COMMUNITY DEVELOPMENT DEPARTMENT

Council Meeting Date: December 11, 2012
Staff Report #: 12-192

Agenda Item #: F-1

REGULAR BUSINESS: Provide Feedback on the Commonwealth Corporate Center Project Located at 151 Commonwealth Drive and 164 Jefferson Drive and Authorize the City Manager to Approve an Augment to a Contract with Atkins North America, Inc. in the Amount of $194,457 (for a total contract of $236,769) and Future Augments as may be Necessary to Complete the Environmental Review for the Project

This item was scheduled to be reviewed by the City Council at its regular meeting on September 18, 2012. A staff report was published for this item on September 13, 2012 and is included as Attachment A. Subsequent to the release of the staff report, the applicant requested a continuance of the item. Since that time, the applicant has conducted additional analysis and seeks to move forward with the project proposal as originally discussed in Attachment A. The only refinement to the discussion of the project proposal that should be noted is that the applicant requested that the Environmental Impact Report include a conservative analysis of an employee density of one employee per 200 square feet, rather than the original employee density of one employee per 300 square feet, in order to allow for flexibility in building utilization given the speculative nature of the development (a tenant has not yet been identified). The staff recommendation contained within the September 18, 2012 staff report has been refined to reflect this change. The revised recommendation is provided below:

RECOMMENDATION

Staff recommends that the City Council provide feedback on the Commonwealth Corporate Center Project related to the fiscal implications of the project and whether the Council supports the redevelopment of the subject project site with a use that is consistent with current Floor Area Ratio (FAR) requirements that would likely result in limited revenue generation to the City, and authorize the City Manager to approve an augment to a contract with Atkins North America, Inc. in the amount of $194,457 (for a total contract amount of $236,769) and future augments as may be necessary to complete the environmental review for the Commonwealth Corporate Center Project based on the proposal included as Attachment A.

Signature on File
Rachel Grossman
Associate Planner

Signature on File
Justin Murphy
Development Services Manager

PUBLIC NOTICE: Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting. In addition, the City has prepared a project page for the proposal, which is available at the following address: http://www.menlopark.org/projects/comdev_fb.htm. This page provides up-to-date information about the project, allowing interested parties to stay informed of its progress. The page allows users to sign up for automatic email bulletins, notifying them when content is updated.

ATTACHMENTS

A. City Council Staff Report dated September 18, 2012

COMMUNITY DEVELOPMENT DEPARTMENT

Council Meeting Date: September 18, 2012
Staff Report #: 12-142

Agenda Item #: F-3

REGULAR BUSINESS: Provide Feedback on the Commonwealth Corporate Center Project Located at 151 Commonwealth Drive and 164 Jefferson Drive and Authorize the City Manager to Approve an Augment to a Contract with Atkins North America, Inc. in the Amount of $194,457 (for a total contract of $236,769) and Future Augments as may be Necessary to Complete the Environmental Review for the Project

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BACKGROUND

On March 7, 2012, the City received an application from The Sobrato Organization to redevelop the properties located at 151 Commonwealth Drive and 164 Jefferson Drive. Proposed redevelopment of the properties would include demolition of all structures and associated improvements on both sites and subsequent construction of two four-story non-medical office/research and development buildings totaling approximately 259,919 square feet. The proposed height of the buildings would exceed the 35-foot maximum height limit in the M-2 (General Industrial) zoning district, and rezoning to M-2-X (General Industrial, Conditional Development District) plus approval of a Conditional Development Permit (CDP) would be required to exceed the height limit. Select project plan sheets are included as Attachment B. The entitlement process for the Commonwealth Corporate Center Project includes the following review and permit approvals:

- **Rezone from M-2 to M-2-X and Conditional Development Permit:** to permit the structures to exceed the 35-foot building height maximum in the M-2 zone;
- **Heritage Tree Removal Permits:** to permit the removal of heritage trees that are located within the development envelope of the proposed project;
- **Below Market Rate Housing Agreement:** per the requirements of the City's Municipal Code, a Below Market Rate (BMR) Housing Agreement is required, which would help increase the affordable housing supply by requiring the applicant to provide monies for the BMR fund;
- **Lot Merger:** to combine the two legal lots that make up the project site;
- **Fiscal Impact Analysis**: a Fiscal Impact Analysis (FIA) is required to analyze the project's revenue and cost effects on the City and applicable outside agencies; and
- **Environmental Review:** an Environmental Impact Report (EIR) is required to analyze the potential physical environmental impacts resulting from the project.

The City has retained consultants under the City Manager's authority to begin the environmental review process and to prepare a FIA. Staff has determined that an EIR is required to analyze the potential physical environmental impacts of the project. A Notice of Preparation (NOP), included as Attachment C, was prepared and released for public review on August 6, 2012 with comments due by September 5, 2012. An EIR scoping session and a study session were held by the Planning Commission at its meeting on August 20, 2012. The excerpt action agenda from this meeting summarizing the Commission's comments is included as Attachment D. The approved FIA scope is included as Attachment E.

All comments raised by the Planning Commission regarding the scope of the environmental review are addressed in the phase two scope of work prepared by Atkins, North America, Inc., which is included as Attachment A. The study session comments are all items that the applicant should consider as they move forward and refine their project design.

One key policy issue raised by the Planning Commission during the study session relates to the fiscal implications of the project, which is discussed further in the analysis section of this report. A number of Commissioners inquired about a Development Agreement and staff confirmed that the applicant has not applied for a Development Agreement. A Development Agreement is a contract between an applicant and the City that results in the provision of overall benefits to the City and adequate development controls in exchange for vested rights in project approvals. This is not something that the City can require an applicant to apply for, and it is not currently a part of the project proposal. Development Agreements were included in the Menlo Gateway project, which sought an increase to the maximum allowed office Floor Area Ratio (FAR) from 45 percent to 100 percent office with a total FAR of 137.5 percent, and the Facebook East Campus project, which included a doubling of the standard employee density of one employee per every 300 square feet of gross floor area to approximately one employee per every 150 square feet of gross floor area. Over the coming months, the project

design will be refined, including, but not limited to revisions to the site plan to address parking requirements, and a Draft EIR and Draft FIA will be prepared. Although the review of the proposed project is ongoing, the focus of this agenda item is to provide an overview of the project proposal, request feedback on the project proposal and to seek authorization of a proposal for a consultant to complete the environmental review for the project. All previous reports and related items for this project are available on the City maintained project page at the following website address:

http://www.menlopark.org/projects/comdev_commonwealth.htm

ANALYSIS

What follows is a discussion of the project proposal, as well as information about the phase two scope of work for the required environmental review.

Project Proposal

As discussed previously, the project proposal includes redevelopment of the properties located at 151 Commonwealth Drive and 164 Jefferson Drive. The Commonwealth Drive site was previously occupied by Diageo North America and was used as a spirits distilling, bottling, and distribution bottling plant. Facility operations were discontinued on July 29, 2011 and the site has remained unoccupied since that time. The site is approximately 12.1 acres (527,289 square feet) in size and currently developed with a single-story warehouse/manufacturing/office building, a tank farm, storage areas, and associated parking and landscaping areas. The buildings total approximately 217,396 square feet. The Jefferson Drive site is located directly north of the Commonwealth Drive site and is approximately 1.17 acres (51,183 square feet) in size. The site is currently developed with surface parking and a 20,462 square foot warehouse/office building currently utilized for storage and light industrial uses. As part of the proposed redevelopment of the project site, all structures and site improvements would be removed on both the Commonwealth Drive site and the Jefferson Drive site.

Subsequent to the removal of all on-site improvements, the project site would be redeveloped with two four-story non-medical office buildings with surface parking and landscaping. The proposed buildings would consist of approximately 259,919 square feet total (approximately 129,960 square feet each) and would be designed to allow for flexibility of use inclusive of non-medical office, biotech, and/or research and development uses. The proposed land uses are consistent with neighboring development and permissible in the M-2 and M-2-X zoning districts. The proposed buildings would comply with Zoning Ordinance requirements pertinent to setbacks, lot coverage, and FAR for office uses, and employee density is proposed to be consistent with the industry standard of one employee per every 300 square feet of gross floor area. The proposed height of the buildings would exceed the 35-foot maximum height limit in the M-2 district. However, such height increases may be permitted by approval of a CDP and associated rezoning to the M-2-X (General Industrial, Conditional Development District). In the M-2 zone, the construction of a new structure to house a

permitted use requires use permit approval. In this case, the CDP takes the place of the required use permit. Select plan sheets from the project plans received on July 23, 2012 are included as Attachment B.

In addition to the proposed structures, the project site would include Zoning Ordinance compliant parking, a landscaped courtyard, water features, outside dining areas, signage, stormwater treatment areas and an internal pedestrian boulevard. Vehicular access would be provided from both Commonwealth Drive and Jefferson Drive, with Jefferson Drive considered the secondary vehicular and pedestrian access point. The portion of the project site next to Jefferson Drive would also provide an amenity area designed to serve employees and guests, which would include a lawn area, bocce courts, picnic tables, stormwater treatment area and landscaping.

As part of the redevelopment of the project site, the applicant is seeking removal of 23 heritage trees (12 trees on the Commonwealth Drive site and 11 trees on the Jefferson Drive site), which range in health from poor to fair. The removals are being requested due to conflicts with the proposed site improvements, as well as the health of the trees. The City Arborist has reviewed this request and granted preliminary approval to remove all 23 trees requested for removal.

City staff believes that the proposed mix of uses and structures are generally consistent with Zoning Ordinance requirements and neighboring development. As discussed previously, the proposed structures comply with the underlying M-2 Zoning Ordinance requirements related to setbacks, lot coverage, and FAR. The only exception the applicant is seeking from the underlying M-2 Zoning Ordinance requirements is an increase in height above the M-2 maximum height of 35 feet, which is permissible with approval of a CDP and an associated rezoning from M-2 to M-2-X. This increase in height would allow for better site design and improved visibility from Highway 101. As reflected in the action agenda included as Attachment D, the Planning Commission was generally supportive of the proposed site design and building heights.

City staff evaluated the project proposal for conformance with the most recent version of the land use element of the City's General Plan, which was adopted by the City Council in 1994. Since that time, the economic and development climate within the City and throughout the Bay Area region has significantly evolved and changed. This is evident in the changing development patterns, development types and uses present Citywide. To reflect these changes, the City's General Plan will need to be comprehensively updated, which City staff targets commencing after completion of the Housing Element update as is reflected in the City's current 5-Year Capital Improvement Project (CIP) Plan.

The General Plan designation for the subject project site is Limited Industry. The industrial goals and policies contained in the General Plan clearly reflect the fact that when the General Plan was written nearly 20 years ago, the majority of uses on properties with an industrial land use designation were industrial in nature. Since that time, the industrial zone has evolved to include a large breadth of office uses, in

addition to industrial uses such as manufacturing and warehousing. This is evident within proximity of the project site, where numerous office developments currently co-exist with warehouse and manufacturing uses. Applicable industrial goals and policies from the land use element of the General Plan are provided below:

> *Goal I-F: To promote the retention, development, and expansion of industrial uses which provide significant revenue to the City, are well designed, and have low environmental and traffic impacts.*
>
> *Policy I-F-2: Establishment and expansion of industrial uses that generate sales and use tax revenues to the City shall be encouraged.*
>
> *Policy I-F-4: The City shall consider attaching performance standards to projects requiring conditional use permits.*
>
> *Policy I-F-7: All new industrial development shall be evaluated for its fiscal impact on the City.*

Policy I-F-4 relates to the consideration of the use of performance standards for projects requiring use permits (they are no longer referred to as conditional use permits), and in this case, conditional development permits. Appropriate performance standards for this project could be a vehicular trip cap or employee cap. At this time, staff is not recommending inclusion of such a performance standard; however, inclusion of a performance standard may be included as a condition of project approval.

Goal I-F, and polices I-F-2 and I-F-7 are all directly associated with the fiscal implications related to development on properties with an industrial land use designation. As indicated previously, a FIA will be prepared to analyze the project's revenue and cost effects on the City and applicable outside agencies, and an approved scope of work for this FIA is included as Attachment E. The FIA will provide information to help evaluate the project's consistency with these policies, but based upon the current project proposal, staff and the Planning Commission believe that the project may have limited revenue generation opportunities, specific to the generation of sales tax depending on the specific tenant(s) that occupy the buildings. Although the FIA will provide more detailed information necessary to fully evaluate the fiscal implications of the project, if the City Council is concerned about the potential for limited revenue generation by the project, it would be beneficial to raise this concern now, in advance of preparation of the Draft EIR and Draft FIA, both of which are costly investments by the applicant.

Phase Two Environmental Review

Upon receipt of the development application, the City retained the services of Atkins North America, Inc. an environmental consulting firm, to commence work on developing the scope of the environmental review. This work included preparation of a NOP and an associated EIR scoping session. With the consent of the applicant, the City retained

Atkins North America, Inc. due to the firm's experience preparing environmental impact reports, particularly for the Facebook Campus project and the Menlo Gateway project, which are both proximate to the project site. The cost of phase one of the environmental review for the Commonwealth Corporate Center Project was less than $50,000, and therefore, within the City Manager's authority.

Phase two of the environmental review includes preparation of an EIR. Atkins' proposal is included as Attachment A. The following is a summary of the tasks for the proposed scope of work:

- Preparation of Draft EIR;
- Preparation of responses to all public comment on the Draft EIR;
- Preparation of Final EIR;
- Evaluation of project plans;
- Preparation of Mitigation Monitoring and Reporting Program; and
- Attendance at public hearings and meetings as needed.

The proposed budget for the augment is $194,457, the cost of which would be borne by the applicant, although the applicant would have no control or direction over the work of the consultant. The applicant is in agreement with the scope and is prepared to pay the contract amount. With this augmentation plus $42,312 for the initial work, the total cost for preparation of the EIR and associated activities will be $236,769.

Staff also recommends that the Council provide the City Manager with the authority to approve future augments to the contract, if required. Any future augments would be done only with the consent of the project applicant and at the applicant's cost.

IMPACT ON CITY RESOURCES

The applicant is required to pay planning permit fees, based on the Master Fee Schedule, to fully cover the cost of staff time spent on the review of the project. The applicant is also required to bear the cost of the associated environmental review and FIA preparation. For the environmental review and FIA, the applicant deposits money with the City and the City pays the consultants.

POLICY ISSUES

The proposed project will ultimately require the Council to consider certain land use entitlements. At this time, policy issues requiring evaluation by the Council are specific to the fiscal implications of the project, and whether the Council supports the redevelopment of the subject project site with a use that is consistent with the current maximum FAR of 45 percent and standard employee densities of one employee per every 300 square feet of gross floor area that would likely result in limited revenue generation to the City.

ENVIRONMENTAL REVIEW

An EIR will be prepared for the project.

Signature on file	Signature on file
Rachel Grossman	Justin Murphy
Associate Planner	Development Services Manager

PUBLIC NOTICE

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting. In addition, the City has prepared a project page for the proposal, which is available at the following address: http://www.menlopark.org/projects/comdev_fb.htm. This page provides up-to-date information about the project, allowing interested parties to stay informed of its progress. The page allows users to sign up for automatic email bulletins, notifying them when content is updated.

ATTACHMENTS

A. Atkins North America, Inc. Phase II Proposal for preparation of an Environmental Impact Report for the Commonwealth Corporate Center Project, dated September 6, 2012
B. Select Plan Sheets, received July 23, 2012
C. Notice of Preparation of an Environmental Impact Report for the Commonwealth Corporate Center Project, dated August 6, 2012
D. Excerpt Planning Commission Action Agenda, August 20, 2012 meeting
E. Bay Area Economics, Approved Scope of Work for a Fiscal Impact Analysis for the Commonwealth Corporate Center Project, dated April 9, 2012

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September 6, 2012

Rachel Grossman
City of Menlo Park
Community Development Department
701 Laurel Street
Menlo Park, CA 94025

Subject: Commonwealth Corporate Center Project
Environmental Impact Report (EIR) Scope of Work - Phase 2

Dear Rachel,

Atkins North America (Atkins) is pleased to present this scope and budget to prepare an EIR under the California Environmental Quality Act (CEQA) for the proposed Commonwealth Corporate Center Project in the City of Menlo Park. This scope of work reflects the proposed project information provided to Atkins by Menlo Park staff, knowledge of the area, a site visit, and prior experience with similar projects within Menlo Park and throughout the State.

This scope, as included in Attachment A, focuses on Phase 2 of the EIR. Phase 1 was submitted by Atkins and executed on June 4, 2012 in order to begin work on the proposed project. Phase 2 includes the bulk of the EIR work and the tasks to be conducted during this phase are summarized in this scope. Phase 2 starts with Task 4, as Tasks 1, 2, and 3 were included in Phase 1. Our total requested budget is included as Attachment B.

The scope of work addresses those tasks, activities, and deliverables that are to be performed by Atkins and DKS Associates (transportation analysis). We will work closely with City staff to coordinate, direct, and review the work and deliverables performed by other consultants contributing to the EIR as appropriate; e.g., Bay Area Economics (fiscal impact analysis). In addition, Atkins will be working with PreVision Design (formerly Adam Phillips Digital) to conduct visual simulations; however, this scope and budget was included in Phase 1.

Please note that our attached budget includes a cost estimate for printing. However, due to the uncertainty regarding the size of the document and the potential volumes, we request that the printing budget be used as only an estimate and that, if the estimated budget is exceeded, additional printing can be done without requiring a formal budget amendment.

We look forward to working with you on this project.

Cordially,

Erin Efner
Senior Project Manager

Attachments: A – Scope of Work; B – Total EIR Budget; C – DKS Scope of Work and Budget; D – Detailed Air Quality and Greenhouse Gas Scope of Work; E – Preliminary Air Quality Screening Analysis

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Scope of Work

Phase 2

Task 4. Administrative Draft EIR I (Existing Setting, Significant Impacts, Mitigation Measures)

Purpose: Synthesize background information for use in the existing setting, and evaluate changes to those baseline conditions resulting from adoption of the proposed project. Identify mitigation measures for any changes considered to be significant effects. Prepare Administrative Draft EIR I.

Discussion: For this task, there are four principal activities:

- Determine, by individual resource topic, significance criteria to be used in the analysis
- Perform the analysis and make determinations of impact significance
- Recommend mitigation measures to reduce impacts, if needed

The Atkins team will collect the information necessary to define baseline conditions in the project area. Based on communication with City staff, it is our understanding that the environmental baseline will assume a vacant project site. Based on our understanding of the project vicinity, particular emphasis will be placed on the project's effect on air quality, traffic and circulation, and visual quality. In addition, for a description of existing conditions, Atkins will use information presented in the approved Menlo Gateway Project EIR and the ongoing Menlo Park Facebook Campus EIR.

For each environmental topic, significance thresholds or criteria will be defined in consultation with the City so that it is clear how the EIR classifies an impact. These criteria will be based on CEQA Guidelines, Appendix G; standards used by the City; and Atkins' experience in developing performance standards and planning guidelines to minimize impacts.

As stated by the Project Sponsor, the proposed project could either include office, Research and Development (R&D), or biotech uses. It is recommended that the Draft EIR analyze a conservative scenario for each environmental topic, which may involve assuming different land uses for various environmental topics. For example, office uses can accommodate more employees in the floor plan than R&D; therefore, population-driven topics (such as transportation, air quality, climate change, population and housing, public services, and utilities) will be based on office uses. However, life-science and R&D uses generally require more mechanical equipment on the roof than with office uses, which could result in greater noise impacts. Additionally, the laboratories would use and store chemicals and hazardous materials, which would affect the discussion regarding hazardous material use and disposal. Topics that focus on footprint and site design impacts (e.g., visual quality, hydrology, and geology) would not be impacted by the type of use that would occupy the proposed buildings. As such, depending on the environmental topic, the conservative scenario (office, R&D, or biotech uses) will be analyzed.

The analysis will be based on standard methodologies and techniques, and will focus on the net changes anticipated at the project site. The text will clearly link measures to impacts and indicate their effectiveness (i.e., ability to reduce an impact to a less-than-significant level), identify the responsible agency or party, and distinguish whether measures are proposed as part of the project, are already being implemented (such as existing regulations), or are to be considered. This approach facilitates preparation of the Mitigation Monitoring and Reporting Program (MMRP) that follows certification of an EIR.

The first Administrative Draft EIR will incorporate the baseline conditions data as well as impact analysis and mitigation measures, plus the alternatives and other CEQA considerations described in Task 5 (below). It is envisioned that the City's initial review of the document will consider content, accuracy, validity of assumptions, classification of impacts, feasibility of mitigation measures, and alternatives analyses. Because the impacts and mitigations are subject to revision based on staff review of the Administrative Draft 1, the Summary section will be prepared only for the Screencheck Draft. The following task descriptions summarize the data to be collected, impact assessment methodologies to be used, and types of mitigation measures to consider, by environmental issue.

Impacts Found to be Less Than Significant

To streamline the EIR process, Atkins will "scope out" several environmental topics that do not require detailed discussion in the EIR. These topics will not be evaluated at the level of detail specified for the issues below, but at a level adequate to fully assess the potential effects, and, if necessary, to identify appropriate mitigation measures to reduce any potential impact to a level of non significance. This discussion will be presented in the Impacts Found to be Less Than Significant chapter of the EIR.

Based on our preliminary review, the following environmental topics may be scoped out from detailed analysis in the EIR. It may be determined following the site visit, upon receipt of additional information, or in response to NOP comments that one or more of the following topics should instead be analyzed in detail in the EIR.

