

April 24, 2019

Via hand delivery and email

Honorable Supervisor Joe Simitian
Santa Clara County Board of Supervisors
County Government Center
70 West Hedding Street
San Jose, CA 95110

Dear Supervisor Simitian:

As you know, San Mateo County is extremely concerned about the environmental impacts that will be imposed on all jurisdictions in the vicinity of the development proposed in the Stanford University ("Stanford") 2018 General Use Permit ("GUP"). The GUP would authorize construction of an additional 2,275,000 square feet of academic and academic support facilities on the Stanford campus, an increase of more than 20 percent over current levels. Although the proposed development will take place on a portion of the Stanford campus that is within the jurisdiction of Santa Clara County, San Mateo County will experience significant and lasting impacts from the development due to its proximity to the Stanford campus. Of particular concern is the vulnerability of some San Mateo County neighborhoods to gentrification caused by the expected influx of new students and staff connected to Stanford's growth. The development of 5,500 new jobs and 9,610 new students/employees on campus, but only 500 new housing units for employees will significantly exacerbate the housing crisis and associated traffic gridlock that we are all experiencing now.

San Mateo County wholeheartedly supports the proposition that Stanford be held accountable to provide every unit of housing necessary to meet the demand generated by the implementation of the large-scale development that would be authorized under the Stanford GUP, especially given the severe housing shortage.

San Mateo County has formed a committee consisting of elected officials and staff from jurisdictions most impacted by the development contemplated in the Stanford GUP; specifically, the County of San Mateo, Redwood City, Menlo Park, East Palo Alto, Woodside, Portola Valley and Atherton. The City of Palo Alto has also recently joined our committee. This committee has met several times and we are united in our resolve to ensure that all the impacts of this massive development on our collective neighborhoods are mitigated in the development agreement related to the GUP. To the extent Santa Clara County expects impacts within its jurisdiction to be fully mitigated by Stanford, it is axiomatic that San Mateo County expects the same result.



The purpose of this correspondence is to identify the measures that should be imposed on Stanford. Santa Clara County should require in its development agreement with Stanford, the below mitigations in order to offset the impacts of the Stanford's growth on housing, transportation, stormwater, and public services within San Mateo County.

1. Establish an evergreen fund of \$196 million in order to fund the creation of affordable housing units within San Mateo County.

As described by the Final Environmental Impact Report ("FEIR"), the 2018 GUP will result in demand for 2,425 off-site housing units. The FEIR estimates that 27 percent of that growth in households will occur within San Mateo County, resulting in the need for 655 units. To determine the impact of this increased demand for housing, we have conservatively assumed that half the housing demand can be met by preservation and rehabilitation of existing units, and half the housing demand must be met by creating new housing units. The cost for new "ground-up" affordable housing in our community is \$450,000 per unit and the acquisition and rehabilitation of an existing unit is \$150,000. Given these assumptions, the cost of fully mitigating Stanford's housing impact on San Mateo County is \$196,000,000. Accordingly, we believe Stanford should establish an evergreen fund of \$196,000,000 over the life of the GUP to fully mitigate housing impacts in our community by funding the creation of affordable housing units in San Mateo County. To ensure the nexus with Stanford development, the funds would be expended in San Mateo County within the six-mile radius of Stanford.

2. Contribute a minimum of \$4.62 million to roadway and intersection improvements in San Mateo County.

The proposed increase in Stanford's population will unavoidably result in more trips on local roads, which will increase congestion throughout the day, and result in additional delays at intersections that are currently performing below desired levels of service. In addition, implementation of the GUP will lead to significant construction-related impacts, including increased numbers of truck trips, which will adversely impact road conditions.

The "No New Net Trips" Stanford refers to in all of its documents is misleading. The timeline Stanford refers to is a small window of time during commute hours. It is our belief that traffic impacts should be looked at holistically in regard to average daily trips to and from the campus as the region is experiencing traffic congestion throughout the day and that traffic congestion will only be exacerbated by the proposed development. This would dictate a broader view of the traffic created by this proposed development and we are happy to collaborate with Santa Clara County to determine the true average daily trip traffic and the expected impact of this development.

