

FACEBOOK DEVELOPMENT AGREEMENT TERM SHEET



Menlo Park City Council
April 17, 2012

Outline

- Project Overview and Timeline
- DA Negotiation Process and Parameters
- Proposed DA Term Sheet
- Evaluation of Terms
- Staff Recommendation
- Next steps
- Meeting Framework and Questions

Project Overview

RAVENSWOOD AREA OF THE SOUTH BAY
SALT POND RESTORATION PROJECT

EAST CAMPUS

BAYFRONT EXPRESSWAY [SR 84]

TE CONNECTIVITY

WEST CAMPUS

DUMBAKTON LOKRUDOK
(SAN MATEO COUNTY TRANSPORTATION AUTHORITY)

WILLOW ROAD [SR 114]

MENLO SCIENCE &
TECHNOLOGY PARK

BELLE HAVEN



0' 200' 400' 800'
Full Size Scale is 1" = 200'
11" X 17" Size Scale is 1" = 400'

Project Overview (East Campus)

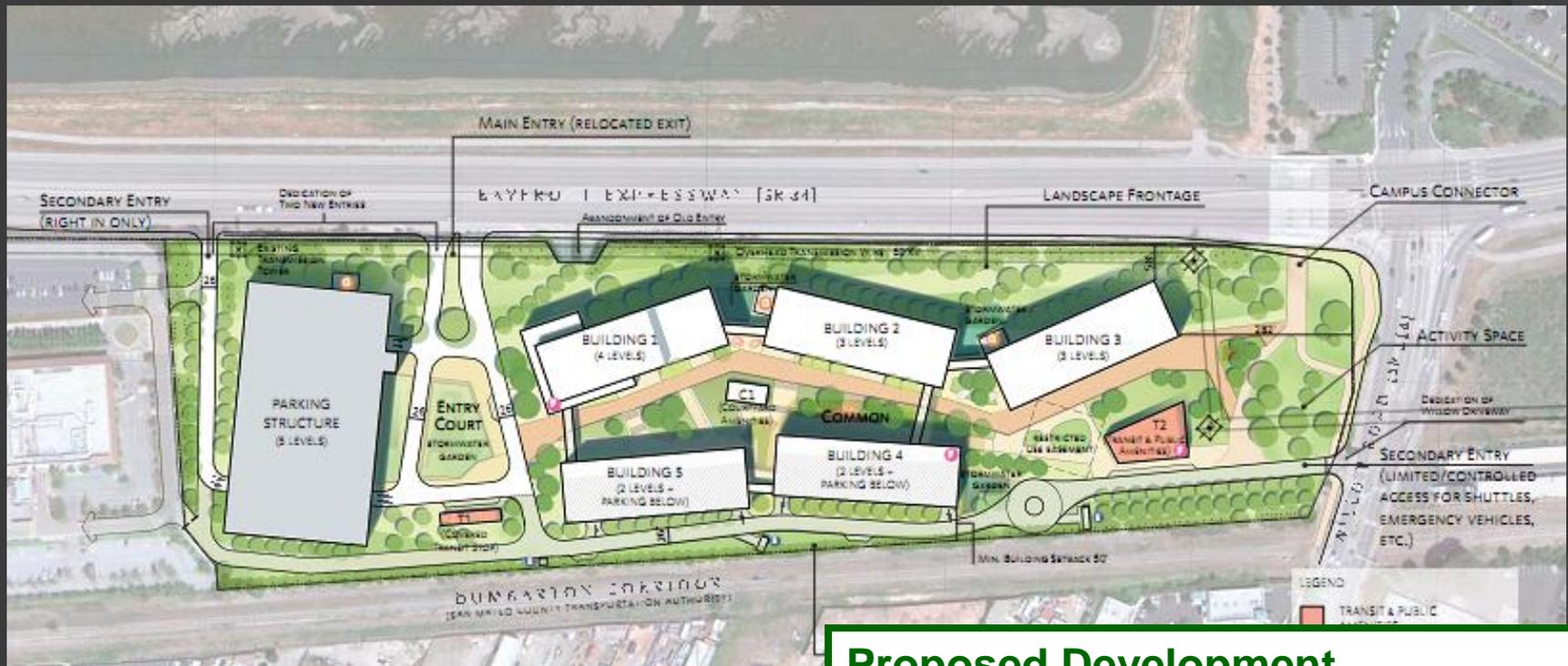


Existing Development

Office – 1,034,840 Sq. Ft.

