** $
EXHIBIT D

PUBLIC USE AGREEMENT
This document is recorded for the benefit of the City of Menlo Park and is entitled to be recorded free of charge in accordance with Sections 6103 and 27383 of the Government Code.

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Menlo Park
Attn: City Clerk
701 Laurel Street
Menlo Park, CA 94025

PUBLIC USE AGREEMENT

MIDDLE PLAZA AT 500 EL CAMINO REAL PROJECT
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>ARTICLE</th>
<th>TITLE</th>
<th>PAGE</th>
</tr>
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<tbody>
<tr>
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<td>CONSTRUCTION OF PLAZA</td>
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<tr>
<td>2</td>
<td>PUBLIC USE OF PLAZA</td>
<td>2</td>
</tr>
<tr>
<td>2.1</td>
<td>Public Use of Plaza</td>
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<td>2.2</td>
<td>Maintenance</td>
<td>3</td>
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<tr>
<td>3</td>
<td>AMENDMENT OR TERMINATION OF AGREEMENT</td>
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<td>Amendment or Termination</td>
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<td>3.2</td>
<td>Requirement for a Writing; Amendments</td>
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<td>DEFAULT AND REMEDIES</td>
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<td>Remedies for Default; Notice and Procedure</td>
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<td>5</td>
<td>ESTOPPEL CERTIFICATE</td>
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<td>6</td>
<td>AGREEMENT RUNNING WITH THE LAND</td>
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<td>7</td>
<td>NOTICES</td>
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<td>8</td>
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<td>8.1</td>
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<td>8.5</td>
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<td>8.6</td>
<td>Agreement is Entire Understanding</td>
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<td>Interpretation</td>
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<td>8.8</td>
<td>Intended Beneficiaries</td>
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<tr>
<td>8.9</td>
<td>Recordation of Termination</td>
<td>7</td>
</tr>
<tr>
<td>8.10</td>
<td>Signature Pages; Execution in Counterparts</td>
<td>7</td>
</tr>
<tr>
<td>8.11</td>
<td>Not a Public Dedication</td>
<td>7</td>
</tr>
</tbody>
</table>

**Exhibits:**

- **Exhibit A:** Legal Description of the Property
- **Exhibit B:** Site Plan of Project Showing Plaza
PUBLIC USE AGREEMENT

THIS PUBLIC USE AGREEMENT (the "Agreement") is made and entered into on the 26th day of September, 2017, by and between the CITY OF MENLO PARK, a California municipal corporation ("City"), and THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY, a body having corporate powers under the laws of the State of California ("Owner") (individually a "Party" and collectively the "Parties"), with reference to the following facts:

RECITALS

A. Owner is the fee owner of those certain parcels of real property having current addresses at 300-550 El Camino Real in the City of Menlo Park, California ("Property") as more particularly described in Exhibit A attached hereto.

B. The Parties have entered into a Development Agreement ("Development Agreement"), effective November 9, 2017 and recorded on ________ in the Official Records of San Mateo County as Instrument No. ________, to facilitate development of the Property subject to certain terms and conditions. Owner intends to demolish all existing structures on the Property and to construct the Project on the Property, as defined in the Development Agreement (the "Project"). All capitalized terms not otherwise defined in this Agreement have the meaning ascribed to them in the Development Agreement.

C. As a material consideration for the long term assurances, vested rights, and other City obligations provided by the Development Agreement and as a material inducement to City to enter into the Development Agreement, Owner offered and agreed to provide certain public benefits to the City as specified in the Development Agreement.

D. Section 8 of the Development Agreement specifies that the Project will incorporate a privately owned and operated, publicly-accessible "Plaza" at Middle Avenue as shown on Exhibit B attached hereto that shall be open to the public consistent with this Agreement. Through this Agreement, the Parties desire to memorialize the terms under which Owner will make the Plaza available for public use.

NOW, THEREFORE, with reference to the foregoing recitals and in consideration of the mutual promises, obligations and covenants herein contained, City and Owner agree as follows:

AGREEMENT

The introductory paragraph and the Recitals are hereby incorporated into this Agreement as if hereinafter fully and completely rewritten.

ARTICLE 1
CONSTRUCTION OF PLAZA

Construction of the Plaza shall be completed substantially in conformance with the Project Approvals and all other state and local building codes, development standards, and
ordinances, as they are made applicable to the Project by the Development Agreement, prior to City sign off of the building permit allowing occupancy of any residential unit in the Project.

ARTICLE 2
PUBLIC USE OF PLAZA

2.1 Public Use of Plaza.

2.1.1 Subject to the restrictions identified in this Agreement, Owner hereby agrees to permit members of the public to use the Plaza for the purposes identified in Section 2.1.2, below, and to enter the Property for such purposes seven days a week from 6:00 a.m. to Midnight. Plaza hours may be extended at Owner’s sole discretion to coincide with the hours of operation for tenants of the Project’s commercial spaces. Owner reserves the right to temporarily close the Plaza due to construction, maintenance, or other improvement work or, at Owner’s reasonable discretion, due to safety concerns or the disruptive behavior of Plaza users. Closures longer than five (5) consecutive days shall be subject to written City approval, which shall not be unreasonably withheld. If City fails to respond to any such request within ten (10) business days of its receipt, such temporary closure shall be deemed approved.

2.1.2 Permissible public uses of the Plaza include access and passive and community-centered outdoor activities. Passive activities may include, but are not limited to, the use and enjoyment of public seating, an interactive fountain, game areas, and retail carts and sales areas authorized by Owner. Passive use includes small informal gatherings. Community-centered activities may include, but are not limited to, art, music, dance, drama, comedy, pet, and bike safety events and shows; seasonal festivities/holiday celebrations; community workshops; and fitness activities, including, but not limited to tai chi, yoga and boot camp

2.1.3 Members of the public utilizing the Plaza shall comply with all applicable federal, state, county and local laws, rules, and regulations and all reasonable rules and regulations for use of the Plaza adopted by Owner in consultation with City under Section 2.1.4 below.

2.1.4 Public use of the Plaza is conditioned on compliance with rules and regulations adopted as provided in this Section 2.1.4. At least ninety (90) days prior to the public’s first use of the Plaza, the Parties shall meet and confer to approve written, detailed rules and regulations for use of the Plaza by the public. If City and Owner do not agree on the rules and regulations for use of the Plaza, Owner shall have the final authority to adopt reasonable rules and lawful rules and regulations, so long as those rules and regulations do not discriminate between members of the public, residents or tenants and do not defeat the purpose and intent of the public space as described in the Specific Plan. Either Party subsequently may propose amendments to the adopted rules and regulations, subject to Owner’s final authority to adopt reasonable, lawful rules and regulations. The Parties hereby agree that Owner shall have the right to take all appropriate action and impose such rules and regulations as are reasonable and lawful, including requiring prior approval by Owner, to ensure that activities in the Plaza proposed by members of the public do not conflict with the daily operation of the Project and have secured any required governmental permits.
2.1.5 Owner reserves the right to exclude members of the public from any portion or portions of the Plaza that a tenant or tenants of commercial spaces within the Project leases for outdoor food service, dining, alcoholic beverage service, entertainment, retail sales, or any other outdoor use that may facilitate successful operation of the commercial portion of the Project. Areas within the Plaza affected by this provision are subject to change as tenant desires, needs, and interests change.

2.1.6 Owner reserves the right to undertake any and all additional activities that are not inconsistent with, and that do not unreasonably interfere with, the public use of the Plaza granted by this Agreement, including, but not limited to, operating and maintaining the Plaza and improvements within it; placing improvements and barriers within the Plaza to enhance the Plaza’s function and security; using the Plaza for pedestrian routes crossing the Plaza; engaging in tree planting; and accessing utilities.

2.2 Maintenance

Owner shall be responsible for the maintenance, repair and replacement, at its sole cost, of the Plaza and all improvements located thereon, which Owner shall keep in a good, safe and usable condition, in good repair, and in compliance with all applicable federal, state, county, and local laws. Members of the public may be required to remove litter and other objects brought onto the Property. Owner may also require specific members of the public who are known to have caused damage to reimburse Owner for the actual cost of repairing damage done to the Plaza caused by use of the Property, excluding damage attributed to ordinary wear and tear.

ARTICLE 3
AMENDMENT OR TERMINATION OF AGREEMENT

3.1 Amendment or Termination.

The Parties may mutually agree to amend or terminate this Agreement in whole or in part. As provided in Section 8 of the Development Agreement, any amendment to this Agreement shall automatically be deemed to be incorporated into the Development Agreement. This Agreement shall survive the termination or cancellation of the Development Agreement.

3.2 Requirement for a Writing: Amendments.

No amendment to or termination of this Agreement or any provision hereof shall be effective for any purpose unless specifically set forth in a writing that refers expressly to this Agreement and is signed by duly authorized representatives of the Parties. Where this Agreement requires an approval or consent of the City, such approval may be given on behalf of the City by the City Manager or his or her designee. The City Manager or his or her designee is hereby authorized to take such actions as may be necessary or appropriate to implement this Agreement, including without limitation the execution of such documents or agreements as may be contemplated by this Agreement and approval of amendments which do not substantially change the uses or restrictions hereunder, or substantially add to the costs of the City.
ARTICLE 4
DEFAULT AND REMEDIES

4.1 Default.

A Party's violation of any material term of this Agreement or failure by any Party to perform any material obligation of this Agreement shall constitute a default ("Default"), if the violation continues for a period of thirty (30) days after written notice thereof has been provided to the defaulting Party without the defaulting Party curing such breach, or if such breach cannot reasonably be cured within such thirty (30) day period, commencing the cure of such breach within such thirty (30) day period and thereafter diligently proceeding to cure such breach within ninety (90) days, unless a longer period is granted by the City. A Default under this Agreement shall be a Default under the Development Agreement.

4.2 Remedies for Default; Notice and Procedure.

The remedies for Default under this Agreement shall be limited to those contained in Section 13 of the Development Agreement.