It is clear roadways and intersections that provide access to and from the Stanford main campus are in need of improvement including Sand Hill Road, Alpine Road, the Highway 280/Alpine Road Interchange (estimated cost of improvements is \$16 million), Middlefield Road (estimated cost of improvements is \$19 million), Valparaiso Avenue (estimated cost of improvement \$3 million) Santa Cruz Avenue (estimated cost of improvements is \$6 million), University Ave (estimated cost is \$5 million).

Other local roadways that are impacted and in need of improvement include, Bayfront Expressway, Willow Road, El Camino Real, and Middlefield Road, particularly at its intersection with Marsh Road (estimated cost of improvement is \$35 million). Stanford's proportional share of these and other needed roadway improvement costs should be a minimum of 5.5 percent, based on population projections contained in the FEIR which show that in 2035, the daily population of Stanford will be over 5 percent of the total population of San Mateo County.

3. Contribute a minimum of \$15 million towards bicycle and pedestrian improvements in San Mateo County.

The Stanford GUP will also increase the number of people traveling to and from the Stanford campus by foot and by bicycle. The increased vehicular traffic caused by the development will require safe bicycle and pedestrian alternatives to driving through our communities to get to Stanford. Trail and roadway improvements needed to accommodate and facilitate these forms of access include the University Avenue/Highway 101 pedestrian/bicycle overcrossing (\$14 million), the Dumbarton Rail Spur Trail (\$5.5 million), the Middle Avenue pedestrian/bicycle crossing in Menlo Park (\$16 million), increase capacity of safe bicycle and pedestrian routes between Stanford and Menlo Park across San Francisquito Creek such as at San Mateo Drive bike bridge (\$5 million), new bicycle facilities on Middlefield Road (estimated costs of improvements is \$8 million in Redwood City, and \$3 million in San Mateo County), filling in gaps on the Bay Trail, designing and building the permanent Peninsula Bikeway, and new and enhanced bicycle facilities on Alameda de las Pulgas.

4. Contribute \$5 million to addressing stormwater management/ flooding prevention needs.

Given the existing and future flow of stormwater from Stanford lands into the San Francisquito Creek watershed, and associated problems of downstream flooding, Stanford should provide a fair share contribution to the Bayfront Expressway Improvements (estimated cost of \$9 million for Phase 1 and \$20 million for Phase 2) and other stormwater infrastructure needs (e.g., improvements to the Atherton drainage channel). Stanford should commit to reducing flows in San Francisquito Creek by making a financial contribution to the San Francisquito Creek Phase II project and by increasing upstream detention facilities on Stanford property.

5. Expand its free shuttle/bus service.

Stanford should expand its free shuttle/bus program, by providing service between the main campus and the Redwood City campus in order to minimize passenger vehicle traffic between the two campuses, among other possible expansions. In addition, the shuttle/bus program should be accessible to the general public and include stops and routes that serve communities impacted by Stanford traffic, including a route along University Avenue in East Palo Alto, Willow Road and Marsh Road in Menlo Park, as well as El Camino Real from Stanford to Redwood City and expand hours.

6. Require its contractors to avoid using trucks on local specified roads.

In order to protect public safety and avoid damage to local roads, Stanford should require its contractors to avoid using large construction trucks on streets near schools, senior centers, and community centers as well as significant residential populations including Sand Hill Road, Alameda de las Pulgas, Middlefield Road, Oak Grove Avenue, Ravenswood Avenue, Santa Cruz Avenue, Willow Road, University Avenue and Alpine Road.

The cost of enforcing this provision should be the responsibility of Stanford as local public safety resources are already over taxed.

7. Not initiate construction of new projects under the Stanford GUP until specific roadway improvements and supplemental traffic analyses are completed.

Vehicular access to and from Stanford relies on certain key intersections that are currently functioning below desired levels of service. These include the 280/Alpine Road, 280/Sand Hill Road, and Alameda de las Pulgas/Santa Cruz Avenue intersections. In order to prevent Stanford's growth from further eroding levels of service at these intersections, specific projects proposed under the Stanford GUP should not be constructed until the needed improvements to these intersections have been made. In addition, Transportation Impact Analyses should be performed in consultation with San Mateo County prior to initiating construction of any new projects under the GUP to determine the additional specific transportation and circulation improvements that should accompany each specific project.