- **Agricultural and Forestry Resources.** Atkins will describe existing conditions at the project site, identify General Plan designation and zoning districts, and indicate lack of agricultural and forestry uses at the project site.
- **Biological Resources.** Atkins will conduct the following tasks:
  - Conduct background research to determine the biological resources that could be affected by the proposed project such as special-status species or protected trees. This research will include review of Menlo Park's tree ordinance, the use of the California Department of Fish and Game's Natural Diversity Data Base (CNDDB), the U.S. Fish and Wildlife Service's Special-Status Species Online Database, and the California Native Plant Society's online inventory. An aerial photograph of the project site will be reviewed to identify areas of habitat types that can later be confirmed through field verification.
  - Conduct a site visit to characterize potential special-status plant and wildlife habitats that may be present, and determine if potential wetlands are present on the sites (included in Task 1). A list of plant and wildlife species observed during the survey will be collected and presented in the analysis. Given the developed nature of the project site, it is not expected that wetlands or special-status species will be present; however a site visit will be required to make this determination. Although no species

specific surveys are proposed for this scope, if any incidental sightings of special-status species occur during the survey, they will be recorded.
  - Evaluate the proposed project's effects on the identified biological resources, and recommend mitigation as warranted. Based on prior experience in the region, and the disturbed nature of the site, Atkins anticipates that the prominent issues for the proposed project will be limited to migratory birds, roosting bats (within the abandoned buildings), and protected trees.
- **Land Use.** Land use and planning generally considers the compatibility of a proposed project with neighboring areas, change to, or displacement of existing uses, compliance with zoning regulations, and consistency of a proposed project with relevant local land use policies that have been adopted with the intent to mitigate or avoid an environmental effect. With respect to land use conflicts or compatibility issues, the magnitude of these impacts depends on how a proposed project affects the existing development pattern, development intensity, traffic circulation, noise, and visual setting in the immediately surrounding area, which are generally discussed in the respective sections. The project would require a Conditional Development Permit and zoning amendment to allow for an increase in height but is otherwise consistent with land use designations.

  Atkins will conduct the following tasks and, where appropriate, will rely on previously prepared EIRs for the City of Menlo Park for both content and impact methodology:

  - Describe existing land uses, intensities, and patterns in the vicinity of the project site and the compatibility of the proposed land uses and zoning with current development.
  - Describe the proposed project's potential to divide an established community.
  - Evaluate any potential conflicts between the proposed and current land uses that would result in environmental impacts. These conflicts could include a use that would create a nuisance for adjacent properties or result in incompatibility with surrounding land uses, such as differences in the physical scale of development, noise levels, traffic levels, or hours of operation.
  - Evaluate the extent to which adopted City development standards or proposed design standards would eliminate or minimize potential conflicts within the proposed project site, resulting in environmental impacts. The Menlo Park General Plan, Zoning Ordinance and other applicable plans will be examined and the proposed project's consistency with applicable portions of these plans will be described.
- **Mineral Resources.** Atkins will describe existing conditions at the project site and identify the mineral resources zone classification for soils at the site. It is anticipated that the site does not contain significant mineral resources.

Aesthetics

Data needs to complete section include landscape plans, lighting plans, and building architectural styles and exterior finishings. Atkins will prepare the Aesthetics section of the EIR based on the visual simulations prepared by Adam Phillips Digital (scope and budget included in Phase 1) and will also conduct the following tasks:

- Visit the project site and surroundings, to identify and photodocument existing visual character and quality conditions, views to and from the project site, and other urban design features.
- Coordinate with City staff in selecting viewpoints from which Adam Phillips Digital will prepare visual simulations.

- Based on scenic resources and views identified in the Menlo Park General Plan (see below) and visual simulations, analyze potential adverse aesthetic effects resulting from the proposed project. The surrounding sensitive viewer locations that could be affected by the proposed development include Joseph P. Kelly Park.
- Review existing General Plan goals and policies related to visual quality to determine conflicts with any relevant plans and policies.
- Using the visual simulations and field observations, analyze whether the proposed project would substantially degrade the existing visual character or quality of the project area and its surroundings due to grading, height, bulk, massing, architectural style, and building materials, and other site alterations.
- Analyze potential degradation of views from roadways, US 101, adjacent uses, and other sensitive viewer locations.
- Analyze lighting and glare impacts created by the proposed buildings, focusing on motorists on US 101.

Shadows from the proposed buildings would increase over existing conditions due to the increase in building height. Shadows could reach sensitive surrounding uses, including Joseph P. Kelly Park. If, based on further discussions with the City and Project Sponsor as well as a thorough site reconnaissance, it is determined that shadow impacts should be evaluated in the EIR, Atkins can prepare shadow diagrams.

Transportation/Traffic

Due to the level of technical detail in the transportation scope, the full text has been included as Attachment B. In summary, DKS has identified 29 study intersections and 12 roadway segments that will be considered in the analysis. Due to comments received during the NOP scoping period, DKS has added additional study intersections and roadway segments to their analysis and will conduct a Transportation Impact Analysis. The original tasks were previously included in Phase 1 of the scope. Although Phase 1 has been revised due to NOP comments (as included in Attachment B), all costs for the additional tasks performed by DKS have been included in the Phase 2 budget (Attachment A).

DKS will also prepare the analysis in the format of a chapter to the EIR. All technical data will be appended to the EIR. The analysis will be prepared consistent with the City of Menlo Park and San Mateo County Congestion Management Program (CMP) requirements.

Air Quality

Due to the level of technical detail required to articulate the Air Quality scope, it is provided as Attachment C. The following presents a summary of the tasks to be performed. This section will analyze construction-related and operational criteria pollutants using the 2011 Bay Area Air Quality Management District (BAAQMD) CEQA Guidelines, in consultation with the City. In addition, Atkins will evaluate the potential for adverse health effects associated with toxic air contaminant (TAC) exposures to residential and school site receptors in the vicinity of the project site. A screening level analysis, as included in Attachment D of this document, was performed to identify all existing sources and potential receptors within 1,000 feet of the proposed project boundaries. Attachment D also details the required level of analysis in accordance with the 2011 BAAQMD Guidelines.

Greenhouse Gas Emissions

Please refer to Attachment C of for a detailed description of the Greenhouse Gas Emissions analysis. The climate change analysis will discuss the potential impacts on the study areas from climate change as well as the projects anticipated emissions of greenhouse gases. This section will examine potential impacts to the study area, construction-related emissions and operational emissions.

Noise

Primary noise sources in the project vicinity include local and regional roadway traffic. Noise-sensitive receptors in the project vicinity include recreational uses at Joseph P. Kelly Park and residential uses in the Belle Haven neighborhood to the southeast. Atkins will complete the following tasks:

- Summarize the existing noise environment for the project area and related environmental noise impacts. The analysis will provide existing conditions information and relevant background information, including noise fundamentals, descriptors, and applicable federal, state, and City of Menlo Park General Plan Noise Element. Federal Transit Administration (FTA) standards do not apply to this project and will not be discussed, nor will the project be evaluated using FTA noise criteria.
- Existing noise conditions will be quantified through ambient noise measurements consisting of a maximum of two site visits and the measurement of on-site and off-site ambient noise levels (up to four short-term [i.e., 15-minute] with vehicle counts and one long-term [i.e., 24-hour]). All monitoring locations will be approved by the City.
- Based on comments received from the Menlo Park Planning Commission during the NOP scoping session on August 20, 2012, Atkins will conduct additional noise measurements in the residential neighborhood to the south of US 101 and the project site. Atkins will analyze the impact of the proposed new buildings and if they would create bounce-back noise from the traffic on US 101 to the residential neighborhood. An analysis of noise reflection will be included.
- Assess the potential short-term, construction-related exterior and interior noise impacts (e.g., on-site heavy-duty equipment) with respect to nearby noise-sensitive receivers. Project-generated noise levels at these receivers will be quantified using the reference noise measurement data along with standard noise modeling practices (e.g., combined construction noise level, acceptable assumptions regarding exterior-to-interior noise reduction due to building façade).
- Quantify potential transportation noise source increases (e.g., increased traffic Jefferson Drive) generated by the proposed project. Traffic noise modeling will be based on average daily traffic (ADT) volumes obtained from the transportation impact study that will be prepared for this project.[1] A Federal Highway Administration-approved traffic noise prediction model (e.g., RD-77-108) will be used to determine roadway traffic noise levels with adjustments to account for California Vehicle Noise Emission (CALVENO) factors for standard automobiles, medium trucks, and heavy trucks. Traffic noise levels will be quantified for affected roadway segments under existing, existing-plus-project, cumulative, and cumulative-plus-project scenarios. The EIR will determine if modeled increases to roadway noise levels would considerably affect existing noise-sensitive land

[1] ADT may instead be generated using the CalEEMod model that will be used for the Air Quality analysis.

uses. Modeled cumulative-plus-project traffic noise levels will be used to determine future interior and exterior noise levels on the project site.

- Assess stationary noise sources (e.g., HVAC, parking) associated with implementation of the proposed project. Long-term impacts will be determined from existing documentation, standard attenuation rates and modeling techniques. Impacts will be determined at adjacent noise-sensitive receivers and compared to applicable noise regulations.
- Assess land use compatibility in terms of exterior noise levels with existing and future predicted noise environments (e.g., transportation and stationary) based on applicable regulations and local agency guidance. Stationary sources of noise that currently exist in the project area will be discussed based on site visit observations, aerial photographs, and existing documentation. Atkins will discuss the types of existing stationary noise sources that are present. Stationary sources that dominate the project area noise environment will be measured and levels associated with such sources will be included in the EIR.
- Include a discussion of the potential exposure of sensitive receivers to excessive groundborne vibration attributable to project implementation (e.g., use of heavy-duty construction equipment). This discussion will include a description of existing vibration sensitive receivers (sensitive land uses, and structures). Atkins will conduct a reconnaissance level survey of surrounding land uses, sensitive receivers, and historical/architectural structures considered to be potentially sensitive to groundborne vibration levels. Typical short-term and long-term groundborne vibration levels will be predicted based on documented source-specific vibration levels and standard modeling procedures as recommended by federal and state agency guidance. In addition, based on comments received from Exponent during the NOP scoping period, Atkins will evaluate vibration impacts on this specific sensitive receptor. A list of sensitive equipment used by Exponent may be required.
- Evaluate noise and vibration impacts based on compliance or exceedance of applicable regulations and guidance provided by local, state, and federal agencies. Additionally, the EIR will assess noise and vibration significance based on the generation or exposure to substantial permanent or temporary increases in ambient levels. Mitigation measures and their relative effectiveness will be provided for noise and vibration impacts that are found to be significant.

Cultural Resources

The existing buildings on the site were originally constructed in 1956. Based on a preliminary site reconnaissance, we do not anticipate these structures to be considered historic. However, due to their age, it is important that a historian visit the site, conduct background research, and make a determination as to eligibility. Due to the disturbed nature of the site, impacts to archaeological or paleontological resources are not anticipated. Atkins will conduct the following tasks:

- Conduct records search of the Northwest Information Center (NWIC) to identify any previously recorded cultural resources and cultural resource investigations within 0.25 miles of the project site.
- Conduct records search of the Native American Heritage Commission (NAHC) sacred lands database to determine if any Native American cultural resources are present in the vicinity of the project site. Local Native American organizations and individuals identified by NAHC will also be contracted regarding information on potential Native American

resources in the project vicinity. The EIR will summarize any responses related to this effort. We assume that no issues will arise.

- Site visit by architectural historian to evaluate existing structures (included under Task 1, Phase 1).
- Conduct archival research on history of site.
- Prepare brief memo summarizing the historical determination of significance in accordance with the CEQA Guidelines.
- Standard mitigation measures for archaeological or paleontological resources will be identified.

Geology/Soils

Atkins will prepare the Geology/Soils section of the EIR and will conduct the following tasks:

- Review the Geotechnical Report to be provided by the Project Sponsor.
- Report the type and magnitude of seismic activity typical in the San Francisco Bay Area, the standards to be met by proposed structures to resist damage during seismic events, and design features to be incorporated in the proposed project to comply with those standards.
- Evaluate the geohazard risks from development at the project site, using available geologic and/or soils maps, published literature, and other information, reports, and/or plans. The main issue that will be analyzed is the seismic and geotechnical safety of the proposed buildings.
- Assess potential project geohazard impacts in light of existing regulations and policies that would serve to minimize potential impacts. Pertinent regulatory requirements will be explicitly identified so that the nexus between regulations and minimized impacts is apparent. In general, construction of development similar to the proposed project has little or no effect on the geology of an area, but is still subject to seismic groundshaking and local soil conditions, including ground oscillation and long-term and differential settlement. Standard design and construction techniques and compliance with City standards (including applicable portions of the California Building Code and the National Pollutant Discharge Elimination System [NPDES]) typically eliminate or minimize seismic and geotechnical hazards.

Hydrology/Water Quality

Atkins will prepare the Hydrology/Water Quality section of the EIR and will conduct the following tasks:

- Describe the existing regulatory environment, including, but not limited to, the Construction General Permit, Municipal Regional Permit for stormwater discharges (including how the project relates to C.3 requirements), the City of Menlo Park Municipal Code, and the California Building Code. These regulations require specific measures for reducing potential impacts on hydrology and water quality as well as from flooding.
- Assess potential project hydrology and water quality impacts in light of existing regulations and policies that would serve to minimize potential impacts. Pertinent regulatory requirements will be explicitly identified so that the nexus between regulations and minimized impacts is apparent.
- Identify mitigation measures, where feasible, to minimize potentially significant or significant proposed project impacts.

Hazards and Hazardous Materials

Based on technical information received for the project site, Atkins will prepare the Hazards and Hazardous Materials section of the EIR. According to the Phase I Environmental Site Assessment (ESA) prepared for the project, the project site is listed on several databases including: RCRA-SQG, HAZET, Historical UST, LUST, National Pollutant Discharge Elimination System (NPDES), California Hazardous Material Incident Reporting System (CHMIRS), Waste Discharge System (WDS), Emission Inventory System (EMI), ERNS, and San Mateo County Business Inventory (BI). Based on information provided in the Phase I ESA, Atkins will conduct the following tasks:

- Identify potential exposure to hazardous materials or waste during construction activities and during long-term operation at the project site.
- Describe applicable federal, State, and local regulations and how these regulations apply to the proposed project and reduce the potential for impact.
- Evaluate potential public health risks at the site from groundwater and soil contamination from prior land uses. In addition, the analysis will focus on any potentially poor hazardous materials "housekeeping" practices at the site or from nearby uses. This information will be augmented by previously prepared Phase I ESA.
- Include a discussion of the potential hazardous materials that could be used during the operation of the proposed project and any potential releases of these materials, focusing on the conservative scenario of R&D or life science uses.
- Include a discussion of the potential public health risk from exposure to hazardous building components in the structures to be demolished at the project site (e.g., asbestos, PCBs, etc.).

Population/Housing

This section will examine the project's effect on population and housing in the City and, to a lesser extent, in the region. Since the project involves neither residential development nor displacement of housing, the project's effects are indirect and will focus on the housing needed to accommodate the increased employment that would result from the project. Atkins will undertake the following tasks:

- Discuss qualitatively the indirect housing effect resulting from the project and in the context of Association of Bay Area Governments (ABAG) regional household forecasts and fair share housing allocations and discuss whether the City can accommodate the demand.
- Estimate the indirect employment growth in the region from the "multiplier effect" due to increased employment, using ABAG's regional input-output factors.

Public Services

Based on information received from various service providers, Atkins will prepare the Public Services section of the EIR and will conduct the following tasks:

- As necessary, conduct phone/email interviews with the City's police, fire, and park and recreation departments, the school district, and the library to determine current service levels and capacity to serve increased demand.

- Estimate project-generated demand for public services based on existing operational standards obtained from the service providers. Other measures of demand will also be considered, such as the projected increase in the calls for service and the projected demand of recreational facilities and library services.
- In accordance with CEQA, evaluate the extent to which project demands would trigger the need for new public facilities whose construction might result in physical environmental effects.

Utilities/Service Systems

The Utilities/Services Systems section of the EIR will examine the proposed project's effect on water supply, wastewater treatment, solid waste disposal, and energy generation and transmission. Atkins will describe the existing conditions (capacity and current consumption levels), the impacts (the effects of the demand calculations against infrastructure capacity), and work with the City and the utility providers to identify reasonable mitigation measures. This scope of work assumes that the Project Sponsor will provide the water demand calculations, wastewater generation estimates, and energy calculations. If these are not readily available, Atkins can assist with these calculations. As part of its Greenhouse Gas emissions, Atkins will estimate solid waste generation resulting from construction and operation of the project. Our scope of work assumes that a Water Supply Assessment (WSA) will not be prepared.

Based on technical information for the project site and information received from the utility providers, Atkins will prepare the Utilities/Service Systems section of the EIR and will conduct the following tasks:

- Describe existing utility providers, system capacity, and improvement plans.
- Peer review the utility demand calculations by Project Sponsor (if appropriate).
- Evaluate the net change in the demand for water, wastewater, solid waste, and energy, relative to existing and planned capacity for the utilities.
- Discuss whether implications of the project triggering the expansion or construction of new infrastructure or facilities.

***Deliverables**:*

- Five hard copies of Administrative Draft 1
- One electronic copy of Administrative Draft 1 in MS Word
- One electronic copy of Administrative Draft 1 in Adobe PDF format

***City Involvement**:* Review and comment on the document.

Task 5. Project Alternatives and Other CEQA Considerations

Purpose: To complete drafts of the remaining sections (Alternatives and Other CEQA Considerations) of the EIR for City staff review.

Discussion: This task involves preparation of other required sections examining particular aspects of the project's effects and the identification and comparison of project alternatives.

Other CEQA Considerations

This task involves documenting unavoidable adverse impacts, growth-inducing effects, and cumulative effects of the revised project:

- The unavoidable effects will be summarized from the analyses performed in Task 4.
- Growth-inducing effects will be based on economic multipliers for the proposed uses (these multipliers provide information on direct and induced growth and were developed by the Association of Bay Area Governments for the regional input-output model), as well as comparisons with ABAG 2009 projections for the City. Growth inducement will be discussed in the context of population increases, utility and public services demands, infrastructure, and land use.
- Cumulative effects where relevant will be addressed in Task 4 and summarized as part of this section of the EIR. The future projects in the vicinity of the proposed project would be considered as they relate to potential cumulative impacts.

Alternatives

The alternatives to the proposed project must serve to substantially reduce impacts identified for the proposed project while feasibly attaining most of the project objectives. Atkins assumes that one reduced project alternative will be quantitatively analyzed and will be based on a sensitivity analysis to reduce identified impacts. Up to two additional alternatives will be defined and evaluated qualitatively.

***Deliverables**:*

- Other CEQA Considerations chapter to be submitted with Administrative Draft 1
- Alternatives chapter to be submitted with Administrative Draft 1

City Involvement: Participate in discussions to review and augment project alternatives.

Task 6. Screencheck Draft

Purpose: Prepare Screencheck Draft for City staff review.

Discussion: Atkins will prepare a Screencheck Draft EIR to respond to the City's and Project Sponsor's comments on Administrative Draft 1. The Screencheck Draft EIR will include a summary section, which will summarize the project description, impacts and mitigations, and alternatives. Impacts and mitigations will be presented in a table that identifies each impact, its significance, and proposed mitigation as well as the level of significance following adoption for the mitigation measures.

***Deliverables**:*

- Five hard copies of Screencheck Draft
- One electronic copy of Screencheck Draft in MS Word
- One electronic copy of Screencheck Draft in PDF format

***City Involvement**:* Review and comment on the documents.

Task 7. Draft EIR

Purpose: To prepare and submit the Draft EIR to the City for distribution to the public.

Discussion: Atkins will revise the Screencheck Draft to incorporate modifications identified by the City and Project Sponsor. The revised document will be a Draft EIR, fully in compliance with State CEQA Guidelines and City guidelines, and will be circulated among the public agencies and the general public as well as specific individuals, organizations, and agencies expressing an

interest in receiving the document. During this task, Atkins will also compile the appendices that will be distributed with the Draft EIR and produce a version of the full document that can be uploaded onto the City's website. Atkins will also prepare a Notice of Completion (NOC) to accompany the copies that must be sent to the State Clearinghouse. This scope of work and budget assumes that Atkins will send the required documents to the State Clearinghouse and that the City will distribute the Draft EIRs to all other recipients.

Deliverables:

- Thirty five hard copies of the Draft EIR
- Two unbound hard copies of the Draft EIR
- One electronic copy of the Draft EIR in MS Word
- One electronic copy of the Draft EIR in PDF format
- Notice of Completion
- Fifteen electronic copies of the Draft EIR to the State Clearinghouse

City Involvement: Review the Notice of Completion and, outside of the State Clearinghouse, handle noticing and distribution of the Draft EIRs.

Task 8. Public Review and Hearing

Purpose: To participate in a public hearing providing an opportunity for interested community members and agencies to review and comment on the Draft EIR.

Discussion: The City will provide for a 45-day period during which the public will have an opportunity to review, digest, and comment on the Draft EIR. During the 45-day review period, the City will hold a public hearing to receive comments on the Draft EIR. Atkins key team members will attend and participate as requested. Preparation of meeting materials such as PowerPoint presentations and additional handouts will be billed on a time and materials basis.

City Involvement: Distribute documents, accept comments, and hold public meeting.

