





Wealthy Bay Area town residents raised 6 figures to try and block new housing

'It would become a ghost town'



An aerial view of Menlo Park, Calif. Jonathan Clark/Getty Images

By <u>Angela Swartz</u>, Freelance Writer June 25, 2025

A battle of petitions is unfolding in a tony Peninsula town of just over <u>33,000 residents</u>. At the heart of the turmoil are three city-owned parking lots in downtown <u>Menlo Park</u> and a city aiming to meet state-mandated goals amid a California-wide housing shortage.

One group is staunchly against building affordable housing across the lots. It sued the city and gathered nearly 4,000 signatures for an <u>online petition</u> to stop the development earlier this year. It also collected signatures for a ballot measure to stop the plan, which it says will change the area's character, and <u>raised more than \$150,000</u> in legal funds to fight the construction. Ultimately, <u>Save Downtown Menlo</u> hopes to raise more than \$250,000 for what it believes will be a "long legal process."

Save Downtown Menlo is primarily made up of city residents and business owners who say the 345 (or more) affordable housing units that could be up to six or seven stories high would "devastate" the downtown area. It would decrease property values, strip downtown of its charm and disrupt business during construction, organizers say.

"Having high-rise, low-income housing in the middle of other buildings downtown would look terrible," said resident Karen Glaser during a June 3 Menlo Park City Council meeting. "With no one coming to town, it would become a ghost town."



Menlo Park Caltrain station in Menlo Park, Calif., March 17, 2019. Jim Maurer via Flickr CC 2.0

The city's tree-lined downtown spans nearly half a mile, with six blocks of dining, shopping and other services along Santa Cruz Avenue and within walking distance of a Caltrain station.

Although the city doesn't keep data on retail vacancy rates, there are some key vacancies on Santa Cruz Avenue, including the former sites of <u>Pharmaca</u> and <u>The Refuge</u> restaurant.

The idea of repurposing downtown surface parking lots for housing is not new. Bay Area cities such as <u>Burlingame</u> and <u>Sunnyvale</u> have transformed lots into mixed-use developments in recent years. Both built parking structures to replace the surface lots in order to revitalize their downtowns and to provide centrally located housing near transit.

Replacing an imperfect process with a 'really, really bad process'

Save Menlo Park's initiative would prohibit the city from repurposing any of its eight downtown parking plazas without voter approval. The current process, standard in most cities, gives the City Council authority to award a developer a contract to build the housing.

On June 3, the Menlo Park City Council directed staff to draft a request for proposals from developers. The city plans to transfer the sites to the selected developer through a 55-year ground lease for a base rent of \$1 per year.

Alex Beltramo, one of the city residents leading the proposed ballot initiative, said in an email to SFGATE that his group supports building affordable housing in the city, but it should be done elsewhere. Beltramo has deep roots in Menlo Park. His family owned Beltramo's Wines & Spirits from 1882 until its closure in 2016. Residents have suggested alternative sites like the city's civic center, which includes some aging facilities that could be repurposed.

"Some may try to frame this as an anti-housing effort," he said. "It's not. ... Decisions that could permanently diminish our downtown parking, and threaten the survival of local businesses, should not be determined by the preferences of a five-person city council. Such decisions should be made by the community as a whole."

A group backing the city

Karen Grove, co-founder of community advocacy group Menlo Together, disagrees.

"They're proposing to take what's a deliberate planning process in public by professionals and replace it with an up-or-down vote with info provided by political campaigns that don't have to provide sources of facts," she said in a phone interview with SFGATE, referring to Save Downtown Menlo. "It would replace an imperfect process with a really, really bad process."

Grove's group <u>started a petition</u> to support the city's plan. She noted that the idea of putting affordable homes on downtown parking lots in the city has been around for decades. What's new is there is a lot of support for it, and there's a real plan to make it happen, she said.

Save Downtown Menlo needs 2,104 signatures — 10% of registered voters in the city — to get the measure on the ballot. As of June 23, the group said it had gathered over 1,400 signatures. It would be placed on a ballot during the next regular election, in November 2026, unless the city elects to call a special election sooner.



Menlo Together explains the history of housing segregation in Menlo Park., Calif., May 4, 2025. Menlo Together

Draeger's Market and Menlo Park Hardware have signed on as sponsors of the initiative, according to a campaign statement <u>filed with the city on June 3</u>.

Mayor Drew Combs told SFGATE in a phone interview, "Menlo Park is not looking forward to the possibility of a divisive ballot measure in the months ahead, but there is a history in Menlo Park of major development issues ultimately making their way to the ballot."

When Save Downtown Menlo <u>sued the city on April 14</u>, it alleged, among other things, that the city can't lease any parking plazas unless 51% of nearby property owners — who pay into an assessment district that funds the maintenance of the current parking lots — first sign a petition consenting to a lease.

What's to come

Given both the lawsuit and the proposed ballot measure, Combs has suggested the council pause the request-for-proposals process until there is more clarity around the impacts of the two.

He also has concerns that one developer indicated that it wasn't financially feasible to develop affordable housing and also replace all (or most) of the retail parking. The requested amount of replacement public

parking could change based on a downtown parking management study scheduled to be finalized this summer, <u>according to the city</u>.



A sign from Menlo Together in favor of housing development in downtown Menlo Park, Calif. Menlo Together

The ballot initiative mirrors Measure V, a 2022 citizen measure that would have prohibited the Menlo Park City Council from rezoning properties designated for single-family use. That measure, directed at stopping development of a vacant school for multifamily housing, <u>failed</u>. Stanford University's Middle Plaza and the Springline development were made possible by the failure of Measure M, a <u>resident-initiated ballot effort</u> in 2014.

Despite the opposition to the project, people like longtime resident Lucey Bowen, 78, think the development would help revitalize downtown.

Resident Kate Dalman, a 29-year-old Stanford employee, said the community shouldn't inhibit hardworking and brilliant people from living in the city because they don't make six- or seven-figure salaries.

"Our world today is far too exclusionary of our fellow neighbors," she told the council in a June 3 email. "Let's not pattern the faults of the rest of the world."

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<u>Angela Swartz</u>

FREELANCE WRITER

Angela Swartz is a freelance writer based in the Bay Area. She is the former editor of the Menlo Park-based newspaper The Almanac.