



Staff Report

PUBLIC HEARING TO CONSIDER A MITIGATED NEGATIVE DECLARATION, GENERAL PLAN AMENDMENT, CONCEPTUAL DEVELOPMENT PLAN AMENDMENT, AND VESTING TENTATIVE SUBDIVISION MAP FOR THE RALSTON VILLAGE PHASE II DEVELOPMENT AT 1301 RALSTON AVENUE - PA NO. 2002-0017

Honorable Mayor and Council Members:

Summary

The applicant, Bradford Liebman, has submitted an application for a Mitigated Negative Declaration, General Plan Amendment, Conceptual Development Plan Amendment, and Vesting Tentative Subdivision Map to allow a Senior Residential/Congregate Care development for the Ralston Village property at 1301 Ralston Avenue. The request before the Council serves as the final legislative act, following Planning Commission review of the proposal (see attached 4/19/05, 7/19/05, and 9/20/05 staff reports/meeting minutes). Following receipt of the staff report, the Council may take one of the following actions:

1. Conduct a public hearing and vote on the application. An ordinance embodying the action will be returned for approval at a future meeting; Or,
2. Take public testimony and continue the hearing, directing any questions to staff for research and response. A memorandum would be prepared for consideration at a future hearing; Or,
3. Refer the project back to the Planning Commission for consideration of any alternatives, amendments or Council directives. No public hearing would be required, but anyone wishing to offer comment would be allowed to speak.

Based on the above options, staff recommends the Council open hearing, take testimony and continue the item for any additional research the Council may deem necessary.

Project Description

The proposal is described in detail within the attached exhibits, but is defined and summarized as two key components resulting for the project site as follows:

- *Phase I* - an existing 45,000 sq. ft. dementia care facility located on the eastern 8.6-acre portion of the site.
- *Phase II* – proposed development consisting of: 1) a 141,357 sq. ft. building containing 55 independent living residential units for seniors, and 2) common areas including recreational, dining, library, health services, and other congregate areas within the building. The Phase II development would be located on the western 8.5-acre portion of the property; the subject site in total comprises 17.1 acres.
- Proposed parking for Phase II consists of 90 spaces: 63 within a below-grade level garage in the new building, and 27 uncovered spaces. Fifty-two uncovered spaces will remain for the Phase I dementia care facility; total parking provided within the entire site is 142 parking spaces. Vehicular access to the site will be from an existing two-way entrance driveway on Ralston Avenue (currently serving the existing Phase I facility), and a new two-way entrance driveway at the northwestern edge of the site on Ralston Avenue.

Discussion

September 20, 2005 Commission Meeting

At the conclusion of their discussion on the project on September 20, 2005, the Planning Commission agreed to forward the project without a recommendation on the requested entitlements to the Council. This action was necessary as the Commission was unable to adopt a resolution (recommended approval/denial) with a majority vote: a motion to continue the project failed with a 4-2 vote (one absent), and a motion to recommend approval failed with a 3-3 vote (one absent). At this meeting, however, the Commission requested that the Council report transmit a set of Commission concerns/issues related to the project (see below).

Additional background information for the project is described in the September 20, 2005 Planning Commission staff report and draft meeting minutes, July 19, 2005 Staff Report/Meeting Minutes, and April 19, 2005 Staff Report/Meeting Minutes which is included as Attachment B to this report.

The following is a brief summary of issues that were identified by the Planning Commission at their 9/20/05 meeting in their deliberations:

- There are on-going traffic issues on Ralston Avenue, irrespective of the contribution of traffic impact from this project. Potential solutions as related to this project would be incorporation of a signalized intersection adjacent to one of the project entrances/exits. At a minimum, should the project be approved with a new western entrance, this driveway should be limited to right turns in/out only.
- Sidewalks adjacent to the (southern) site frontage along Ralston Avenue should be upgraded (and potentially the north side sidewalks also improved); there was not consensus on this item.