Task 9. Draft Responses to Comments

Purpose: To prepare responses to the comments received on the Draft EIR, and incorporate these responses into an Administrative Final EIR for City review.

Discussion: All substantive comments for each written and oral comment will be reviewed, bracketed, and coded for a response. Prior to preparing responses, Atkins will meet with staff to review the comments and suggest strategies for preparing responses. This step is desirable to ensure that all substantive comments are being addressed and that the appropriate level of response will be prepared. This scope of work and budget assumes Atkins will prepare responses for up to 100 substantive discrete, non-repeating comments (comments on project merits or repetitive comments are not considered discrete comments) and will coordinate integrating the responses prepared by other consultants. However, the number and content of public comments is unknown at this time. Therefore, following the close of the Draft EIR public review period and receipt of all public comments, Atkins will meet with the City to revisit the budget associated with this effort to determine if additional hours are needed.

Frequently raised comments of a substantive nature may be responded to in a Master Response, which allows for a comprehensive response to be presented upfront for all interested

commentors. Atkins will identify and recommend possible Master Reponses for City consideration during the initial meeting to discuss strategies for preparing responses.

Following the strategy session, Atkins will prepare Master Responses (as appropriate) and individual responses to the bracketed and coded comments. Individual responses to each comment letter will be placed immediately after the comment letter. As necessary, responses may indicate text revisions, in addition to clarifications and explanations. All text changes stemming from the responses to the comments, as well as those suggested by City staff, will be compiled into a section of the Responses to Comments document.

Following City's review of the Draft Response to Comments document, Atkins will address all comments received and prepare a Screencheck Response to Comments document. The City will review the Screencheck Response to Comments document to ensure that all comments on the Draft were adequately addressed. The product of this task will be a Responses to Comments document that:

- Lists the commentors
- Presents responses to substantive comments
- Revises the Draft EIR as necessary in response to comments
- Reproduces the comment letters and transcripts/minutes of the public hearing.

Deliverable:

- Five copies of the Draft Responses to Comments document in Word format.
- Five copies of the Screencheck Responses to Comments document in Word format

City Involvement: Review and comment on draft responses; assist with response to comments on process, procedures, and City policy. Participate in strategy session to provide guidance on the responses to comments.

Task 10. Final EIR

Purpose: To prepare a Final Responses to Comments document for City Council certification.

Discussion: Based on comments received from City staff, the Screencheck Responses to Comments will be revised and appropriate revisions to the Draft EIR will be noted. The Final EIR will then consist of the Draft EIR and the Responses to Comments document. Revisions to the Draft EIR will be presented as a separate chapter in the Final EIR. The revised Responses to Comments document will be submitted to the City for discussion by the Planning Commission and subsequent certification by the City Council.

Deliverables:

- Twenty hard copies of the Final EIR
- One electronic copy of the Final EIR in MS Word
- One electronic copy of the Final EIR in PDF format

Task 11. Certification Hearings and MMRP

Purpose: Attend meetings to certify the EIR.

Discussion: Team members will attend and participate in up to three meetings to certify the EIR. If requested by City staff, Atkins will present the conclusions of the EIR and a summary of the comments and responses.

In addition, as part of this task, Atkins will prepare a draft and final Mitigation and Monitoring and Reporting Program for the project, as required by Section 15097 of the State CEQA Guidelines. Key components of the program will be identified in a tabular format:

- The mitigation measures to be implemented
- The entity responsible for implementing a particular measure
- The entity responsible for verifying that a particular measure has been completed
- A monitoring milestone(s) or action(s) to mark implementation/completion of the mitigation measure

Deliverables:

- Five hard copies of the Draft Mitigation Monitoring and Reporting Program in Word format.
- Five hard copies of the Final Mitigation Monitoring and Reporting Program in Word format.
- One electronic copy of the Final Mitigation Monitoring and Reporting Program in MS Word
- One electronic copy of the Final Mitigation Monitoring and Reporting Program in PDF format

City Involvement: Organize, announce, and conduct meetings; and review and comment on the draft Mitigation and Monitoring and Reporting Program.

Task 12. Meetings

Purpose: To attend meetings to accomplish the above tasks.

Discussion: Team members will attend and participate in meetings on an as-needed basis. For purposes of the cost estimates, Atkins has assumed four staff and/or Project Sponsor face-to-face meetings, up to three public hearings, and 10 phone conference calls. Additional meetings may be appropriate during the course of this effort, and will be invoiced on a time-and-materials basis. The estimated cost for additional meetings is included in the discussion of the project budget.

City Involvement: Organize, announce, and conduct meetings; prepare materials; follow-up.

Task 13. Project Management

Purpose: Effectively manage the above tasks, and maintain communication with City staff.

Discussion: Atkins project management will be responsible for project coordination activities and will maintain QA/QC requirements for document preparation, and will monitor schedule and performance for all EIR work tasks. Project management subtasks also include maintaining internal communications among Atkins staff and subconsultants and with City staff and other team members through emails and frequent phone contact, as well as the preparation of all

correspondence. The project manager will coordinate internal staff, project guidance, and analysis criteria.

Also included in this Project Management task is the resubmittal of the revised site plans by the applicant on July 23, 2012. As included in Phase 1 of this scope/budget, Atkins reviewed the original site plans and provided comments and a data needs list. In addition, Atkins had started on a draft of the NOP and the Project Description. With submittal of the revised plans, Atkins will review the plans, compare them with the previously-submitted data needs list, revise the NOP, and edit the Project Description.

City Involvement: Coordination with Atkins Project Manager.

Commonwealth Corporate Center EIR Budget - Phase 2

ATKINS

	Project Director	Project Manager	Deputy Project Manager	Environmental Planner	Senior Scientist - Geology/Hazards/Hydrology	Senior Scientist - Cultural/Noise & GIS Analyst - Shadows	Senior Scientist - AQ/GHG	Administrative/Word Proc./Accounting	Hours Per Task	Atkins Labor Per Subtask	Atkins Labor Per Task
PHASE 2											
Task 4 Administrative Draft I											$ 58,625
Introduction		1		2					3	$ 320	
Environmental Analysis		1		2					3	$ 320	
Impacts Found to be Less Than Significant	1	3	4	8		4			20	$ 2,185	
Aesthetics	1	4	28						33	$ 3,415	
Transportation/Traffic	1	5	16						22	$ 2,505	
Air Quality	1	4					60		65	$ 7,795	
Greenhouse Gas Emissions	1	3					40		44	$ 5,325	
Noise	1	4		12		40			57	$ 6,795	
Cultural Resources	1	3				30			34	$ 4,475	
Geology and Soils		3			21				24	$ 3,555	
Hydrology/Flood Impacts		3			24				27	$ 3,990	
Hazardous Materials	1	3			24				28	$ 4,205	
Population and Housing	1	3		24					28	$ 2,525	
Public Services	1	3	4	24					32	$ 2,885	
Utilities	1	3	4	28					36	$ 3,185	
Production	1	2	12	2				32	49	$ 5,145	
Project Alternatives and Other CEQA Considerations											
Other CEQA Statutory Considerations		4		8					12	$ 1,280	$ 6,760
Alternatives	1	6	28	4	4	4	3		50	$ 5,480	
Screencheck Draft EIR	2	16	32	16	21	12	16	18	133	$ 15,505	$ 15,505
Prepare Draft EIR	1	4	7	10	2	2	2	8	36	$ 3,885	$ 3,885
Public Review and Hearings	1	5	5						11	$ 1,515	$ 1,515
Prepare Draft Responses to Comments	2	24	32	20	24	16	24	20	162	$ 19,230	$ 27,425
Prepare Screencheck Responses to Comments	1	12	18	12	8	4	8	8	71	$ 8,195	
Prepare Final EIR	1	4	8	8				8	29	$ 3,055	$ 3,055
Certification Hearings	1	5	5						11	$ 1,515	$ 2,260
MMRP		2		4				1	7	$ 745	
Meetings	2	14	14						30	$ 4,070	$ 4,070
Project Management		34	26						60	$ 8,120	$ 8,120
Total Hours (Phase 2)	24	178	243	184	128	112	153	95	1117		
Hourly Rate	$ 215	$ 170	$ 90	$ 75	$ 145	$ 125	$ 115	$ 105			
Total Labor Cost (Phase 2)	$ 5,160	$ 30,260	$ 21,870	$ 13,800	$ 18,560	$ 14,000	$ 17,595	$ 9,975		$ 131,220	**$ 131,220**
Other Direct Costs (Printing, Mileage, Records Search, etc.)											$ 7,000
10% Administration Fee											$ 700
Total Phase 2 Atkins EIR Cost											**$ 138,920**
DKS Associates Phase 2											$ 50,488
10% Administration Fee											$ 5,049
Total Phase 2											**$ 194,457**

DKS

Scope of Work – Phase 1

The following tasks will provide a transportation impact analysis report that meets current City of Menlo Park and San Mateo County Congestion Management Program (CMP) requirements, and provide focused information on the proposed project.

Task 1: Data Collection and Field Reconnaissance

There are 29 study intersections and 12 roadway segments assumed in this analysis and are shown in Figure 1. These are:

Intersections:

1. Marsh Road and Bayfront Expressway
2. Marsh Road and Independence Drive
3. Marsh Road and US 101 NB Off-Ramp
4. Marsh Road and US 101 SB Off-Ramp
5. Marsh Road and Scott Drive
6. Marsh Road and Bay Road
7. Marsh Road and Middlefield Road
8. Independence Road and Constitution Drive
9. Chrysler Drive and Bayfront Expressway
10. Chrysler Drive and Constitution Drive
11. Chrysler Drive and Jefferson Drive
12. Chrysler Drive and Independence Drive
13. Jefferson Drive and Constitution Drive
14. Chilco Street and Bayfront Expressway
15. Chilco Street and Constitution Drive
16. Chilco Street and Terminal Avenue
17. Willow Road and Bayfront Expressway
18. Willow Road and Hamilton Avenue
19. Willow Road and Ivy Drive
20. Willow Road and O'Brien Drive
21. Willow Road and Newbridge Street
22. Willow Road and Bay Road
23. Willow Road and Durham Street
24. Willow Road and Coleman Avenue
25. Willow Road and Gilbert Avenue
26. Willow Road and Middlefield Road
27. University Avenue and Bayfront Expressway
28. Middlefield Road and Ravenswood Avenue
29. Middlefield Road and Ringwood Avenue

1970 Broadway
Suite 740
Oakland, CA 94612

(510) 763-2061
(510) 268-1739 fax
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Residential and Non-Residential Roadway Segments:

1. Marsh Road between Bohannon Drive and Scott Drive
2. Marsh Road between Bohannon Drive and Bay Road
3. Chrysler Drive between Constitution Drive and Bayfront Expressway
4. Chrysler Drive between Jefferson Drive and Constitution Drive
5. Chilco Street between Constitution Drive and Bayfront Expressway
6. Constitution Drive between Independence Drive and Chrysler Drive
7. Constitution Drive between Chrysler Drive and Jefferson Drive
8. Constitution Drive between Jefferson Drive and Chilco Street
9. Jefferson Drive between Chrysler Drive and driveway
10. Jefferson Drive between driveway and Constitution Drive
11. Independence Drive between Constitution Drive and Chrysler Drive
12. Commonwealth Drive between Chrysler Drive and end of public roadway section of Commonwealth Drive

Field Reconnaissance

DKS staff will conduct field visits during the AM and PM peak periods on a typical weekday (Tuesday, Wednesday or Thursday). DKS will observe:

- Traffic patterns and circulation in the site vicinity
- Study intersection lane geometrics
- Traffic control
- Pedestrian circulation and facilities/amenities
- Proximity of public transit service
- Sight distance issues at study intersections
- Potential access issues

Task 2a: Transportation Impact Analysis

Task 2 will be distributed between Task 2a (Phase 1) and Task 2b (Phase 2). Task 2a will include the initial tasks for the Transportation Impact Analysis, which could include a combination of the following:

Background Trip Generation and Distribution

Background related traffic will be based on planned and approved projects based on the most current list provided by the City of Menlo Park. Several projects on the City's most current list may not be included in the most recent CSA, and may need to be added to the background scenario. DKS will use standard trip generation rates published in the most recent edition of the Institute of Transportation Engineers (ITE) Trip Generation Manual. The distribution and assignment of the background trips will be based on the City's TIA Guidelines and CSA documents.

Project Trip Generation and Distribution

DKS will estimate trip generation rates for the proposed project based standard trip

generation rates published in the most recent edition of the Institute of Transportation Engineers (ITE) *Trip Generation Manual*.

The distribution and assignment of the project trips will be based on the assumptions used in the City of Menlo Park's TIA Guidelines as well as recently conducted traffic studies, the prevailing travel patterns on the adjacent roadway network, abutting land uses, travel time characteristics and our knowledge of the study area.

Study Intersection Traffic Analysis

The AM and PM peak hour operational Levels of Service (LOS) will be analyzed at the study intersections. The analysis will include the following scenarios:

- Existing Condition
- Near Term Condition
- Near Term Plus Project Condition
- Long Term Condition
- Long Term Plus Project Condition

All study intersections will be evaluated during the AM and PM peak hours using the TRAFFIX software and the 2000 Highway Capacity Manual methodology. This traffic analysis will permit estimates of average vehicle delays on approaches that experience LOS "F" conditions. For any impact found to be significant, we will determine the traffic contribution from the proposed project.

The exact scenarios will be determined in conjunction with City staff after the close of the comment period of the Notice of Preparation of the EIR. This proposal assumes a maximum of 5 scenarios (see attached). Additionally, the analysis will include Menlo Gateway-related project trips and suggested mitigation measures as detailed in the EIR and the mitigation measures suggested in the Facebook EIR.

Project Alternatives

DKS will quantitatively analyze up to two project alternatives. The assessment will include a comparison of trip generation potential and a narrative regarding the potential for differences in project-generated near term and long term impacts.

Arterial and Collector Streets Assessment

DKS will estimate the daily traffic on nearby minor arterials and collector streets and estimate whether the proposed project will result in a significant impact under the City's significance criteria. There are 11 roadway segments assumed to be included in the daily traffic analysis (as listed above).

For any study intersections or roadway segments not in Menlo Park, DKS will apply the local agency's adopted analysis methods and significance criteria.

Site Plan and Parking Evaluation

To the extent that the site plan has been developed, DKS will review the site plans for the project site, and access locations with respect to on-site traffic circulation, proposed site access and operational safety conditions. Particular attention will be given to the spacing of traffic signals and access intersections, parking structure layout, on-site queuing along drive aisles and at parking access locations, and queuing at the main project access points from Bayfront Expressway and Marsh Road.

We will also review the proposed parking supply in light of the anticipated demand, and compare these figures to the requirements of the City of Menlo Park Parking Code. Feasible traffic and parking modifications will be evaluated and suggested in the study report.

Circulation Element Conformance

DKS will review the proposed project with respect to the existing General Plan Circulation Element polices.

Pedestrian Conditions, Bicycle Access and Transit Impacts Analysis

DKS will review the proposed project with respect to the potential effects on pedestrian and bicyclist facilities. This includes sidewalks, bicycle lanes, and amenities to promote the safe use of alternate modes of transportation, and connections to the existing bicycle and pedestrian network and Bay Trail. The analysis will consider the project's proposed elements with respect to the City's Bicycle Plan and Sidewalk Master Plan.

DKS will estimate the potential number of additional transit riders that may be generated by the proposed project, and qualitatively assess whether they would constitute an impact on transit load factors.

San Mateo County CMP Analysis

The proposed project will be subject to review by the San Mateo County Congestion Management Program (CMP) and its requirements. As such, DKS will evaluate the following Routes of Regional Significance as shown in Figure 1:

1. SR 84: US 101 to Willow Road (NB)
2. SR 84: Willow Road to University Avenue (NB)
3. SR 84: University Avenue to County Line (SB)
4. SR 109: US 101 to Bayfront Expressway (EB)
5. SR 114: US 101 to Bayfront Expressway (EB)
6. US 101: North of Marsh Road (NB)
7. US 101: Marsh Road to Willow Road (SB)
8. US 101: Willow Road to University Avenue (NB)
9. US 101: South of University Avenue (SB)

The identification of the potential impacts of adding project-generated trips to these routes will be examined. This will include the volume of project-generated traffic added to the

US 101/Willow Avenue and US 101/Marsh Road interchange ramps and adjacent freeway segments. Evaluation of the CMP routes will be based on the most recently approved CMP Traffic Impact Analysis guidelines in the Land Use section of the CMP.

Planned Transportation Improvements

DKS will incorporate any planned transportation improvements as part of the EIR analysis. We will consider the timing and funding for any improvements prior to its inclusion in the analysis.

Development of Mitigation Measures

DKS will discuss specific mitigation measures to address project traffic impacts. We will provide a table comparing analysis results before and after mitigation, and follow the TIA guidelines for mitigation measure preparation. While a TDM program may be recommended as a mitigation measure, a detailed TDM program is not part of the EIR report.

Should significant impacts be identified, DKS will recommend the mitigation measures needed to alleviate such impacts and improve operational conditions. Potential impacts may include those to intersections, roadways, on-site circulation and access, as well as parking, bicyclist, pedestrian and transit operations. The analysis shall first concentrate on short-term strategies that can be implemented by the applicant, and then longer-term joint effort strategies.

Mitigation measures identification and selection process will be coordinated with City staff. As part of this task, DKS will provide conceptual drawings and corresponding construction cost estimates for recommended improvement measures, up to the budget resources available.

Task 6: Meetings (1)

This work scope for Phase 1 includes up to one meeting related to this project.

BUDGET

The estimated not-to-exceed budget for the Phase 1 proposed work scope is $24,992, which includes all data collection, overhead/expenses. A spreadsheet showing the key project personnel, their hourly rates and expected time to be spent on the project is included with this proposal (Exhibit 1). Present workload of all assigned DKS personnel will allow them to complete the planned work within the identified project schedule.

Following review of this work scope by City staff, DKS will make any necessary changes and prepare a revised work scope and budget estimate.

Scope of Work – Phase 2

The following tasks will be conducted in Phase 2 to meet current City of Menlo Park and San Mateo county Congestion Management Program (CMP) requirements and provide focused information on the proposed project.

Task 2: Transportation Impact Analysis

Background Trip Generation and Distribution

Background related traffic will be based on planned and approved projects based on the most current list provided by the City of Menlo Park. Several projects on the City's most current list may not be included in the most recent CSA, and may need to be added to the background scenario. DKS will use standard trip generation rates published in the most recent edition of the Institute of Transportation Engineers (ITE) *Trip Generation Manual*. The distribution and assignment of the background trips will be based on the City's TIA Guidelines and CSA documents.

Project Trip Generation and Distribution

DKS will estimate trip generation rates for the proposed project based standard trip generation rates published in the most recent edition of the Institute of Transportation Engineers (ITE) *Trip Generation Manual*.

The distribution and assignment of the project trips will be based on the assumptions used in the City of Menlo Park's TIA Guidelines and C/CAG travel demand model as well as recently conducted traffic studies, the prevailing travel patterns on the adjacent roadway network, abutting land uses, travel time characteristics and our knowledge of the study area. The C/CAG travel demand model will be used to determine the vehicle trip path choice by running a future year analysis with and without the project increment. The running of the model will be performed by the VTA and DKS will analyze the model outputs to determine the likely vehicle trip path choice.

Study Intersection Traffic Analysis

The AM and PM peak hour operational Levels of Service (LOS) will be analyzed at the study intersections. The analysis will include the following scenarios:

- Existing Condition
- Near Term Condition
- Near Term Plus Project Condition
- Long Term Condition
- Long Term Plus Project Condition

All study intersections will be evaluated during the AM and PM peak hours using the TRAFFIX software and the 2000 Highway Capacity Manual methodology. This traffic analysis will permit estimates of average vehicle delays on approaches that experience LOS "F" conditions. For any impact found to be significant, we will determine the traffic contribution from the proposed project.

The exact scenarios will be determined in conjunction with City staff after the close of the comment period of the Notice of Preparation of the EIR. This proposal assumes a maximum of 5 scenarios (see attached). Additionally, the analysis will include Menlo

Gateway-related project trips and suggested mitigation measures as detailed in the EIR and the mitigation measures suggested in the Facebook EIR.

Project Alternatives

DKS will quantitatively analyze up to two project alternatives. The assessment will include a comparison of trip generation potential and a narrative regarding the potential for differences in project-generated near term and long term impacts.

Arterial and Collector Streets Assessment

DKS will estimate the daily traffic on nearby minor arterials and collector streets and estimate whether the proposed project will result in a significant impact under the City's significance criteria. There are 12 roadway segments assumed to be included in the daily traffic analysis (as listed above).

For any study intersections or roadway segments not in Menlo Park, DKS will apply the local agency's adopted analysis methods and significance criteria.

Site Plan and Parking Evaluation

To the extent that the site plan has been developed, DKS will review the site plans for the project site, and access locations with respect to on-site traffic circulation, proposed site access and operational safety conditions. Particular attention will be given to the spacing of traffic signals and access intersections, parking structure layout, on-site queuing along drive aisles and at parking access locations, and queuing at the main project access points from Bayfront Expressway and Marsh Road.

We will also review the proposed parking supply in light of the anticipated demand, and compare these figures to the requirements of the City of Menlo Park Parking Code. Feasible traffic and parking modifications will be evaluated and suggested in the study report.

Circulation Element Conformance

DKS will review the proposed project with respect to the existing General Plan Circulation Element polices.