4.3 No Waiver.

Any failures or delays by a Party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies. Delays by a Party in asserting any of its rights and remedies, irrespective of the length of the delay, shall not deprive the Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies, nor constitute a waiver of such Party's right to demand strict compliance by such other Party in the future. No waiver by a Party of a Default shall be effective or binding upon such Party unless made in writing by such Party, and no such waiver shall be implied from any omission by a Party to take any action with respect to such Default.

ARTICLE 5
ESTOPPEL CERTIFICATE

Either Party may, at any time, and from time to time, deliver written notice to the other Party requesting such Party to certify in writing that, to the knowledge of the certifying Party: (a) this Agreement is in full force and effect and is a binding obligation of the Parties; (b) this Agreement has not been amended or modified or, if so amended or modified, identifying the amendments or modifications; and (c) the requesting Party is not in Default in the performance of its obligations under this Agreement, or if in Default, to describe the nature of any Defaults. The Party receiving a request under this Article 5 shall execute and return the certificate within thirty (30) days following receipt of the request. The City Manager shall be authorized to execute any certificate requested by Owner.
ARTICLE 6
AGREEMENT RUNNING WITH THE LAND

The City and Owner hereby declare their express intent that the covenants and restrictions set forth in this Agreement shall apply to and bind Owner and its heirs, executors, administrators, successors, transferees, and assignees having or acquiring any right, title or interest in or to any part of the Property and shall run with and burden the Property. Until all or portions of the Property are expressly released from the burdens of this Agreement, each and every contract, deed or other instrument hereafter executed covering or conveying the Property or any portion thereof shall be held conclusively to have been executed, delivered, and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed or other instrument. In the event of foreclosure or transfer by deed-in-lieu of all or any portion of the Property, title to all or any portion of the Property shall be taken subject to this Agreement. Owner acknowledges that compliance with this Agreement is a land use requirement and a requirement of the Development Agreement, and that no event of foreclosure or trustee's sale may remove these requirements from the Property. Whenever the term "Owner" is used in this Agreement, such term shall include any other permitted successors and assigns as herein provided.

ARTICLE 7
NOTICES

Any notice requirement set forth herein shall be deemed to be satisfied three (3) days after mailing of the notice first-class United States certified mail, postage prepaid, or by personal delivery, addressed to the appropriate Party as follows:

Owner: Stanford University
Vice President, Land, Buildings & Real Estate
3160 Porter Drive, Suite 200
Palo Alto, CA 94304
Attention: Robert C. Reidy

With a copy to:

Stanford University
Vice President and General Counsel
P.O. Box 20386
Stanford, CA 94305
Attention: Debra Zumwalt

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

With a copy to:

City of Menlo Park
ARTICLE 8
MISCELLANEOUS

8.1 Partial Invalidity.

If any provision of this Agreement shall be declared invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

8.2 Applicable Law/Venue.

This Agreement and other instruments given pursuant hereto shall be construed in accordance with and be governed by the laws of the State of California. Any references herein to particular statutes or regulations shall be deemed to refer to successor statutes or regulations, or amendments thereto. The venue for any action shall be the County of San Mateo.

8.3 Further Assurances.

Each Party covenants, on behalf of itself and its successors, heirs, and assigns, to take all actions and do all things, and to execute, with acknowledgment or affidavit if required, any and all documents and writings that may be necessary or proper to achieve the purposes and objectives of this Agreement.

8.4 Nondiscrimination.

Owner covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, ancestry, or national origin in the use of the Plaza in furtherance of this Agreement. The foregoing covenant shall run with the land.

8.5 Headings.

Section headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants, or conditions of this Agreement.

8.6 Agreement is Entire Understanding.

This Agreement is executed in one original, which constitutes the entire understanding and agreement of the Parties with respect to the subject matter hereof. Except as otherwise specified in this Agreement, any prior correspondence, memoranda, agreements, warranties, or representations are superseded in total by this Agreement.
8.7 **Interpretation.**

Each Party to this Agreement has had an opportunity to review the Agreement, confer with legal counsel regarding the meaning of the Agreement, and negotiate revisions to the Agreement. Accordingly, neither Party shall rely upon Civil Code Section 1654 in order to interpret any uncertainty in the meaning of the Agreement.

8.8 **Intended Beneficiaries.**

The City is the intended beneficiary of this Agreement, and shall have the sole and exclusive power to enforce this Agreement. It is intended that the City may enforce this Agreement to implement the provisions of the Development Agreement. No other person or persons, other than the City and Owner and their assigns and successors, shall have any right of action hereon.

8.9 **Recordation of Termination.**

Upon termination of this Agreement, a written statement acknowledging such termination shall be executed by Owner and City and shall be recorded by City in the Official Records of San Mateo County, California.

8.10 **Signature Pages: Execution in Counterparts.**

For convenience, the signatures of the Parties to this Agreement may be executed and acknowledged on separate pages in counterparts which, when attached to this Agreement, shall constitute this as one complete Agreement.

8.11 **Not a Public Dedication.**

Except as expressly provided herein, nothing contained in this Agreement shall be deemed to be a gift or dedication of the Plaza or any other portion of the Property to the general public or for any public purpose whatsoever, it being the intention of the Parties that the Agreement shall be limited to and for the purposes herein expressed.
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

OWNER:

THE BOARD OF TRUSTEES OF THE
LELAND STANFORD JUNIOR UNIVERSITY,
a body having corporate powers under the laws of the State of California

By:

__________________________
Robert C. Reidy, Vice President Land,
Buildings & Real Estate

Date:

CITY:

CITY OF MENLO PARK,
a California municipal corporation

By:

__________________________
Alex D. McIntyre, City Manager

Date:
EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Real property in the City of Menlo Park, County of San Mateo, State of California, described as follows:

TRACT ONE

PORTION OF THAT CERTAIN 14.80 ACRE TRACT OF LAND AS DESCRIBED IN THE DEED FROM CHARLES CROCKER, ET AL, TO LELAND STANFORD DATED OCTOBER 19, 1885 AND RECORDED IN BOOK 39 OF DEEDS, PAGE 354, RECORDS OF SAN MATEO COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHEASTERLY BOUNDARY LINE OF EL CAMINO REAL, AS ESTABLISHED BY THAT CERTAIN FINAL ORDER OF CONdemNATION ISSUED OUT OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF SAN MATEO ON JULY 07, 1930 IN ACTION NO. 17642, ENTITLED "THE PEOPLE OF THE STATE OF CALIFORNIA, ETC. VS. THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY", A COPY OF SAID ORDER BEING RECORDED IN BOOK 483 OF OFFICIAL RECORDS, PAGE 240 (FILE NO. 64056-B), RECORDS OF SAN MATEO COUNTY, CALIFORNIA, DISTANT THEREON SOUTH 25' 00" EAST 411.00 FEET FROM THE POINT OF INTERSECTION OF THE NORTHWESTERLY BOUNDARY LINE OF SAID 14.80 ACRE TRACT WITH THE NORTHEASTERLY BOUNDARY LINE OF EL CAMINO REAL, SAID POINT OF BEGINNING ALSO BEING THE MOST SOUTHERLY CORNER OF THE LANDS DESCRIBED IN THAT CERTAIN MEMORANDUM OF LEASE, BY AND BETWEEN THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY AND SIMPSON MOTORS, DATED APRIL 01, 1961 AND RECORDED APRIL 10, 1961 IN BOOK 3963 OF OFFICIAL RECORDS OF SAN MATEO COUNTY, CALIFORNIA, PAGE 678 (FILE NO. 47143-T); THENCE FROM SAID POINT OF BEGINNING ALONG SAID NORTHEASTERLY BOUNDARY LINE OF EL CAMINO REAL, AS ESTABLISHED BY SAID ORDER, SOUTH 50° 25' 00" EAST 400.00 FEET; THENCE LEAVING SAID LAST MENTIONED LINE NORTH 39° 35' 00" EAST 184.54 FEET TO THE SOUTHWESTERLY BOUNDARY LINE OF THAT CERTAIN 40 FOOT STRIP OF LAND CONTAINING 2.33 ACRES AS DESCRIBED IN THE DEED FROM THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY.
UNIVERSITY TO THE SOUTHERN PACIFIC RAILROAD COMPANY, DATED MARCH 26, 1902 AND
RECORDED IN BOOK 92 OF DEEDS, PAGE 374, RECORDS OF SAN MATEO COUNTY, CALIFORNIA;
THENCE ALONG SAID LAST MENTIONED LINE NORTH 51° 35' 10" WEST 400.08 FEET TO THE
MOST EASTERLY CORNER OF SAID CERTAIN PARCEL OF LAND LEASED BY THE BOARD OF
TRUSTEES OF THE LEALAND STANFORD JUNIOR UNIVERSITY TO SIMPSON MOTORS, ABOVE
REFERRED TO; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID LAST MENTIONED PARCEL
OF LAND SOUTH 39° 35' 00" WEST 176.37 FEET TO THE POINT OF BEGINNING.