- At a minimum, a pedestrian pathway needs to be constructed from the subject site to the Twin Pines Park facility to the east. Potential additional enhancements include a pathway through the entire developed area of the existing/proposed facility and/or a pathway through the conservation easement area to the south; there was not consensus on the additional pathway enhancement item.
- Potential impacts to the Twin Pines Senior Center facility due to overuse from the senior residents of the new facility; mitigations should be considered if the project is to be approved.
- Potentially a shuttle service should be incorporated as part of the project (should it be approved).
- Potential for increased noise from the facility; at a minimum, these issues must be fully addressed at the DDP stage, should the General Plan & CDP Amendments be approved.
- Continue to explore the 911-call usage issue for the existing/proposed facility, with potential mitigation, should the project be approved.
- Potential designation of a certain number of the proposed units as “affordable” (i.e. below market rate units).
- Concerns were raised that the setbacks of the proposed structures should be increased as related to the existing single-family residences to the west.
- The number of parking spaces may be insufficient for the site in consideration of employee, residents, and visitor needs for the existing/proposed facility.

Compliance with 1987 CDP (Conceptual Development Plan) & 1988 DDP (Detailed Development Plan) Conditions of Approval – Expanded Facility

As described in the “Prior Actions” section of the 4/19/05 Commission staff report, in April 1987, the City Council adopted an Ordinance establishing a Conceptual Development Plan (CDP) for expansion of the Belmont Hills Hospital for the site (subject to conditions of approval). This CDP approval granted a 20,000 sq. ft. expansion of the then 25,000 square foot Belmont Hills Hospital (45,000 sq. ft. total allowed for the site). In January 1988, the Planning Commission approved the associated Detailed Development Plan (DDP), with conditions of approval.

In consideration of the currently requested entitlements, staff believes it appropriate to assess any outstanding conditions of approval that have not been potentially satisfied with these two past approvals. Please note that the list includes only those conditions that may be outstanding (to the best of staff’s knowledge). A list of all required conditions of approvals for these two actions is described in the 4/19/05 Commission staff report (see pages 8-14).

Council CDP Approval – 1987

Condition 4. The revised Detailed Development Plan submitted for review by the Planning Commission shall incorporate the following design features and information:

- e. How the additional beds provided in the expanded hospital shall be restricted to use for the treatment of children and/or adolescents.*

Based upon the current use of the site for a Dementia Care facility primarily for the elderly, this condition may be out of compliance. However, the former user of the facility, Belmont Hills Hospital may have complied with the condition restricting treatment for the new beds to children/adolescents as they occupied the site from 1989 to 1998. As discussed earlier, the current operator of the facility, CHCG, took over the site in 1998 and is utilizing the facility for dementia care for the elderly.

Commission DDP Approval – January 1988

Condition 2. The following traffic mitigation measures shall be incorporated into final project plans submitted for building permit:

- d. Implementation of a ride-sharing car-pool project and continuation of the existing flex-time schedule. This program shall be implemented prior to occupancy of new construction.*

Based upon information from the applicant (see 8/8/05 memo embedded within 9/20/05 Commission Staff Report – Pg.15 & 16), a flex-time plan is inherent for the employee work schedules. However, it is not clear whether a ride-sharing program is also in place for the facility.

Condition 5. Approval is granted for a land bank area as shown on approved plans and of a sufficient size to accommodate 60 additional parking spaces. One year after final occupancy is granted for the Hospital expansion, the Planning Director will review parking needs on site. All or a part of the additional parking may be required to be constructed at that time, together with the necessary lighting and landscaping. The applicant shall post a performance bond to insure completion of parking in the land bank area if such construction is required by the Planning Director. If, upon completion of the parking demand review, additional parking is found to be unnecessary, then the bond shall be released.

It is unclear whether this condition requiring additional parking spaces (at the discretion of a former Community Development Director) has been met. Staff will continue to research whether this requirement was enforced or waived upon previous CDD Director decision.

Condition 13. Prior to occupancy of new buildings CPC-Belmont Hills Hospital shall provide a security guard to patrol the ground 24 hours per day.

The applicants have recently incorporated a plan for 24-hour security for the site; this plan is currently under review by the Police Department to confirm acceptability in concert with the stated condition language.

Condition 20. Merge all three lots into one parcel prior to issuance of a building permit.

This condition has not been satisfied as part of the past approvals. In the Council's acceptance of the conservation easement (1989) for the southern hillside portion of the property consistent with the 1988 Planning Commission approval (Condition #10), three lots continued to be reflected for the subject property. The site continues to consist of three lots and their associated Assessors Parcel Numbers.