Pedestrian Conditions, Bicycle Access and Transit Impacts Analysis

DKS will review the proposed project with respect to the potential effects on pedestrian and bicyclist facilities. This includes sidewalks, bicycle lanes, and amenities to promote the safe use of alternate modes of transportation, and connections to the existing bicycle and pedestrian network and Bay Trail. The analysis will consider the project's proposed elements with respect to the City's Bicycle Plan and Sidewalk Master Plan.

DKS will estimate the potential number of additional transit riders that may be generated by the proposed project, and qualitatively assess whether they would constitute an impact on transit load factors.

San Mateo County CMP Analysis

The proposed project will be subject to review by the San Mateo County Congestion Management Program (CMP) and its requirements. As such, DKS will evaluate the following Routes of Regional Significance as shown in Figure 1:

1. SR 84: US 101 to Willow Road (NB)

2. SR 84: Willow Road to University Avenue (NB)
3. SR 84: University Avenue to County Line (SB)
4. SR 109: US 101 to Bayfront Expressway (EB)
5. SR 114: US 101 to Bayfront Expressway (EB)
6. US 101: North of Marsh Road (NB)
7. US 101: Marsh Road to Willow Road (SB)
8. US 101: Willow Road to University Avenue (NB)
9. US 101: South of University Avenue (SB)

The identification of the potential impacts of adding project-generated trips to these routes will be examined. This will include the volume of project-generated traffic added to the US 101/Willow Avenue and US 101/Marsh Road interchange ramps and adjacent freeway segments. Evaluation of the CMP routes will be based on the most recently approved CMP Traffic Impact Analysis guidelines in the Land Use section of the CMP.

Planned Transportation Improvements

DKS will incorporate any planned transportation improvements as part of the EIR analysis. We will consider the timing and funding for any improvements prior to its inclusion in the analysis.

Development of Mitigation Measures

DKS will discuss specific mitigation measures to address project traffic impacts. We will provide a table comparing analysis results before and after mitigation, and follow the TIA guidelines for mitigation measure preparation. While a TDM program may be recommended as a mitigation measure, a detailed TDM program is not part of the EIR report.

Should significant impacts be identified, DKS will recommend the mitigation measures needed to alleviate such impacts and improve operational conditions. Potential impacts may include those to intersections, roadways, on-site circulation and access, as well as parking, bicyclist, pedestrian and transit operations. The analysis shall first concentrate on short-term strategies that can be implemented by the applicant, and then longer-term joint-effort strategies.

Mitigation measures identification and selection process will be coordinated with City staff. As part of this task, DKS will provide conceptual drawings and corresponding construction cost estimates for recommended improvement measures, up to the budget resources available.

Task 3: Two (2) Administrative Draft EIR Chapters

DKS Associates will document all work assumptions, analysis procedures, findings, graphics, impacts and recommendations in an Administrative Draft EIR Chapter for review and comments by City staff and the environmental consultant, Atkins. The Chapter will also include:

- Description of new or planned changes to the street system serving the site, including changes in driveway location and traffic control, if any
- Future Project Condition Volumes (ADTs, AM peak hour, PM peak hour)

- Project trip generation rates
- Project trip distribution
- Discussion of impact of project trips on study intersections
- Levels of service discussion and table for each study scenario
- Comparison table of Project Condition and Existing LOS along with average delay and percent increases at intersections
- Impacts of additional traffic volumes on city streets
- Intersection level of service calculation sheets (electronic and hard copy format)

We have assumed a total of two Administrative Drafts of the EIR Transportation Chapter. DKS will respond to one set of consolidated comments on the first Administrative Draft. The text, graphics and analysis will be modified as needed. The second Administrative Draft will then be prepared.

DKS will coordinate with the environmental consultant (Atkins) and provide pdf and WORD versions of the EIR Transportation Chapter to the environmental consultant, as well as intersection and roadway segment traffic data for use in air and noise analysis. Atkins will provide DKS with an outline of the format to be used for the EIR Transportation Chapter.

To support the EIR Transportation Chapter, DKS will provide a technical appendix. The appendix may include more detailed transportation analysis such as level of service calculations, technical memoranda that were developed as part of this proposal, and other supporting materials.

To expedite the review process, and if requested, DKS will provide a separate copy of the EIR Transportation Chapter with its appendix to City staff for their review.

Deliverable: Electronic Copy of Administrative Draft EIR Transportation Chapter (pdf, WORD)

Task 4: Draft EIR Transportation Chapter

DKS will respond to one set of consolidated comments on the second Administrative Draft EIR Transportation Chapter. The text, graphics and analysis will be modified as needed. The Draft EIR Transportation Chapter will then be prepared.

Deliverable: Electronic Copy of Draft EIR Transportation Chapter (pdf, WORD)

Task 5: Final EIR - Response to Comments

DKS will respond in writing to comments received on the Draft EIR Transportation Chapter. We have assumed preparation of comment responses as well as revisions to the responses based on City staff review.

Deliverable: Electronic Copy of Comments and Responses Memo [and Comments and Responses Matrix if requested] (pdf, WORD)

Task 6: Meetings (3)

This work scope includes up to 3 meetings related to this project. This includes two (2) project meetings and one (1) public hearings. Additional meetings beyond these two will be considered additional work.

BUDGET

The estimated not-to-exceed budget for this proposed work scope is $50,488, which includes meetings and overhead/expenses. A spreadsheet showing the key project personnel, their hourly rates and expected time to be spent on the project is included with this proposal. Present workload of all assigned DKS personnel will allow them to complete the planned work within the identified project schedule.

Following review of this work scope by City staff, DKS will make any necessary changes and prepare a revised work scope and budget estimate.

Exhibit 1

EIR TRANSPORTATION REPORT -151 COMMONWEALTH DRIVE PROJECT

City of Menlo Park, CA

Fee Estimate Phase 2

Personnel & Hourly Billing Rates

	Work Tasks	DKS Principal William Loudon $245	Project Manager Paul Stanis $120	Associate Engineer $110	Admin/ Graphics $100	Other Direct Costs	Total Hours	Total Fee
0	Project Administration	10	4		8	$50		$3,780
2b	Transportation Impact Analysis	2	129	12		$2,350	143	$19,640
3	Admin Draft EIR Traffic Chapters (2)	4	80	8	30	$100	122	$14,560
4	Draft EIR Traffic Chapter	4	30	4	4	$100	42	$5,520
5	Response to Comments on DEIR (Final EIR Comment Responses)	2	24	2	2	$100	30	$3,890
6	Meetings (4)	6	12			$188	18	$3,098
	Subtotal	**28**	**279**	**26**	**44**	**$2,888**	**355**	**$50,488**

Other Direct Costs include printing, mileage, deliveries, etc.

Total Budget: $50,488

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Scope of Work – Air Quality and Greenhouse Gas Analyses

This presents the proposed scope of work for the preparation of an Air Quality EIR section for the 151 Commonwealth Drive, Menlo Park Project, as required by the 2011 Bay Area Air Quality Management District (BAAQMD) California Environmental Quality Act (CEQA) Guidelines.

In January 2012, the Superior Court for the Court of Alameda County issued a minute order granting a petition for writ of mandate and determined that BAAQMD failed to comply with CEQA in adopting its revised Guidelines. A writ of mandate vacating BAAQMD's adoption of the revised Guidelines was granted on February 14, 2012. BAAQMD has not issued additional guidance in light of the Court's decision. Under CEQA, it is ultimately up to the Lead Agency to determine which thresholds of significance and methodology to apply. Atkins believes that the use of the BAAQMD's 2011 Guidelines provide conservative thresholds and, therefore, unless the City has other significance thresholds, recommends the continued use of these thresholds until such time as revised thresholds are developed by the BAAQMD. It is Atkins' belief that should new thresholds be developed by the BAAQMD as a result of this lawsuit, the current thresholds will be more stringent. Therefore, any project held to the current BAAQMD thresholds would, at the minimum, maintain their significance findings.

Air Quality Analysis - Criteria Pollutants

Construction-related Emissions. Criteria pollutants are emitted from project-related construction and operational activities. Emissions are produced from both equipment and dust during construction and renovation activities. Operational emissions generated by project implementation are primarily associated with mobile sources; however natural gas usage, landscaping, maintenance, and stationary sources such as emergency generators and boilers also contribute to the emission of criteria air pollutants.

Emissions from construction typically result from material handling, traffic on unpaved or unimproved surfaces, demolition of structures, removal of debris, use of paving materials and architectural coatings, exhaust from construction worker vehicle trips, and exhaust from diesel-powered construction equipment. The project proposes to construct 237,000 square feet of general office building which is below the 277,000 square feet construction screening level for development projects within the BAAQMD. However, the details of the construction activities are unknown at this time and therefore may exceed some of the criteria anticipated in the screening analysis such as no overlap of any construction phases, extensive site preparation, or extensive material transport. Further the BAAQMD recommends the quantification of construction related emissions for GHG quantification and for the Health Risk Analysis (as discussed in their respective sections below) emissions from construction activities will be included in the emissions inventory for the proposed project. Criteria pollutant emissions associated with the construction activities will be estimated using the CalEEMod model and will be compared to the 2011 BAAQMD-adopted CEQA thresholds of significance. The modeling will include, at a minimum, reductions from the Basic Construction Mitigation Measures that are recommended for all construction activities. Should the project's operational activities exceed

thresholds, mitigation measures will be proposed to reduce emissions to below the thresholds or to the extent practicable.

Operational Emissions. The project proposes to construct 237,000 square feet of general office building. While this is below the 346,000 square feet operational screening level for development projects within the BAAQMD, the development may include research and development or biotech facilities and, therefore, do not qualify as normal office use. A full air quality analysis for operational activities must be quantified.[1] The total criteria pollutant emissions will be estimated using the CalEEMod model and will be compared to the 2011 BAAQMD-adopted CEQA thresholds of significance for daily and annual operational activities. This comparison will serve as the basis for determining if the project would result in a significant adverse impact when compared to the BAAQMD-adopted significance criteria. Should the project's operational activities exceed thresholds, mitigation measures will be proposed to reduce emissions to below the thresholds or to the extent practicable. Area source emissions from individual buildings will be determined based on the land use anticipated. Mobile emissions associated with project-related vehicle operations will use trip rates, vehicle trips, and vehicle trip lengths as identified in the project-specific transportation analysis if available or will use the modeling default assumptions.

According to BAAQMD CEQA Guidelines only net new emissions associated with a project are subject to CEQA. In order to accurately account for emission increases from the project, the net difference between existing (pre-project) and project emissions will be calculated. Further, unless accurate trip rates can be determined, all previous land use will assume no traffic thereby providing a conservative estimate of net project level emissions.

Air Quality Analysis - Health Risk Assessment

Atkins will evaluate the potential for adverse health effects associated with toxic air contaminant (TAC) exposures to residential and school site receptors in the vicinity of the project site. A preliminary evaluation TAC sources expected to contribute to local exposures include motor vehicles traveling on local roadways, trucks associated with local commercial facilities, and potential future onsite features operating under Air District permits. BAAQMD methodology suggests that cancer risk be evaluated with respect to diesel particulate matter (DPM) and total organic gases (TOG). Where applicable, cancer risk from TOGs will be derived using a weighted toxicity value developed through the speciation of TOG. The weighted toxicity value will incorporate the individual toxicity of each compound that makes up TOGs.

Construction-related Emissions. The determination of health risks from project-related construction is based predominantly on construction equipment exhaust. Typically construction activities considered in HRA assessments include project-related demolition, grading, excavation, infrastructure installation and foundation and structure construction. Construction emissions for diesel related exhaust as determined from the CalEEMod model above will be used to determine the concentration at nearby sensitive receptors. The ISTSC3 model will be used to determine concentrations of DPM and $PM_{2.5}$ at the nearby receptors. These concentrations will be used to develop specific health risk and $PM_{2.5}$ concentrations at the nearby receptors. These will be compared to the BAAQMD's thresholds of significance to determine project level impacts for

TAC Emissions Associated with the Operation of Existing/Proposed Local Sources. The BAAQMD recommends that TAC exposure from existing sources be evaluated to determine health risks associated

[1] Bay Area Air Quality Management District, *CEQA Air Quality Guidelines,* Updated May 2011, p. 3-2.

with locating sensitive receptors within 1,000 feet of existing sources or locating a potential source within 1,000 feet of an existing sensitive receptor. A screening level analysis, as included in Appendix D, was performed to identify all existing sources and potential receptors within 1,000 feet of the proposed project boundaries.

It is unknown if the project will implement stationary sources. If the project design includes a back-up generator, then a refined analysis will need to be conducted to determine the risk from the back-up generator. If the project does not include a back-up generator, an operational level analysis will not need to be considered. However, because the project is being designed to accommodate biotech or research and development uses, a caveat will be included in the analysis to determine maximum emissions that can be accommodated onsite before the cumulative threshold is reached, and that future tenants will need to provide permits or individual health risk assessments to prove that operations will not exceed cumulative levels. Should known onsite impacts exceed regulatory thresholds for acceptable levels of risk or PM concentrations, mitigation measures will be proposed to reduce anticipated risk. Airborne concentrations will be estimated for sources using the ISTSC3 dispersion model as recommended by BAAQMD in Recommended Methods for Screening and Modeling Local Risks and Hazards (BAAQMD May 2011). For each of the sources where emissions are exceeded Cancer Risk and $PM_{2.5}$ emissions will be further modeled in order to show more accurate emissions of both risk categories.

The screening analysis identified 4 stationary sources, and 1 mobile source of TACs within the 1,000 foot radius. Of the 4 stationary sources, one is listed as being at the project site. Assuming this is still active as of the Notice of Preparation, the project will remove this risk from the area and therefore this source will count as a decrease in risk/concentration for the project area. None of these sources have estimated risk available from the BAAQMD screening tools and therefore a stationary source information request has been submitted.

Cumulative Emissions. Based on the results of the screening level analysis for stationary and mobile sources, quantitative estimates will be determined for cumulative excess lifetime cancer risks, non-cancer HIs, and $PM_{2.5}$ concentrations associated with potential exposure for on-site and off-site receptors as applicable for each study area.

Where applicable, for off-site receptors, the project's contribution to cumulative cancer risk will be addressed both quantitatively and qualitatively. Based on the analysis of risk from the operation of the onsite stationary sources, a representative off-site receptor will be chosen. This receptor will be the one associated with the highest potential risk resulting from the project operation. In order to determine the cumulative risk, the potential risk from all sources within 1,000 feet of the proposed project will be evaluated and compared to the significance thresholds.

Greenhouse Gas Emissions Analysis

Climate change is defined as any significant change in the climate such as temperature, wind, precipitation, that lasts for decades or longer. Climate change is influenced by natural factors, natural process, and human activities which increase the level of greenhouse gases present in the atmosphere. Since the type and size of the proposed project precludes the use of the BAAQMD's screening levels (screening level is 53,000 square feet), greenhouse gas emissions from the project must be quantified. BAAQMD guidelines recommend that emissions from construction as well as all of the direct and indirect emissions from operational activities be quantified.

Climate change is considered a cumulative analysis in that impacts from one project, although not singularly able to directly influence climate change, will combine with the impacts from existing as well as other future projects to influence the levels of greenhouse gases in the atmosphere. Therefore, the climate change analysis will discuss the potential impacts on the study areas from climate change as well as the projects anticipated emissions of greenhouse gases.

Potential Impacts to Study Area. Climate change could have a number of adverse effects. Although these effects would have global consequences, in most cases they would not disproportionately affect any one site or activity. In other words, many of the effects of climate change are not site-specific except for sea level rise. Emission of greenhouse gases would contribute to the changes in the global climate, which would in turn, have a number of physical and environmental effects. However, the extent of these effects is unknown due to the unknown severity of climate change that will occur. The following potential effects which will be addressed qualitatively in the analysis: sea level rise and flooding; water supply; water quality; ecosystems and biodiversity; and human health impacts.

Construction-related Emissions. Emissions of carbon dioxide associated with the construction activities will be estimated using CalEEMod, in accordance with the BAAQMD's 2011 Guidelines as outlined under the criteria pollutant construction emissions.

Operational Emissions. Emissions of carbon dioxide equivalents (CO_2e) for operational emissions will be estimated using the CalEEMod model. The model will use default energy consumption and waste generation assumptions unless project specific data is provided by the project applicant. The total greenhouse gas emissions estimates will be compared to the 2011 BAAQMD-adopted CEQA thresholds of significance for greenhouse gas emissions. This comparison will serve as the basis for determining if the project would result in a significant adverse impact and whether features of project design are adequate to reduce emissions or if additional mitigation measures would be required to reduce impacts to below significance thresholds. Project design features or mitigation will be applied to reduce GHG emissions to the BAAQMD threshold or to the furthest extent possible.

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Air Quality Screening Analysis

A. GENERAL PROJECT INFORMATION:

Date: March 16, 2012

Project name: 151 Commonwealth Drive

Project address: 151 Commonwealth Drive, Menlo Park, CA

Cross streets: Commonwealth Drive & Independence Drive

Brief Project description: [Please be sure to include known construction information and any information on nearby non-permitted sources (truck distribution facilities, rail yards, ports, airports, etc.]

The 151 Commonwealth Project will demolish the existing 190,000 square foot building and replace the building with 237,000 square feet of office type buildings. These two buildings will be 4-stories and will allow for flexible design for office, biotech, research and development uses.

Proposed project includes:

☐ New receptors[1] Type: (Residence, day care, hospital, etc.)

☒ New source[2] Type: (On-site back-up generator): Unknown back-up generator, laboratory type land use.

Location of closes sensitive receptor: School southeast across the adjacent rail spur (approximately 48 meters from edge of site to tennis courts on school property. Residential land uses southwest across the 101 Freeway (approximately 70 meters from edge of site to back yard of single family residential properties).

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[1] Sensitive receptors are defined by BAAQMD as: children, adults or seniors occupying or residing in: 1) Residential dwellings, including apartments, houses, condominiums, 2) schools, colleges and universities, 3) daycares, 4) hospitals, and 5) senior care facilities. On-site and off-site workers should not be considered receptors for this analysis, as significance thresholds for worker exposures have not been developed at this time. Exposures to off-site workers are evaluated in the permitting process. BAAQMD, *Recommended Methods for Screening and Modeling Local Risks and Hazards*, May 2011, page 12.

[2] Sources include projects that generate more than 10,000 vehicles/day or more than 1,000 trucks/day and projects that include stationary sources (common stationary sources include emergency back up generators, boilers, dry cleaning facilities, etc.).If a project includes a stationary source, you must also provide the estimated number of daily vehicle trips.

Estimated daily vehicles trips: ___N/A_____

☒ Construction and/or demolition activities or use of diesel equipment

Location of closes sensitive receptor: School southeast across the adjacent rail spur (approximately 48 meters from edge of site to tennis courts on school property. Residential land uses southwest across the 101 Freeway (approximately 70 meters from edge of site to back yard of single family residential properties).

Please use the space below to provide additional information regarding the projects use, stationary and mobile sources proposed by the project and intensity of construction and/or demolition activities.

The building owner is proposing to demolish the existing building, surface parking and landscaping on the property located on the east end of Commonwealth Drive. Two new four-story office buildings with new surface parking and new landscaping will be constructed on the site.

The existing building totaling 190,000 square feet will be demolished and replaced with two (2) new four-story office buildings totaling 237,000 square feet. The building floor plates and clear height allow a flexible design for office, biotech, research and development uses. The floor to floor heights are 16' on the 1st floor and 15' on all others, allowing for a minimum of 10' ceiling height to accommodate lab or office space on each floor. Key building / pedestrian features are a beautifully landscaped courtyard with abundant water features and outside dining areas and an internalized boulevard allowing significant individual building identity.

The building façade will utilize aluminum panels and high performance glass set in aluminum frames. This façade will provide energy saving benefits to the occupants while at the same time provide a striking look from Highway 101 and surrounding uses. A new parking lot layout will provide 864 parking stalls on-site for a parking ratio of 3.6 stalls per 1,000 square feet of building area. New landscaping of approximately 165,000 SF or ±31.25% of the site will enhance the property and the surrounding uses in the business park.

B. CRITERIA AIR POLLUTANTS

1) Preliminary Operational Criteria Air Pollutant Screening Analysis

Refer to Table 3-1 of the Bay Area Air Quality Management District's (BAAQMD) CEQA Air Quality Guidelines (Guidelines) for operational criteria air pollutant screening analysis. When screening criteria air pollutants, keep in mind the following:

a) If the proposed project includes emissions from stationary sources, the screening tables should not be used.
b) If screening criteria are met, operational criteria air pollutant emissions will not result in a significant impact to air quality.

☐ The proposed project meets the operational criteria air pollutant screening criteria

☒ The proposed project **does not** meet the operational criteria air pollutant screening criteria

☐ Unknown whether the proposed project meets the operational criteria air pollutant screening criteria

If screening criteria are not met, emissions from area, mobile, and stationary sources must be quantified in an Air Quality Technical Report.