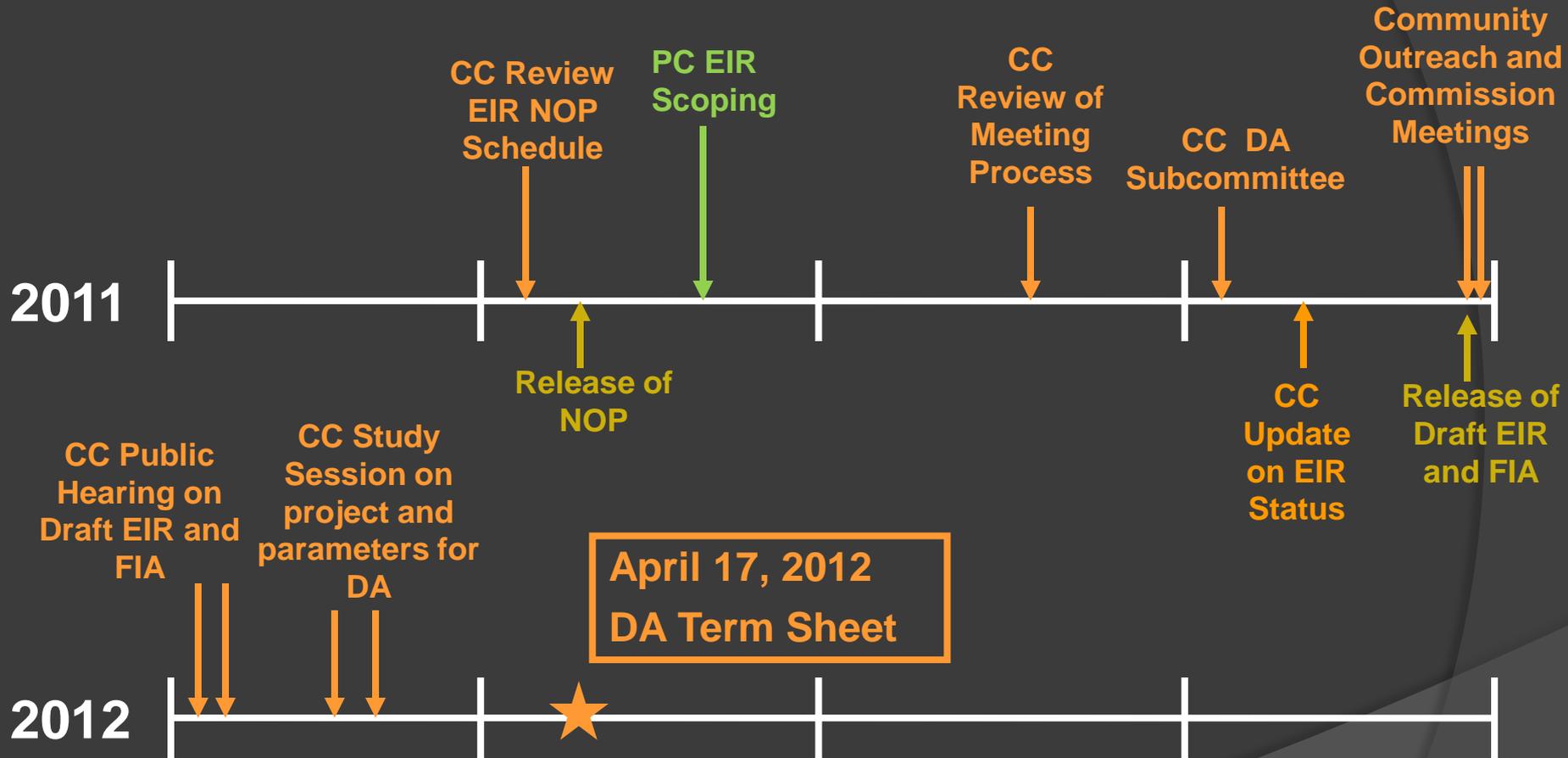
**Surface Parking – 3165 Existing + 285
Reserve = 3450 Spaces**