TRACT TWO

PORTION OF THAT CERTAIN 14.80 ACRE TRACT OF LAND CONVEYED FROM CHARLES
CROCKER, ET AL, TO LEALAND STANFORD BY DEED DATED OCTOBER 19, 1885 AND
RECORDED IN BOOK 39 OF DEEDS, PAGE 354, RECORDS OF SAN MATEO COUNTY,
CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHEASTERLY BOUNDARY LINE OF
SAID 14.80 ACRE TRACT WITH THE NORTHEASTERLY BOUNDARY LINE OF EL CAMINO REAL
AS ESTABLISHED BY THAT CERTAIN FINAL ORDER OF CONDEMNATION ISSUED OUT OF THE
SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF SAN MATEO ON JULY
07, 1930 IN ACTION NO. 17642, ENTITLED "THE PEOPLE OF THE STATE OF
CALIFORNIA, ETC., VS. THE BOARD OF TRUSTEES OF THE LEALAND STANFORD JUNIOR
UNIVERSITY", A COPY OF SAID ORDER BEING RECORDED IN BOOK 483 OF OFFICIAL
RECORDS, PAGE 240 (FILE NO. 64056-B), RECORDS OF SAN MATEO COUNTY,
CALIFORNIA; THENCE FROM SAID POINT OF BEGINNING ALONG SAID NORTHEASTERLY
LINE OF EL CAMINO REAL, AS ESTABLISHED BY SAID ORDER, SOUTH 50° 25' 00" EAST
411 FEET; THENCE LEAVING SAID LAST MENTIONED LINE, NORTHERLY 39° 35' 00" EAST
176.37 FEET TO THE SOUTHWESTERLY BOUNDARY LINE OF THAT CERTAIN 40 FOOT
STRIP OF LAND CONTAINING 2.33 ACRES, CONVEYED FROM SAID UNIVERSITY TO THE
SOUTHERN PACIFIC RAILROAD COMPANY BY DEED DATED MARCH 26, 1902 AND
RECORDED IN BOOK 92 OF DEEDS, PAGE 374, RECORDS OF SAN MATEO COUNTY,

A-1
CALIFORNIA; THENCE ALONG SAID LAST MENTIONED LINE NORTH 51° 35' 10" WEST
414.51 FEET TO THE INTERSECTION THEREOF WITH THE ABOVE MENTIONED
NORTHWESTERLY BOUNDARY LINE OF THE 14.80 ACRE TRACT CONVEYED TO
STANFORD; THENCE ALONG SAID LAST MENTIONED LINE, SOUTH 38° 24' 50" WEST
167.95 FEET TO THE POINT OF BEGINNING.

TRACT THREE
PORTION OF THAT CERTAIN 14.80 ACRE TRACT OF LAND AS DESCRIBED IN THE DEED FROM
CHARLES CROOKER, ET AL, TO LELAND STANFORD, DATED OCTOBER 19, 1885 AND RECORDED
IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA,
IN BOOK 39 OF DEEDS, PAGE 354, SAID PORTION BEING MORE PARTICULARLY DESCRIBED AS
FOLLOWS:
BEGINNING AT A POINT ON THE NORTHEASTERLY BOUNDARY LINE OF EL CAMINO REAL, AS
ESTABLISHED BY THAT CERTAIN FINAL ORDER OF CONDEMNATION ISSUED OUT OF THE
SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF SAN MATEO
ON JULY 07, 1930 IN ACTION 17642, ENTITLED "THE PEOPLE OF THE STATE OF CALIFORNIA,
ETC., VS. THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY", A COPY
OF SAID ORDER BEING RECORDED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN
MATEO, STATE OF CALIFORNIA, IN BOOK 483 OF OFFICIAL RECORDS, PAGE 240, (FILE NO.
64056-B), DISTANT THEREON SOUTH 50° 25' 00" EAST 811.00 FEET FROM THE POINT OF
INTERSECTION OF THE NORTHWESTERLY BOUNDARY LINE OF SAID 14.80 ACRE TRACT WITH
THE NORTHEASTERLY BOUNDARY LINE OF EL CAMINO REAL, SAID POINT OF BEGINNING ALSO
BEING THE MOST SOUTHERLY CORNER OF THE LANDS DESCRIBED IN THAT CERTAIN
MEMORANDUM OF LEASE, BY AND BETWEEN THE BOARD OF TRUSTEES OF THE LELAND
STANFORD JUNIOR UNIVERSITY AND KENNETH R. LOWELL AND AUDREY T. LOWELL, DATED
OCTOBER 11, 1961, AND RECORDED OCTOBER 11, 1961, IN THE OFFICE OF THE RECORDER OF
THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, IN BOOK 4071 OF OFFICIAL RECORDS,
PAGE 580;

A-1
THENCE FROM SAID POINT OF BEGINNING ALONG SAID NORTHEASTERLY BOUNDARY LINE OF
EL CAMINO REAL, AS ESTABLISHED BY SAID ORDER, SOUTH 50° 25' 00" EAST 210.00 FEET;
THENCE LEAVING SAID LAST MENTIONED LINE NORTH 39° 35' 00" EAST 188.83 FEET TO THE
SOUTHWESTERLY BOUNDARY LINE OF THAT CERTAIN 40 FOOT STRIP OF LAND CONTAINING
2.33 ACRES, AS DESCRIBED IN THE DEED FROM THE BOARD TRUSTEES OF THE LELAND
STANFORD JUNIOR UNIVERSITY TO THE SOUTHERN PACIFIC RAILROAD COMPANY, DATED
MARCH 26, 1902 AND RECORDED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN
MATEO, STATE OF CALIFORNIA, IN BOOK 92 OF DEEDS, PAGE 374;
THENCE ALONG SAID LAST MENTIONED LINE NORTH 39° 35' 00"
EAST 188.83 FEET TO THE
SOUTHWESTERLY BOUNDARY LINE OF THAT CERTAIN 40 FOOT STRIP OF LAND CONTAINING
2.33 ACRES, AS DESCRIBED IN THE DEED FROM THE BOARD TRUSTEES OF THE LELAND
STANFORD JUNIOR UNIVERSITY TO THE SOUTHERN PACIFIC RAILROAD COMPANY, DATED
MARCH 26, 1902 AND RECORDED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN
MATEO, STATE OF CALIFORNIA, IN BOOK 92 OF DEEDS, PAGE 374;
THENCE ALONG SAID LAST MENTIONED LINE NORTH 51° 35' 10"
WEST 210.04 FEET TO THE
MOST EASTERNLY CORNER OF SAID CERTAIN PARCEL OF LAND LEASED BY THE BOARD OF
TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY TO KENNETH R. LOWELL AND
AUDREY T. LOWELL, ABOVE REFERRED TO;
THENCE ALONG THE SOUTHEASTERLY LINE OF SAID LAST MENTIONED PARCEL OF LAND SOUTH 39° 35'
WEST 184.54 FEET TO THE POINT OF BEGINNING AND BEING A PORTION
OF LOT 76 OF THE UNRECORDED MAP OF THE LANDS OF THE BOARD OF TRUSTEES OF THE
LELAND STANFORD JUNIOR UNIVERSITY.
EXCEPTING AND RESERVING THEREFROM AN EASEMENT 10 FEET IN WIDTH CONTIGUOUS
WITH AND LYING SOUTHWESTERLY FROM THE SOUTHWESTERLY LINE OF LANDS OF
SOUTHERN PACIFIC RAILROAD COMPANY. SAID EASEMENT IS EXCEPTED AND RESERVED
UNTO LESSOR, ITS SUCCESSORS AND ASSIGNS, AS APPURTENANT TO AND FOR THE BENEFIT
OF OTHER LANDS OF LESSOR, FOR THE PURPOSE OF CONSTRUCTING, INSTALLING,
OPERATING, MAINTAINING, USING, ALTERING, REPAIRING, INSPECTING, REPLACING AND
RELOCATING THEREIN AND/OR REMOVING THEREFROM STORM SEWER AND DRAINAGE
FACILITIES AND ALL APPURTENANCES NECESSARY AND CONVENIENT THERETO.

TRACT FOUR

PORTION OF THAT CERTAIN 14.80 ACRE TRACT OF LAND AS DESCRIBED IN THAT CERTAIN DEED FROM
CHARLES CROCKER, ET AL, TO LELAND STANFORD, DATED OCTOBER 19, 1885 AND RECORDED IN BOOK
39 OF DEEDS, PAGE 354 RECORDS OF SAN MATEO COUNTY, CALIFORNIA, MORE PARTICULARLY
DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT ON THE NORTHEASTERLY LINE OF EL CAMINO REAL, WHICH POINT IS
DISTANT 50 FEET MEASURED AT RIGHT ANGLES, NORTHEASTERLY FROM THE CENTER LINE
STATION 593+50.00, SAID POINT OF BEGINNING BEING MARKED BY AN IRON PIPE MONUMENT;
THENCE FROM SAID POINT OF BEGINNING, ALONG THE SAID NORTHEASTERLY LINE OF EL
CAMINO REAL, NORTH 50° 17' 53" WEST 87.63 FEET TO THE TRUE POINT OF BEGINNING AT THE
LANDS TO BE DESCRIBED HEREIN; THENCE FROM SAID TRUE POINT OF BEGINNING, ALONG THE
SAID NORTHEASTERLY LINE OF EL CAMINO REAL, NORTH 50° 17' 53" WEST 62.43 FEET AND
NORTH 50° 25' WEST 337.57 FEET; THENCE LEAVING SAID LINE OF EL CAMINO REAL, NORTH 39°
35' 00" EAST 188.83 FEET TO THE SOUTHWESTERLY BOUNDARY LINE OF THAT CERTAIN 40 FOOT
WIDE STRIP OF LAND CONTAINING 2.33 ACRES, AS DESCRIBED IN THAT CERTAIN DEED FROM
THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY TO THE SOUTHERN
PACIFIC RAILROAD COMPANY, DATED MARCH 26, 1902 AND RECORDED IN BOOK 92 OF DEEDS,
PAGE 374, RECORDS OF SAN MATEO COUNTY, CALIFORNIA; THENCE SOUTH 51° 35' 10" EAST
ALONG SAID LAST MENTIONED LINE, 400.08 FEET; THENCE SOUTH 39° 35' 00" WEST 197.12 FEET TO THE POINT OF BEGINNING.

TRACT FIVE
PARCEL B OF THAT CERTAIN PARCEL MAP FILED OCTOBER 06, 1983 IN BOOK 54 OF PARCEL
MAPS, PAGE 3, SAN MATEO COUNTY RECORDS.