Required Findings for Project Approval/Project Benefits for the City

At this stage of the development review process, the applicants seek approval of a Mitigated Negative Declaration, General Plan and Conceptual Development Plan Amendments, and a Vesting Tentative Subdivision Map for the proposed Ralston Village facilities development. To approve the aforementioned entitlements requires that specific findings be made in the affirmative. As discussed earlier, the Commission in concluding their review of the project on September 20, 2005 forwarded the project for Council review without a recommendation on the required findings for the requested project entitlements.

The General Plan designation for the project site is "In," Institutions. Surrounding land use designations include "R-1", Low Density Residential, Institutions, and "Pk," Park. The General Plan indicates that the existing facility occupies a large, centrally located, and visually prominent site. The open space on this site was designated as important community resources, and potential expansion or modification of existing site uses could have a significant impact on the character of the Ralston Avenue corridor. The General Plan specifically designates the Ralston Village Phases I and II as Institutional. The intent of this designation is to permit limited expansion of the existing medical use of the site, with the possibility of including medical offices.

While the proposed facility would seek to provide health maintenance services to its residents, the intent of the General Plan is to ensure that medical-related uses would be developed on the project site. To this extent, the proposed project attains the goal of supplying health services to members of the community and a limited amount of medical office space as part of the project. However, the principal use for the project is the provision of senior housing.

With regard to General Plan goal 2051.2* for institutional uses, the proposed project would need to be designed and operated in manner that preserves and enhances the character of its neighborhood and conserves the subject property as an asset for the whole Belmont community. To accomplish this goal, the Conservation Easement protects the property's upper elevations. The easement ensures that the steep, wooded hillsides on the southern portion of the project site would be undisturbed and would continue as a visual and biological resource benefiting the entire community as well as the neighborhood. Ultimately, the City Council must determine whether the project would be consistent with this General Plan goal for institutional uses on the site.

* 2051.2 - *"To ensure that institutional uses are designed and operated in a manner that preserves and enhances the character of Belmont's residential neighborhoods."*

General Plan policy 2052.6** directly addresses future land uses envisioned for the project site. In addition to the conservation of the site’s natural characteristics, this policy also stipulates that medical uses would be acceptable on a portion of the subject property. The development of Ralston Village Phase I complied with this recommendation by providing a dementia care facility. The total scope of Ralston Village develops a congregate senior community (Phase II) while also continuing to provide assisted living services in Phase I. As discussed earlier, the City Council must determine whether this policy has been appropriately met with the proposal.

Under a strict interpretation of the relevant General Plan policies in relation to the project, the proposal includes limited medical-related uses. The project provides senior residential uses that include a health maintenance orientation, a health services office, and on-site medical supervision and care. However, the proposed project reaches beyond the intended uses allowed by 1982 General Plan Policies for the site.

To be absolutely clear, the proposal entails a significant change to the stated language, and associated goals and policies of the General Plan as it relates to the subject site and other “Institutional” designated sites in the City. The project also embodies a substantial modification to the site layout in comparison to the past expansion of the uses/structures envisioned for this property when rezoned to Planned Development in 1987 for site. To approve both the General Plan & Conceptual Development Plan Amendments a single, similar finding is required for each amendment.

For the General Plan Amendments the finding is as follows:

“20.7 ...The Council shall make a specific finding as to whether the proposed Amendment is required to achieve the goals and objectives of the City. (excerpt)”

For the CDP amendment the finding is as follows:

“16.7 ...The Council shall make a specific finding as to whether the proposed Amendment is required to achieve the objectives of the Zoning Plan and the General Plan for the City. (excerpt)”

As one can discern, these two findings are consistent in their “test” as to whether an amendment is appropriate – are these amendments specifically required for the project to further the goals and objectives of the General Plan, Zoning Plan, and City? If the Council believes the amendments are appropriate and required for this project, the findings can be made in the affirmative. Should this action be taken and the project is ultimately constructed, the City could realize the following benefits:

** 2052.6 - *“Land west of Twin Pines Park, partially occupied by the Belmont Hills Psychiatric Center should be used for a combination of open space and medical uses consistent with the natural site characteristics and visual importance of the site to the community.”*

