

Menlo Park City School District
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September 4, 2018

Mark Muenzer
Community Development Director
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025

RE: Response to Menlo Park El Camino Real/Downtown Specific Plan Biennial Review

Dear Mr. Mark Muenzer,

Thank you for informing us about the City's plan to review El Camino Real/Downtown Specific Plan and seeking our input. We understand the need for plans to be periodically updated and appreciate the process the City is undertaking.

As a PK-8 elementary district that serves the plan area, Menlo Park City School District will be directly impacted by the developments in El Camino Real/Downtown area and any changes to the El Camino Real/Downtown Specific Plan. MPCSD will need to be included in the conversation and the potential impacts to the school district must be considered by the City Council in their decision making process. We welcome your request to meet in September to further discuss our concerns and to better understand the input process. Please email my assistant Lanita Villasenor (lvillasenor@mpcsd.org) with potential meeting dates and times in September 2018. I hope that City Manager Alex McIntyre will be able to attend and I will also ask my Chief Business and Operations Officer, Ahmad Sheikholeslami, to attend as well.

Our main concern with the current El Camino Real/Downtown Specific Plan and any proposed changes is the level of Maximum Allowable Development for residential units in the plan area. As a "Community Funded" school district, MPCSD does not receive additional funding with increased enrollment. Increased residential units will increase student enrollment. The added fiscal impact from the increased students will not be offset by the additional income generated by new property tax revenue. Since 2012, when the El Camino Real/Downtown Specific Plan was approved and Fiscal Impact Report was prepared many factors have changed. The following additional factors need to be considered by the City:

- The District has seen a higher Student Generation Ratios (SGR) for multi-housing and smaller apartment units than assumed in the Fiscal Impact Study. The District has seen an increase in the SGR with the increased cost of housing and demand for desirable schools with multi-housing and smaller apartment units.
- Actual cost per student have increased to about \$16,000 per student for 2017/18. These increases were not considered in the Fiscal Impact Study, which used the average cost of \$12,121 per student from

2011/12. This is a 32% increase, which greatly outpaces any cost of living adjustments during this period.

- The Fiscal Impact Study did not include the impact of a large portion of the housing being exempt from property tax. The 215 units being constructed by Stanford University will be staff housing and exempt from property tax.
- Another important source of revenue for the District are its parcel tax revenues which accounts for about 16% of the District's revenues. Because many of the new developments are rentals they are considered a single parcel tax, while there may be as many as 200 units in the complex. The current parcel tax rate for 2017/18 is \$1053. The impact from the loss of parcel tax revenues was not considered thoroughly in the Fiscal Impact Study.
- In 2011/12, the District was completing its Measure U Bond program to accommodate its anticipated facilities needs; however, based on actual enrollment growth and planned increases in housing, the District was forced to build a new elementary school and seek an additional \$23 million dollars through Measure W Bond measure.
- Developer fee funds *do not cover* the facility impacts from enrollment growth as is evident by the need to pass multiple bond measures for new facilities.
- The District planned its district wide maximum capacity for 3,200 students and took in consideration the current downtown specific plan. Any further increase in housing will adversely impact capacity to house additional students. The District has no more room to expand its schools without severe impacts to playground space and safely operating a school.
- The increase in enrollment has also impacted the District need for space related to operations, maintenance and transportation. The District has very limited space for the storage and its maintenance, operations and transportation needs that have grown with a larger student population. Any further increases to the student population will further exacerbate the situation.
- The additional 680 units of allowable housing units are all in the Encinal Elementary School boundary area for K-5. While these new units may be in close proximity to the Encinal school, the journey lacks safe walking and biking paths to the school. Key sections of Laurel Avenue and Encinal Avenue near the Encinal School do not even have sidewalks for safe walking paths. There is also no safe passage to cross the El Camino Real for student to Encinal or Hillview School. This lack of biking and walking infrastructure is aggravating an already impacted transportation situation for the local schools. Public benefit dollars from these projects must be geared for major transportation improvements for safe walking and biking to local schools.
- The City should also consider amending its "Public Benefit Bonus and Structured Negotiation" section in the El Camino Real/Downtown Specific Plan for projects that seek adjustment to the base project requirements. The benefits for consideration should include and be given additional weight that provides benefit to the local schools, which they are impacting.
- The El Camino Real/Downtown Specific Plan should gear its housing goals and projects towards a greater housing diversity that includes senior housing and BMR housing for critical government

employees including school staff. Strategic housing planning can provide the City with the needed housing and lessen the impact on local schools.

- The reality is that any increase in housing that doesn't mitigate the financial and facility impacts of increased student enrollment will either result in increased taxes on our shared constituent property owners or a dramatic decrease in educational quality and services that our community has come to appreciate and expect.

I look forward to our conversation on the El Camino Real/Downtown Specific Plan and discussing our concerns in the near future.

Sincerely,



Erik Burmeister
Superintendent

C: Alex McIntyre, Menlo Park City Manager
Deanna Chow, Menlo Park Assistant Community Development Director/Planning
Corinna Sandmeier, Menlo Park Senior Planner
Ahmad Sheikholeslami, MPCSD Chief Business and Operations Officer