TRACT SIX
BEGINNING AT A POINT WHERE THE SOUTHWEST LINE OF THE LANDS OF THE SOUTHERN
PACIFIC RAILROAD COMPANY INTERSECTS THE CENTERLINE OF SAN FRANCISQUITO CREEK,
SAID POINT BEING SITUATE FIFTY (50) FEET SOUTHWESTERLY AT RIGHT ANGLES FROM THE
LOCATED CENTERLINE OF SAID RAILROAD AT OR NEAR ENGINEER'S STATION 228+49.9 OF
SAID CENTERLINE; THENCE RUNNING NORTHWESTERLY ALONG SAID SOUTHWEST LINE
OF THE LANDS OF SAID RAILROAD COMPANY, PARALLEL WITH SAID CENTERLINE OF
RAILROAD, A DISTANCE OF TWENTY-FIVE HUNDRED AND FORTY-THREE (2543), MORE OR
LESS, TO AN INTERSECTION WITH THE SOUTHEASTERLY LINE OF THE LANDS OF SAID RAILROAD COMPANY, AT A POINT SITUATE FIFTY (50) FEET SOUTHWESTERLY AT RIGHT ANGLES FROM SAID CENTERLINE OF RAILROAD AT OR NEAR ENGINEER'S STATION 203+06.9 OF SAID CENTERLINE OF RAILROAD; THENCE RUNNING SOUTHWESTERLY ALONG SAID SOUTHEASTERLY LINE OF THE LANDS OF SAID RAILROAD COMPANY TO A POINT SITUATE NINETY (90) FEET SOUTHWESTERLY AT RIGHT ANGLES FROM SAID CENTERLINE OF RAILROAD; AND THENCE RUNNING NORTHEASTERLY ALONG THE CENTERLINE OF SAID CREEK TO THE POINT OF BEGINNING; BEING A STRIP OF LAND FORTY (40) FEET WIDE, LYING IMMEDIATELY ADJACENT ON THE SOUTHWEST TO THE LANDS OF THE SAID RAILROAD COMPANY, AND EXTENDING FROM THE CENTERLINE OF SAID CREEK TO SAID SOUTHEASTERLY LINE OF THE LANDS OF SAID RAILROAD COMPANY; BEING THE SAME LANDS AS CONVEYED BY JANEL. STANFORD, ET AL TO THE SOUTHERN PACIFIC RAILROAD COMPANY, BY DEED RECORDED APRIL 02, 1902 IN BOOK 92 OF DEEDS, PAGE 374, RECORDS OF SAN MATEO COUNTY. ALSO BEING A PORTION OF PARCEL "B" AS SHOWN ON THAT CERTAIN MAP ENTITLED, "PARCEL MAP, BEING ALL OF PARCEL ONE-REMAINDER AS SHOWN ON THAT CERTAIN PARCEL MAP RECORDED IN VOLUME 51 OF PARCEL MAPS, PAGES 5, 6 & 7 SAN MATEO COUNTY RECORDS", WHICH MAP WAS RECORDED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA ON JANUARY 07, 1982, IN BOOK 52 OF PARCEL MAPS, PAGE 31.

EXCEPTING THEREFROM ALL THAT PORTION OF SAID PROPERTY AS CONVEYED TO SOUTHERN PACIFIC LAND COMPANY BY INSTRUMENT RECORDED MARCH 23, 1981 UNDER RECORDER'S DOCUMENT NO. 265227-AS, OFFICIAL RECORDS.

AND FURTHER EXCEPTING ALL THAT PORTION OF SAID PROPERTY AS CONVEYED TO THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY BY INSTRUMENT RECORDED JANUARY 18, 1982, UNDER RECORDER'S DOCUMENT NO. 82004513, OFFICIAL
EXCEPTING THEREFROM ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, OIL AND GAS AND RIGHTS THERETO, TOGETHER WITH THE SOLE, EXCLUSIVE AND PERPETUAL RIGHT TO EXPLORE FOR, REMOVE AND DISPOSE OF SAID MINERALS BY ANY MEANS OR METHODS SUITABLE BUT WITHOUT ENTERING UPON OR USING THE SURFACE OF THE PROPERTY, AND IN SUCH MANNER AS NOT TO DAMAGE THE SURFACE OF SAID LANDS OR TO INTERFERE WITH THE USE THEREOF AS RESERVED BY UNION PACIFIC RAILROAD COMPANY IN GRANT DEED RECORDED JULY 01, 1999, DOCUMENT NO. 99112045.

APN: APN(S): 071-440-030 (AFFECTS TRACT ONE); 071-440-040-5 (AFFECTS TRACT TWO); 071-440-050-4 (AFFECTS TRACT THREE); 071-440-060-3 (AFFECTS TRACT FOUR); 071-440-120-5 (AFFECTS TRACT FIVE) AND 071-440-130-4 (AFFECTS TRACT SIX)

JPN(S): 071-044-440-03A (AFFECTS TRACT ONE); 071-044-440-04A (AFFECTS TRACT TWO); 071-044-440-05A (AFFECTS TRACT THREE); 071-044-440-06A (AFFECTS TRACT FOUR); 071-044-440-07.01A (AFFECTS TRACT FIVE) AND 071-044-440-08 (AFFECTS TRACT SIX)

NOTE:
THE PARCELS DESCRIBED HEREIN ABOVE ARE PART OF A LOT MERGER THAT HAS BEEN CONDITIONALLY APPROVED AS OF OCTOBER 12, 2017, PER LETTER FROM ASSISTANT PUBLIC WORKS DIRECTOR NICOLE H. NAGAYA, PE.
<table>
<thead>
<tr>
<th>Item #</th>
<th>Item</th>
<th>Payment Type/Triggering Event</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Funding for Crossing. Owner shall be obligated to pay the City fifty percent (50%) of the cost to construct the Crossing, up to a maximum of Five Million Dollars ($5,000,000) (&quot;Crossing Payment&quot;).</td>
<td>Payment shall be made within sixty (60) days of written demand by City supported by evidence of the cost of Crossing construction reasonably acceptable to Owner, once City has confirmation that: (i) it has obtained or has been awarded complete and full funding to construct all components of the Crossing; (ii) the City has completed and the City Council has approved the final design for the Crossing; (iii) the City has completed all steps necessary to achieve compliance with the California Environmental Quality Act to construct and operate the Crossing; and (iv) the City has obtained all necessary approvals, permits and property rights from other public agencies and private landowners to construct and operate the Crossing.</td>
<td>The City of Menlo Park has not made the written request.</td>
</tr>
<tr>
<td>6</td>
<td>Education Foundation Payments. To support the Menlo Park City School District, Owner agrees to pay the Menlo Park Atherton Education Foundation an initial lump sum payment of One Million Five Hundred thousand dollars ($1,500,000) to be placed in an endowment fund for support of the District.</td>
<td>The payment is potentially two payments. The initial lump sum payment shall be due and payable one (1) year after issuance of the last building permit for the residential and office buildings to be constructed as part of the Project. In addition, Owner agrees to pay the Menlo Park Atherton Education Foundation a second lump sum payment for the same endowment fund of up to One Million dollars ($1,000,000) of any savings by Owner in its contribution to the cost of the Crossing to be determined as follows: (a) the second lump sum payment shall be due and payable to the Education Foundation within sixty (60) days of completion of construction of the Crossing; (b) the amount of the second lump sum payment shall be equal to the difference between the maximum amount of the Crossing Payment described in Section 5 of this Agreement (Five Million dollars [$5,000,000] as adjusted annually by the Engineering News Record Construction Cost Index) and any lesser amount demanded by the City for Owner's contribution to the Crossing pursuant to Section 5 of this Agreement, so long as the resulting second lump sum payment does not exceed One Million dollars ($1,000,000).</td>
<td>The payment was issued and deposited on 9/28/21, see sheet #2 for a copy of the check. The conditions of Section 5 (above) have not yet been met.</td>
</tr>
<tr>
<td>7</td>
<td>Affordable Housing. Concurrently with the recordation of this Agreement, Owner and City shall execute and record an Affordable Housing Agreement (&quot;Affordable Housing Agreement&quot;) for the provision of a total of ten (10) units in the Project to be occupied exclusively by, and rented to, Low Income Households (&quot;Low Income Units&quot;). (If the 2131 Sand Hill Road project is not approved, Owner would provide eight (8) one-bedroom BMR units at the low-income level.)</td>
<td>Concurrently with the recordation of the Development Agreement.</td>
<td>The Affordable Housing Agreement was recorded with the Clerk Recorder of the County of San Mateo on November 17, 2017. (Document # 2017-1026430. NOTE: As of the January 15, 2020, the 2131 Sand Hill Road project is not approved. Therefore, the Owner is only required to provide eight (8) one-bedroom BMR units at the low-income level.</td>
</tr>
<tr>
<td>8</td>
<td>Privately Owned and Operated Publicly Accessible Open Space: The Project includes a privately owned and operated publicly accessible plaza at Middle Avenue. The Public Use Agreement may be amended from time to time by mutual agreement of the City and the Owner, and any amendment to the Public Use Agreement shall automatically be deemed to be incorporated into this Agreement without any further requirement to amend this Agreement.</td>
<td>Prior to issuance of a City permit allowing occupancy of office, retail, or residential space in the Project, the Parties shall enter into and record a public use agreement in substantially the same form as the agreement attached to this Agreement as Exhibit D (the &quot;Public Use Agreement&quot;).</td>
<td>The project has not reached a point where occupancy has been requested.</td>
</tr>
</tbody>
</table>

ATTACHMENT B
Staff Report

Planning Commission
Meeting Date: 6/13/2022
Staff Report Number: 22-032-PC

Regular Business: Consideration of General Plan consistency for the 2022-23 projects of the five-year capital improvement plan

Recommendation
Staff recommends that the Planning Commission adopt a resolution (Attachment A) determining that the five-year capital improvement plan’s projects for fiscal year (FY) 2022-23 are consistent with the General Plan.

Policy Issues
State law (Government Code Section 65401) requires the City planning agency (Planning Commission) to review the City’s capital improvement plan (CIP) and determine whether the projects are consistent with the City’s General Plan.

