

MidPen Housing Corporation Moss Beach Development Community Open House

HELD MARCH 16, 2016



June 30, 2016

Members of the Midcoast Community:

We very much appreciate the time so many of you took to attend the Community Open House on March 16, 2016 at Farallone View Elementary School to learn about MidPen Housing and share your ideas for a potential development of affordable housing on the Moss Beach property located at Carlos and Sierra Streets. The event was attended by approximately 200 community members and we received 86 written comments. This report includes a summary of the comments and answers to specific questions submitted.

We understand that the community has many concerns about *any* future development of the site and that the private property has been undeveloped for many years. It is important to note that the site, which has been privately held by the California School Employees Association, a classified school employees union representing school support staff throughout California, since 1969 and recently became available for sale, has a land use designation by the County of San Mateo General Plan for Medium-High Density residential development and has been prioritized as a designated site for affordable housing by the County of San Mateo Local Coastal Program, most recently reaffirmed in 2013.

Our nonprofit organization, which specializes in high quality affordable housing development, intends to utilize the property for its allowed use and develop affordable housing on the site. We are committed to a transparent public process, in a manner that is respectful of the community, its residents, and its history; and, with a design approach that respects the neighborhood and character of the town of Moss Beach, and incorporates state-of-the-art sustainability features. We are also committed to building no more than 80 homes on this site and to dedicating a significant portion of the site to natural open space.

We appreciate your participation in the process, will continue to seek input from the community and review all comments carefully, and look forward to working with the community in a collaborative effort.

Sincerely,

MidPen Housing mossbeach@midpen-housing.org

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ABOUT MIDPEN HOUSING CORPORATION

Building Communities

MidPen Housing is one of the nation's leading non-profit developers, owners and managers of high-quality affordable housing. In the 45 years since MidPen was founded, we have developed over 100 communities and 7,600 homes for low-income families, seniors and special needs individuals throughout Northern California. Our developments are award-winning and nationally recognized.

Changing Lives

At MidPen, it's about the mission and the people we serve. We build beautiful buildings but our vision goes well beyond that. Our work at MidPen is driven by the belief that safe, affordable housing provides the foundation people need to advance other areas of their lives and to contribute to their communities. We've seen this happen time and again.

Core Expertise

- **Real Estate Development:** extensive experience in site acquisition and planning, entitlements, community outreach, design and construction management.
- **Financing:** a solid track record in securing both public and private funding and proven expertise in positioning projects for long-term financial sustainability.
- **Property and Asset Management:** quality management and appropriate capital investments that ensure sustainable operations and maintain our portfolio's long-term value.
- Resident Services: comprehensive on-site support services and programs to help our residents advance, all delivered through our staff and a network nearly 200 service provider partners.

Key Facts

- Developed or rehabbed over 7,600 affordable homes
- An additional 1,460 affordable homes are in construction, entitlement or pre-development
- Manage 87 properties with a total of 6,415 units
- Provide homes for more than 15,600 Northern California residents
- Manage affordable real estate assets with market value worth over \$1 billion
- Invest \$6.3 million annually in resident services and partner with nearly 200 service providers
- Work in 11 counties: Alameda, Contra Costa, Monterey, Napa, San Benito, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, and Yuba
- Developed 1,332 homes in San Mateo County and 384 of these on the coast
- Have received over 100 industry awards and honors for our work
- Employ over 350 people

Moss Beach Property Information Moss Beach, California

First Open House

March 16, 2016, 6:30 to 9:30 pm Farallone View Elementary School, Le Conte Avenue, Montara

Attendance

Approximately 200

Site Information

Address: Carlos and Sierra Street, Moss Beach

Acres: 10.875

Current Use: Undeveloped except for two water tanks

General Plan

Designation: Medium-High Density Residential

Zoning: PUD-124/CD

Local Coastal Program Policies

Designations: Medium-High Density Residential and Affordable Housing

Jurisdiction: County of San Mateo

Proposed Use

MidPen Housing is proposing up to 80 affordable residential rental homes on the site, targeted for the workforce on the coast. The proposed number of units is significantly fewer units than permitted by current zoning and land use designations. Please see page 19 for more information on income levels for affordable housing. MidPen Housing intends to cluster the units in a compact design in order to maximize natural open space on the site.