- Provision of additional housing (55 units) which contributes to the City meeting the Regional Housing Needs Determination (RHND) as outlined by ABAG in the 2001-2006 Belmont Housing Element.
- Property taxes associated with the additional housing, site valuation reassessment, and/or realized tax increment from Belmont residents trading down their current single family residences for a Ralston Village unit will contribute to the General Fund. Potential increases in revenue to the City from property taxes/tax increment can range from 280K to 500K per year.
- Required Park in Lieu fees for the proposed subdivision could potentially provide 700K – 900K in revenue to the City to augment the City’s Park Master Plan for funding of future parks or upgrades to existing parks.
- The project proposes a pedestrian trail connection within the site to improve public access to Twin Pines Park; depending on the scope of this trail, pedestrian access to/through the site could be significantly improved along this section of Ralston Avenue.

Should the Council believe these amendments are not appropriate or “required” for the project in furtherance of City goals and objectives, such a determination that the associated findings cannot be made in the affirmative becomes a straightforward, or almost rudimentary action.

Other Considerations

This project will likely require substantial fiscal analysis. Staff recommends that prior to any Council approval of the requested entitlements, a comprehensive study of fiscal impacts be performed. Those impacts may be potentially mitigated through the imposition of fees discussed within that report, or via establishment of a “City-Wide Community Facilities District” or by some other means.

Fiscal Impact

To be determined upon approval/denial of project relating to mitigation measures, in-lieu dedication fees, or other project exactions in concert with appropriate review and analysis of the “Fiscal Analysis Report” described above.

Public Contact

1. For General Plan, and Conceptual Development Plan Amendments within a Planned Development Zoning District, the City Council is required to hold a public meeting as per Sections 16.7 (Amendments) and 20.7 (Amendments) of the BZO. The City placed a public notice display ad in the local newspaper of general circulation (San Mateo Times) for a minimum 10-day period beginning on October 29, 2005, for the scheduled public hearing by the City Council on November 9, 2005. The City also mailed the public hearing notice to all property owners within 300 feet of the subject site to inform such persons of the scheduled appeal hearing.

2. Notice to the public was mailed in accordance with State law and local ordinance and the agenda was posted as required by the California Government Code. The applicant has received a copy of this report.

Recommendation

Take public testimony and continue the hearing, directing any questions to staff for research and response. A staff memorandum would be prepared for consideration at a future hearing.

Alternatives

1. Conduct a public hearing and vote on the application. An ordinance embodying the action will be returned for approval at a future meeting.
2. Take no action.

Attachments

- A. Applicant Letter Dated November 2, 2005 (Council Only)
- B. - September 20, 2005 Planning Commission draft meeting minutes, staff memorandum, and attachments (Council only)
 - July 19, 2005 Planning Commission meeting minutes, staff memorandum, and attachments (Council only)
 - April 19, 2005 Planning Commission meeting minutes, staff report, attachments (Council only)

Respectfully submitted,

Carlos de Melo
Community Development Director

Jack Crist
Interim City Manager

PLEASE NOTE:

Attachment B is not included as part of this document – please contact the City Clerk’s Office at (650) 595-7413 for further information on this attachment.

Mr. Carlos de Melo
Principal Planner
Community Development Department
City of Belmont
1070 Sixth Ave., Suite 302
Belmont, CA 94002

November 2, 2005

Re: Ralston Village Mitigated Negative Declaration, General Plan
Amendment, Conceptual Development Plan Amendment and Vesting
Tentative Subdivision Map.

Dear Mr. de Melo:

As you requested, this letter will put in writing 1) our specific concerns with respect to the issues raised during the Planning Commission hearing on the captioned matter of September 20, 2005, and 2) the potential benefits of the project to the Belmont community.

The hearing on September 20, 2005 was the third that the Commission has held to consider various aspects of our proposed congregate senior community, an age-restricted senior housing facility. These hearings represent the culmination of nearly four years of work on the project as it has evolved through three permutations, a 101-unit proposal, an 82-unit proposal and the 55-unit facility currently pending for approval.

Our community outreach program for Ralston Village Phase II has included over 30 meetings with individual neighbors and neighborhood groups, a process through which we have been able to secure significant neighborhood support and that has influenced the final shape of the project. Throughout the four-year period, we have had literally dozens of communications and meetings with staff members of your Department, Public Works and Parks & Recreation, many of which also resulted in project changes to meet specific concerns.