Background
The five-year CIP provides a link between the City’s General Plan and various master planning documents and budgets, providing a means for planning, scheduling, and implementing capital and comprehensive planning projects. The plan includes long-range projects as well as near-term projects that will be budgeted in the upcoming fiscal year.

Although the five-year CIP includes projects in upcoming fiscal years, the Planning Commission is being asked to determine General Plan consistency for only the FY 2022-23 projects at this time. The Planning Commission will have opportunities to review the CIP and determine consistency each year. Projects planned for future years are shown in Exhibit A to Attachment A with a status of “future year”.

On April 19, 2022, the City Council reviewed the five-year CIP and preliminary list of projects planned for FY 2022-23. The draft five-year CIP is included in the City Manager’s proposed 2022-23 budget, which was published online for consideration on June 7, 2022 (Attachment B). A budget workshop also was held on June 7, 2022. The City Council will conduct a public hearing of the proposed budget and CIP on June 14, 2022, before adoption scheduled on June 28, 2022.

Analysis
Staff has identified the General Plan goal(s) that most directly pertains to each project. The following goals were identified as those most relevant to the proposed projects:
• Circulation Element CIRC-1 Provide and maintain a safe, efficient, attractive, user-friendly circulation system that promotes a healthy, safe, and active community and quality of life throughout Menlo Park
• Land Use Element LU-5 Downtown/El Camino Real Strengthen the Downtown and El Camino Real corridor as a vital, competitive shopping area and center for community gathering, while encouraging preservation and enhancement of Downtown’s atmosphere and character as well as creativity in development along El Camino Real.
• Land Use Element LU-6 Open Space Preserve open-space lands for recreation; protect natural resources and air and water quality; and protect and enhance scenic qualities.
• Land Use Element LU-7 Sustainable Services. Promote the implementation and maintenance of sustainable development, facilities, and services to meet the needs of Menlo Park’s residents, businesses, workers, and visitors.
• Open Space Element OSC2 Provide Parks and Recreation Facilities
• Open Space Element OSC3 Protect and enhance historic resources
• Open Space Element OSC4 Promote sustainability and climate action planning
• Safety Element S1 Assure a safe community

Overall, staff finds that the proposed projects do not directly or indirectly conflict with the General Plan goals and policies.

The project descriptions for projects receiving funding this upcoming fiscal year and General Plan reference for each can be found as Exhibit A, attached to the proposed resolution (Attachment A).

Impact on City Resources
CIP projects require an allocation of staff time and funds to support community engagement, design and construction, which will occur as a part of the annual budget adoption process. The City Manager’s proposed budget including the five-year CIP is included in Attachments B.

Environmental Review
The potential environmental impacts associated with the FY 2022-23 projects in the five-year CIP will be considered for each individual project as part of its implementation.

Public Notice
Public Notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments
A. Draft Resolution of the Planning Commission Determining that the Five-Year Capital Improvement Plan’s Fiscal Year 2022-23 Projects are Consistent with the General Plan
   • Exhibit A: City of Menlo Park Five-Year CIP - Projects for Consideration in Fiscal Year 2022-23
B. Hyperlink – City Manager’s proposed budget for fiscal year 2022-23 cover page: https://stories.opengov.com/menlopark/published/zHpmGGiSG
Exhibits to Be Provided at Meeting
None

Report prepared by:
Nikki Nagaya, Public Works Director

Reviewed by:
Corinna Sandmeier, Acting Principal Planner
DRAFT RESOLUTION NO. 2022-XX

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MENLO PARK DETERMINING THAT THE FIVE-YEAR CAPITAL IMPROVEMENT PLAN’S FISCAL YEAR 2022-23 PROJECTS ARE CONSISTENT WITH THE GENERAL PLAN

WHEREAS, California Government Code Section 65401 requires that City’s Planning Commission make a determination that the annual CIP is in conformance with the City’s General Plan; and

WHEREAS, the Planning Commission of the City of Menlo Park has reviewed the Fiscal Year 2022-23 projects of the five-year Capital Improvement Plan (CIP); and

WHEREAS, the Planning Commission has held a public meeting on this subject on June 13, 2022, having provided public notification by publishing the agenda in accordance with the Brown Act and related procedures; and

WHEREAS, the Planning Commission of the City of Menlo Park has determined that all of the current CIP projects correlate with adopted goals of the City’s General Plan, as shown in the attached Exhibit A.

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Menlo Park hereby determines that the Five-Year Capital Improvement Plan’s Fiscal Year 2022-23 projects are consistent with the General Plan.

NOW, THEREFORE BE IF FURTHER RESOLVED that the Fiscal Year 2022-23 capital improvement projects contained in the capital improvement program (CIP) are consistent with the adopted General Plan by furthering the goals and policies of the Circulation Element including goal CIRC-1 Provide and maintain a safe, efficient, attractive, user-friendly circulation system that promotes a healthy, safe, and active community and quality of life throughout Menlo Park; Land Use Element including goal LU-5 Downtown/El Camino Real, LU-6 Open Space, and LU-7 Sustainable Services; Open Space Element including OSC2 Provide Parks and Recreation Facilities, OCS3 Protect and enhance historic resources, and OSC4 Promote sustainability and climate action planning; and Safety Element including S1 Assure a safe community.

NOW THEREFORE BE IT FURTHER RESOLVED The Planning Commission determines that the General Plan Conformity Finding is not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378 since it is not a project as defined under CEQA.

I, Corinna Sandmeier, do hereby certify that the above and foregoing Resolution was duly and regularly passed and adopted by a majority of the total voting members of the Planning Commission of the City of Menlo Park at a meeting held by said Commission on the 13th day of June, 2022, by the following vote:

AYES: Commissioners:
NOES: Commissioners:
ABSTAIN: Commissioners:
ABSENT: Commissioners:
I further certify that the foregoing copy is a true and correct copy of the original of said resolution on file in the office of the Community Development Department, City Hall, Menlo Park, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City this 13th day of June, 2022.

___________________________
Corinna Sandmeier
Acting Principal Planner and Planning Commission Liaison
City of Menlo Park

Exhibit
A. City of Menlo Park Five-Year CIP - Projects for Consideration in Fiscal Year 2022-23
## Five Year Capital Improvement Plan Update (2022-27)

<table>
<thead>
<tr>
<th>Name</th>
<th>Status</th>
<th>Priority</th>
<th>Description</th>
<th>District</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPB001 MPCC</td>
<td>Construction</td>
<td>Tier 1</td>
<td>In December 2019, the City Council received a proposal from Facebook (now Meta) proposing to explore funding and development of a new multi-generational community center and library located in Menlo Park’s Belle Haven neighborhood, replacing the existing community center, senior center, youth center, pool house, and library facilities. Identified as a City Council priority on January 28, 2020, this project delivers the City's funding contribution to the project. The project is under construction, with expected completion in spring 2023.</td>
<td>1</td>
</tr>
<tr>
<td>CPB002 City Buildings (Minor)</td>
<td>Ongoing</td>
<td>Tier 2</td>
<td>This ongoing project consists of the implementation of improvements that extend the useful life of systems, equipment, and accessibility in all City buildings. This project does not provide for the replacement or significant renovation of City facilities. In 2022-23, funds are anticipated to be needed for roof and building repairs and painting at several city buildings at Burgess Park, including the Main Library, and to complete the ADA Transition Plan.</td>
<td>All</td>
</tr>
<tr>
<td>CPB003 Fire Plan and Equipment Replacement for City Buildings</td>
<td>Bid/Award</td>
<td>Tier 1</td>
<td>The project consists of the replacement of fire panels, alarms, strobe lights and associated equipment in the Council Study/Plan Tier 2</td>
<td>All</td>
</tr>
<tr>
<td>CPB004 Gate House Fence Replacement</td>
<td>Construction</td>
<td>Tier 3</td>
<td>This project modifies the heating, ventilation and air conditioning (HVAC) systems in the Arrillaga Family Recreation Center and City Hall to address system deficiencies. At the Recreation Center, the project will evaluate and implement options for addressing temperature fluctuations and equipment failure. In City Hall, the project focuses on improving the design of the HVAC system that serves the police dispatch area and server equipment on the lower floor of City Hall.</td>
<td>All</td>
</tr>
<tr>
<td>CPB005 City Buildings HVAC Modifications</td>
<td>Bid/Award</td>
<td>Tier 3</td>
<td>This project is designed to address multiple concerns with the lobby of the Burgess Pool building, such as accessibility, the inadequate space of the transaction area and the high noise levels. The project would involve the re-location of the entrance to the lobby, redesign of the counter space, additional seating and the installation of acoustical treatments.</td>
<td>All</td>
</tr>
<tr>
<td>CPB023 Burgess Pool Lobby Renovations</td>
<td>New</td>
<td>TBD</td>
<td>This project includes installing microgrid (solar) canopies and 27 EV Charging stations at the MPCC Main Campus and Kelly Field Lot. The project is designed to build and the City is working with Optony (EV consultant), Engele (contractor), and Meta.</td>
<td>All</td>
</tr>
<tr>
<td>CPC001 Information Technology Master Plan and Implementation</td>
<td>Ongoing</td>
<td>Tier 1</td>
<td>This project includes updated technology for various critical and enhanced services including the financial system, web services, graphical information services and other systems within the City. The first phase included an assessment of the existing technology tools in use within the organization, evaluated the need for replacement, and developed recommendations on the best replacements in priority order. Phase 1 was completed in 2017 with adoption of the Master Plan. Working with a consultant and a representative City committee to enable a knowledgeable evaluation and avoid disruption caused by failures to the aging systems, the second phase includes implementation of the approved master plan. Additional funding is typically programmed annually for implementation.</td>
<td>All</td>
</tr>
<tr>
<td>CPC005 Police Radio Replacement</td>
<td>New</td>
<td>TBD</td>
<td>Police radios carried by individual officers and installed in police vehicles have been in service for over 20 years. Repair and replacement of the current model is very challenging. The most prudent remedy is to prepare for movement to the digital band and accommodate interagency communication needs with digital-enabled radios. Upgrading to digital-enabled radios requires upgrades to the dispatch infrastructure. This work is proposed to be phased over two fiscal years. Staff will also be exploring grant opportunities to potentially reduce the cost.</td>
<td>All</td>
</tr>
<tr>
<td>STB001 Corporation Yard Needs Assessment</td>
<td>Not Started</td>
<td>Tier 2</td>
<td>The project will evaluate the functions and services provided at the Corporation Yard, which was built in the 1970s, and recommend the implementation of best management practices to improve office workflow, use of space, parking, material storage and the fuel facility.</td>
<td>3</td>
</tr>
<tr>
<td>STB002 Facilities Inventory and Maintenance Plan</td>
<td>Study/Plan</td>
<td>Tier 2</td>
<td>This project will survey City owned facilities, assess their maintenance needs and develop a program focused on the implementation of proactive and preventive maintenance practices intended to preserve and retain the value of the facilities. The project will ensure that buildings are properly maintained to avoid premature failures that are not cost effective in the long-term. The project will also provide an inventory of existing fossil fuel based assets and appliances to fold into future climate action plan work.</td>
<td>All</td>
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</table>
### Environment