The project proposes to construct 237,000 square feet of general office building. While this is below the 346 ksf operational screening level for development projects within the BAAQMD, the development may include research and development or biotech facilities and therefore do not qualify as normal office use. Therefore a full air quality analysis for operational activities must be completed.[3]

2) Preliminary Construction Criteria Air Pollutant Screening Analysis

Refer to Table 3-1 of the BAAQMD CEQA Air Quality Guidelines for construction criteria air pollutant screening analysis. When screening criteria air pollutants, keep in mind the following:

a) All Basic Construction Mitigation Measures identified in BAAQMD's CEQA Air Quality Guidelines (2011) would be included in the project design and implemented during construction; and
b) Construction related activities would not include any of the following:
    i) Demolition activities inconsistent with District Regulation 11, Rule 2: Asbestos Demolition, Renovation and Manufacturing;
    ii) Simultaneous occurrence of more than two construction phases (e.g., paving and building construction would occur simultaneously);
    iii) Simultaneous construction of more than one land use type (e.g., project would develop residential and commercial uses on the same site-however, not applicable to high-density infill development);

[3] Bay Area Air Quality Management District, *CEQA Air Quality Guidelines,* Updated May 2011, p. 3-2.

iv) Extensive site preparation (i.e., greater than default assumptions used by URBEMIS for grading, cut/fill, or earth movement); or
v) Extensive material transport (greater than 10,000 cubic yards of soil import/export) requiring a considerable amount of haul truck activity.

☐ The proposed project meets the construction criteria air pollutant screening criteria

☐ The proposed project **does not** meet the construction criteria air pollutant screening criteria

☒ Unknown whether the proposed project meets the construction criteria air pollutant screening criteria

If the screening criteria are not met, average daily emissions from construction activities must be quantified in an Air Quality Technical Report.

The project proposes to construct 237,000 square feet of general office building which is below the 277,000 square feet construction screening level for development projects within the BAAQMD. However, the details of the construction activities are unknown at this time and therefore may exceed some of the criteria listed above, specifically b-ii, b-iv, and b-v.

C. HEALTH RISKS

1) Preliminary Single Source Health Risk Screening Analysis for New Receptors

This section should be completed for projects that include new sensitive receptors, or as indicated in Sections C.2 or C.3, below.

a. Stationary Sources within 1,000 ft Buffer of Project Site

[Identify all stationary sources of TACs within 1,000 feet of the project site and provide a graphic showing the project site, 1,000 ft buffer, and all stationary sources and roadways with traffic greater than 10,000 vehicles/day or 1,000 trucks/day (see C.2, below) within the buffer. If refined screening was conducted either through verification of source information with the BAAQMD or by applying appropriate distance adjustment factors, provide both the database information and the revised/adjusted information based on either correspondence with BAAQMD or supporting calculations. Table 1, included as must be appended to this form.]

☒ 1. Source Information is from BAAQMD database (GIS files) dated: [Include date of database information used]

☐ 2. Source Information has been verified by BAAQMD

Stationary Source Comments: [Discuss any additional information here. Additional information may include a discussion of whether risks were adjusted for distance or confirmation of when the source information was verified by BAAQMD and any differences between the database source information and verified source information.]

The list of stationary sources within 1,000 feet of the project site has been submitted to the BAAQMD for completion. While the project site itself is not considered a sensitive receptor, this information will be needed to determine the cumulative impacts to adjacent sensitive receptors from construction activities and potential onsite operations. No impacts from these sources are anticipated for the project site. The Stationary Source Information Form was submitted to the BAAQMD on 3/19/2012.

b. High Volume Roadways

[List all roadways within 1,000 feet of the project site with ≥10,000 vehicles/day or with ≥1,000 trucks/day in Table 1. To determine risks from highways, use BAAQMD's Highway Screening Analysis tool. Using these tools, provide the estimated cancer risk and PM2.5 risk.]

Specify Roadway Volume tool used: [Sources of traffic volumes include the Traffic Data Branch of the California Department of Transportation (Caltrans). Traffic Volumes (AADT) for all vehicles on CA state highways and truck traffic (AADTT) on CA state highways. http://traffic-counts.dot.ca.gov/]

Roadway Source Comments: [Discuss any additional information here.]

While the project site itself is not considered a sensitive receptor, impacts from roadways with greater than 10,000 ADT will be needed to determine the cumulative impacts to adjacent sensitive receptors with the inclusion construction activities and potential operational activities. No impacts from these sources are anticipated for the project site. Only the 101 Freeway is located within the 1,000 foot zone

of influence for the project site. Therefore, the only roadway source that will be considered with respect to cumulative impacts is the 101 Freeway.

c. Non Permitted Sources

Discuss whether there exist any non-permitted sources[4] within 1,000 feet of the project site:

There are no non-permitted sources identified within the project site or the 1,000 foot zone of influence. Non-permitted sources are considered to be those facilities that generate significant emissions from on-road and off-road mobile sources such as distribution centers, rail yards, and bus terminals. Identification of the existence or lack of potential non-permitted sources was made through the use of Google Earth. While a rail spur exists adjacent to the site it is not considered a non-permitted source because the level of activity on the spur is not equivalent to that of a rail yard.

2) Preliminary Operational Health Risk Screening Analysis

This section should be completed for projects that include mobile or stationary sources.

i. Would the project generate more than 10,000 vehicles/day or more than 1,000 truck trips/day?

☐ Yes

☒ No

ii. Would the project include any stationary sources, including backup generator(s) and boiler(s)?

☒ Yes (unknown)

☐ No

If the answer to any of the questions in Section C.2 is yes, then an operational health risk assessment is required. To determine cumulative health risk impacts, complete Section C.1 and Section C.4.

3) Preliminary Construction Health Risk Screening Analysis

Use the construction screening table (Table 2 of *Screening Table for Air Toxics Evaluation During Construction*) to determine if the risk and hazard impacts from construction may exceed the screening criteria.

The screening table should not be used if the project in consideration has substantially different characteristics than those used to create the screening levels.[5]

---

[4] Examples of non-permitted sources include: major ports, rail yards, distribution centers and truck-related businesses, airports, etc.

To compare the minimum offset distance from the project fenceline use the following:

a. Project site acres if available.
b. If the project site acreage is not available, use the number of units (residential) or square feet (commercial/industrial) of the project.
c. If the project falls between two project sizes, use the larger of the two to be conservative. Do not interpolate between two project sizes.

☐ The proposed project meets the construction health risk screening buffer

☒ The proposed project **does not** meet the construction health risk screening buffer

If the project's nearest sensitive receptor is less than the minimum distance noted in Table 2 of *Screening Table for Air Toxics Evaluation Suring Construction*), a refined modeling analysis is required. To determine cumulative construction health risk impacts complete Section C.1 and Section C.4.

Construction Health Risk Screening Comments: [Discuss any additional information here.]

The project would involve demolition and then construction of a new structure. As determined by BAAQMD's Screening Tables for Air Toxics Evaluation During Construction based on the project site acreage the minimum distance required between the fence line of the construction site and a nearby sensitive receptor to ensure that cancer and non-cancer risks associated with the project are less than significant is 200 meters.[6] The proposed project is across the 101 from single-family residential uses and across a rail road spur from a school site, therefore it would not meet the BAAQMD's screening methodology and will require refined modeling to accurately assess risk to nearby sensitive receptors during construction.

4) CUMULATIVE HEALTH RISKS

[Sum the results of all stationary sources, roadways with ≥10,000 vehicles/day or 1,000 trucks/day, and any non-permitted sources in Table 1]

i. The following cumulative health risk thresholds may be exceeded, requiring refined modeling:

☒ Cancer Risk (100/million threshold)

☒ Hazard Index (10.0 threshold)

☒ Annual Average $PM_{2.5}$ (0.8 μg/m^3)

5) SUMMARY OF HEALTH RISK ANALYSIS

---

[5] In particular, the screening table should not be used if the project has overlapping construction phases. Longer phases or more extensive construction equipment use are additional examples of different project characteristics than traditional residential, commercial or industrial projects.

[6] Bay Area Air Quality Management District, *Screening Tables for Air Toxics Evaluation During Construction*, May 2011, p 9.

i. The screening-level analysis found that the proposed project includes sensitive receptors and that at least one source exceeds the single source health risk thresholds, requiring refined modeling:

☐ Yes

☒ No

☐ Unknown

ii. The screening-level analysis found that the proposed project includes sources that could affect nearby sensitive receptors

☒ Yes (unknown)

☐ No

☐ Unknown

These sources include (or may include) the following: Unknown.

Notes: Need more detailed information on project operations before this can be determined.

iii. The screening-level analysis found that the proposed project includes construction activities that could affect nearby sensitive receptors

☒ Yes

☐ No

☐ Unknown

Notes: [Use this space to include additional details.] It is within the screening distance established by the BAAQMD screening tables.

iv. The screening-level analysis found that cumulative health risks may be exceeded

☐ Yes

☐ No

☒ Unknown –

Based on a screening-level analysis, the following cumulative health risk thresholds are exceeded:

☐ Cumulative Cancer Risk Thresholds Exceeded

☐ Cumulative $PM_{2.5}$ Thresholds Exceeded

☐ Cumulative Non Cancer Thresholds Exceeded

Notes: [Use this space to include additional details.] Because the 101 freeway is less than the thresholds at the nearest sensitive receptors, and the emissions concentrations and screening level risk are not known yet for the nearby stationary sources or onsite construction or operational activities, it cannot be determined if potential cumulative health risks exist.

D. FINDINGS OF PRELIMINARY AIR QUALITY SCREENING ANALYSIS

1) Criteria Air Pollutants

A screening-level analysis found that the proposed project does not meet the following criteria air pollutant screening criteria and requires additional analysis:

☐ Project Operations

☐ Project Construction

2) Health Risks

A screening-level analysis found that the proposed project does not meet the following health risk screening criteria and requires additional analysis:

☐ Project would site new sensitive receptors that may be exposed to substantial pollutant concentrations [identify the health risk threshold potentially exceeded (e.g., cancer, $PM_{2.5}$ or non-cancer risks)]

☒ Project includes operational sources of health risks

☒ Project would result in construction activities that may expose nearby sensitive receptors to substantial pollutant concentrations

☒ Cumulative health risk thresholds may be exceeded [identify health risk threshold potentially exceeded (e.g., cancer, $PM_{2.5}$ or non-cancer risks)]

Considerations for Health Risk Assessment: [Please include a discussion regarding what sources should be included in the health risk assessment.]

The health risk assessment will include the following sources:

For project specific construction impacts to adjacent sensitive receptors sources will include all DPM and $PM_{2.5}$ emissions from onsite equipment used during construction.

For project specific operational impacts to adjacent sensitive receptors, if an on-site source is identified.

For cumulative construction impacts to adjacent sensitive receptors sources would include the project specific construction impacts as well as the existing stationary sources and mobile sources identified for the project's zone of influence.

For cumulative operational impacts to adjacent sensitive receptors sources would include the project specific operational impacts as well as the existing stationary sources and mobile sources identified for the project's zone of influence.

Table 1. Stationary Sources, Roadways, and Non-permitted Sources within 1,000 feet of Project Site

Stationary Sources							
Plant ID	**Plant Name**	**Address**	**Distance to Project Site**	**Cancer Risk**	**Annual Average PM2.5**	**Non-Cancer Risk**	**Exceeds Indiv. Threshold?**
18855	Tyco Thermal Controls	307 Constitution Avenue	230	Contact District Staff	Contact District Staff	Contact District Staff	
3121	Tyco Thermal Controls	307 Constitution Avenue	230	Contact District Staff	Contact District Staff	Contact District Staff	
9573	Diageo North America	151 Commonwealth Drive	121	Contact District Staff	Contact District Staff	Contact District Staff	
1279	Caltrans	Rt 101	?	Contact District Staff	Contact District Staff	Contact District Staff	
Roadways with Traffic > 10,000 vehicles/day							
Roadway	**Direction**	**Volume**	**Distance to Project Site**	**Cancer Risk**	**Annual Average PM2.5**	**Non-Cancer Risk**	**Exceeds Indiv. Threshold?**
101 Freeway	N/S	211,000	50 ft	63.746	0.0610	0.062	Y
Non-Permitted Sources							
Facility Name	**Facility Address**	**Source Type**	**Distance to Project Site**	**Description of Site Activities**			
Cumulative Health Risk Impacts				UNK	UNK	UNK	
Cumulative Health Risk Thresholds				100	0.8	10.0	
Cumulative Health Risk Thresholds Exceeded				Y/N	Y/N	Y/N	

The **SOBRATO** Organization

A Planning Department Submittal For:

Commonwealth Corporate Center

151 Commonwealth Drive and 164 Jefferson Drive
Menlo Park, CA 94025

PROJECT DESCRIPTION

NEW OFFICE BUILDING DEVELOPMENT

APPLICABLE CODES

2013 CALIFORNIA BUILDING CODE (CBC TITLE 24 PART 2)
2013 CALIFORNIA ELECTRICAL CODE (CEC TITLE 24 PART 3)
2013 CALIFORNIA MECHANICAL CODE (CMC TITLE 24 PART 4)
2013 CALIFORNIA PLUMBING CODE (CPC TITLE 24 PART 5)
2013 CALIFORNIA ENERGY CODE (CEC TITLE 24 PART 6)
2013 CALIFORNIA FIRE CODE (CFC TITLE 24 PART 9)
2013 CALIFORNIA GREEN BUILDING STANDARDS CODE (CGBC TITLE 24 PART 11)

ALL CODES ARE SUBJECT TO LOCAL GOVERNMENT AMENDMENTS PER CALIFORNIA BUILDING STANDARDS COMMISSION BULLETIN 13-03

GENERAL NOTES

- THE PROPOSED DEVELOPMENT WILL MEET THE REQUIREMENTS FOR THE ALLOWABLE HEIGHTS AND AREAS PER CHAPTERS OF THE 2013 CALIFORNIA BUILDING CODE (CBC)
- BUILDING AREA MODIFICATIONS BASED ON SECTION 506 OF THE 2013 CBC
- BUILDINGS ARE TO BE EQUIPPED WITH AUTOMATIC FIRE SPRINKLERS
- ALL ENTRANCES AND PATHS OF TRAVEL SHALL BE DISABLED ACCESS COMPLIANT PER SECTION 11B OF THE 2013 CBC
- THE HVAC EQUIPMENT CANNOT EXCEED THE THRESHOLD LEVELS ALLOWED IN CHAPTER 12 BUILDING HEIGHTS OF THE CITY OF MENLO PARK MUNICIPAL CODE
- THE BUILDING WILL BE DESIGNED TO THE CALIFORNIA GREEN BUILDING STANDARD CODE IN EFFECT AT THE TIME OF BUILDING PERMIT SUBMITTAL ALONG WITH LOCAL AMENDMENTS IF APPLICABLE

PROJECT TEAM

OWNER	THE SOBRATO ORGANIZATION
ARCHITECT	ARC TEC INC 80 Almaden Boulevard, Suite 840 San Jose, CA 95113 PHONE 408 986 0678 CONTACT [illegible] EMAIL [illegible]
LANDSCAPE ARCHITECT	THE GUZZARDO PARTNERSHIP INC [illegible] Greenwich Street San Francisco, CA 94[illegible] PHONE [illegible] CONTACT [illegible] EMAIL [illegible]
CIVIL ENGINEER	KIMLEY-HORN 3150 Scott Blvd, Building 27 Santa Clara, CA 95054 PHONE 408 [illegible] CONTACT [illegible] EMAIL [illegible]

VICINITY MAP

DRAWING INDEX AND ISSUE DATES

● ISSUED OR NO CHANGES SINCE PREVIOUS ISSUE
◆ MODIFICATIONS SINCE PREVIOUS ISSUE

ISSUE DATES AND DESCRIPTIONS

		1	2	3	4
COVER SHEET					
LANDSCAPE					
L1.1	LANDSCAPE PLAN	●	●	●	●
ARCHITECTURAL					
A0.00	AREA PLAN			●	●
A0.01	EXISTING SITE PLAN			●	●
A0.02	EXISTING BUILDING PHOTOS			●	●
A0.03	EXISTING BUILDING PHOTOS			●	●
A0.04	EXISTING JEFFERSON STREET BLDG			●	●
A1.00	FIRE PLAN	●	●	●	●
A1.01	SITE PLAN			●	●
A1.02	EMERGENCY VEHICLE ACCESS			●	●
A2.01	FIRST FLOOR AREA CALCULATION			●	●
A2.02	SECOND FLOOR AREA CALCULATION	●	●	●	●
A2.03	THIRD FLOOR AREA CALCULATION			●	●
A2.10	FIRST FLOOR PLAN	●	●	●	●
A2.11	TYPICAL UPPER FLOOR PLAN			●	●
A2.12	ROOF PLAN			●	●
A2.20	EXTERIOR ELEVATIONS			●	●
A2.21	EXTERIOR ELEVATIONS			●	●
A4.01	BUILDING SECTION			●	●
A12.01	CONCEPTUAL FIRST FLOOR SPACE PLAN			●	●
A12.02	CONCEPTUAL UPPER LEVEL SPACE PLAN			●	●
CIVIL					
C1.0	PRELIM. TOPOGRAPHIC SURVEY			●	●
C2.0	PRELIM. GRADING, DRAINAGE & UTILITY PLAN			●	●
C3.0	PRELIM. STORM WATER MANAGEMENT PLAN			●	●
C4.0	TREE SURVEY & DISPOSITION PLAN			●	●

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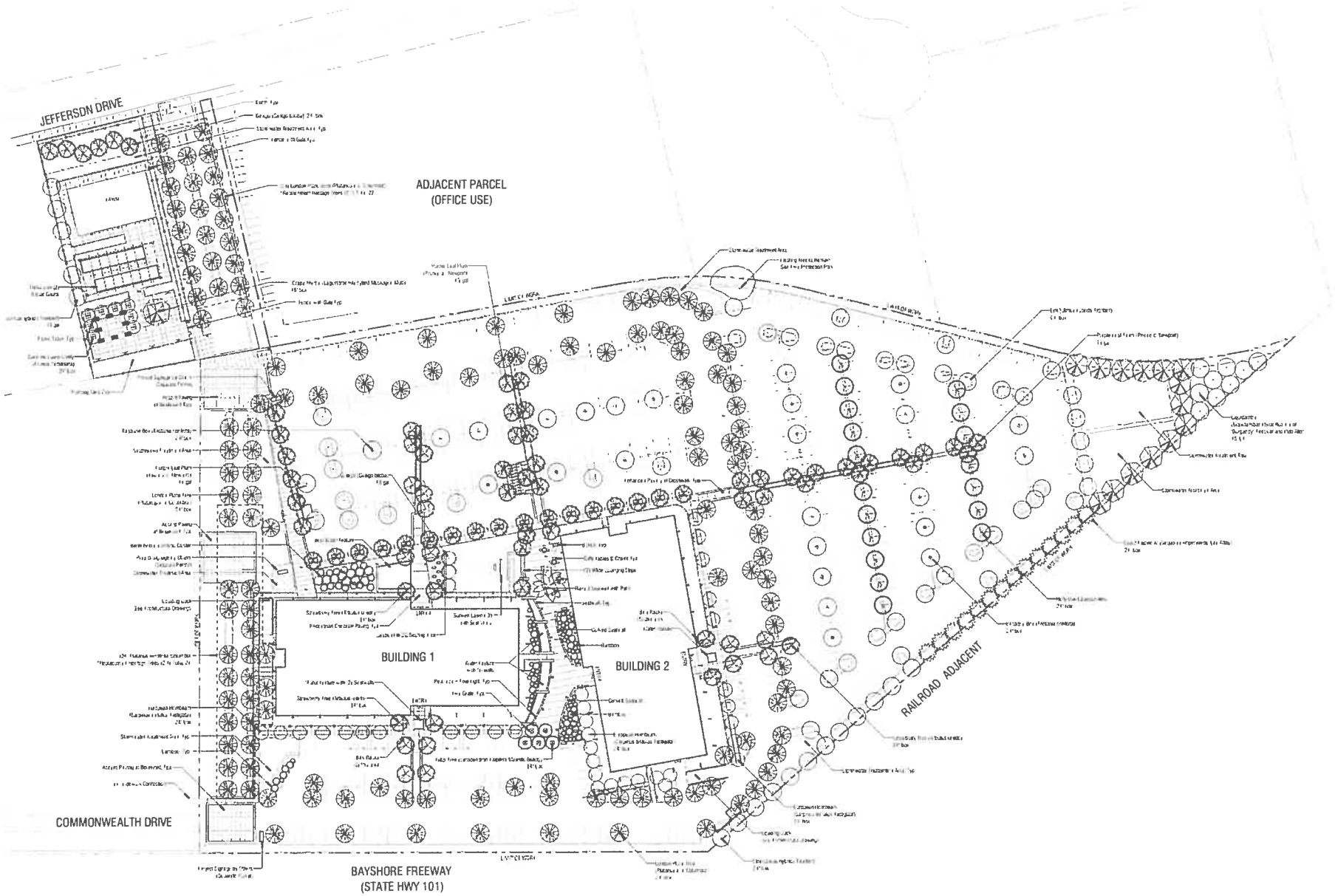
Arizona | California

A Planning Department Submittal For:
Commonwealth Corporate Center
151 Commonwealth Drive and 164 Jefferson Drive Menlo Park, CA 94025