Land Use Designations and Zoning

Zoning

The site is zoned PUD-124, Ordinance 3089 – March 11, 1986. The property was previously known as Farallone Heights in Moss Beach; Assessor's Parcel Number 037-022-040. The approved PUD for the site allows for the following uses: a) residential development and related parking facilities for affordable and market rate housing as defined in Policies 3.19, 3.28 and 3.29 of the County Local Coastal Program; and b) residential uses for residents of the housing complex, i.e., exercise course, play area, tot lots, barbecue areas, etc. up to a total of 148 units.

Source: County of San Mateo Zoning Regulations, January 2016, Chapter 9.5.1 and PUD-124, Page A-4. http://planning.smcgov.org/sites/planning.smcgov.org/files/2012 ZoneRegs%5BFINAL%5D 0.pdf

General Plan

The County's General Plan designates the site as Medium-High Density Residential.

Source: https://data.smcgov.org/Government/General-Plan-Land-Use-for-San-Mateo-County/f2wg-qjt4

Mid-Coast Land Use Plan and Local Coastal Program Policies

The San Mateo County Mid-Coast Local Coastal Program (LCP), issued in June 2013, defines the urban/rural boundary as a tool to confine new development to existing urban areas and rural service centers in order to:

- discourage urban sprawl,
- maximize the efficiency of public facilities, services, and utilities,
- minimize energy consumption,
- encourage the orderly formation and development of local governmental agencies,
- protect and enhance the natural environment, and
- revitalize existing developed areas.
 - Concentrate new development in urban areas and rural service centers by requiring the "infilling" of existing residential subdivisions and commercial areas.

The site is designated as Medium-High Density Residential in this plan and 8.1 to 16 units per acre. The site is also designated for affordable housing in the County of San Mateo Local Coastal Program Policies document issued in June 2013 by the Planning and Building Department of San Mateo County, Item 3.15, page 3.4. In addition to this site, there is a 12.5-acre site northeast of Etheldore Street in South Moss Beach and a 6-acre site in North El Granada that were also designated for affordable housing. In addition, the document states that a minimum of 21% of the total units constructed on the site must be reserved for low income households and 14% of the total units must be reserved for moderate income households.

Source: http://planning.smcgov.org/sites/planning.smcgov.org/files/documents/files/SMC Midcoast LCP 2013.pdf

COMMUNITY ENGAGEMENT PROCESS

Prior to submitting a proposal to the County, MidPen is conducting voluntary outreach in the community to better understand the issues and challenges. The Open House events hosted by MidPen are part of the community engagement process. Once a plan is submitted to the County, you will also have opportunities to participate in the formal public process, review the plan, and provide comments to MidPen and the County.

June to August 2016

MidPen will continue to reach out to the community through a variety of means, including launching an informative webpage about the proposed development with project information and Q&A, hosting another open house with the community with concept plans showing variations on site layout, and soliciting feedback from the community through other opportunities such as email, one-on-one meetings, or small group meetings.

September to December 2016

MidPen will use the feedback on these conceptual layouts to develop our proposal.

January 2017

- Submit proposal to the County of San Mateo for review.
- Additional outreach will occur through the County once the proposal is submitted.

We invite you to contact project team members by email to learn more or to express your ideas or concerns at any time during the pre-submittal process: mossbeach@midpen-housing.org.