Toward the end of the September 20th Commission hearing, one of the Commissioners raised the issue of “developer contributions” for the first time, a concept never before mentioned during the

history of the project. After four years of processing, we were startled to hear for the first time that a member of the Commission considered it an obligation of a development entity to provide contributions to the City, as a condition of approval, that (i) are not disclosed or required under any ordinance, any resolution, (ii) are totally unrelated to any impact that the project itself would cause, and (iii) are not mentioned, required or alluded to in the staff report or any environmental document that pertains to the project.

At least the Commissioner in question exhibited the virtue of candor. He started by stating that on general principles, the developer should pay roughly ten percent of the project value or \$3.5 Million to improve the City's infrastructure over and above the fees for that express purpose for which City ordinances already provide. To carry out this concept, he demanded the following specific items:

- ***Remove the rolled curb on both sides of Ralston Avenue (1,500 ft.) and replace it with new sidewalk and vertical curb.*** We learned during neighborhood meetings that the rolled curb at the bend in Ralston Avenue created a danger to pedestrians. We agree. A rolled curb does not protect against automobiles that cut the corner and encroach on the sidewalk. But this is a pre-existing condition, not caused or exacerbated by our project. No law authorizes the City to impose the cost of rectifying pre-existing conditions on a developer who does not make those conditions worse. Despite that, and while we did not build, do not own, and the residents of our project would not benefit from improving the sidewalk, we included within our project -- as part of our commitment to the community -- an alternative walkway well away from Ralston Avenue that we will construct at our expense. The City cannot lawfully demand more.
- ***Provide a pathway through the conservation easement area on the hillside above our building to link Twin Peaks Park to Chula Vista.*** Again, this requirement does not

respond to any impact our project causes, is not supported by any City ordinance and probably cannot be implemented as the pathway would cross a private lot on Chula Vista.

- ***Contribute funds to the Senior Center because our residents might use the Center.***

Nothing in the project documentation supports the conclusion that residents of our project “might” use the Center any more than any other citizen of the City might do so. Moreover, our project will contribute \$700,000 in park fees in addition to providing onsite recreational facilities. It will also pay school fees, even though it will not generate any demand for school facilities. Remote, speculative possibilities without support in any ordinance, resolution or environmental document are not enough legally to support the proposed imposition.

A second commissioner had raised the idea of changing the location of our proposed entry and to share the implementation of a traffic light on Ralston Avenue with the College of Notre Dame de Namur. We in fact had raised the possibility of a traffic control light on Ralston during 2002. At that time, your department and Public Works both determined that the small size of our development and its low trip generation potential would not warrant a traffic light – and that no such traffic light could be installed without a comprehensive traffic study. The traffic report prepared for our project shows that it would have a less than one percent impact on existing peak hour travel on Ralston Avenue. The City’s traffic consultant concurred. *And both of those studies analyzed trip generation from an 82-unit project, not the reduced 55-unit project currently before you.* In short, a traffic light on Ralston Avenue is not required to mitigate any impacts from our project nor is it related in any way to the approval process currently before you.

With regard to the benefits of this project to the community, this is a high quality project on which we have applied a high level of detail. We foresee that this project will be a wonderful asset to the community and will be something that City will be proud in having approved. The following is a list of the General Plan Goals and ways in which the project, as designed will meet those goals.

- 1. To assure that Belmont will be a balanced community with residences, schools, business, industry, and space and facilities for social, recreational and cultural activities in keeping with the present character of the City.**

The Proposed Congregate Senior Community would become an integral part of the Belmont community by helping to support a balanced multi-generational population and would help to satisfy the City's obligation to approve housing units.

A study performed on behalf of the project sponsors by Crown Research, a specialist in evaluating the viability of senior communities, points out that Belmont and its surrounding communities enjoy a very stable residential population where families have remained for decades. The study noted that there are approximately 51,980 individuals who are 65 years or older living within an area stretching from Atherton to San Mateo. Yet, within that area, there are only 272 (for sale) senior independent living residential units.¹

As noted above, the Peninsula communities enjoy a stable residential population. Since the aging population has few housing choices other than remaining in the family home, this along with the fact that fewer and fewer homes will be developed in the area has begun to create a dynamic where young families are finding it increasingly difficult to buy homes in the community.

