Holland & Knight

560 Mission Street, Suite 1900 | San Francisco, CA 94105 | T 415.743.6900 | F 415.743.6910
Holland & Knight LLP | www.hklaw.com

Chelsea Maclean
+1 415-743-6979
Chelsea.Maclean@hklaw.com

April 30, 2026

Elaine Ling
Principal Planner
City of San Mateo Planning Division
330 West 20th Avenue
San Mateo, CA 94403-1388
eling@cityofsanmateo.org

Re: **Hillsdale Reimagined - Third Application Resubmittal Processing Letter (PA-2025-052)**

Dear Ms. Ling:

We represent HSC Property Owner LLC (the "Applicant") in connection with the ongoing application for a development permit[1] consisting of a Master Development Plan and Vesting Tentative Map for the redevelopment of portions of the Hillsdale Shopping Center located at 358 East Sailer Drive, including the "Central" and "South Block" and nearby parcels (APNs 039-490-170, 042-121-060, 039-490-050) (collectively, the "Project Site") in the City of San Mateo ("City"). The proposed project includes up to 1,670 new housing units (including up to approximately 250 affordable housing units), approximately 2,059,000 gross square feet of commercial space (for a net increase of approximately 639,714 gross square feet as compared to the existing, to-be-demolished shopping center facilities), and approximately 4.5 acres of open space and other amenities ("Project"). The Applicant is now resubmitting the requested application materials for the Project in response to incompleteness comments provided on March 19, 2026.[2]

[1] See Govt. Code § 65943(a).
[2] We remind the City that the Housing Accountability Act (Govt. Code § 65589.5) ("HAA") places limits on repeated cycles of cities rejecting resubmittals for incompleteness. If a city determines an application to be incomplete after two resubmittals, it "shall bear the burden of establishing that the determination is not an effective disapproval of a housing development project" subject to associated risks and penalties (Govt. Code § 65589.5(h)(6)(G)(iv); note recent trends are for improper findings of incompleteness to be heavily scrutinized by the Attorney General (see California Department of Justice Letter "RE: Completeness Determination of Seaside Ridge Project Application" (December 5, 2025), at p. 2) and the courts)). Here, the City's March 19, 2026 letter made no attempt to justify why the second application rejection was not a disapproval of the Project. As we have previously described, violation of the HAA can result in multi-million-dollar fines, Housing Element vulnerability and other consequences (see Holland & Knight Letter, Response to March 25, 2025 Hillsdale Reimagined (PA-2025-008) Processing Meeting & March 28, 2025 Supplemental Letter (April 3, 2025)).

While incorporating our prior letters regarding the Project and applicable law, this letter specifically identifies the materials now submitted and legal issues identified in the City's March 19, 2026 letter.

I. Resubmittal Contents

Consistent with the Permit Streamlining Act's requirement that subsequent incompleteness letters not exceed the list of items previously identified as incomplete,[3] City's March 19, 2026 letter requested additional information regarding existing floor plans and demolition plans. Specifically, the letter requested "Existing floor plans that delineate all walls of the existing structures at different levels," and "Demolition plans that delineate all walls of the existing structures at different levels," and in particular "the interior wall layouts."

As discussed with City staff, the Applicant is providing more detailed floor plans for existing structures that include interior wall layouts in response to the City's request. The Applicant is additionally providing updated information for the demolition plans that show interior walls proposed for demolition using the existing floor plans. Given prior discussion with City staff, the Applicant expects that these materials will satisfy the City's request for additional information and the Project application is now complete.[4]

II. Project Phasing

The City's March 19, 2026 letter also included a comment regarding phasing for demolition and Project construction. The Applicant team plans to provide such information to support the City's analysis as necessary for consistency analysis, environmental review or otherwise. However, the March 19, 2026 letter also indicated that the City may be considering future strategies to require specific sequencing for the Project buildout. The Applicant reserves its rights to address further in relation to state housing laws. Nonetheless, the Applicant is hopeful that further information on potential buildout plans will allay concerns the City may have about the Project's housing production. The Applicant is earnestly focused on achieving housing production that meets or

[3] Govt. Code § 65943(a). Requesting new information constitutes disapproval of the Project under the HAA, and the local agency bears the burden to prove any subsequently requested information "was identified in the initial determination" of application incompleteness (Govt. Code § 65589.5(h)(6)(G)(ii)).

[4] See November 3, 2025 Staff Report for City Council Study Session, p. 3 ("The Housing Accountability Act (HAA) sets processing deadlines and rigid review procedures for housing development projects. For example, the formal application is expected to be deemed complete within three cycles of review pursuant to Government Code section 65943. Otherwise, the City bears the burden to demonstrate that the incompleteness determination does not constitute an effective disapproval of the project. The HAA also prohibits jurisdictions from disapproving or conditionally approving a housing development project in a manner that renders the project infeasible, unless the project has a specific, adverse impact upon the public health and safety (Government Code Section 65589.5(d)). Equally important, the HAA only allows a jurisdiction to apply objective, quantifiable, written development standards, conditions, and policies in a manner to facilitate and accommodate development at the density permitted on the site and proposed by the development.")

exceeds the City's Housing Element projections as it is necessary to tackle the affordability crisis and sustain a new, living town center for San Mateo.

III. Conclusion

With the information included with this resubmittal, the City should deem the application complete and the City and Applicant should move forward with the Project's consistency and environmental review process. After the Master Development Plan and VTM are approved, this Project will then seek SPAR and SDP approval. This will provide comprehensive opportunities for the City to review and analyze details surrounding proposed buildings and improvements following approval of this first stage of entitlements.

Sincerely yours,

HOLLAND & KNIGHT LLP



CHELSEA MACLEAN

Cc: Zach Dahl
Prasanna Rasiah
Mazarin Vakharia
David Bohannon
Andrew Turco