SUMMARY OF COMMENTS RECEIVED AT THE OPEN HOUSE

Comments Submitted:

86

Top Concern:

Traffic on Highway 1

COMMENTS BY THE NUMBERS

- 45 expressed concern about traffic on Highway 1 (52% of comments).
- would prefer no housing or to leave the site as open space (49%).
- are concerned about open space and wildlife habitats (26%).
- are concerned about the lack of services, amenities and schools nearby (24%).
- 18 think the site is not the right location for affordable housing (21%).
- are concerned about infrastructure (water, roads, & waste water treatment) to support the development (17%).
- might or do support some amount of housing on the site (15%).
- are concerned about density of the development or specifically do not want high density.
- 13 support affordable housing in general.
- want to ensure that development of site compliments the character of the community.
- 11 expressed concern that there is limited public transportation serving the site.
- 11 are concerned about safety on Highway 1.
- 8 responses were somewhat supportive or supportive.
- 6 believe the development will negatively impact the environment.
- are concerned that the development will increase the Moss Beach population by too great an amount.
- 4 are concerned about traffic impacts on local streets and/or local parking.
- 3 want the development to include publicly accessible recreation.
- 2 are concerned about emergency vehicle access to the development due to traffic.
- 1 is concerned about noise.
- 1 is concerned about additional tax assessments.
- 1 worries that the development will lower property values.
- 1 threatened legal action.

WHAT WE HEARD

Top 10 Community Concerns

- 1. Traffic on Highway 1
- 2. Preservation of open space and wildlife
- 3. Access to services and amenities nearby and impact on local schools
- 4. Moss Beach as a location for affordable housing
- 5. infrastructure to support additional development
- 6. High Density
- 7. Preservation of neighborhood Character
- 8. Limited public transportation
- 9. Safety on Highway 1
- 10. Potential Negative impacts on the environment

Housing

- Those preferring no housing on the site: 42
- Respondents that might support some housing development on the site under the right circumstances: 13
- Respondents that support the concept of affordable housing in general: 13









SUMMARY OF ISSUES in alphabetical order

Topic	Issue	MidPen Comments		
Access to	Accessing entering Highway 1	This issue will be thoroughly studied in		
Highway 1	can be difficult, especially at Carlos Street.	the Environmental Impact Report (EIR).		
Affordable	Many residents support the	There is a lack of affordable housing in		
housing	mission of providing more affordable housing on the coast.	San Mateo County, including the coast areas. It is important to provide affordable housing near jobs. This site has been designated by the County for affordable housing.		
Architectural Style	Residents want to ensure that	MidPen's architects will design the		
	the architectural design is not out of date and not "cookie cutter."	development in a manner that reflects the coastal character of Moss Beach.		
Density	Residents believe that the	The proposal is a lower density than the		
	density should fit the character of Moss Beach.	maximum allowed on this site.		
Dogs	Residents would like MidPen to consider including a place for	MidPen will consider this in the open space planning for the development.		
	dogs both on and off-leash.	3,500		
Emergency	Residents want to ensure that	MidPen will be studying this issue during		
vehicle access	the area has good emergency vehicle access.	the plan review process.		
Environment	People want to enjoy the natural	The MidPen team is designing the		
	beauty of the area.	development in a manner that reflects the coastal character of Moss Beach.		
		the coustal character of Moss Beach.		
Habitat and	The site is home to many types	This issue will be thoroughly studied in		
Wildlife	of wildlife.	the Environmental Impact Report (EIR).		
Historical use	Consider the history of the site	This issue will be thoroughly studied in		
	and how it might be folded into any development plan.	the Environmental Impact Report (EIR).		