Project Overview (West Campus)



Proposed Development
Office 440,000 Sq. Ft., 2-4 Stories
Parking - 1544 Spaces, 5 Levels

Facebook Process Timeline



Development Agreement Negotiation Process

- Council considered parameters for DA negotiation

Development Agreement Parameters

- Provide a source of on-going revenue for as long as the land use entitlement to exceed 3,600 employees is in place.
- Provide one-time items in the form of public improvements or studies that would benefit the surrounding area.
- Provide a mechanism for funding programs and services that meet on-going community needs.
- Pursue a commitment to fund housing opportunities in the City and surrounding region.
- Pursue a trip cap penalty amount that is severe enough to ensure compliance with the project description.

Development Agreement Negotiation Process (cont.)

- Council considered parameters for DA negotiation
- Regular consultation with Council Subcommittee
- Negotiation Process – Development Agreement is limited to what's acceptable to both parties



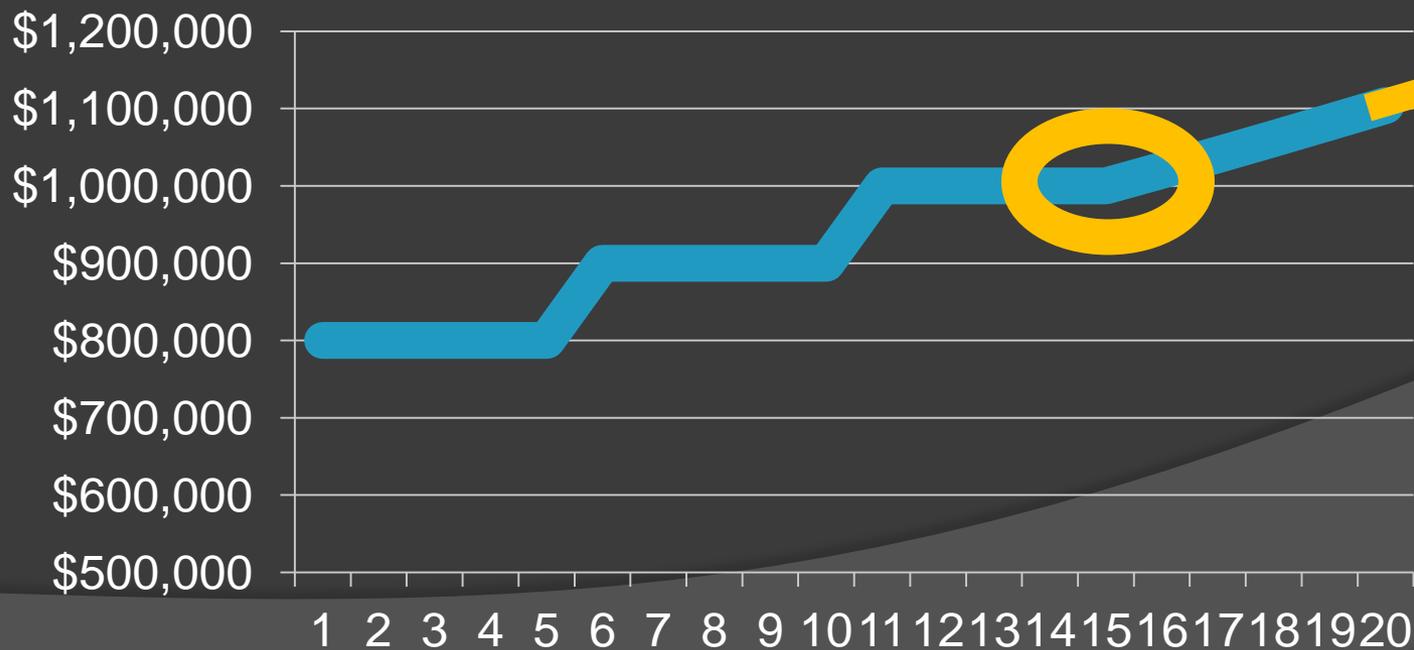
Proposed Development Agreement Term Sheet Topics