<table>
<thead>
<tr>
<th>Name</th>
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</tr>
</thead>
<tbody>
<tr>
<td>CPE001 Climate Action Plan Communitywide Implementation</td>
<td>Ongoing</td>
<td>Tier 1</td>
<td>The City Council adopted a 2030 Climate Action Plan in 2020. It includes a goal to reach community-wide carbon neutrality by 2030. The purpose of this project is to provide an annual funding source to continue implementation of the CAP programs and strategies. This year, funding will be utilized to start work on exploring policy options to (1) convert 95% of existing buildings to electric by 2030 and (2) expand electric vehicle charging stations at existing multi-family properties.</td>
<td>All</td>
</tr>
<tr>
<td>CPE002 Electric Vehicle Chargers at City Facilities</td>
<td>Design</td>
<td>Tier 2</td>
<td>This project installs the necessary infrastructure to support alternative fuel vehicles for the City fleet.</td>
<td>3</td>
</tr>
<tr>
<td>STE001 Sea Level Rise Resiliency Plan</td>
<td>Study/Plan</td>
<td>Tier 3</td>
<td>The Sea Level Rise Resiliency project would fund approximately 3 years (2020 - 2022) of membership dues in OneShoreline, the countywide flood protection and sea level rise resiliency agency, formed as a collaborative effort of San Mateo County and 20 cities in the County. The San Mateo County Sea Level Rise Vulnerability Assessment, completed in March 2018, formed the basis for this agency after finding that sea level rise in 2100 could impact $34 billion in property on the San Francisco Bay shoreline and coastside, north of Half Moon Bay in San Mateo County.</td>
<td>1</td>
</tr>
<tr>
<td>CPE006 Electrify Burgess Pool Heating Equipment</td>
<td>New</td>
<td>TBD</td>
<td>Burgess Pool is the largest natural gas (fossil fuel) consuming facility for city operations due to the natural gas-powered swimming pool water heater, accounting for 58% of municipal greenhouse gas emissions. By replacing the existing gas boiler with an electric heat pump in the next two years, the City will make substantial progress toward CAP No.5 (eliminating fossil fuels from municipal operations) by reducing natural gas consumption in priority facilities by roughly 60%. Action in the near term may also allow the City the opportunity to access financial assistance through the Heat Pump Water Heater Incentive Program offered under the California Public Utilities Commission (CPUC).</td>
<td>3</td>
</tr>
<tr>
<td>STE006 Civic Campus Electrical Service Upgrade Study for electric vehicle charging and building electrification</td>
<td>New</td>
<td>TBD</td>
<td>In order for municipal operations to be carbon neutral by 2030, an electrical service upgrade is necessary to provide adequate electric vehicle charging levels for the police department, employees, and the public at the civic center campus (701 Laurel Street). In addition, electrification of the Burgess pool and other aspects of the city’s buildings will also increase electrical loads. The city will be unable to make future electric vehicle purchases or electrification upgrades without a service upgrade. Service upgrades take about three years to complete, and if addressed in the near term there are financial opportunities to reduce costs to the city through Peninsula Clean Energy and PG&amp;E to cost share for the upgrade.</td>
<td>3</td>
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### Parks and Recreation

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<tr>
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</thead>
<tbody>
<tr>
<td>CPP001 Aquatic Center Maintenance (Annual)</td>
<td>Ongoing</td>
<td>Tier 2</td>
<td>This ongoing project consists of the implementation of minor improvements under $100,000 intended to extend the useful life of systems, infrastructure and equipment at the Burgess and Belle Haven pools. This program does not provide for the replacement or significant renovation of the City’s pools.</td>
<td>1, 3</td>
</tr>
<tr>
<td>CPP002 Bedwell Bayfront Park Collection and Leachate System Repair</td>
<td>Design</td>
<td>Tier 1</td>
<td>This project improves existing gas collection and leachate systems serving the former landfill at Bedwell Bayfront Park and includes several phases. Replacing gas extraction wells and installing a new leachate pumping system to comply with best management practices are included to increase methane capture and reduce greenhouse gas emissions. This project is expected to be constructed in 2022-23.</td>
<td>1</td>
</tr>
<tr>
<td>CPP003 Bedwell Bayfront Park Entrance Improvements</td>
<td>Design</td>
<td>Tier 2</td>
<td>This project consists of the implementation of capital improvements recommended in the 2017 Bedwell Bayfront Park Master Plan. The improvements are necessary to improve services to the high number of park users and to address aging infrastructure and incorporate sea level rise protection.</td>
<td>1</td>
</tr>
</tbody>
</table>
This project involves the design and construction of improvements to the Civic Center Campus such as additional outdoor seating, parking lot modifications, Ravenswood bike lane extension and sidewalk modification, gatehouse landscaping, minor landscaping and irrigation in the Library parking lot.

This ongoing project consists of the implementation of minor improvements under $100,000 intended to extend the useful life of systems, infrastructure and equipment in the City’s parks. This program does not provide for the replacement or significant renovation of the City’s park facilities. In FY2022-23, a portion of the funds requested are planned to be used to upgrade the City’s central irrigation controller, which is at the end of its useful life. This upgrade will also contribute to water conservation ongoing drought conditions.

This project replaces damaged pathways at Sharon (completed 2021), Nealon (under construction 2022), and Stanford Hills Parks for safety and accessibility requirements. Future year repairs will be prioritized following completion of these first three high-priority repairs.

This project involves the design and construction of a new Chrysler Stormwater Pump Station. The existing facility between the City, Redwood City, San Mateo County and the Town of Atherton.

This project addresses playground improvements prioritized in a 2015 comprehensive Playground Safety Inspection Report, beginning with Nealon Park (completed in 2019-20), Burgess Park and Willow Oaks Park. In addition to meeting updated California Safety Standards, the new playgrounds may incorporate theme-based educational and interactive components as the budget allows. In 2022-23, the funds would allow for the design and construction of Burgess Park playgrounds. Willow Oaks Park playground work would be coordinated with other planned improvements to Willow Oaks Park and funded from CPP011.

This project considers future implementation of high priority parks and recreation improvements identified in the 2019 Parks and Recreation Master Plan.

This project includes turf replacement, drain cleaning and field leveling of the sport fields managed by the City. In summer 2023, the field at Hillview School will be renovated according to the cost sharing agreement between the City and Menlo Park City School District. Kelly Park turf is budgeted as an additional, separate project. In future years, this project also allows for the accumulation of funds in order to replace fields more often under the City’s herbicide free parks program.

The project involves the design of an underground structure to route stormflows from the Bayfront Canal and Atherton Channel to the Ravenswood Complex Ponds S5 & R5, which are part of the South Bay Salt Pond Restoration Project. The ponds would be used for stormwater detention and would mitigate flooding in the cities of Menlo Park and Redwood City and San Mateo County. The project is being developed through a collaborative effort between the City, Redwood City, San Mateo County and the Town of Atherton.

This project replaces the turf field and track at Kelly Park, which is at the end of its useful life. Work is planned to coincide with Menlo Park Community Campus construction and facility opening in 2023-24.

2022-23, the City has been awarded a grant from the Federal Emergency Management Agency (FEMA) which would reimburse the City for $5M towards the general capital fund.

This project involves the design and construction of improvements to Willow Oaks Park and funded from CPP011.

The project involves the design and construction of improvements to the Civic Center Campus such as additional outdoor seating, parking lot modifications, Ravenswood bike lane extension and sidewalk modification, gatehouse landscaping, minor landscaping and irrigation in the Library parking lot.

This project replaces damaged pathways at Sharon (completed 2021), Nealon (under construction 2022), and Stanford Hills Parks for safety and accessibility requirements. Future year repairs will be prioritized following completion of these first three high-priority repairs.

This project addresses playground improvements prioritized in a 2015 comprehensive Playground Safety Inspection Report, beginning with Nealon Park (completed in 2019-20), Burgess Park and Willow Oaks Park. In addition to meeting updated California Safety Standards, the new playgrounds may incorporate theme-based educational and interactive components as the budget allows. In 2022-23, the funds would allow for the design and construction of Burgess Park playgrounds. Willow Oaks Park playground work would be coordinated with other planned improvements to Willow Oaks Park and funded from CPP011.

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This project involves the design and construction of a new Chrysler Stormwater Pump Station. The existing facility between the City, Redwood City, San Mateo County and the Town of Atherton.

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This project replaces the turf field and track at Kelly Park, which is at the end of its useful life. Work is planned to coincide with Menlo Park Community Campus construction and facility opening in 2023-24.
This project provides needed improvements at Parking Plaza 7 including asphalt pavement rehabilitation, storm drainage, lighting and landscaping.