SOBRATO

PROJECT NUMBER 112543



ILLUSTRATIVE LANDSCAPE PLAN

ARC TEC
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Arizona
California

THE GUZZARDO PARTNERSHIP INC
Landscape Architects · Land Planners

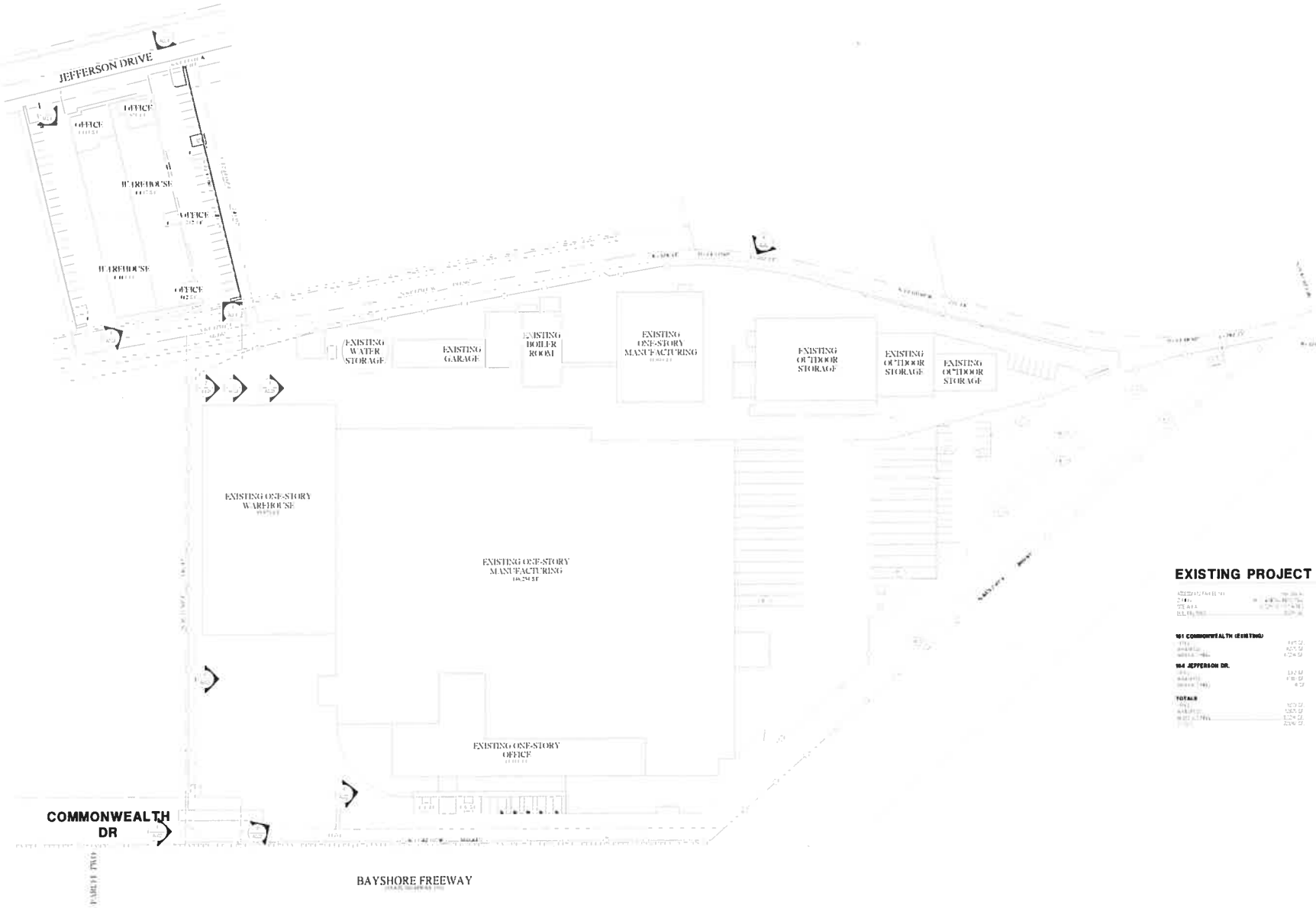
A Planning Department Submittal for
COMMONWEALTH CORPORATE CENTER
151 Commonwealth Drive and 164 Jefferson Drive
Menlo Park, California 94025

SOBRATO

DATE DESCRIPTION

Illustrative Landscape Plan

L1.0



1 EXISTING SITE PLAN

EXISTING PROJECT DATA

ASSESSOR'S PARCEL NO.	[illegible]
ZONE	[illegible]
SITE AREA	[illegible]
GROSS BLDG. AREA	[illegible]
151 COMMONWEALTH (EXISTING)	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
164 JEFFERSON DR.	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
TOTALS	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

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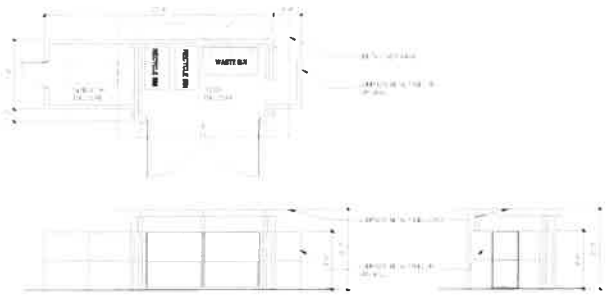
SOBRATO

DATE	DESCRIPTION
[illegible]	[illegible]

EXISTING SITE, FLOOR PLAN

A0.01

PROJECT NO. FILENAME



3 TRASH/GENERATOR ENCLOSURE PLAN AND ELEVATION

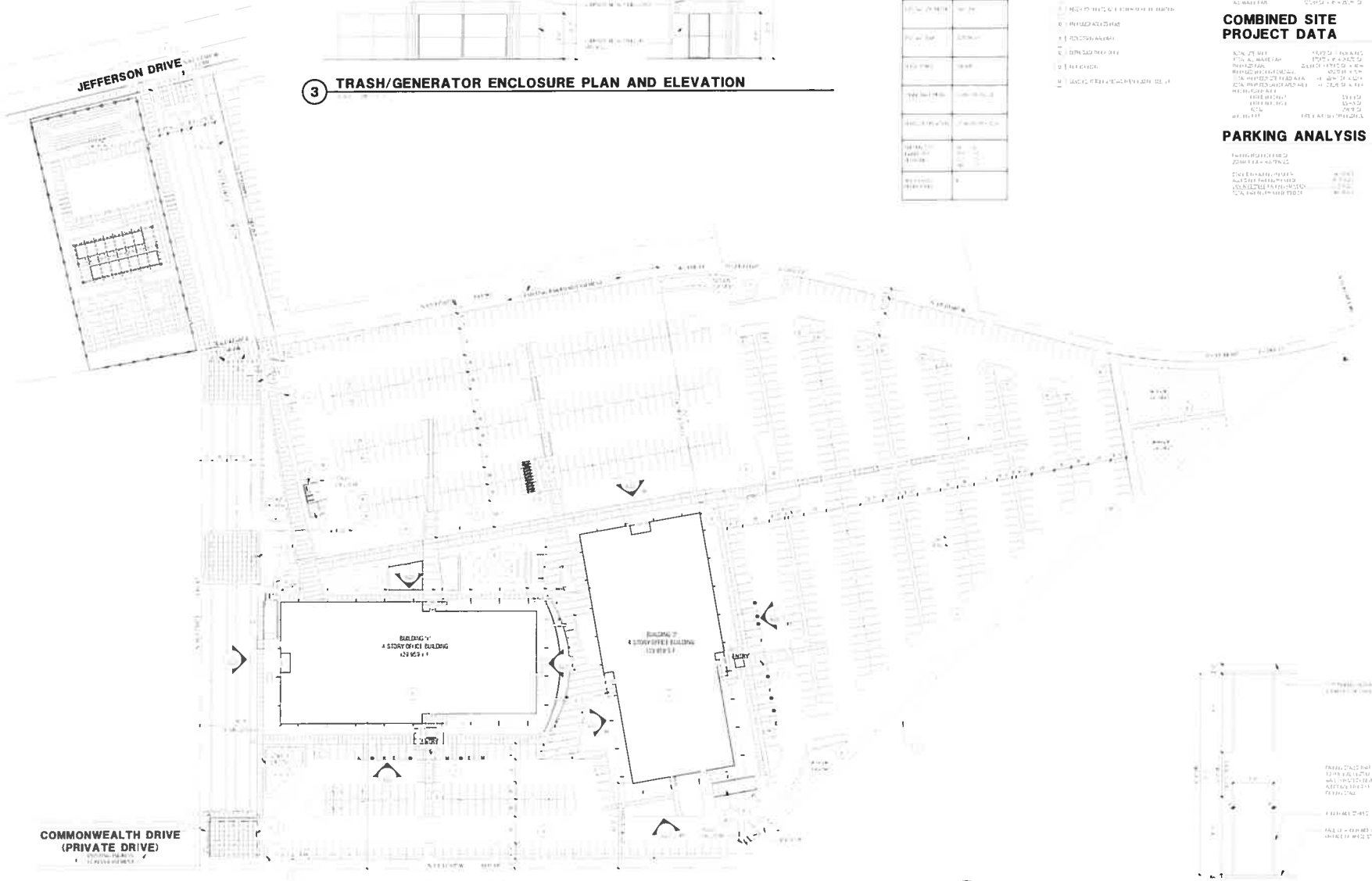
KEY NOTES

164 JEFFERSON DR PROJECT DATA

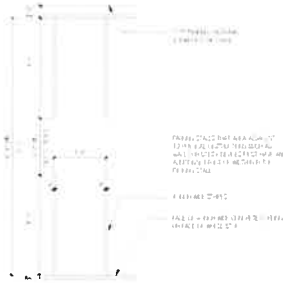
151 COMMONWEALTH DR PROJECT DATA

COMBINED SITE PROJECT DATA

PARKING ANALYSIS



1 SITE PLAN



2 TYPICAL ONE SIZE FITS ALL PARKING STALL

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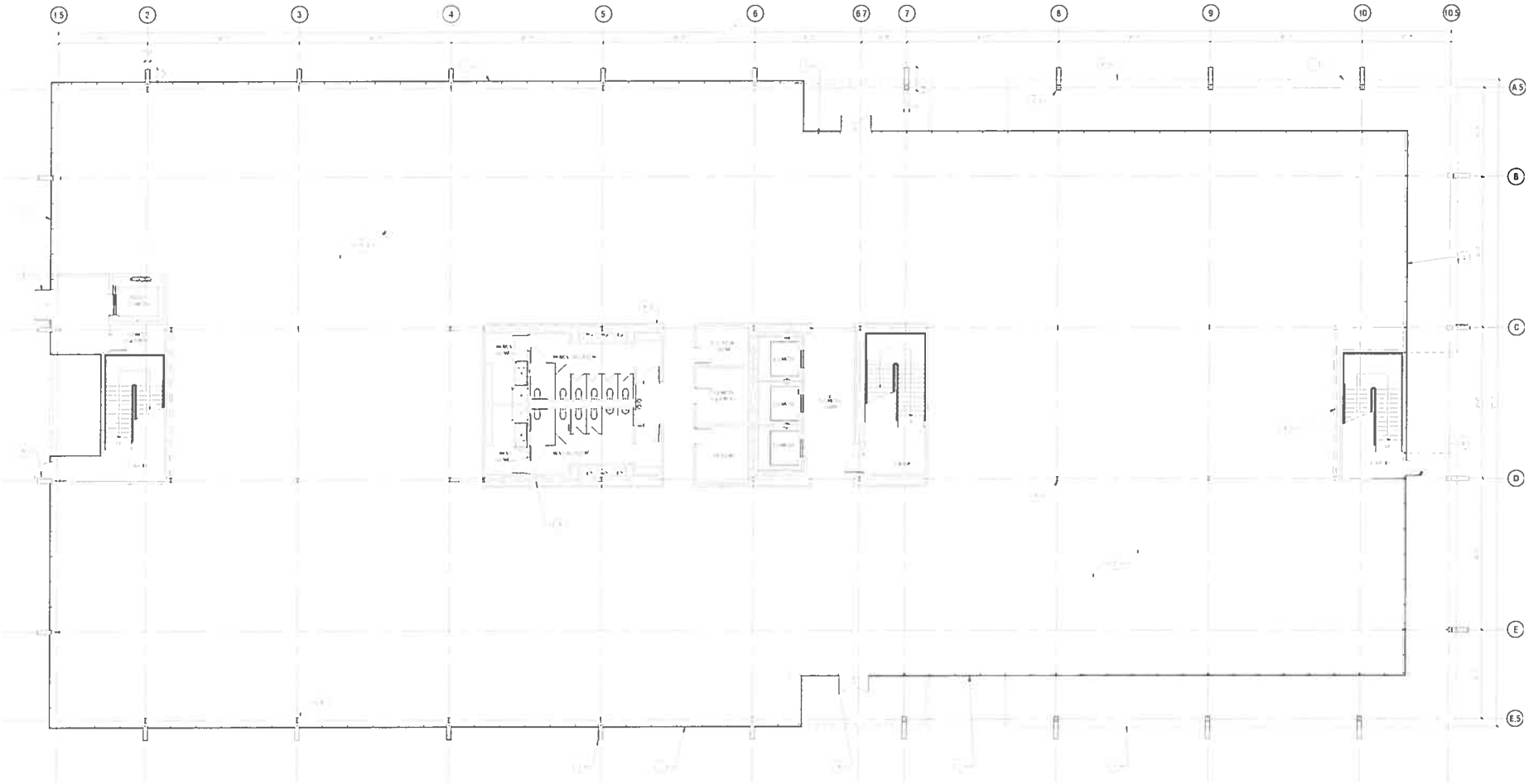
SOBRATO

DATE	DESCRIPTION

SITE PLAN

A1.01



1 OFFICE BUILDING FIRST LEVEL FLOOR PLAN

KEY NOTES

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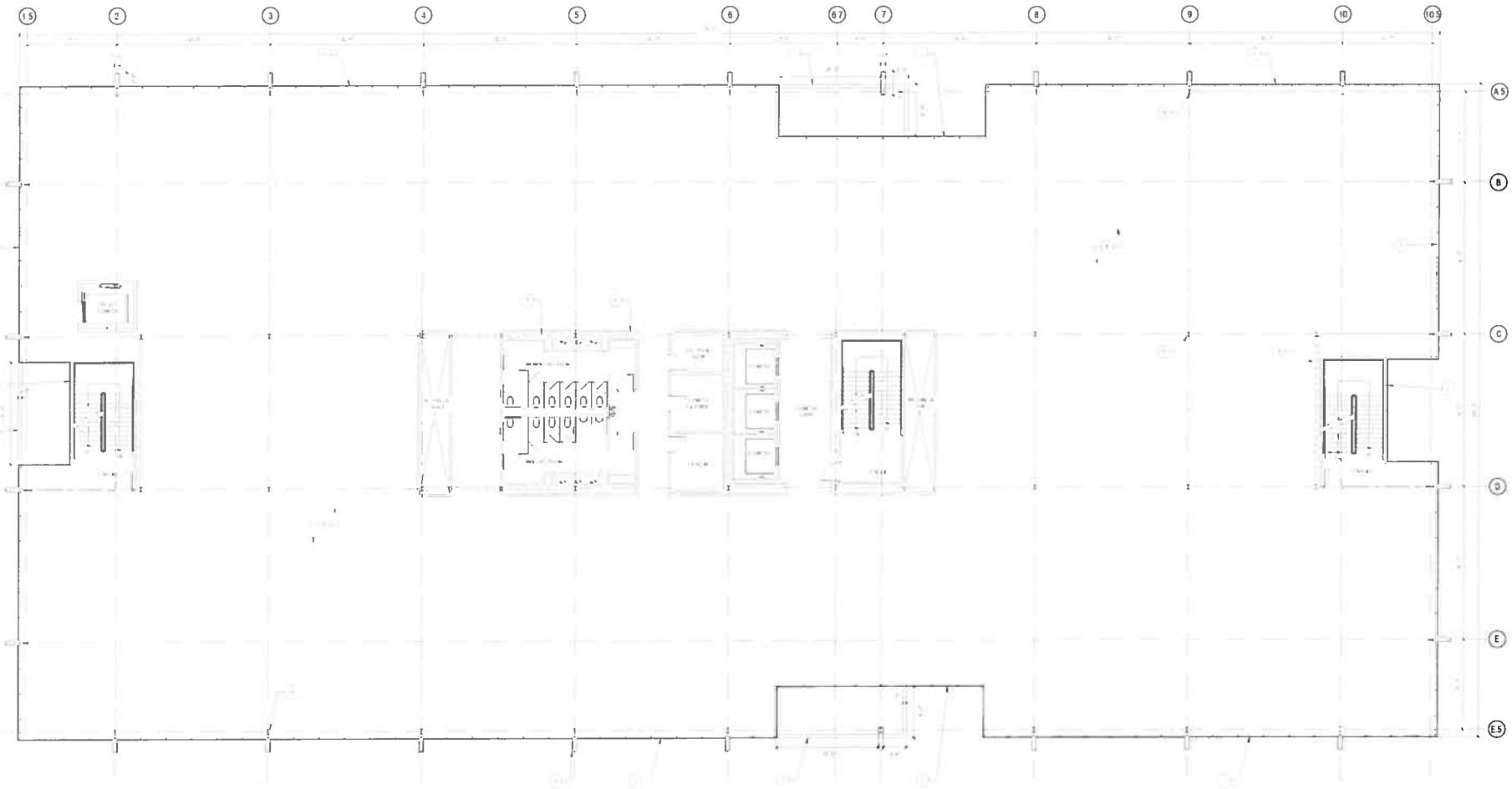
Menlo Park, California 94025

SOBRATO

DATE DESCRIPTION

OFFICE BUILDING
FIRST LEVEL FLOOR PLAN

A2.11



1 OFFICE BUILDING - TYPICAL UPPER FLOOR PLAN

KEY NOTES

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151 Commonwealth Drive and 164 Jefferson Drive
Menlo Park, California 94025

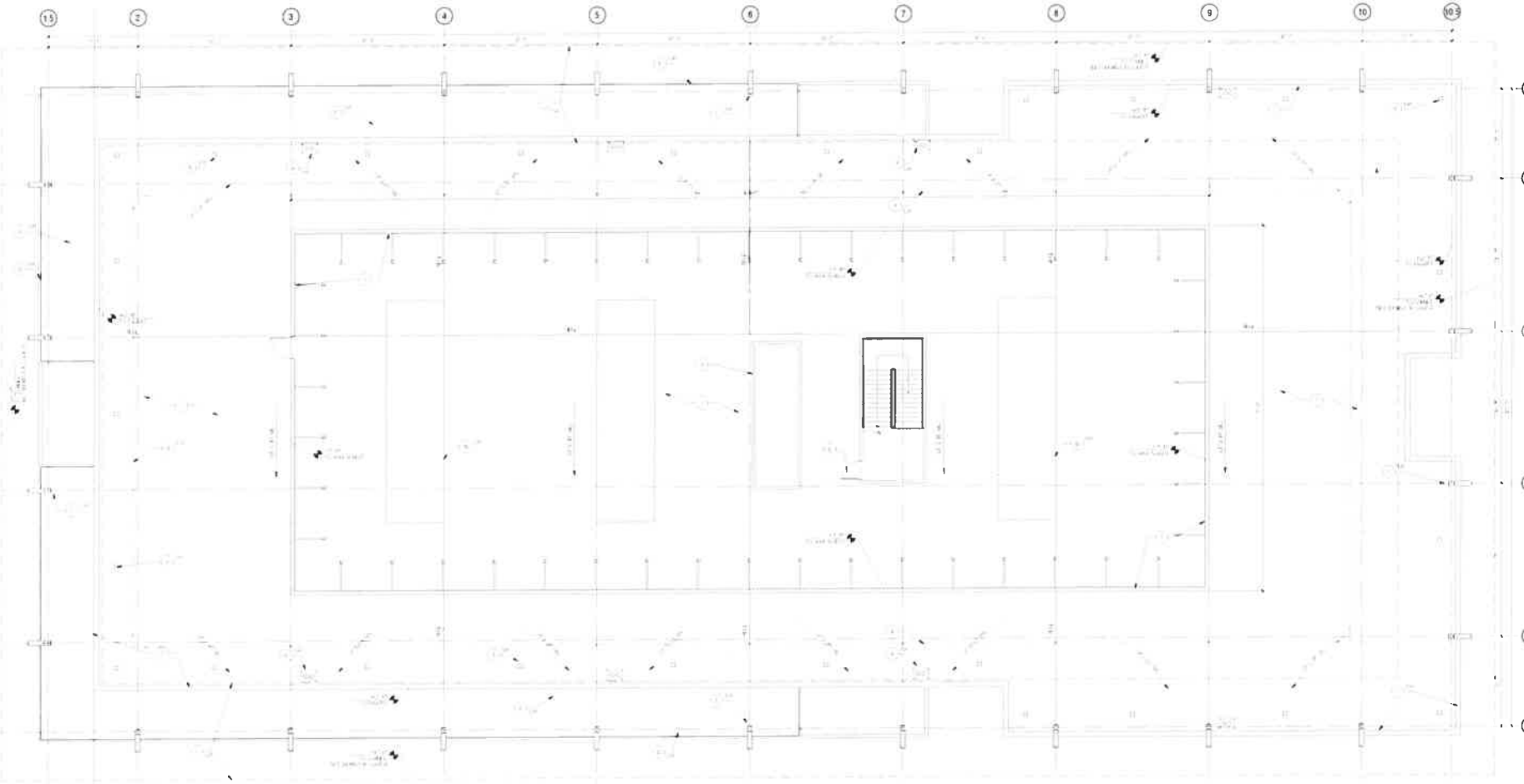
SOBRATO

DATE	DESCRIPTION

OFFICE BUILDING
TYPICAL UPPER FLOOR PLAN

A2.12

PROJECT NO. 112040



1 OFFICE BUILDING ROOF PLAN

KEY NOTES

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COMMONWEALTH CORPORATE CENTER
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Menlo Park, California 94025