Topic	Issue	MidPen Comments		
Infrastructure	Residents want to ensure that the roads, water supply and waste-water treatment can accommodate additional housing.	This issue will be thoroughly studied in the Environmental Impact Report (EIR).		
Local support services, amenities, shopping	Some feel that there aren't enough services, amenities and shopping to support additional growth in Moss Beach.	The site is designated as a priority development site in the Coastal Land Use Policies document.		
Location of Affordable Housing	Some think that affordable housing should be located near the jobs it serves.	The proposed development is near hundreds of local jobs and has been designated for affordable housing by the County of San Mateo.		
Neighborhood character	Moss Beach's character is defined by rustic, unique homes and natural open space. It is a sleepy, touristy town.	The MidPen team is designing the development in a manner that reflects the coastal character of Moss Beach.		
Open space	The site is used for walking by many residents, so retention of paths is a priority for the neighborhood.	MidPen is designing the site in a manner that maximizes natural open space on the site.		
Property values	Residents are concerned about howl the development will affect local property values.	The development will provide natural open space and public meeting space for the neighborhood and will be designed in a manner that respects the local character of Moss Beach.		
Public transportation	The development should be coordinated with public transit.	This issue will be thoroughly studied in the Environmental Impact Report (EIR) and MidPen will work collaboratively with SamTrans to incentivize use of public transportation.		
Recreation	Moss Beach needs recreational activities and spaces for children and youth, such as a basketball court, skate park, game room with pool tables, ping pong, etc.	The development will provide natural open space and community meeting space.		

Topic	Issue	MidPen Comments		
Schools	Residents are uncertain that local schools can accommodate new students from the development.	MidPen will work collaboratively with the school district on this issue in addition to paying all required school impact fees.		
Safety – along Highway 1	Residents are concerned about the intersection at San Carlos Street and Highway 1.	This issue will be thoroughly studied in the Environmental Impact Report (EIR).		
Traffic on Highway 1	Many residents are concerned about the traffic on Highway 1 during peak hours and entering the Highway from the east side of Moss Beach.	This issue will be thoroughly studied in the Environmental Impact Report (EIR).		
Traffic and parking on residential streets	Residents are wondering how the development will impact traffic and parking on neighborhood streets.	This issue will be thoroughly studied in the Environmental Impact Report (EIR) and MidPen is committed to working closely with the community on this issue.		
Water	Residents wonder if there be enough water to serve the development.	The property is designated as a priority development area in the Local Coastal Plan. This issue will be addressed in the Environmental Impact Report and studies conducted during the plan review process.		

Comments are reviewed carefully and used to tailor the proposed site plan to the community's natural environment, character, challenges, and issues. Community input is critical to the process and we appreciate your time, participation and thoughtful comments and concerns.

COMMUNITY QUESTIONS & CLARIFICATIONS

Answers provided by MidPen

Density

1. What are the definitions of density – high, medium, medium-high and low?

As defined by the County of San Mateo's General Plan, high density is defined as 17.5 units per acre and greater; medium-high density is between 8.8 to 17.4 units per acre; medium density is between 6.1 to 8.7 units per acre; medium-low density is between 2.4 to 6.0 units per acre; and, low density is between 0.3 to 2.3 units per acre.

However, the Local Coastal Program Policies, issued in June 2013, defines the densities slightly differently:

Very Low: 0.0-0.2 units per acre

Low: 0.3-2.0 units per acre

Medium Low: 2.1-6.0 units per acre Medium: 6.1-8.0 units per acre

Medium High: 8.1-16.0 units per acre

High: 16.1-32 units per acre

2. How will this development compare to Moonridge and other coastal MidPen developments? Moonridge is an existing family community located in Half Moon Bay. MidPen has 9 staff who work on site including an on-site resident manager. MidPen staff and leadership visit all MidPen properties on a regular basis. The property is well maintained and provides an

important affordable housing resource for 158 families.

MidPen also owns and manages Main Street Park on Main Street in Half Moon Bay and Half Moon Village, our new 160-unit senior community. MidPen just finished a substantial renovation of Main Street Park where we reinvested \$3 million dollars in the renovation of the property. MidPen invests in and maintains our communities for the long term.

The proposed development in Moss Beach is significantly smaller than these projects.

3. Can you commit to a maximum number of homes in writing?

MidPen will submit a proposal for no more than 80 units on the site.

Wildlife and Habitat

4. What will happen to the wildlife currently living on the site?

This property is currently surrounded by residential uses. An infill development on part of the site which preserves a significant portion of the site for permanent open space would minimize the impact of site development. The 4,000-acre Rancho Corral de Tierra, a Golden Gate National Recreation Area, is situated east of the Moss Beach neighborhood. This issue will be thoroughly studied in the Biological Resources Section of the Environmental Impact Report and associated studies.

