



May 23, 2005

Honorable Mayor Epstein and Councilmembers:

On behalf of BayRail Alliance, Housing Leadership Council, Peninsula Bicycle & Pedestrian Coalition and Sierra Club, we write to express our strong support for the smart redevelopment of the Bay Meadows Racetrack site adjacent to the Hillsdale Caltrain station into a vibrant, livable transit-oriented community. This site has enormous potential for being a model of transit-oriented development on the Peninsula, in California and even nation-wide.

The importance of this opportunity cannot be overstated. As you are aware the city is projected to add 16,818 residents in the next 15 years. At the same time we are projected to gain more jobs than employable residents: 75,240 vs. 68,350 respectively. This will continue to create great pressure on affordability for the city's families, whose children cannot afford to live here, as well as teachers, civil servants, and many other members of the community. Home prices are already extraordinary as noted in the Corridor Plan and Bay Meadows EIR, "*From 1990 to 2000, median prices increased to \$477,300. Although from 1990 to 1999, median household income increased to \$64,757 (an increase of 50%), the difference in the inflation of home values and household income levels has resulted in a **critical housing affordability gap.***" (emphasis added)

Since those statistics were published, costs have continued to climb dramatically. The median price for a single family home in the County in March 2005 was \$896,500, while the median for a condominium the same month was \$540,500.

Addressing this need by concentrating development in the transit corridor is the right thing to do. This is especially true given Hillsdale's designation as a "Baby Bullet" stop and already one of the most heavily used Caltrain stations. Providing a mixed-use neighborhood friendly to bicycles and pedestrians and with transit alternatives will allow a significant number of residents to reduce reliance on automobiles. The city's own study showed over 17% usage of transit by communities near stations. This reduces pressure on our road infrastructure and minimizes degradation of our air and water quality from emissions and runoff. It further reduces development pressure on vital agricultural and habitat areas such as the San Mateo coast.

Nevertheless, to provide the best use of this opportunity we highly encourage the following additional elements:

Housing: The full 1,500 units should be built to address the critical housing shortage and provide for homes closer to job sites. In addition, we would like the city to encourage the developer to set aside land for a non-profit housing developer to provide the affordable housing units, thus maximizing the number of homes that will be attainable by residents of modest means.

Transportation: We would like more emphasis on safe and efficient non-motorized transportation, not just within the site, but also to Bay Meadows Phase I, the north-south bicycle route and over Hwy 101 to connect to the Bay Trail and east San Mateo and Foster City. Traffic mitigation fees paid by the developer should be directed to transportation improvements that provide alternatives to driving, namely transit and bike and pedestrian improvements. These elements will increase livability and reduce the adverse impacts of automobile use.

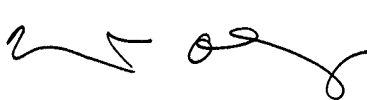
Sustainability: Safeguarding our resources is an essential and growing concern as shown by the recent energy crisis. Implementation of sustainability elements for energy and water efficiency as well as water quality protection can be done inexpensively and even provide long-term cost reduction. We highly encourage strong standards such as Leadership in Energy and Environmental Design (LEED) to provide key safeguards to the community.

Labor: We wish to acknowledge our appreciation for the commitment to union labor. This commitment helps ensure the wages and training necessary to support the community.

These elements are essential to the success of the Bay Meadows II project by addressing the critical future needs of the community while ensuring that the project results in a vibrant neighborhood of lasting value to the entire city and region.

Finally, we congratulate the City of San Mateo in its exemplary leadership in the community planning process over the last five years for not only this site but for the entire Rail Corridor Transit-Oriented Development Plan. Our organizations have even discussed the potential of the process for the Bay Meadows II development as a model around the region. We appreciate your leadership, and encourage you to approve the Bay Meadows II development with further attention to non-motorized transportation, maximizing both the number and affordability of the homes to be built, and ensuring that the sustainability and labor elements support the long-term health of the community.

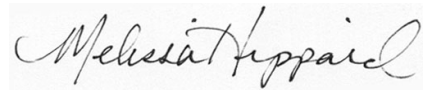
Sincerely,



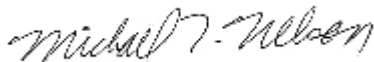
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