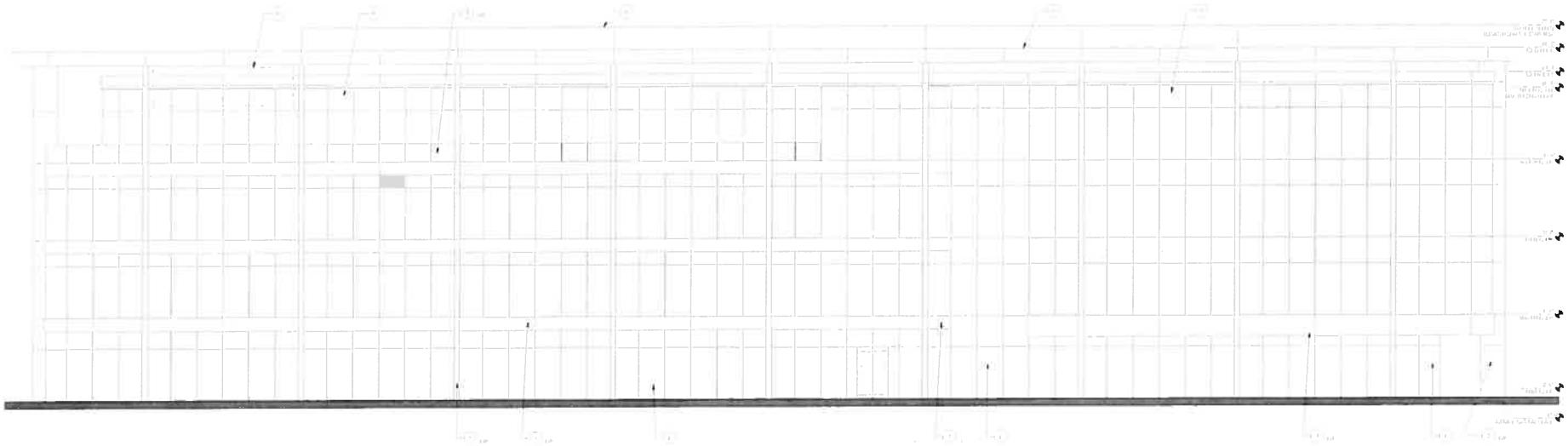
SOBRATO

DATE	DESCRIPTION

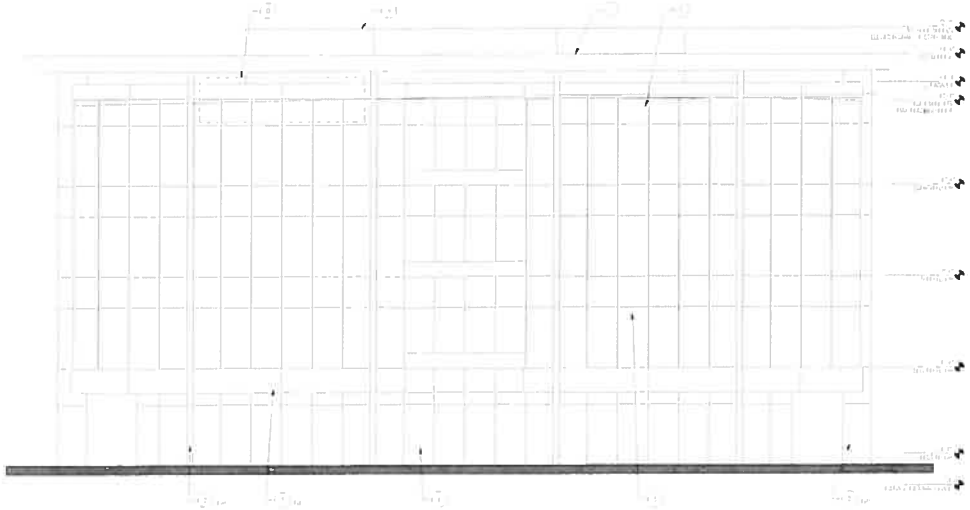
OFFICE BUILDING ROOF PLAN

A2.13

PROJECT NO



1 BUILDING '1' SOUTH ELEVATION / BUILDING '2' WEST ELEVATION



2 BUILDING '1' EAST ELEVATION / BUILDING '2' SOUTH ELEVATION

KEY NOTES

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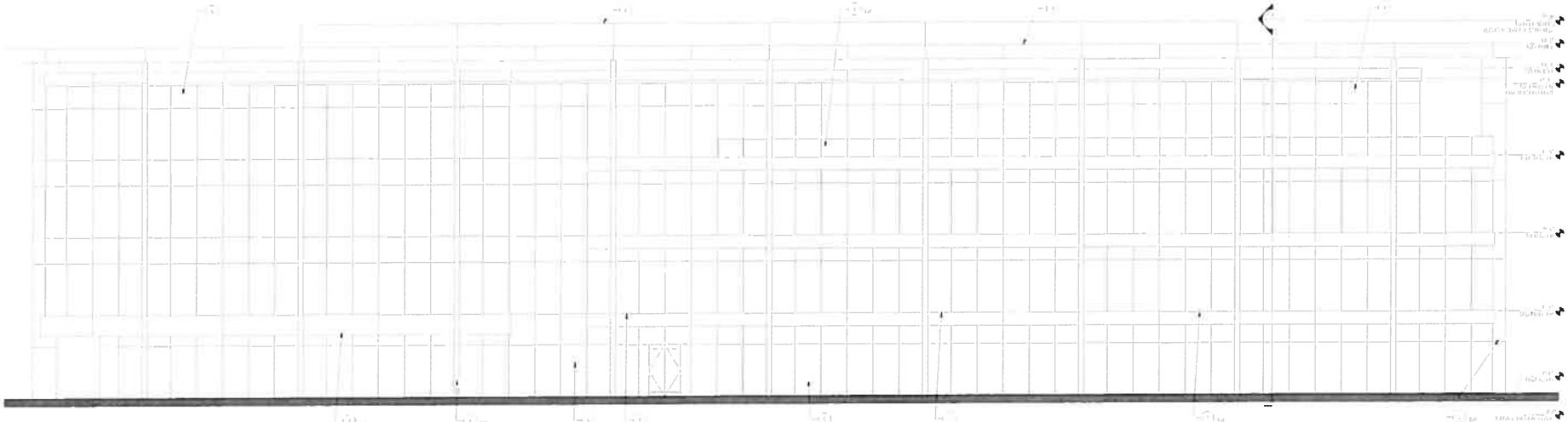
DATE	DESCRIPTION

OFFICE BUILDING
EXTERIOR ELEVATIONS

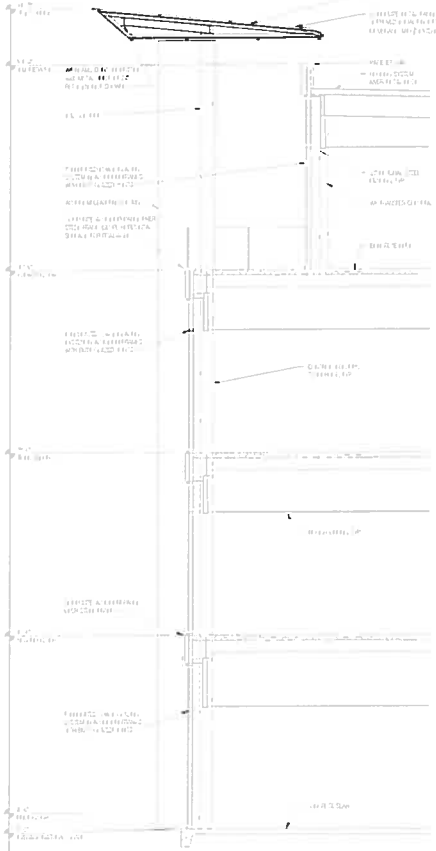
A3.01

PROJECT NO.

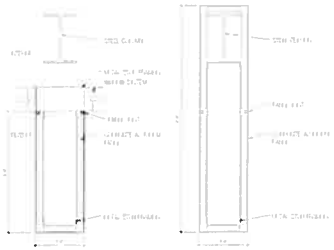


1 BUILDING '1' NORTH ELEVATION / BUILDING '2' EAST ELEVATION

2 BUILDING '1 WEST ELEVATION / BUILDING '2' NORTH ELEVATION



3 WALL SECTION



4 FIN DETAIL

KEY NOTES

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COMMONWEALTH CORPORATE CENTER
151 Commonwealth Drive and 164 Jefferson Drive
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SOBRATO

DATE DESCRIPTION

OFFICE BUILDING
EXTERIOR ELEVATIONS

A3.02

PROJECT NO 112943

NOTICE OF PREPARATION
OF AN
ENVIRONMENTAL IMPACT REPORT
FOR THE
COMMONWEALTH CORPORATE CENTER PROJECT
CITY OF MENLO PARK
August 6, 2012

Notice is hereby given that the City of Menlo Park will be the Lead Agency and will prepare an Environmental Impact Report (EIR) for the Commonwealth Corporate Center Project. The EIR will address the potential physical, environmental effects for each of the environmental topics outlined in the California Environmental Quality Act (CEQA). The City of Menlo Park is requesting comments on the scope and content of this EIR.

A Scoping Session will be held as part of the Planning Commission meeting on August 20, 2012 starting at 7:00 p.m. at the Menlo Park City Council Chambers located at 701 Laurel Street, Menlo Park, 94025. The Scoping Session is part of the EIR scoping process during which the City solicits input from the public and other agencies on specific topics that they believe should be addressed in the environmental analysis. Written comments on the scope of the EIR may also be sent to:

Rachel Grossman, Associate Planner
City of Menlo Park
Community Development Department, Planning Division
701 Laurel Street
Menlo Park, CA 94025
rmgrossman@menlopark.org
Phone: 650.330.6737
Fax: 650.327.1653

Due to the time limits mandated by State law, comments must be received no later than 5:30 p.m. September 5, 2012.

PROJECT LOCATION: The project site is located north of US 101 in the City of Menlo Park and zoned M-2 (General Industrial District). The project site consists of two parcels: the Commonwealth Site and the Jefferson Site. The Commonwealth Site, at 151 Commonwealth Drive (APN: 055-243-240), is approximately 12.1 acres. The Jefferson Site, at 164 Jefferson Drive (APN: 055-243-250), is directly adjacent to the Commonwealth Site to the north and is approximately 1.17 acres. The project site is bound to the north and west by commercial buildings, to the south by US 101, and to the southeast by the Dumbarton Rail Corridor.[1] To the east of the Dumbarton Rail Corridor is Joseph P. Kelly Park. The area is mainly urban, mixed with industrial, commercial, and residential uses. Figure 1 depicts the location of the proposed project.

[1] For the purposes of this analysis, true northeast is project north and US 101 runs in an east-west direction.

PROJECT DESCRIPTION: The Sobrato Organization (Project Sponsor) is proposing to demolish the existing buildings, surface parking, and landscaping on the Commonwealth Site and the Jefferson Site. The Commonwealth Site, which is in the southern portion of the project site, was formerly occupied by Diageo North America and was used as a spirits distilling, bottling, and distribution plant. Facility operations were discontinued on July 29, 2011 and the Commonwealth Site has remained unoccupied since. The Commonwealth Site consists of one single-story warehouse/manufacturing building, a tank farm, processing equipment areas, a 500,000-gallon fire suppression water tank, storage areas and warehouses, and associated parking and landscaped areas. The buildings at the Commonwealth Site total approximately 217,396 sf. The Jefferson Site, which is in the northern portion of the project site, consists of surface parking and a 20,462-square-foot warehouse/office building currently utilized for storage and light industrial uses.

The Commonwealth Site would accommodate the proposed buildings and amenities, while the Jefferson Site would provide secondary access for the Commonwealth Site as well as amenities space. The proposed project would demolish the existing buildings and associated improvements at the Commonwealth Site and the Jefferson Site and would construct two four-story office buildings with surfacing parking and landscaping. The proposed buildings, which would consist of approximately 259,919 square feet total (approximately 129,960 square feet each), would provide a flexible design for office, biotech, and/or research and development (R&D) uses.

As depicted in Figure 2, the Commonwealth Site would include a landscaped courtyard, water features, outside dining areas, signage, stormwater treatment areas, and an internalized pedestrian boulevard. The Jefferson Site would include an entrance and driveway from Jefferson Drive, a lawn area, bocce courts, picnic tables, stormwater treatment areas, and landscaping. New landscaping at the project site would make up approximately 35.6 percent of the project site. As part of the development proposal, the applicant is requesting approval to remove 12 heritage trees on the Commonwealth Site and 11 heritage trees on the Jefferson Site. The trees requested to be removed range in health from poor to fair.

The parking lot, which would be at the Commonwealth Site, would provide 866 parking stalls with a parking ratio of one stall per 300 square feet of building area. The proposed buildings would be located in the southern portion of the project site, adjacent to the main entrance off of Commonwealth Drive and would be visible from US 101. The proposed building façade would incorporate aluminum panels and high-performance glass set in aluminum frames. This façade would provide energy saving benefits for the buildings.

The proposed height of the buildings would exceed the 35-foot maximum height limit in the M-2 zone and a rezone to M-2-X (General Industrial, Conditional Development District) plus approval of a Conditional Development Permit would be required to exceed the height limit. In addition, a lot merger would be required to merge the Commonwealth Site and the Jefferson Site. The proposed structures would comply with zoning ordinance requirements pertinent to setbacks, floor area ratio and lot coverage.

PROJECT APPROVALS: The following approvals would be required by the City under the proposed project:

- Conditional Development Permit (CDP)
- Rezoning from M-2 (General Industrial District) to M-2-X (General Industrial, Conditional Development District)
- Heritage Tree Removal Permits
- Lot merger
- Environmental Review

RESPONSIBLE AGENCIES: The below agencies are expected to review the Draft EIR to evaluate the proposed project:

- Bay Area Air Quality Management District (BAAQMD)
- California Department of Transportation (Caltrans)
- California Regional Water Quality Control Board (RWQCB)/San Mateo Countywide Water Pollution Prevention Program
- City/County Association of Governments (C/CAG)
- Menlo Park Fire Protection District
- San Mateo County Transportation Authority (SMCTA)
- San Mateo County Environmental Health Division
- Town of Atherton
- West Bay Sanitary District

INTRODUCTION TO EIR: The purpose of an EIR is to inform decision-makers and the general public of the environmental effects of a proposed project. The EIR process is intended to provide environmental information sufficient to evaluate a proposed project and its potential to cause significant effects on the environment; examine methods of reducing adverse environmental impacts; and identify alternatives to the proposed project. The Commonwealth Corporate Center Project EIR will be prepared and processed in accordance with CEQA and the State CEQA Guidelines. The EIR will include the following:

- Summary of the proposed project and its potential environmental effects;
- Description of the proposed project;
- Description of the existing environmental setting, potential environmental impacts of the proposed project, and mitigation measures to reduce significant environmental effects of the proposed project;
- Alternatives to the proposed project;
- Cumulative impacts; and
- CEQA conclusions.

PROBABLE ENVIRONMENTAL EFFECTS: The EIR will analyze whether the proposed project would have significant environmental impacts in the following areas:

- Aesthetics
- Air Quality
- Cultural Resources
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Noise
- Population and Housing
- Public Services and Utilities
- Recreation
- Transportation

In order to prepare these sections and analyze the impacts, a Transportation Impact Analysis (TIA) will be prepared. The TIA will focus on intersections, residential and non-residential roadway segments, and Routes of Regional Significance, as shown in Figure 3. The following 27 intersections will be included in the TIA:

1. Marsh Road/Bayfront Expressway
2. Marsh Road/Independence Drive
3. Marsh Road/US 101 NB Off-Ramp
4. Marsh Road/US 101 SB Off-Ramp
5. Marsh Road/Scott Drive
6. Marsh Road/Bay Road
7. Marsh Road/Middlefield Road
8. Independence Road/Constitution Drive
9. Chrysler Drive/Bayfront Expressway
10. Chrysler Drive/Constitution Drive
11. Chrysler Drive/Jefferson Drive
12. Chrysler Drive/Independence Drive
13. Chilco Street/Bayfront Expressway
14. Chilco Street/Constitution Drive
15. Willow Road/Bayfront Expressway
16. Willow Road/Hamilton Avenue
17. Willow Road/Ivy Drive
18. Willow Road/O'Brien Drive
19. Willow Road/Newbridge Street
20. Willow Road/Bay Road
21. Willow Road/Durham Street
22. Willow Road/Coleman Avenue
23. Willow Road/Gilbert Avenue
24. Willow Road/Middlefield Road
25. University Avenue/Bayfront Expressway
26. Middlefield Road/Ravenswood Avenue
27. Middlefield Road/Ringwood Avenue

In addition, 11 residential and non-residential roadway segments will be analyzed:

1. Marsh Road between Bohannon Drive and Scott Drive
2. Marsh Road between Bohannon Drive and Bay Road
3. Chrysler Drive between Constitution Drive and Bayfront Expressway
4. Chrysler Drive between Jefferson Drive and Constitution Drive
5. Chilco Street between Constitution Drive and Bayfront Expressway
6. Constitution Drive between Independence Drive and Chrysler Drive
7. Constitution Drive between Chrysler Drive and Jefferson Drive
8. Constitution Drive between Jefferson Drive and Chilco Street
9. Jefferson Drive between Chyrsler Drive and driveway
10. Jefferson Drive between driveway and Constitution Drive
11. Independence Drive between Constitution Drive and Chrysler Drive

As listed above, the proposed project would be subject to review by the San Mateo County Congestion Management Program (CMP) and its requirements. As such, the following nine Routes of Regional Significance will also be evaluated:

1. SR 84: US 101 to Willow Road (NB)
2. SR 84: Willow Road to University Avenue (NB)
3. SR 84: University Avenue to County Line (SB)
4. SR 109: US 101 to Bayfront Expressway (EB)
5. SR 114: US 101 to Bayfront Expressway (EB)
6. US 101: North of Marsh Road (NB)
7. US 101: Marsh Road to Willow Road (SB)
8. US 101: Willow Road to University Avenue (NB)
9. US 101: South of University Avenue (SB)

The environmental impacts of the proposed project will be measured as the change that results from the project against "baseline" environmental conditions. The baseline environmental conditions for the proposed project include existing conditions at the release of this NOP.

ENVIRONMENTAL EFFECTS NOT LIKELY TO REQUIRE FURTHER ANALYSIS: The proposed project is not anticipated to result in significant environmental effects in the following areas:

- Agricultural or Forestry Resources
- Biological Resources
- Land Use
- Mineral Resources

The project site is fully developed in an urbanized area and located adjacent to US 101 and the Dumbarton rail corridor. As such, agricultural, forestry, biological, and mineral resources do not exist on the sites. In addition, the proposed project would require a CDP and zoning amendment to allow for an increase in height, but is otherwise consistent with land use designations. Therefore, a detailed analysis of these topics will not be included in the EIR.

ALTERNATIVES: Based on the significance conclusions determined in the EIR, alternatives to the proposed project will be analyzed that might reduce identified impacts. Section 15126.6(e) of the CEQA Guidelines requires the evaluation of a No Project Alternative. In addition to the No Project Alternative, the EIR will examine an Alternate Location Alternative and a Reduced Project Alternative. Other alternatives may be considered during preparation of the EIR and will comply with the CEQA Guidelines that call for a "range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project."

EIR PROCESS: Following the close of the Notice of Preparation (NOP) comment period, a Draft EIR will be prepared that will consider all NOP comments. In accordance with CEQA Guidelines Section 15105(a), the Draft EIR will be released for public review and comment for the required 45-day review period. Following the close of the 45-day public review period, the City will prepare a Final EIR which will include responses to all substantive comments received on the Draft EIR. The Draft EIR and Final EIR and will be considered by the Planning Commission and City Council in making the decision to certify the EIR and to approve or deny the project.