Location

5. Shouldn't affordable housing be closer to Highway 92?

This site has been designated by the County of San Mateo as an affordable housing site since 2013. In order to provide affordable housing in the southern, central (mid) and northern regions of the coast in order to support all communities, the County determined that affordable housing should be located in all three areas. MidPen sees this potential development as serving the Midcoast, for lower-income workers in the area who want an opportunity to live close to their work. MidPen is actively seeking opportunities in Half Moon Bay to provide affordable housing in that community as well.

6. Why is the development being located in Moss Beach?

The development is being proposed at this Moss Beach property because it is one of very few designated affordable housing sites for the Midcoast area within San Mateo County. Providing affordable housing to rural or semi-rural locations is as important as providing affordable housing in city and town centers. The Midcoast has a vibrant economy with a healthy number of jobs that are not easily accessible by public transit. By providing affordable housing here, we can reduce commute pressure and help reduce regional greenhouse gas emissions by reducing the length of commutes to jobs located in the Midcoast region.

7. Have you looked at the commercial properties in El Granada for affordable housing?

We are on the constant lookout for suitable properties in San Mateo County. Generally, multi-family residential are not allowed on commercial properties; we also need land of sufficient size to support a good number of apartments, given the amount of transaction costs to bring a development from concept to occupancy. We always focus our site investigation first to those sites that have already designated for affordable housing through the public process of General Plan Update and Housing Element adoption.

8. Have you looked at other potential sites for affordable housing?

MidPen works in 11 counties from Monterey to Napa. Founded by community leaders in San Mateo County in 1970, we own 26 properties totaling over 1,500 units in San Mateo County. In identifying sites for new affordable communities MidPen looks for sites that are designated for affordable housing in local Housing Elements and other land use plans, as is the case for this site in Moss Beach.

Over our 46 year history, MidPen has developed 948 affordable homes on the bay side of San Mateo County, with an additional 249 units either under construction or in the predevelopment phase.

There is a substantial need for affordable housing on the coast side as evidenced by the 1,800 families and seniors who are on the waiting lists for our three affordable communities in Half Moon Bay: Main Street Park, Moonridge, and Half Moon Village.

9. Why have you chosen this area and how do you see it serving those in need?

See answers to Questions 5 and 6, above. The families who may live at this proposed development will be the same kinds of families who have been searching for apartments and houses to rent in the Midcoast but cannot get in. They will have the same access to services and amenities as every family living on the Midcoast. MidPen will also coordinate resident services on site, with a variety of supplemental activities such as afterschool programs, adult classes, and social events.

In addition, MidPen always begins any site search by starting with the sites that have already been designated by the local government for affordable housing, such as this site.

Design and Character

10. Will the development support the existing character of the area?

Yes, we plan to propose a design that is compatible and consistent with the coastal character of the Midcoast. We plan to scale the buildings to that of the single-family neighborhood, and surround the development with natural open space.

11. Is an apartment complex compatible with single family homes?

MidPen believes healthy communities need both apartments and single-family homes to support the wide variety of households that make up a vibrant community, and that are consistent with the wide range of incomes associated with employment on the coast. El Granada has many apartment buildings mixed in with single-family homes. The design of the complex will be crucial for a successful community and MidPen is committed to building high quality communities characterized by great design.

MidPen is committed to working closely and collaboratively with the community and the immediate neighbors to the site to ensure that the design is compatible with the surrounding neighborhood both in terms of architectural character and massing.

12. How much parking will there be?

We plan to meet or exceed the county parking ratio requirements for the site.

Jobs & Economy

13. Where are the local jobs?

The local jobs in the Midcoast region are located in Montara, Moss Beach, and El Granada. Census data shows there are 1,364 jobs in this area, with the biggest industry being Accommodation and Food Services. There are many lodgings and restaurants in the area, in addition to schools, fire stations, local post offices, shops, medical facilities, the water and sewer district, the airport, warehouses and industrial uses in South Moss Beach, and other services. Of the 1,364 jobs in the area, 1,046 workers live outside the Midcoast area.