8. Pay \$6.78 million in-lieu property taxes to impacted local public agencies.

To offset the loss in property tax revenues that local governments experience as a result of Stanford's non-profit status, Stanford should enter into Payment in Lieu of Taxes (PILOT) agreements, in which Stanford would make annual payments in an amount equal to the portion of the real and personal property tax levy that the relevant public agencies would have otherwise received from a non-tax-exempt property owner.

Secured property:

The assessed value exempted for Stanford University in 2018 in San Mateo County is \$418,515,690.00. At 1% tax rate, this would translate to \$4,185,156.90 in exempted tax revenue.

Unsecured property:

The assessed value exempted for Stanford University in 2018 in San Mateo County is \$251,474,950.00. At 1% tax rate, this would translate to \$2,514,749.50 in exempted tax revenue.

The total Secured and Unsecured property assessed value exempted for Stanford University in 2018 in San Mateo County was \$669,990,640.00. At 1% tax rate, this would translate to \$6,699,906.40 in exempted tax revenue.

The apportionment to the impacted areas is attached hereto as Exhibit "A." Such payments are needed to ensure the provision of public services and benefits upon which Stanford's population depends, such as educational, open space and emergency services.

9. Provide educational opportunities to the communities impacted by its growth.

Stanford should help solve regional problems and strengthen civil society by supporting initiatives to enhance educational outcomes for pre-college students, and by offering educational opportunities for local governments, school districts and their schools, and non-profit organizations.

Stanford has a rare opportunity to reverse historical patterns of segregation and disinvestment, replacing them with equitable development. Stanford can prevent displacement and promote equitable revitalization to ensure safe and just communities. A focus on racial equity and impact investment are opportunities for inclusive job creation and economic security for homegrown talent. These initiatives establish healthy neighborhoods and blossoming communities.

10. Ensure that Stanford GUP-related impacts within San Mateo County jurisdictions are either directly mitigated, or that such jurisdictions have appropriate access to and use of mitigation funds.

Stanford should ensure that the impacts of its growth are fully mitigated within the communities that are experiencing these impacts by providing the mitigation funds described in this letter directly to the impacted local jurisdictions. In the event that mitigation funds must be held and allocated by Santa Clara County, Stanford should insist that impacted jurisdictions within San Mateo County have equal access to the mitigation funds, and equal involvement in the process for allocating and programing these funds.

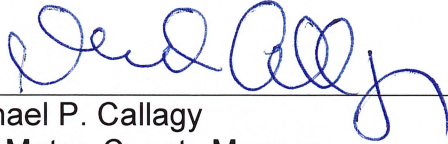
11. Provide or help fund the provision of child care for people living, working or studying on the Stanford campus.

A 2017 study by Brion Economics determined that it costs \$42,000 to provide one child care space, and that cost has likely increased since that time. Given that there is already a deficit in child care service in San Mateo County, and that the proposed expansion of the Stanford campus will generate increased demand for child care by those living, working or studying on the Stanford campus, Stanford should strive to meet that demand.

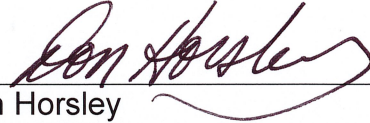
Supervisor Simitian on behalf of the entire San Mateo County GUP Committee, we would like to thank you for your leadership in this matter. This is one of the largest and most impactful projects our collective counties' will face and full mitigation of the impacts in both of our county's is what we need to strive for as we face a crisis in housing, traffic congestion along with all the other impacts enumerated above.

We look forward to working with you and your colleagues to ensure our collective regional interests are addressed in the conditions of approval and the development agreement with Stanford University.

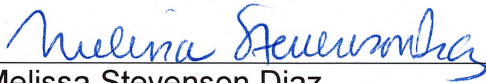
Best regards,



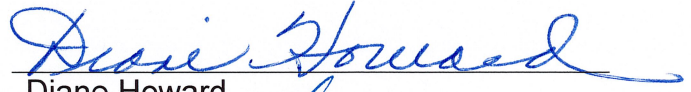
Michael P. Callagy
San Mateo County Manager



Don Horsley
San Mateo County Supervisor, District 3



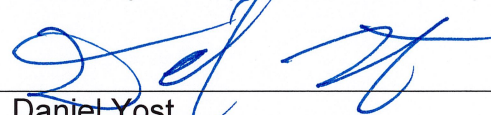
Melissa Stevenson Diaz
City Manager, City of Redwood City



