Impartial Analysis of Measure T

Measure T was placed on the ballot by the Menlo Park City Council. If approved by voters, the measure would approve an amendment to the City of Menlo Park General Plan to add a "Commercial Business Park" land use category and to change the land use designation from "Limited Industry" to "Commercial Business Park" for approximately 16 acres of property located east of Highway 101 near Marsh Road at 100-190 Independence Drive and 101-155 Constitution Drive, known as Menlo Gateway.

The current "Limited Industry" land use designation allows general industrial uses, offices and other uses primarily serving the industrial and office uses and limits total building size to a maximum floor area ratio ("FAR") of 45% for offices and 55% for industrial uses (FAR is the ratio of the gross floor area or square footage of buildings to the total land area).

The "Commercial Business Park" land use designation, applicable solely to the Menlo Gateway site, would allow research and development facilities, offices, hotels/motels, health/fitness centers, cafes and restaurants, and related commercial uses with a maximum FAR of 45%, except through a negotiated Development Agreement detailing benefits to the City, which could allow a maximum FAR of 137.5%, with offices limited to 100%.

In June 2010 after numerous public meetings on the Menlo Gateway project, the Menlo Park City Council approved the General Plan amendment and approved the Menlo Gateway project consisting of a 230 room full service hotel, a 4,285 square foot restaurant, and approximately 70,000 square foot fitness center in one building, approximately 700,000 square feet of office space in three buildings, and three parking structures with total FAR of 137.5%. All of the buildings and structures are multiple stories with a maximum height up to 140 feet. The project approvals included the General Plan Amendment, Zoning Ordinance Amendment, Development Agreement, Conditional Development Permit, certification of an Environmental Impact Report (EIR) and various other approvals, including mitigation measures to address environmental impacts such as requirements to reduce vehicle trips and penalties for noncompliance. Approval of the project was made subject to voter approval of the General Plan amendment. Without the General Plan

amendment, the Menlo Gateway project would not be allowed and the properties would retain the "Limited Industry" designation.

The Menlo Gateway project would result in some significant and unavoidable environmental impacts with respect to transportation, noise, air quality and utilities. Pursuant to the terms of the Development Agreement, the project would contribute \$1,250,000 for public improvements to Bedwell Bayfront Park and the Belle Haven neighborhood and, upon full build out, would generate estimated gross annual revenue for the City from transient occupancy taxes (imposed on hotel guests), sales taxes, property taxes and other fees of approximately \$2 million.

A "Yes" vote means the voter is in favor of the General Plan amendment allowing the Menlo Gateway project. A "No" vote means the voter is not in favor of the General Plan amendment and would not allow the Menlo Gateway project.

/s/ William L. McClure City Attorney City of Menlo Park

The above statement is an impartial analysis of Measure T. If you desire a copy of the Measure, please call the City Clerk's Office at 650/330-6620, and a copy will be mailed at no cost to you. A copy of the Measure may also be found at www.menlopark.org