- City Benefits
- Community Benefits
- Environmental Commitments
- Pedestrian and Bicycle Enhancements
- Mutual Commitments

City Benefits

Guaranteed Annual Payment

- \$800,000 per year for years 1-5
- \$900,000 per year for years 6-10
- \$1,000,000 per year for years 11-15
- \$1,000,000 plus CPI increase thereafter



City Benefits (cont.)

- ◎ One-Time Capital Improvement Payment
 - \$1.1 Million
 - Conditional payment if other funds are obtained for mitigation measures



Community Benefits

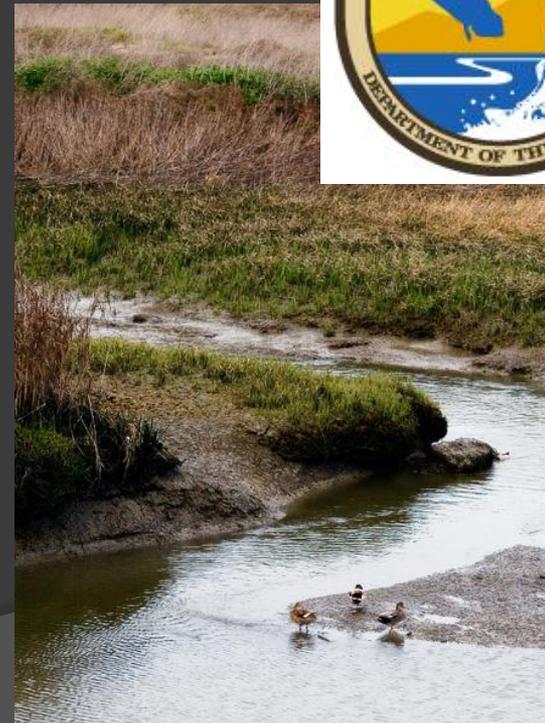
- Creation of a Local Community Fund with a contribution of \$500,000
- Creation of a High School Internship Program
- Sponsoring job training programs and events
- Housing assistance
 - Potential investments in low income housing tax credits
 - Potential contributions to a housing development project
- Cooperate to underground electrical lines
- Working to help close the Bay Trail Gap
- Participating in the Caltrans Adopt-a-Highway

Community Benefits (cont.)

- Continuing the “Facebooks” program for 3 years, which supports local businesses
- Facebook will endeavor to purchase locally
- Promote local volunteer opportunities
- Enhance proposed improvements to the undercrossing of Bayfront Expressway
- Explore the creation of Willow Road business improvement district and contribute seed funding up to \$50,000
- Perform ecologically sensitive improvements to the existing public trails around the Campus

Environmental Commitments

- Reduce Impact to Baylands
- Cooperate with Don Edwards Refuge
 - Education
 - Building and Campus Design
- Maintain Levees
- Trip Cap
- Share TDM Information
- LEED Certification



Ped & Bicycle Circulation Enhancements

● Adding and Restriping Bike Lanes

- Willow Road
- University
- Newbridge
- Bay Road (East Palo Alto)

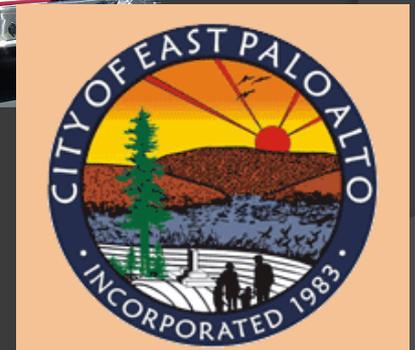


● Pedestrian Crossing improvements at US101/Willow



Mutual Commitments

- City Requirements
- Fire District
- Legal Challenges
- East Palo Alto



Evaluation of Terms

- Provide a source of on-going revenue for as long as the land use entitlement to exceed 3,600 employees is in place.