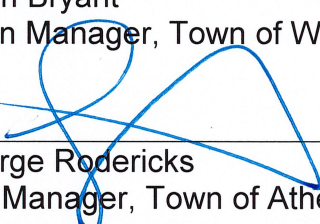
Diane Howard,
Vice Mayor, City of Redwood City



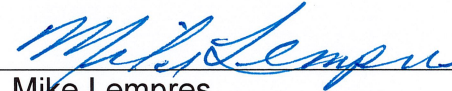
Kevin Bryant
Town Manager, Town of Woodside



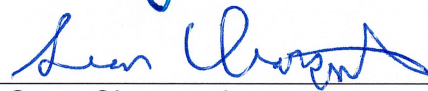
Daniel Yost
Mayor, Town of Woodside



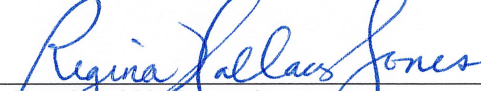
George Rodericks
City Manager, Town of Atherton



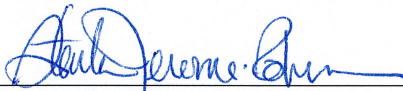
Mike Lempres
Council Member, Town of Atherton



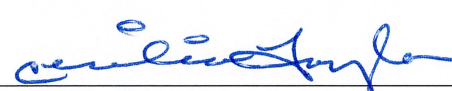
Interim
Sean Charpentier
City Manager, City of East Palo Alto



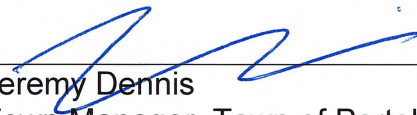
Regina Wallace-Jones
Vice Mayor, City of East Palo Alto



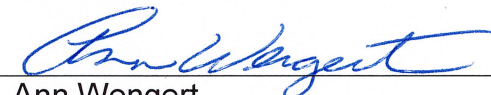
Starla L. Jerome-Robinson
City Manager, City of Menlo Park



Cecilia Taylor
Mayor Pro Tem, City of Menlo Park



Jeremy Dennis
Town Manager, Town of Portola Valley



Ann Wengert
Mayor, Town of Portola Valley

Attachment: Exhibit A – Apportionment to the Impacted Areas

- c: Jeffrey V. Smith, County Executive, County of Santa Clara
- Rob Eastwood, Planning Manager, County of Santa Clara
- Tom DuBois, Council member, City of Palo Alto
- Geoff Bradley, M-Group

Exhibit A

Apportionment to the Impacted Areas

Reductions to the 1% General Property Tax Due to Exemptions
Stanford University
Fiscal Year 2018/19

Taxing Entity	Amount
General County Tax	1,620,331.35
Free Library	86,602.81
County Fire Protection Structure	153,789.15
City Of East Palo Alto	2,653.61
City Of Menlo Park	121,454.11
City Of Redwood City Area 1	889,850.14
City Of Redwood City Area 3	4,600.55
City Of Woodside	34.17
Las Lomas Elem Gnrl Purpose	512,165.46
Menlo Park City Elem Genl Pur	39,619.08
Portola Valley Elem Genl Pur	18,768.43
Ravenswood Elem Genrl Purpose	1,986.79
Redwood City Elem Genl Pur	972,711.14
Sequoia High Genrl Purpose	1,068,309.05
Sm Jr College Gen Pur	463,913.08
Menlo Park Fire District	161,990.52
Woodside Fire District	16,338.19
Fair Oaks Sewer District	39,369.82
East Palo Alto Sanitary District	311.88
Atherton Channel Drainage	27.02
Campo Bello Univ Pk Drn Maint	4.98
San Francisquito Crk Fld Zn 2	6,157.36
Ravenswood Slough Flood Zone	7.77
Epa Drainage Maintenance District	178.42
Menlo Park Lighting	163.24
Ravenswood Lighting	32.52
Ladera Recreation District	195.16
Midpeninsula Reg. Open Space	125,616.01
Bay Area Air Quality Management	14,295.13
County Harbor District	24,115.86
Smc Mosquito & Vector Control District	13,128.21
Sequoia Hospital District	99,758.88
County Education Tax	241,426.51
Total	6,699,906.40