The development of the proposed Congregate Senior Community would provide a new alternative to vital seniors who wish to remain in Belmont but do not want to remain or, due to accessibility issues, may not be able to remain in the family home. This will in turn "free up" the family home to a younger population thus helping to assure that the community stays in balance.

According to information provided to the Sponsor by Fidelity Title Company, there are over 700 homes in Belmont that have been owned by the same family or individuals during the period between 1968 and 1978. (Please note, we were not able to trace records before 1968) This indicates that there is a very substantial senior population in Belmont that has remained in their family homes and who has chosen not to seek alternative (senior) housing. This we believe is attributed to the fact that Belmont has a very dedicated population that has chosen to remain in their family home rather than downsizing and moving to senior housing outside of Belmont.

Ralston Village Phase II would provide the first and only opportunity in Belmont for age restricted (for sale) housing for this ever growing population.

¹ Miles, Mark, Crown Research 12/01

Date	Number of Homes Currently Owned by Same Family Since Year Noted
1968	40
1969	39
1970	29
1971	50
1972	75
1973	87
1974	54
1975	75
1976	100
1977	92
1978	66
Total	707
Average	64

2. To preserve and enhance the attractive, family-oriented and tranquil quality of Belmont’s residential neighborhoods.

The development team has sought to preserve the tranquil nature of the site and to enhance the quality of the residential neighborhood through thoughtful design. In the initial design of the proposed structure they have respected this asset by: 1) designing a facility that is sited in a manner that would maintain the existing natural landscape which surrounds the property 2) specifying building materials and using natural colors that complement the wooded landscape and 3) designing architectural forms that are consistent with the vernacular architecture of the surrounding residences.

The architectural style chosen for the project is Shingle Style which was prominent in the Bay Area before and after the turn of the century. The architectural elements include gables and hipped roofs, shingled wall surfaces, and strong frieze and corner board details. The exterior will be clad in cedar shingles and all painted surfaces will have earth tones which would blend with the natural surroundings of the site. The large majority of vintage oaks on the site have been preserved and where at risk, the oaks would be replaced with oak trees per the recommendations and specifications of the City Arborist. All combined, these elements would respect and help to sustain the tranquil quality of the nearby residential neighborhoods.

3. To preserve significant open spaces, trees, views, waterways, wild-life habitats, and other features of the natural environment.

This site which is located in the thriving Ralston Avenue corridor is and ideal site for development and our proposal would fully satisfy this goal. The site is located near a major park and mass transit and is walking distance to shops and supermarkets. Further, it is a site that had buildings on it previously. As such it is considered a redevelopment site. Unlike other major

privately held open spaces in the community this is a flat site which is not protected nor is it in a geologically unstable environment.

The proposed project has been designed and oriented in a fashion that would preserve open space and that would be respectful of the surrounding natural habitat.

Phase I and Phase II Ralston Village lay on a 17.2 -acre parcel of land with over 800 linear feet of frontage on Ralston Avenue. The land is comprised of two distinct geographic elements; a densely wooded, eight-acre steep upland hillside parcel known as the Conservation Easement, and a second, low-lying flat land area of nine acres where Phase I of Ralston Village is located and where Phase II is proposed to be constructed.

The site chosen for Phase II was an area previously occupied by the Alexander Sanitarium which opened its doors in 1924 and occupied the site for a half a century. During the history of the site's development, the site has been filled, graded and leveled. The stream bed has been covered and rerouted through a large concrete culvert which lies six to eight feet below the surface of the property. Please note, FEMA has approved the culvert's capability to handle a 100 year flood and as such the property has been removed from the 100 Year Flood Map.

In an effort to maintain the existing tree population, the Phase II structure has been placed in a large relatively open and flat site that is currently a grassy area and a parking area. The placement of the building in this area has allowed the natural hillside habitat which surrounds the property to remain - uninterrupted.

As a result of the consolidation of the structures on the flat area of the site, the project would maintain a high percentage of open space. After considering the 45,000 footprint of Phase I and the 40,000 foot footprint of Phase II only 11% of the 17.2 acre property will be covered by the building footprints. As a point of comparison, this lot coverage is substantially less than a typical single family home in Belmont which typically covers more than 25% of its lot area.

4. To maintain and enhance the appearance of the City through controlling the location, timing, design and landscaping of new development and encouraging renovation of older areas.