✓ **Guaranteed Annual Payment**

Evaluation of Terms

- ⦿ Provide one-time items in the form of public improvements or studies that would benefit the surrounding area.
 - ✓ One-Time Capital Improvement Payment
 - ✓ Bicycle Improvements
 - ✓ Pedestrian Improvements
 - ✓ Trail Enhancements near the campus
 - ✓ Enhanced undercrossing amenities

Evaluation of Terms

- Provide a mechanism for funding programs and services that meet on-going community needs.
 - ✓ Creation of a Local Community Fund with a contribution of \$500,000

Evaluation of Terms

- ◎ Pursue a commitment to fund housing opportunities in the City and surrounding region.
 - ✓ Housing assistance
 - ✓ Potential investments in low income housing tax credits
 - ✓ Potential contributions to a housing development project
 - ✓ City Committed to update of Housing Element

Evaluation of Terms

- Pursue a trip cap penalty amount that is severe enough to ensure compliance with the project description.
 - ✓ Penalty set at \$50 per trip per day

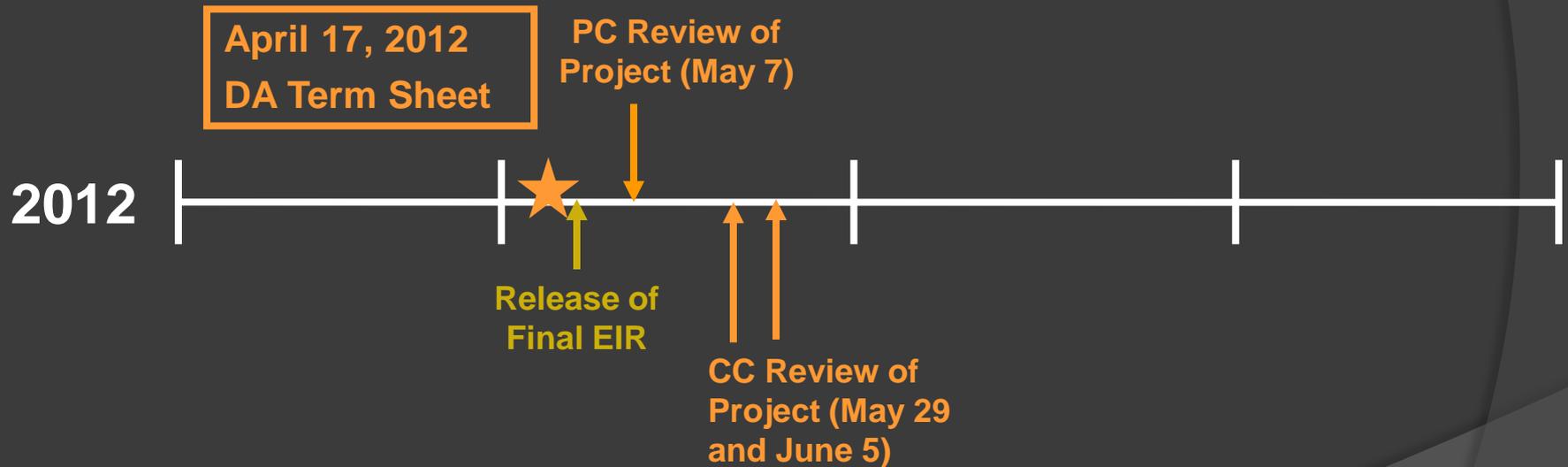
Vehicles over Trip Cap	Tier 1 (\$50/trip)	Tier 2 (\$100/trip)	Tier 3 (\$200/trip)
100	\$5,000	\$10,000	\$20,000
300	\$15,000	\$30,000	\$60,000
500	\$25,000	\$50,000	\$100,000

Staff Recommendation

- Staff recommends Approval of the Term Sheet for the proposed Development Agreement

Facebook Process Timeline (Cont.)

Next Steps....



Meeting Framework

- Comments from applicant
- Public Comment
- Questions and Discussion by Council