_____ August 6, 2012

Rachel Grossman, Associate Planner Date
City of Menlo Park

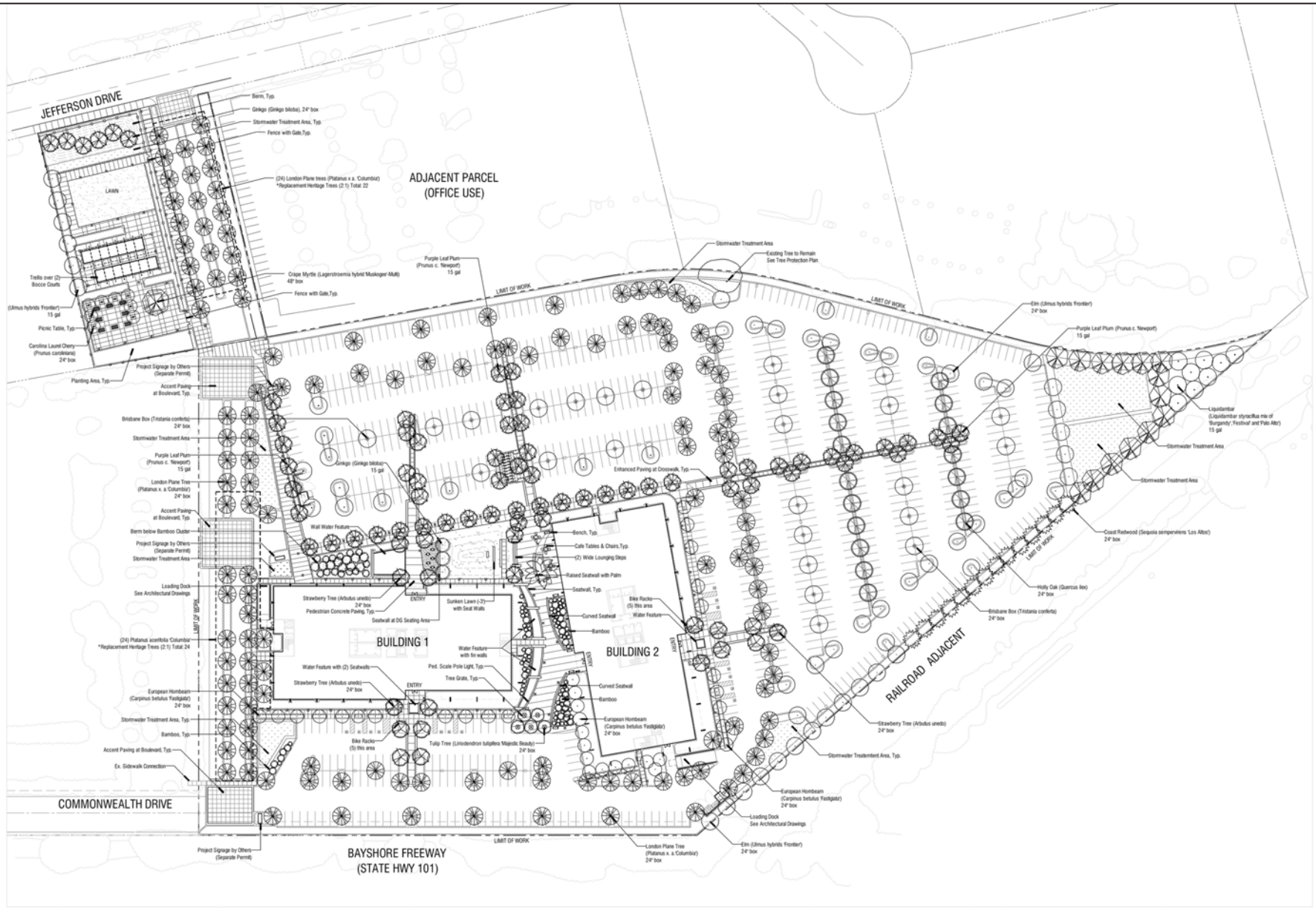
Source: Google Earth; Atkins, 2012.

ATKINS

FIGURE 1
Project Location

100028837

Commonwealth Corporate Center Project



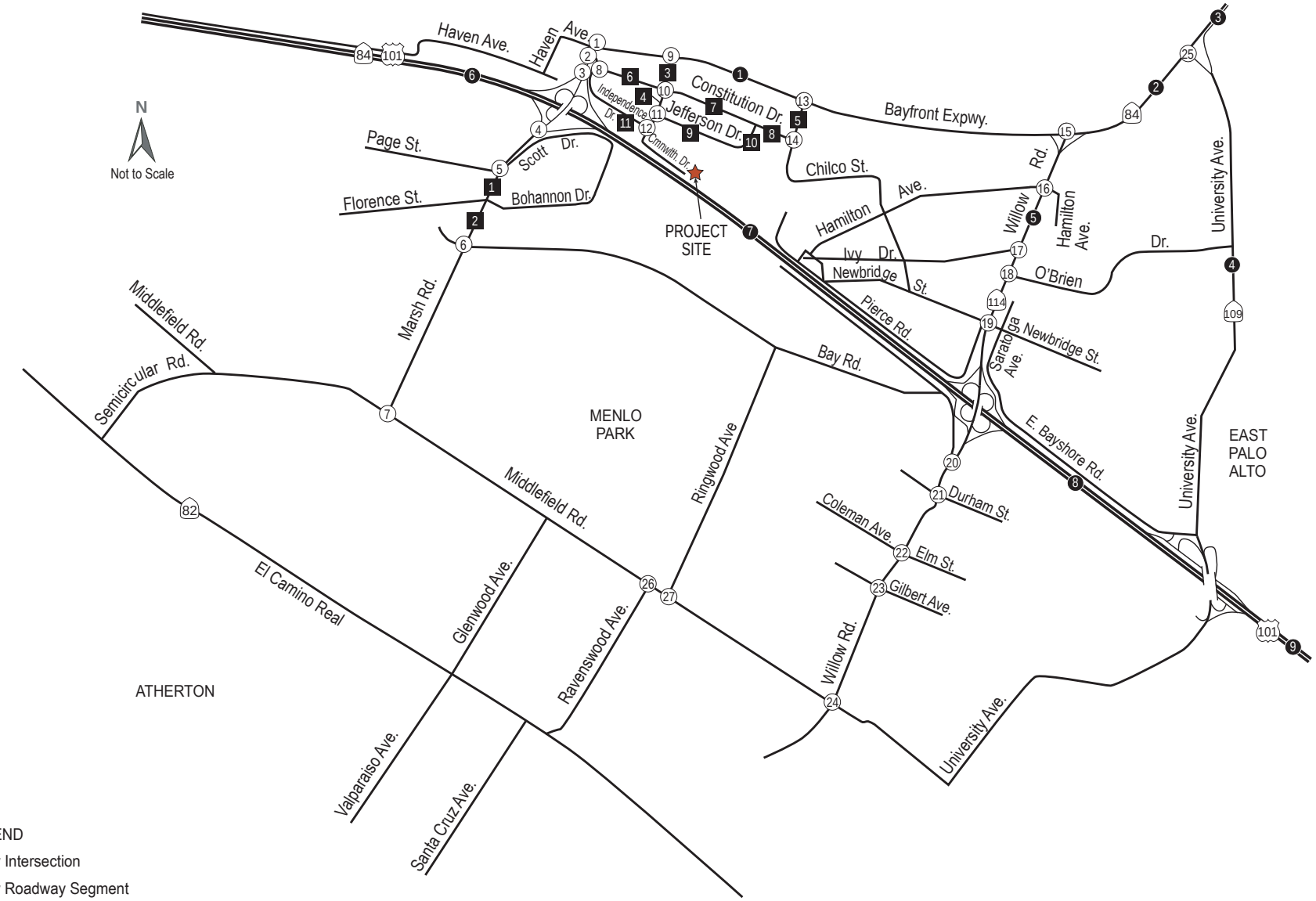
ATKINS

FIGURE 2
Site Plan

***Source*:** ARC TEC, 2012.

100028837

Commonwealth Corporate Center Project



Source: DKS, 2012.

ATKINS

FIGURE 3
Study Intersections, Roadway Segments, and Routes of Regional Significance

100028837

Commonwealth Corporate Center Project

PLANNING COMMISSION EXCERPT ACTIONS

Regular Meeting
August 20, 2012 at 7:00 p.m.
City Council Chambers
701 Laurel Street, Menlo Park, CA 94025

Teleconference with participation by Commissioner Kadvany from:
3334 E 1st Street
Long Beach 90893
(Posted: August 15, 2012)

CALL TO ORDER – 7:04 p.m.

ROLL CALL – Bressler, Eiref, Ferrick (Chair), Kadvany (Vice Chair – via teleconference), O'Malley, Riggs, Yu

INTRODUCTION OF STAFF – Rachel Grossman, Associate Planner; Kyle Perata, Assistant Planner; Thomas Rogers, Senior Planner

E. ENVIRONMENTAL IMPACT REPORT SCOPING SESSION

1. Review and comment on the Notice of Preparation (NOP) to identify the content of the Environmental Impact Report (EIR) to be prepared for the following project:

Conditional Development Permit, Rezoning, Lot Merger, Heritage Tree Removal Permits, Below Market Rate Housing Agreement, and Environmental Review/The Sobrato Organization/151 Commonwealth Drive and 164 Jefferson Drive: Request for a Conditional Development Permit and Rezoning from M-2 (General Industrial) to M-2(X) (General Industrial Conditional Development) to demolish one single-story industrial building and associated structures totaling approximately 217,396 square feet, and subsequently construct two four-story office/research and development buildings totaling approximately 259,919 square feet in excess of the M-2 maximum height of 35-feet. Access to the site would be from Commonwealth Drive, as well as from Jefferson Drive via 164 Jefferson Drive. Development on the 164 Jefferson Drive site would include demolition of the existing structure totaling approximately 20,462 square feet and associated improvements, and redevelopment of the site to provide access to the 151 Commonwealth Drive site and for use as an amenity space to serve the proposed structures on the 151 Commonwealth Drive site. As part of the development proposal, the applicant is requesting approval to remove 12 heritage trees on the 151 Commonwealth Drive site and 11 heritage trees on the 164 Jefferson site. The trees range in health from poor to fair. Project review includes preparation of an Environmental Impact Report per the requirements of the California Environmental Quality Act (CEQA) and preparation of a fiscal impact analysis.

As a scoping item, the Commission did not take action on the item. Commissioners provided comments including the following:

- Housing
  - Provide information related to the impact of the project on housing
  - Consider inclusion of housing mitigation measures in EIR
- Alternatives

    - Consider an alternative that complies with the M-2 maximum height requirement of 35-feet
    - Consider an alternative that contemplates re-occupation of the existing buildings
- Baseline
    - Explain logic for baseline of a vacant site
- Transportation
    - Confirmed that recently approved projects would be included in traffic background
    - Analyze the impact at Chilco Street and Bayfront Expressway
    - Analyze the impact at Chilco Street and Terminal Avenue
    - Analyze if there will be impact to the site immediately north of 151 Commonwealth Drive (149 Commonwealth Drive, Exponent)
    - Consider impacts to at Marsh/Highway 101 on-ramp
- Hydrology
    - Analyze how stormwater runoff will be managed
- Greenhouse Gas Emissions
    - Consider impacts related to heat island effect resulting from extensive parking lots
- Biological Resources
    - Consider impacts related to birds resulting from use of glass in the building design
- Hazards and Hazardous Materials
    - Analyze if there are still on-site contaminants resulting from the previous site use
- Noise
    - Consider potential for bounce-back noise from vehicles traveling on Highway 101 that could impact proximate residences

F. STUDY SESSION

1. Review and comment on the following project, which will include the preparation of a Fiscal Impact Analysis (FIA):

Conditional Development Permit, Rezoning, Lot Merger, Heritage Tree Removal Permits, Below Market Rate Housing Agreement, and Environmental Review/The Sobrato Organization/151 Commonwealth Drive and 164 Jefferson Drive: Request for a Conditional Development Permit and Rezoning from M-2 (General Industrial) to M-2(X) (General Industrial Conditional Development) to demolish one single-story industrial building and associated structures totaling approximately 217,396 square feet, and subsequently construct two four-story office/research and development buildings totaling approximately 259,919 square feet in excess of the M-2 maximum height of 35-feet. Access to the site would be from Commonwealth Drive, as well as from Jefferson Drive via 164 Jefferson Drive. Development on the 164 Jefferson Drive site would include demolition of the existing structure totaling approximately 20,462 square feet and associated improvements, and redevelopment of the site to provide access to the 151 Commonwealth Drive site and for use as an amenity space to serve the proposed structures on the 151 Commonwealth Drive site. As part of the development proposal, the applicant is requesting approval to remove 12 heritage trees on the 151 Commonwealth Drive site and 11 heritage trees on the 164 Jefferson site. The trees range in health from poor to fair. Project review includes preparation of an Environmental Impact Report per the requirements of the California Environmental Quality Act (CEQA) and preparation of a fiscal impact analysis.

As a study session item, the Commission did not take action on the item. Commissioners provided comments including the following:

- Amenity space
    - Bocce ball does not seem like the most appropriate amenity to provide, consider something more active

    - Consider a walking/running path around the perimeter of the site
    - Amenity spaces is not well connected and concerns were raised that it would not be used by employees
    - Suggestion to move amenity space closer to buildings
- Parking/Transportation
    - Consider reducing parking through provision of some of the required parking spaces in landscape reserve
    - Reduced parking would minimize heat island effect
    - Transportation Demand Management Program should be provided
- Fiscal Implications
    - Consideration should be given to the types of uses that would provide best financial benefit to the City
    - A Development Agreement should be considered by the applicant
- Landscaping
    - Canopy trees should be provided
- Building Design
    - Height increase request was generally supported by the Commission
    - Building siting was generally supported by Commission

ADJOURNMENT

bae urban economics

April 9, 2012

Ms. Rachel Grossman, Associate Planner
Community Development Department
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025

Dear Rachel:

We appreciate the opportunity to submit this revised proposal to prepare a Fiscal Impact Analysis for the 151 Commonwealth Drive Project. The revised proposal incorporates the changes recommended by the City. Our understanding is that the Project would entail the demolition of an existing industrial building (a former Diageo North America facility) and its replacement with two new four-story office/R&D/lab buildings that would total approximately 237,000 square feet. The City of Menlo Park requires a Fiscal Impact Analysis study that would address impacts to the City's General Fund, as well as Special Districts, including the Menlo Park Fire Protection District. Impacts from potential sales tax generation from future tenants in the project would also need to be evaluated.

BAE is an award-winning real estate economics and development advisory firm with a distinguished record of achievement over its 20-year history. Headquartered in Emeryville, CA, BAE also has branch offices in Los Angeles, Sacramento, New York City, and Washington DC, enabling our 20 staff to contribute to and learn from best practices in urban sustainable development around the U.S. Our practice spans national and state policy studies to local strategic plans and public-private development projects. BAE has extensive experience assessing the fiscal impacts and economic impacts of proposed new development, including our previous work for the City of Menlo Park, as well as assisting local governments to negotiate for community benefits from proposed new development.

The following pages detail our proposed work program, schedule, and budget. This proposal remains effective for 90 days from the date of submittal of this letter. Please feel free to call me at 510.547.9380 for additional information regarding our submittal.

Sincerely,

Ron Golem
Principal

San Francisco
1285 66th Street
Second Floor
Emeryville, CA 94608
510.547.9380

Sacramento
803 2nd Street
Suite A
Davis, CA 95616
530.750.2195

Los Angeles
5405 Wilshire Blvd.
Suite 291
Los Angeles, CA 90036
213.471.2666

Washington DC
1346 U Street NW
Suite 403
Washington, DC 20009
202.588.8945

New York City
121 West 27th Street
Suite 705
New York, NY 10001
212.683.4486

www.bae1.com

SCOPE OF SERVICES

This section outlines BAE's proposed work program, including deliverables.

Task 1: Meet with City Staff and Review Background Materials

Task 1A: Meet with City staff and tour project sites. BAE will meet with City staff to review the scope of services, proposed schedule, and deliverables. BAE will also tour the site and area.

Task 1B: Review key financial, planning, and environmental documents. This task will include a review of relevant documents and plans pertaining to the proposed project including the General Plan, the Zoning Ordinance, the project Environmental Impact Report, and City staff reports. BAE will also review the City budget, the Comprehensive Annual Financial Report, City fee ordinances, and other financial documents from the City and affected special districts including fire, sanitation, and school districts.

Task 2: Analyze Fiscal Impacts

This analysis will consider revenue and cost implications for City, Menlo Park Fire Protection District, and affected special districts and school districts of the proposed project and alternative land use programs as identified in the EIR.

Revenue items considered will include sales tax, property tax, property transfer tax, transient occupancy tax, business license revenue, franchise fees, and any other applicable taxes. Also considered will be one-time revenue sources including impact fees, and construction period sales taxes. For key revenues, (e.g., property taxes) BAE will estimate revenues within an expected low to high range as appropriate.

Cost items considered will include police, fire, public works, recreation and library services, and general government services. The cost analysis will, whenever feasible, study the marginal cost of providing additional service. As part of this process, BAE will contact local public service providers including the police department and Fire Protection District to assess existing service capacity and the potential impact of the proposed project. For police, BAE will work with the local department to examine the current beat structure and determine how this may need to be altered to serve the new development. Any new patrol officers and/or equipment would also be analyzed on a marginal basis. For fire, BAE will study existing capacity at the station that would serve the proposed project and assess any additional labor or equipment costs that the station would incur. Cost impacts for other city departments and school districts would also be analyzed.

Fiscal impacts will be presented in current dollars on a net annual and cumulative basis over a 20-year period present in constant 2012 dollars. This will be done both for the Project and the Alternatives as identified in the future Notice of Preparation, assuming no more than three Alternatives (in addition to the "No Project" alternative). The analysis will be structured to allow direct comparison between the Project and the Alternatives. To

determine an appropriate absorption rate for the various proposed land uses, BAE will review the project applicant's anticipated absorption schedule and refine it based on a review of market conditions.

During the preparation of the FIA, all communication with the project sponsor would be with or through City staff.

Task 3: Prepare Specialized Supplementary Analyses

Task 3A: Analysis of Sales Tax Generation Potential from Alternate Uses. This task involves analysis of potential business-to-business sales tax generation from various alternative mix of tenants in the Project. The analysis will involve review of updated Menlo Park confidential sales tax data and business license data provided by the City to assess typical sales tax generation in Menlo Park from non-retail sales by various types of high-tech firms. This will be compared with previous analysis by BAE of State Board of Equalization (BOE) data on taxable sales generation per employee in high tech firms in San Mateo and Santa Clara County. Information provided by the Project applicant regarding its anticipated marketing strategy and targeted tenant mix will also be evaluated. BAE will use the information generated from these sources to project, to the extent possible based on available data, the potential mix of sales-tax paying vs. non-sales tax paying tenants in the Project and Alternatives, accounting for the potential mix of tenant types and tenant size, in order to estimate how the range of sales tax revenue might vary based on the development program for the Alternatives, as well as the tenant mix in the Project.

Task 4: Prepare Fiscal and Economic Impact Report

Task 4A: Prepare Administrative Draft Fiscal and Economic Impact Analysis report. BAE will prepare and submit an Administrative Draft Fiscal Impact Analysis report to City staff. The report will include a concise and highly-accessible executive summary, including a summary of the methodology and key findings from Tasks 1 and 2.

Task 4B: Prepare Public Review and Final Draft report. Staff will provide written comments to BAE regarding the Administrative Draft. BAE will address all comments with staff and make modifications as needed. BAE will then submit a Screen Check Draft for staff to review. Staff will note any minor corrections and BAE will submit a Public Review Draft.

T**ask 4C: Prepare Presentation, Attend Two Meetings.** This task includes preparation of a PowerPoint presentation for use by staff, BAE, and posting to the City's website. BAE will attend up to two meetings to present its findings during the public comment period, anticipated to be a Planning Commission and City Council meeting.

After closure of the public review period, Staff will provide BAE with a written record of comments regarding the Public Review Draft. BAE will discuss comments with City staff and make changes as necessary. BAE will then submit a Final Draft.

DATA NEEDS

In order to complete this analysis BAE will require access to various City and special district staff to conduct brief interviews and confirm methodologies and assumptions. In particular, BAE would intend to speak with most department/district heads, or their designees, as well as the City finance director. BAE would work with the finance department to obtain electronic copies of relevant budget files.

From the project sponsor, BAE will need development pro formas, market studies, and marketing plans, including pricing assumption. BAE will also require updated information from the EIR consultant, including information on the alternative land uses being considered under the EIR.

In addition to data from the City and project sponsor, BAE will need to acquire market, demographic, and other data from vendors. A budget for these materials is included below.

BUDGET AND FEES

BAE would complete all work identified in the Scope of Services, including expense reimbursement, for the not-to-exceed amount of $41,910. Please note that attendance at public meetings/hearings is calculated at the rate of $1,500 for up to three hours of meeting time, with hourly rates for all meeting time over three hours, as well as additional meetings beyond those set forth in the scope. All hours will be billed according to the following rates as listed below.

Principal	$250/hour
Associate	$110/hour
Analyst	$90/hour

Shown below is a project staffing plan and estimated cost per task. Ron Golem will serve as Principal in Charge and Project Manager for this assignment, assisted by Stephanie Hagar, Associate, and Mikayla Weissman, Analyst.

Budget - 151 Commonwealth Dr. Fiscal Impact Analysis

	Hours by Person			
Task	**Principal Golem**	**Associate Hagar**	**Analyst Weissman**	**Budget (a)**
Task 1: Start-Up Meeting and Review of Background Materials				
Task 1A: Meet with City Staff, Project Team, Tour Project Site	4	4	4	$1,800
Task 1B: Review Key Financial, Planning, and Environmental Documents	8	16	0	$3,760
Task 2: Fiscal Impact Analysis for Project, Alternatives				
Task 2: Analyze the Fiscal Impact of the Proposed Project/Alternatives	16	60	40	$14,200
Task 3: Prepare Specialized Supplementary Analyses				
Task 3A: Analysis of Sales Tax Generation Potential from Alternate Uses	8	16	8	$4,480
Task 4: Prepare Fiscal Impact Analysis Report				
Task 4A: Prepare Administrative Draft Report.	16	40	8	$9,120
Task 4B: Prepare Screen Check, Public Review, and Final Draft Report	8	16	8	$4,480
Task 4C: Prepare Presentation, Attend Two Meetings	14	2	0	$3,720
Subtotal Labor	74	154	68	$41,560
Expenses (data, travel, etc.) (b)				$350
Total				**$41,910**
Attendance at Public Meetings/Hearings - per meeting, up to a maximum of 3 hours meeting time for each meeting. Hourly rates would apply for additional time over that amount, or additional meetings.				$1,500

Notes:	Principal	Associate	Analyst
(a) Based on BAE 2012 hourly rates:	$250	$110	$90

(b) Includes travel to Menlo Park for Kick-Off Meeting and data purchase from vendors.

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