The Stormwater Master Plan evaluates the condition of the City’s Stormwater system and identifies the capital improvements necessary to address surface water collection, operations, maintenance, treatment and storage requirements. The plan includes a hydraulic evaluation of the City’s storm drain network, infrastructure assessment, identifies water quality requirements, recommends planning level costs for the improvements and integrates the City’s Green Infrastructure policies. The planning period for the master plan will be 25 years.

### Streets and Sidewalks

<table>
<thead>
<tr>
<th>Name</th>
<th>Status</th>
<th>Priority</th>
<th>Description</th>
<th>District</th>
</tr>
</thead>
<tbody>
<tr>
<td>STR003 Storm System Funding Study</td>
<td>New</td>
<td>TBD</td>
<td>The Storm System Funding Study will make recommendations to pay for capital improvements identified in the Stormwater Master Plan to address surface water collection, operations, maintenance, treatment and storage requirements. It will evaluate future revenues and expenditures and identify an approach to fund improvements. It will also consider new regulations introduced in the updated regional stormwater permit order, which expand stormwater regulatory requirements and will have additional costs on city operations.</td>
<td>All</td>
</tr>
<tr>
<td>STR001 Chilco Street and Sidewalk Installation</td>
<td>Construction</td>
<td>Tier 1</td>
<td>This project involved the construction of landscaping, lighting, sidewalks, and bicycle facility improvements on Chilco Street from Bayfront Expressway to Hamilton Avenue. The project provided a critical connection between the Belle Haven neighborhood and recreational and open space opportunities along the San Francisco Bay and the Don Edwards Wildlife Refuge, the new TIDE Academy High School on Jefferson Drive, and other destinations in the Bayfront area. The budget proposed for fiscal year 2021-22 for median island construction will remain in the project fund until reappropriated, since the medians were not constructed.</td>
<td>1</td>
</tr>
<tr>
<td>CPS002 Downtown Parking Structure Study</td>
<td>Future Year</td>
<td>N/A</td>
<td>This project builds on preliminary parking structure concepts prepared as part of the El Camino Real/Downtown Specific Plan, which focused on Parking Plazas 1, 2 and/or 3. The purpose of this project, would be to determine potential uses, siting, funding strategies and design of the structure.</td>
<td>3, 4</td>
</tr>
<tr>
<td>CPS003 Utility Undergrounding</td>
<td>On Hold</td>
<td>Tier 3</td>
<td>An undergrounding district provides framework to place overhead electrical and communication lines underground, which is consistent with the policy direction provided in the El Camino Real/Downtown Specific Plan and would be necessary for a potential future parking structure downtown. Three utility undergrounding districts were adopted by the City in February 2020: downtown, Middlefield Avenue and Alma Street near Burgess Drive. This project would provide additional funds for the prioritization of these districts and to allow design work to progress. The construction phase of this project would be funded by Rule 20A funds.</td>
<td>All</td>
</tr>
<tr>
<td>CPS004 Downtown Streetscape Improvement</td>
<td>Ongoing</td>
<td>Tier 3</td>
<td>This project plans and implements street furniture, landscaping, and streetscape improvements in the downtown area per the El Camino Real/Downtown Specific Plan. Since 2020-21, these funds are supporting the temporary street cafes and closure of parts of Santa Cruz Avenue between El Camino Real and University Drive to vehicle traffic to provide more space for physical distancing in light of the pandemic.</td>
<td>3</td>
</tr>
<tr>
<td>CPS006 Plaza 7 Renovations</td>
<td>Not Started</td>
<td>Tier 3</td>
<td>This project provides needed improvements at Parking Plaza 7 including asphalt pavement rehabilitation, storm drainage, lighting and landscaping.</td>
<td>4</td>
</tr>
<tr>
<td>CPS007 Plaza 8 Renovations</td>
<td>Not Started</td>
<td>Tier 3</td>
<td>This project provides needed improvements at Parking Plaza 8 including asphalt pavement rehabilitation, storm drainage, lighting and landscaping.</td>
<td>4</td>
</tr>
<tr>
<td>Name</td>
<td>Status</td>
<td>Priority</td>
<td>Description</td>
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<tr>
<td>CPS008 Pierce Road Sidewalk and San Mateo Drive Bike Route Installation</td>
<td>Construction</td>
<td>Tier 2</td>
<td>This project will construct a number of bicycle and pedestrian enhancements in the City, including sidewalk gap construction on Pierce Road between Ringwood Avenue and Canton Avenue and Del Norte Avenue to Alpine Avenue; bicycle route improvements on San Mateo Drive including crossing enhancements at Middle Avenue, crossing enhancements at Middle Avenue/Blake Street; and sidewalk construction at Coleman Avenue and Santa Monica Avenue. This project is partially funded by a grant from the San Mateo County Transportation Authority Measure A Pedestrian and Bicycle program.</td>
<td></td>
</tr>
<tr>
<td>CPS009 Ravenswood Avenue (El Camino Real to Laurel Street) Street Resurfacing</td>
<td>Design</td>
<td>Tier 2</td>
<td>This project proposes to resurface Ravenswood Avenue (El Camino Real to Laurel Street). This project enhances the City’s roadway network and improves safety including an evaluation of concepts to close the bicycle lane gap between the railroad tracks and Noel Drive. The project includes a bid alternate for rubberized asphalt concrete in the condition of the development project’s approval.</td>
<td></td>
</tr>
<tr>
<td>CPS010 Sharon Road Sidewalk Installation</td>
<td>Construction</td>
<td>Tier 2</td>
<td>This project would install sidewalks on the north side of Sharon Road between Alameda de las Pulgas and Alviso Avenue. The project required parking to be removed from the north side of the street. New sidewalks would provide an improved pedestrian connection between Alameda de las Pulgas and La Entrada Middle School, located just west of the project area.</td>
<td></td>
</tr>
<tr>
<td>CPS011 Sidewalk Repair Program</td>
<td>Ongoing</td>
<td>Tier 2</td>
<td>This ongoing project consists of the removal of hazardous sidewalk offsets and the replacement of sidewalk sections that have been damaged by City tree roots in order to eliminate trip hazards. This project utilizes funds from the Landscaping Assessment District to partially fund the work completed each year.</td>
<td></td>
</tr>
<tr>
<td>CPS013 Streetlight Conversion</td>
<td>Construction</td>
<td>Tier 3</td>
<td>Three neighborhoods in Menlo Park have streetlights on series circuits, which are unreliable, prone to damage and cause frequent, widespread outages. This project would replace these series circuits with updated electrical equipment to improve reliability of streetlights. Work would be phased in the three primary neighborhoods affected over the life of this project. The first phase, in Suburban Park and Flood Triangle, is under construction.</td>
<td></td>
</tr>
<tr>
<td>CPS014 Street Resurfacing Project</td>
<td>Ongoing</td>
<td>Tier 1</td>
<td>This ongoing project includes the selection and detailed design of streets to be resurfaced throughout the City during the fiscal year and utilizes a Pavement Management System to assess the condition of existing streets and assist in the selection process. This project enhances the City’s roadway network and improves safety, and incorporates multi-modal transportation infrastructure in accordance with the City’s transportation plans as streets are identified for resurfacing. This cost estimate does not account for application of any specialized paving treatments to reduce roadway noise.</td>
<td></td>
</tr>
<tr>
<td>CPS016 Middlefield Rd Resurfacing</td>
<td>Not Started</td>
<td>Tier 3</td>
<td>This project proposes to resurface Middlefield Road (Woodland to Ravenswood). This project enhances the City’s roadway network and improves the safety of a significantly damaged roadway. This project proposes to resurface Middlefield Road (Woodland to Ravenswood). This project enhances the City’s roadway network and improves the safety of a significantly damaged roadway. The construction funding in 2022-23 has been increased to account for the use of recycled asphalt pavement.</td>
<td></td>
</tr>
<tr>
<td>CPS023 Welcome to Menlo Park Monument Signs</td>
<td>Future Year</td>
<td>N/A</td>
<td>The project involves the design of “Welcome to Menlo Park” signs at approximately five key locations entering Menlo Park to further the City’s brand as a desirable place to live, work and play. The proposed locations would include Sand Hill Road, Marsh Road, Willow Road, and both north and south ends of El Camino Real. The monument signs will meet the City’s branding standards and comply with applicable Caltrans permitting requirements.</td>
<td></td>
</tr>
<tr>
<td>CPS025 Sand Hill Tunnel Rehabilitation</td>
<td>Design</td>
<td>Tier 2</td>
<td>This project would rehabilitate the tunnel under Sand Hill Road near Sand Hill Circle to conduct repairs and ensure its structural integrity.</td>
<td></td>
</tr>
<tr>
<td>CPS026 El Camino Real Median Trees Improvements</td>
<td>Bid/Award</td>
<td>Tier 3</td>
<td>This project would support a funding agreement with the 1540 El Camino Real project development to improve the trees in the median along El Camino Real between Encinal Avenue and Glenwood Avenue. This project is a condition of the development project’s approval.</td>
<td></td>
</tr>
</tbody>
</table>

