MONCHAMP ELDRUM LLP

May 1, 2026

Steven Golden
Principal Planner
Department of Planning
City of San Mateo
330 West 20th Avenue
San Mateo, CA 94403

Re: *Passage Project (PA-2025-011; PA-2025-064); State Density Bonus Law*

Dear Mr. Golden:

On behalf of Brookfield Residential, the Applicant for the proposed Passage mixed-use residential development project (PA-2025-011;PA-2025-064), located at 640, 666, 678, & 690 Concar Drive, 1820 & 1850 S. Grant Street, and 1855 S. Delaware Street (the "Project") in the City of San Mateo ("City"), we are providing this updated State Density Bonus Law request letter to reflect changes directed by the City.[1]

As explained in detail in our letter to the City dated February 26, 2026, we respectfully disagree with the City's interpretation and proposed application of State Density Bonus Law directing the Applicant to use multiple concessions and waivers for various standards nested under Guideline VII of the City's Below Market Rate ("BMR") Guidelines (rather than a single concession to waive Guideline VII, consistent with technical guidance issued by the California Department of Housing and Community Development ("HCD")[2]).

Nevertheless, in the interest of moving forward and avoiding additional delay on the by-right housing development, in response to the City's consistency comments dated April 24, 2026, the Applicant has further revised its original density bonus request as set forth below.

[1] As documented in the Project application materials submitted August 1, 2025, including a letter from this firm dated July 30, 2025, and in subsequent submissions to the City, the Project is providing affordable housing and eligible for density bonus, waivers, and/or concessions and incentives under the State Density Bonus Law (Gov. Code § 65915, the "SDBL") and San Mateo Municipal Code ("SMMC") Ch. 27.15.
[2] Sep. 4, 2025 HCD Letter of Technical Assistance to City of Los Angeles, at p. 2.

1. Requested Concessions.

    a. A concession to waive Guideline VII(b) of the City's Below Market Rate (BMR) Guidelines to allow the project to locate all affordable units in one building as proposed rather than distributed throughout the Project.

        The requested concession maximizes the number of affordable units that can be built and the number of affordable units that are appropriately sized for families, a priority indicated by the City Council. It would result in identifiable and actual cost reductions to provide affordable housing in the Project, including by increasing the depth of affordability and total number of affordable units provided by the Project beyond the City's inclusionary requirements, enhancing the ability to potentially qualify for tax-exempt financing and tax credits, as well as creating efficiencies in providing and management of affordable units. Application of Guideline VII(b) to the Project would (1) increase the cost of each affordable unit, (2) reduce the number of overall affordable units, and (3) reduce the level of affordability that can be provided for affordable units in the Project. (Govt. Code § 65915 (k).)

    b. A concession to waive Guideline VII(d) of the City's BMR Guidelines requiring BMR units to contain proportionately the same number of bedrooms as market rate units.

        This concession will allow the project to provide the proposed unit types in the proposed standalone affordable housing building as discussed above, which does not include any four-bedroom units. Application of Guideline VII(d) to the Project would (1) increase the cost of each affordable unit, (2) reduce the number of overall affordable units, and (3) reduce the level of affordability that can be provided for affordable units in the Project. (Govt. Code § 65915 (k).)

2. Requested BMR Waiver. The following waiver from BMR Guideline VII is requested in order to allow construction of the Project as proposed at its permitted density and with the requested concessions above:

a. Modification of City's BMR Guidelines section VII(e) requirement for BMR units to generally be of comparable size to similar market rate units.

