



## MEMORANDUM

**DATE:** April 7, 2010

**TO:** Housing Commission

**FROM:** Douglas Frederick  
Housing Manager

**RE:** **Hamilton Avenue East Update**

I held a community meeting in Belle Haven on March 15<sup>th</sup> to gather comments on prototypical development plans on the Hamilton Avenue East site. The comments were decidedly negative. The community, which had suggested higher densities on Hamilton during a City Council Study Session last September, said that our interpretation of higher densities and theirs were different. They were thinking that the highest densities on the development site should be no more than 18 units per acre, where our illustrations peaked at 30 to 40 units per acre. They are hoping for something more along the lines of the Hamilton Park development and suggested the name Hamilton Park II for the future development of the property. They also are not interested in having more than two stories anywhere along the site.

Questions were also raised about the ownership of the properties in question. Owners in attendance expressed an interest in selling, or possibly selling, with a couple of them suggesting that the City should buy the properties before re-zoning, fearing that the re-zoning would devalue their property. The City has been clear to this point that we are not anticipating buying the properties, but rather have a developer buy the land prior to construction. Members of the community, along with the owners, expressed concern that we were trying to re-zone property that we didn't own.

Our concerns stemming from these two main issues relates to the value of the land given the densities that the community is willing to accept. If we zoned the land for Hamilton Park type development, the land will likely be worth less than it currently is as light industrial. The landowners' fears would be realized in that case and if the City purchased the land and then re-zoned to cause a loss the City's fiscal interests would likewise be compromised. If we re-zone for higher densities, increasing the values for the landowners, the community will oppose

the development, given their impression that the City is trying to concentrate low-income housing in Belle Haven, rather than spreading the location of such housing across the city.

As a result of this meeting and the contentious nature of the comments, I recommended to management that we pay the redevelopment housing set-aside back for the cost of the land from the non-housing fund, stopping the clock on the need to develop the land. I also suggested that we re-visit development of the area at a later date when the Dumbarton train station is more clearly defined as a possibility and when housing development on the west side of Menlo Park has provided a better picture of how both sides of the city need to work toward meeting housing production goals prompted by the Regional Housing Needs Assessment distribution. This may delay development of the site for a few years, but might present a better option for the community at that time.

We will be taking the issues to City Council in the near future.