As stated above, the site is the former location of the Alexander Sanitarium which was comprised of numerous structures which covered the low laying flat area of the 17.2 acre site. The facility was demolished in 1973 and new structures were built on the eastern side of the property, leaving the western half vacant and designated for future development.

5. To encourage economic development within designated areas of the community to provide jobs, services and convenience goods and to strengthen local sources of revenues.

The development of Phase II will encourage economic development through one time payment to the city and through ongoing operations:

One time economic benefits:

- Permit fees
 - Planning
 - Building
 - School fees
 - Park Fees

- Construction
 - Labor
 - Local Suppliers

Ongoing economic benefit to the community:

- Employment within Phase I and Phase II
- Goods and services purchased by older residents who tend to shop locally
- Property tax increment

As noted above there are a large number of homes that have remained under the same ownership for 30 to 40 years. As a result of Prop 13, the 707 homes noted above are being taxed at their original (old) values. For the sake of discussion, the conservative increase in value of these homes is likely to be valued at or about \$1,000,000 above their original purchase price. Thus, the potential increased tax increment on that home is about \$10,000 per house. The total potential tax increment for all 707 homes would be in the neighborhood of \$7,000,000.

Pursuant to Prop 13, the Belmont senior who sells their home in Belmont and purchases at Ralston Village Phase II, is allowed to apply their current property tax rate to their home in the new facility. The City will benefit from this transaction since it will 1) keep the senior resident in the community and 2) the family home which will change hands will command higher tax revenue. Assuming that Ralston Village Phase II captures 4% of this population that translates into 28 individuals or couples or \$280,000 of tax increment.

Further, the remaining dwelling units might be sold to individuals outside of the community thereby commanding property tax which would be measured on the full retail value of the dwelling units. The total effective tax increment associated with the development of Ralston Village Phase II is likely to be approximate \$500,000 per year.

- 6. To provide public services efficiently and at a level adequate to serve an ultimate population of about 28,000.**

Senior communities contribute to both the school fee and park fund yet they do not impose a burden on the school system and they place a very limited burden on the park system. An estimated \$200,000 in School Fees and a substantial Park Fee will be paid by the project sponsors. These contributions will help to fund some of the public services necessary to support Belmont's increasing population.

7. To guide the timing and location of growth and development to ensure the availability of services and protection of sensitive natural environments.

The development of the new structure occurs approximately eighty feet (horizontally) down slope from the established conservation easement. With this placement of the structure, the hillside vegetation has remained uninterrupted.

8. To protect persons and property from unreasonable exposure to natural hazards such as floods, fire, unstable ground, erosion and earthquakes.

The existing culvert has been designed and built to a 100 Year Flood standard. As such, FEMA has removed the Ralston Village property from the 100 Year Flood Map. While the probability of a complete blockage of the culvert during the duration of the 100 Year Flood is extremely low, the building placement allows for emergency overflow release of water (around the north west corner of the structure).

9. To protect and conserve significant community resources such as energy, clean air and water and historic or architecturally interesting buildings.

The new structure will meet or exceed California Title 24 requirements for energy conservation.

The following transportation alternatives will be promoted by the staff to the members of the community. These transportation alternatives will help to conserve energy and protect the air:

- The community is ideally located near mass transit (Caltrain) and is walking distance to the station. Van service to and from the station will be promoted.
- Ralston Village is within easy walking distance of nearby shops and the nearby Twin Pines Park. The project sponsors propose to connect a pathway from the north western entry to the pathway at the northwest corner of the park. It is anticipated that the residents of Ralston Village will use this pathway to walk to and from the center of town.
- Van service will be provided to the residents of Ralston Village II to go to and from shopping and doctor's appointments.

10. To provide for safe and efficient movement of people and goods within the community and between the community and other areas of the region with a minimum of disruption and adverse environmental effects.

Neutral

11. To annex additional land which is within the sphere of influence or planning area only when the expected fiscal benefits of annexation exceed the costs.

As noted above, the new institution will pay substantial permit fees and contributions to the community. Any costs associated with the new development would be covered by various fees and will cause no fiscal burden to the community.

We understand that you will be providing this letter to the City Council members. We look forward to discussing these matters further when we go before them on November 9.

Sincerely yours,

Joel I. Roos

Cc: Bryan Thornton, PCCP
Howard Ellman, Esq.