



# City of East Palo Alto

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## Office of the City Manager

June 27, 2019

Thomas Smith, Senior Planner  
Community Development Department  
City of Menlo Park  
701 Lauren Street  
Menlo Park, CA 94025

**Subject:** Notice of Preparation of the Initial Study and Environmental Impact Report for the Commonwealth: Building 3 Project

Dear Mr. Smith:

This letter is provided in response to the Notice of Preparation (NOP) of the Initial Study and Environmental Impact Report for the Commonwealth: Building 3 Project. I want to emphasize that East Palo Alto values its relationship with Menlo Park, and we hope to continue to work cooperatively on the many issues common to both of our communities.

### **Traffic**

First, East Palo Alto is a city that is severely impacted by regional cut through traffic. To adequately analyze the potential impact of the proposed project, please add the following intersections to the Transportation Impact Analysis (TIA):

1. University Avenue and State Highway 84/Bayfront Expressway
2. University Avenue and Adams Drive
3. University Avenue and O'Brien Drive
4. University Avenue and Kavanaugh Drive
5. University Avenue and Purdue Avenue
6. University Avenue and Bay Road
7. University Avenue and Willow Road
8. University Avenue and Runnymede Street
9. University Avenue and Bell Street
10. University Avenue and Donohoe Street
11. University Avenue/Highway 101 Southbound on-off ramp
12. University Avenue and Woodland Avenue
13. Donohoe Street and Cooley Avenue

14. Donohoe Street and Capital (Northbound Highway 101 off ramp)
15. East Bayshore Road and Holland Street
16. Saratoga Avenue and Newbridge Street
17. University Avenue and the Highway 101 Northbound Ramp
18. East Bayshore Road and Pulgas Avenue

### **Settlement Agreement**

Pursuant to Section 2.6 of the Menlo Park General Plan Settlement Agreement, when the preparation of an EIR is required, concurrent with the preparation of the EIR, Menlo Park will conduct a Housing Needs Assessment (HNA). The scope of the HNA, to the extent possible, shall include an analysis of the multiplier effect for indirect and induced employment by the development project and its relationship to the regional housing needs market and displacement. The DEIR should be consistent with all relevant terms of the Settlement Agreement.

### **Jobs/Housing Ratio**

The City of East Palo Alto provides a significant amount of housing stock in Silicon Valley. East Palo Alto has more housing units than jobs, the lowest market rate prices in the region, and approximately 30% (or 2,405 of 7,759 units) of the total housing units are currently registered (non exempt) in the Rent Stabilization Program. East Palo Alto is an island of affordable housing surrounded by several of the most expensive housing markets in the nation. The City is concerned that the proposed development may exacerbate the existing housing crisis in East Palo Alto by displacing current residents and/or creating a need for the City to provide additional units without sufficient resources to adequately address the need.

The Initial Study states that the developer would be required to either build below market rate units or pay in-lieu fees associated with Menlo Park's Below Market Rate Housing Program. The City of East Palo Alto would prefer that the developer build and deliver below market rate units concurrently to the office project. This approach would likely result in the development of much needed affordable housing units to the region in a more efficient manner than using in-lieu fees.

Please provide an analysis of how the project will impact the jobs-housing ratio in Menlo Park, and analyze or provide the following information and analysis with regard to the impact on housing and the potential displacement of East Palo Alto residents:

- The net number of new market rate and affordable units permitted and constructed in the last 10 years in Menlo Park.
- An analysis of where it is anticipated that the new employees will live, based on zip code level data.

If you have any questions, you may call me at (650) 853-3100 or reach me by email at:  
[scharpentier@cityofepa.org](mailto:scharpentier@cityofepa.org).

Yours truly,



Sean Charpentier

Assistant City Manager

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cc: East Palo Alto City Council  
Patrick Heisinger, Community Development Director for East Palo Alto