Traffic and Transportation

<table>
<thead>
<tr>
<th>Name</th>
<th>Status</th>
<th>Priority</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPT003 El Camino Real Crossing Improvements</td>
<td>Design</td>
<td>Tier 3</td>
<td>This project designs improvements for east-west pedestrian and bicycle connections as identified in the El Camino Real Corridor Study: Ravenswood, Encinal, and Roble.</td>
</tr>
<tr>
<td>CPT004 Haven Avenue Streetscape Improvements</td>
<td>Design</td>
<td>Tier 2</td>
<td>This project provides new bicycle and pedestrian facilities on Haven Avenue, connecting Menlo Park, San Mateo County and Redwood City residents and employees. It provides a direct connection to the San Francisco Bay Trail, functioning as an interim gap closure of the Bay Trail between Bedwell-Bayfront Park and Seaport Avenue, better serving commute and recreational needs. This project is partially funded by grants from Caltrans and the state of California.</td>
</tr>
<tr>
<td>Project Code</td>
<td>Project Description</td>
<td>Status</td>
<td>Tier</td>
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<tr>
<td>CPT005</td>
<td>Middle Avenue Caltrain Crossing Study Design and Construction</td>
<td>Design Tier 1</td>
<td>3</td>
</tr>
<tr>
<td>CPT006</td>
<td>Middlefield Road and Linfield Drive, Santa Monica Ave. Crosswalk Improvement</td>
<td>Not Started Tier 3</td>
<td>3</td>
</tr>
<tr>
<td>STT001</td>
<td>Caltrain Grade Separation</td>
<td>On Hold Tier 2</td>
<td>3</td>
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<tr>
<td>CPT007</td>
<td>Traffic Signal Modifications</td>
<td>Ongoing Tier 3</td>
<td>All</td>
</tr>
<tr>
<td>CPT008</td>
<td>Transit Improvements</td>
<td>Construction Tier 2</td>
<td>All</td>
</tr>
<tr>
<td>CPT009</td>
<td>Transportation Projects (Minor)</td>
<td>Ongoing Tier 2</td>
<td>All</td>
</tr>
<tr>
<td>STT003</td>
<td>Willow Road Transportation Study</td>
<td>Pre-Design Tier 3</td>
<td>1</td>
</tr>
<tr>
<td>CPT101</td>
<td>Willow/101 Interchange Improvements</td>
<td>Design Tier 3</td>
<td>1, 2</td>
</tr>
<tr>
<td>CPT111</td>
<td>Willow Oaks Bike Connector</td>
<td>Design Tier 2</td>
<td>2</td>
</tr>
<tr>
<td>CPT222</td>
<td>Willow Rd and Newbridge St Pedestrian and Bicycle Improvements</td>
<td>New TBD</td>
<td>1</td>
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<tr>
<td>CPT293</td>
<td>Caltrain Quiet Zone Evaluation</td>
<td>Pre-Design Tier 1</td>
<td>3</td>
</tr>
<tr>
<td>CPT300</td>
<td>Belle Haven Traffic Calming Plan Implementation</td>
<td>Design Tier 1</td>
<td>1</td>
</tr>
<tr>
<td>CPT301</td>
<td>Middle Avenue Complete Streets Study</td>
<td>Study/Plan Tier 1</td>
<td>4</td>
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<tr>
<td>STT005</td>
<td>Coleman-Ringwood Avenues Transportation Study</td>
<td>Study/Plan Tier 2</td>
<td>3</td>
</tr>
</tbody>
</table>
This project will install smart meters that will automatically provide hourly data. It will help detect water leaks, reduce water loss, and improve customer service.

This project funds the purchase and installation of solar-powered mixers for Reservoir #1 and Reservoir #2 to provide alternative water supply for the lower pressure zone. This well will be able to provide up to 1,500 gpm of alternative water supply. Construction is complete, and final permitting by the State Water Resources Control Board is pending.

This project involves the planning, design and implementation of water infrastructure improvements recommended in the Water System Master Plan to address fire flow capacity deficiencies identified throughout the Menlo Park Municipal Water service area.

This project identified in the Water System Master Plan Capital Improvements will install a metered interconnect between the Menlo Park Water System and Calwater system at Alma St. The project will also replace the water main back to the SFPUC connection near 500 El Camino Real as part of the Middle Avenue Caltrain crossing improvements.

This project would help implement the City’s Vision Zero policy by identifying and prioritizing strategies to improve transportation safety across the city, considering collision data and systemic safety challenges. The project will also make the City eligible for future Highway Safety Improvement Program funding.

### Water System

<table>
<thead>
<tr>
<th>Name</th>
<th>Status</th>
<th>Priority</th>
<th>Description</th>
<th>District</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPW001 Automated Meter Reading</td>
<td>Design</td>
<td>Tier 3</td>
<td>This project will install smart meters that will automatically provide hourly data. It will help detect water leaks, reduce water loss, and improve customer service.</td>
<td>All</td>
</tr>
<tr>
<td>CPW002 CalWater Alma Interconnection</td>
<td>Not Started</td>
<td>Tier 3</td>
<td>This project identified in the Water System Master Plan Capital Improvements will install a metered interconnect between the Menlo Park Water System and Calwater system at Alma St. The project will also replace the water main back to the SFPUC connection near 500 El Camino Real as part of the Middle Avenue Caltrain crossing improvements.</td>
<td>3</td>
</tr>
<tr>
<td>CPW003 Emergency Water Storage/Supply (Corp Yard Well)</td>
<td>Closeout</td>
<td>Tier 1</td>
<td>The Corporation Yard Well will help meet Menlo Park Municipal Water’s goal to provide a total of 3,000 gpm as an alternative water supply for the lower pressure zone. This well will be able to provide up to 1,500 gpm of alternative water supply. Construction is complete, and final permitting by the State Water Resources Control Board is pending. Budget is combined with well #2 below.</td>
<td>3</td>
</tr>
<tr>
<td>CPW003 Emergency Water Storage/Supply (Well #2)</td>
<td>Pre-Design</td>
<td>Tier 1</td>
<td>Sites for a second well are currently under evaluation, which will help meet Menlo Park Municipal Water's goal to provide a total of 3,000 gpm as an alternative water supply for the lower pressure zone.</td>
<td>3</td>
</tr>
<tr>
<td>CPW004 Fire Flow Capacity Improvements</td>
<td>Design</td>
<td>Tier 1</td>
<td>This project involves the planning, design and implementation of water infrastructure improvements recommended in the Water System Master Plan to address fire flow capacity deficiencies identified throughout the Menlo Park Municipal Water service area.</td>
<td>All</td>
</tr>
<tr>
<td>CPW005 Lower Zone 12&quot; Check Valve Hill SFPUC</td>
<td>New</td>
<td>N/A</td>
<td>The High Pressure Zone is served directly from the SFPUC Hill Turnout. Replacing the existing normally closed valves with check valves would Interconnect the Lower Zone and High Pressure Zone if the Hill turnout is out of service. Under normal conditions, the check valve would prevent unregulated high pressure water from flowing into the Lower Zone. Check valves will be installed at the intersections of Del Norte and Terminal Avenue and Del Norte and Market Place.</td>
<td>1</td>
</tr>
<tr>
<td>CPW006 Lower Zone 10&quot; Check Valve Burgess</td>
<td>New</td>
<td>N/A</td>
<td>SRI is served directly from the SFPUC Burgess turnout without pressure regulation. Replacing the existing normally closed valve with a check valve would interconnects Lower Zone to SRI if the SFPUC Burgess turnout is out of service. Under normal conditions, the check valve would prevent unregulated high pressure water from flowing into the Lower Zone. The check valve would be installed near the existing normally closed valve between the 10-inch bypass and the Burgess PRV station.</td>
<td>3</td>
</tr>
<tr>
<td>CPW007 Palo Alto Pope Chaucer Interconnection</td>
<td>Future Year</td>
<td>N/A</td>
<td>This project identified in the Water System Master Plan Capital Improvements will install a metered interconnect between the Menlo Park Water System and Calwater system at the Pope-Chaucer bridge, set to be reconstructed as part of the San Francisquito Creek flood improvements project.</td>
<td>2</td>
</tr>
<tr>
<td>CPW008 Reservoirs No. 1 and No. 2 Mixers</td>
<td>Design</td>
<td>Tier 2</td>
<td>This project funds the purchase and installation of solar-powered mixers for Reservoir #1 and Reservoir #2 to improve water quality.</td>
<td>5</td>
</tr>
<tr>
<td>CPW009 Reservoir No. 2 Roof Replacement</td>
<td>Design</td>
<td>Tier 2</td>
<td>The project involves the replacement of the roof on Reservoir 2, which is deteriorating and at the end of its life expectancy. The replacement would ensure continued public health protection and system reliability.</td>
<td>5</td>
</tr>
<tr>
<td>CPW010 Water Main Replacement Project (Annual)</td>
<td>Ongoing</td>
<td>Tier 1</td>
<td>This project is ongoing and focuses on the design and replacement of the City's aging water supply system to ensure continued public health protection and system reliability. Using a condition assessment based on pipe age, material, size and hazards, sections of the water system that are most vulnerable to failure are selected for replacement. In 2021-22, construction on Haven Avenue and Energy Court water mains are ongoing.</td>
<td>All</td>
</tr>
<tr>
<td>CPW013 Booster Pump Stations</td>
<td>New</td>
<td>TBD</td>
<td>This project will design and construct one or two booster pump stations, in conjunction with design and construction of a water storage reservoir, to provide sufficient operational, emergency, and fire flow storage needs for the lower and high pressure zones as identified in the Water System Master Plan.</td>
<td>All</td>
</tr>
<tr>
<td>CPW014 Automated Blowoffs at Dead End Locations</td>
<td>Future Year</td>
<td>N/A</td>
<td>In the Upper Zone, there are some dead-end locations that have water ages exceeding five days. These locations are also likely to have lower chlorine residuals due to the relatively small demands. This project will install automated blow offs in order to flush these areas and help maintain adequate chlorine residuals.</td>
<td>5</td>
</tr>
<tr>
<td>CPW015 New Water Storage Reservoir</td>
<td>Future Year</td>
<td>N/A</td>
<td>This project will design and construct a water storage reservoir, in conjunction with design and construction of booster pump station(s) to provide sufficient operational, emergency, and fire flow storage needs for the lower and high pressure zones as identified in the Water System Master Plan.</td>
<td>1, 2, 3</td>
</tr>
</tbody>
</table>
This project will equip Sharon Heights Pump Station with variable frequency drives (VFD) to improve pressure management in the Upper Zone during outage of the Sand Hill Reservoirs. Currently, MPMW has constant speed pumps, and in the event of an outage, these pumps would need to turn on and off as many times as needed in order to maintain pressure in the distribution system. Equipping pumps with VFDs would allow for the continuous operation of pumps at lower speeds, helping to keep the operating point closer to the best efficiency point, and also avoid over-pressurizing the distribution system.