14. How many low income jobs are there locally?

According to Census data, there are 1,364 jobs in the Midcoast area, and of these jobs, 604 of them, or 44%, commute 10 miles or more. Also of these jobs, 943, or 69%, pay less than \$40,000 per year.

Our goal is to create affordable housing to serve the people that are already part of the community, by virtue of the fact that they work here every day. By doing so, we will reduce congestion on local highways, reducing greenhouse gas emissions, improving the quality of life for all current and future residents of Moss Beach.

15. Will those with local jobs be given priority for housing in the development?

MidPen is crafting a workforce targeting program that will enable us to prioritize affordable housing opportunities for people who work on the Midcoast, the area including Montara, Moss Beach, and El Granada, with secondary targeting potentially including Pacifica and/or Half Moon Bay.

Transportation & Traffic

16. How will residents in the development get to and from work?

By providing preference for local workers who commute to the Midcoast from other areas, we hope to reduce their commute distances and travel times. MidPen also intends to cooperate with SamTrans to incentivize public transportation.

17. Will residents of the development drive up California Street or Carlos Street?

We have not completed our analysis of the ingress and egress from the site at this time but will engage a traffic consultant to review street efficiency and the best ways to enter and leave the property.

18. How can you help alleviate the already clogged Highway 1 and Highway 92?

By housing members of the local workforce, we will reduce commute traffic on Highway 1 and Highway 92 for workers who otherwise would be commuting to the Midcoast from outside the area. Traffic on Highway 1 is a real issue, and as part of the entitlements, MidPen will work with the County to explore what mitigations would be possible.

Infrastructure & Services

19. What will happen to the water tanks?

The water tanks and associated easements related to their operation and maintenance will stay in place.

20. What infrastructure improvements will be done for the development?

We will be thoroughly evaluating the capacity of existing infrastructure. Based on preliminary work, it appears there is adequate capacity to serve development on this site. We will assess whether upgrades to existing infrastructure are necessary and that will be designed and engineered as part of the development.

21. Can Montara Water and Sewer handle the additional requirements?

We have consulted the Montara Water and Sanitary District and have been informed that there is water capacity and sewer capacity to serve this proposed development.

22. Will the development pay for school improvements?

State law requires payment of school impact fees for residential developments and uses a formula to determine the fee. The developer does not do the school improvements, but rather, pays into a fund for the school district to use.

23. Will there be additional property tax assessments because of the development's required infrastructure?

The development covers the cost of any needed infrastructure improvements necessary for the development. The existing community is not burdened with tax assessments for this work as it relates directly to the development.

Affordability

24. What income levels will be served by this development?

The final specific income mix remains to be determined. Typically, our developments are restricted at 60% AMI and below; in some particular circumstances, we may consider restricting a few units up to 80% AMI.

Area median income for San Mateo County for 2016 is \$117,200 per year for a family of four.

2016 San Mateo County Income Limits for Affordable Housing

Income Level	Household Size and Annual Income Limits (\$)					
% of AMI	1	2	3	4	5	6
30% AMI	\$24,630	\$28,140	\$31,650	\$35,160	\$37,980	\$40,800
60% AMI	\$49,260	\$56,280	\$63,300	\$70,320	\$75,960	\$81,600
80% AMI	\$65,680	\$75,040	\$84,400	\$93,760	\$101,280	\$108,800

MidPen Partners

25. What company or companies will MidPen partner with on this development?

MidPen will be the sponsor, developer, and property manager for this proposed development. We have engaged Pyatok as the Architect and Joni L. Janecki & Associates as the Landscape Architect. Other consultants, including the General Contractor, will be selected as we proceed further.

MidPen thanks you for your participation in this process and we hope you will join us at the next community open house.