3. Requested General Project Waivers. Furthermore, the following waivers of development standards are necessary to construct the proposed Project. SDBL bars the City from applying any development standard that would have the effect of physically precluding construction of the proposed SDBL project. (Govt. Code § 65915(e); see also SMMC § 27.15.050):

i. Modification of the maximum allowed building height limit for the Mixed-Use Medium II designation in Table LU-1 of the City's General Plan to permit seven stories for project buildings instead of six.

ii. Modification of Standard 7.6.1 of the City's Multi-Family and Residential Mixed Use Objective Design Standards which sets setbacks of up to 10 feet (mixed-use) or 15 feet (residential) and establishes entry orientation requirements to allow increased setback for landscaping and open space and orientation of building entries as proposed.

iii. Modification of Standard 7.6.3 of the City's Multi-Family and Residential Mixed Use Objective Design Standards which requires a publicly accessible park of at least 10,000 square feet with a minimum 50-foot dimension on any side, to allow the proposed open space to be distributed throughout the project as proposed.

iv. Modification of Section 4.1.5 of the City's Multi-Family and Residential Mixed Use Objective Design Standards which requires a minimum 18 inch-deep wall plane break for every 15 to 30 feet of horizontal wall length of low-rise buildings, to allow a 6 inch-deep wall plane break for the rear elevations of the project's low-rise buildings.

v. Modification of the City's Parking Standard Drawings 3.1.190 – 3.1.194 which require parking stall dimensions in two adjacent restricted or end stalls to be a minimum of 10 x 18 feet, to allow townhome parking stall dimensions to be 9 x 18 feet.

vi. Modification of the City's Parking Standard Drawings 3.1.190 – 3.1.194 to decrease the distance from drive aisle to column in the apartments garage from 7 feet to 3 feet.

vii. Waiver from bicycle parking stall quantity from the chart below per section 27.64.262. We will meet 2025 Calgreen standards of .5 stall / unit for

apartments.

c. Multiple-Family Dwelling (two-family, townhouse, condominium, apartments and apartment hotels)		
Studio	0.05 per unit	1.0 per unit
One-bedroom	0.05 per unit	1.0 per unit
Two-bedroom	0.10 per unit	1.25 per unit
Three or more bedroom (or any dwelling unit over 1,400 square feet in floor area)	0.15 per unit	1.5 per unit

viii. Modification of SMMC Section 27.71.120(a)(2) and Street Tree Master Plan requirement to plant street trees no greater than 30 feet apart to allow street trees to be planted as proposed due to utility conflicts.[3]

ix. City comment: "The adopted San Mateo Rail Corridor Transit-Oriented Development Plan states that streets and parks should be "framed" by buildings and not surface parking lots; however, the Trader Joe's parking lot and the new parking lot for the new retail/7-Eleven building are surface parking lots along the proposed street side. It is recommended to provide surface parking that is not visible from the public street."[3]

x. Modification of City's Objective Design Standards 3.1.2.D and 3.1.2 F to allow pathways, paseos and pedestrian amenities as proposed.

xi. Modification of SMMC Section 27.64.025(3) to allow the driveway entrance to the 7-Eleven parking lot on Concar Drive to be wider than the 26-foot width allowed for driveways serving nonresidential uses.

The Applicant makes the above requests at this time as part of the Project application process prescribed by the City, but the Applicant reserves the right to identify new and/or modify and supplement its current SDBL requests as the Project entitlement process progresses. In addition, given our disagreement with the City's position on the need for multiple concessions and waivers related to Guideline VII of the City's BMR Guidelines (as

[3] As previously discussed between the Applicant and the City, the Applicant disagrees that this is an objective standard applicable to the Project. However, the Applicant is requesting a waiver of this standard in the interest of moving the entitlement process forward.

opposed to a single concession), the Applicant reserves the right to challenge the City's determination if the second concession is ultimately needed for another item.

Lastly, as indicated in the phasing information provided to the City as part of the project plans, the intent is for the affordable housing units to be completed in the first phase of project development. As requested by the City in connection with BMR Guidelines Section VII(g) regarding the proportionate construction of BMR units, we understand the Applicant is proposing a condition of approval to tie the construction of the BMR units to the initial phase of the project's market rate unit development, which will also be addressed in the Affordable Housing Agreement.

We appreciate the City's attention to this matter.

MONCHAMP MELDRUM LLP

Rob Taboada

Shivaun Cooney

cc: Mazarin Vakharia, Assistant City Attorney