



KEYSER MARSTON ASSOCIATES™
ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

MEMORANDUM

ADVISORS IN:
REAL ESTATE
REDEVELOPMENT
AFFORDABLE HOUSING
ECONOMIC DEVELOPMENT

SAN FRANCISCO
A. JERRY KEYSER
TIMOTHY C. KELLY
KATE EARLE FUNK
DEBBIE M. KERN
ROBERT J. WETMORE
REED T. KAWAHARA
DAVID DOEZEMA

LOS ANGELES
KATHLEEN H. HEAD
JAMES A. RABE
PAUL C. ANDERSON
GREGORY D. SOO-HOO
KEVIN E. ENGSTROM
JULIE L. ROMIEY
DENISE BICKERSTAFF

SAN DIEGO
GERALD M. TRIMBLE
PAUL C. MARRA

To: Justin Murphy
City of Menlo Park

From: Keyser Marston Associates, Inc.

Date: December 21, 2011

Subject: Menlo Park Facebook Campus Project: Evaluation of
Potential Impacts to Housing Conditions in East Palo Alto

Keyser Marston Associates, Inc. (KMA) has assembled information to assist in evaluating the potential for the Menlo Park Facebook Campus Project (“Project”) to result in displacement of existing residents of East Palo Alto or exacerbate conditions of overcrowding. This stand-alone memorandum is an information document provided in response to concerns regarding housing affordability raised by the City of East Palo Alto in a letter dated May 26, 2011. Housing affordability is a socioeconomic issue and is not related to a physical impact to the environment. As such, this issue is not addressed in the Facebook Campus Project Draft Environmental Impact Report (EIR).

Completion and full occupancy of the Project is anticipated by 2018, or within approximately the next six years. The Project would add approximately 5,800 net new jobs, which represents an average of roughly 1,000 jobs per year over the next six years. Please refer to the Draft EIR for a complete description of the Project.

Demand for Housing in East Palo Alto from Project

The Project’s potential to impact housing conditions in East Palo Alto or cause displacement of existing residents is driven by the extent to which workers at the Project are likely to seek housing in East Palo Alto. Impacts will be minimal if a very limited number of workers seek housing in East Palo Alto; conversely, if East Palo Alto is viewed as an attractive option by a large share of Facebook’s workforce, impacts would be greater.

Factors Influencing Facebook Workers' Decision about Where to Live

The following are considerations relevant to understanding where workers at Facebook are likely to seek housing and how many are likely to look for housing in East Palo Alto:

1. *East Palo Alto is very close to the Project.* Some workers at Facebook could be attracted to East Palo Alto because of the convenience of living close to work; however, while important, proximity to work is just one of many factors that influences where workers live. As an illustration, San Francisco is the jurisdiction where the largest number of Facebook workers now live (26%); despite the fact that it probably represents a commute in the range of 45 minutes or more.
2. *East Palo Alto is relatively affordable* - A portion of workers in the Project may be attracted to East Palo Alto because of its (relatively) lower cost of housing. However, numerous other factors are also important including personal / lifestyle preferences, unit size and features, quality of schools, proximity to partner's workplace for multiple earner households, access to amenities and services, access to transportation, perception of safety / crime rate, proximity to family, friends, or other community.
3. *Facebook's workforce likely has unique characteristics*- KMA's expectation, based on news articles, is that Facebook's workforce is younger, more affluent, more mobile, and more likely to be new to the Bay Area than the Peninsula / Silicon Valley workforce generally.¹ These differences are likely to influence where workers choose to live. As an example, younger workers that are new to the area might be more interested in living in San Francisco to join in the "youth scene" in the city.
4. *Facebook Transportation Demand Measures (TDM)* – Facebook facilitates commuting from San Francisco and other Peninsula cities by providing direct free bus service and free shuttle service from Caltrain. Free vanpools are also provided from various other Bay Area cities. These free services no doubt have an influence on where workers choose to live. These and other TDM measures, as further described in the Draft EIR, will continue at the Menlo Park campus.

¹ Facebook has not provided any data about its workforce.

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Commute Data as Basis to Evaluate Housing Demand in East Palo Alto

Data on current commute patterns is the best starting place to examine where workers are likely to live. Commute patterns result from numerous individual decisions that take into account various factors. Relevant data on the percentage of workers who now reside in East Palo Alto is presented in Table 1. Information on commute patterns for those working in Menlo Park is available from a special tabulation of the 2006 to 2008 American Community Survey (ACS) released in January 2011. The ACS data indicates 3.3% of those working in Menlo Park live in East Palo Alto.

The Project is located east of US 101 close to the boundary with the City of East Palo Alto. Since the Project is closer to East Palo Alto than other areas of Menlo Park, one would expect a higher percentage of workers would live in East Palo Alto than the average for all of Menlo Park. To examine whether this is the case, KMA used data from the U.S. Census Longitudinal Employer-Household Dynamics program (LEHD) which can be used to obtain information on commuting for smaller geographic areas. The LEHD data differs from the ACS data in that it is derived from administrative records, rather than a survey. The LEHD data indicates that 2.2% of all workers in Menlo Park live in East Palo Alto, while 1.8% of those working in Menlo Park east of US 101 live in East Palo Alto. Based on the LEHD data, about the same percentage of Menlo Park workers east of US 101 live in East Palo Alto as Menlo Park workers overall. This illustrates the importance of other factors besides proximity, such as the match between available jobs and the skills of the local workforce.

Facebook has provided commute data specific to its employees² based on Facebook's Palo Alto headquarters prior to the time they began shifting operations to Menlo Park. The data indicates approximately 0.2% of Facebook employees currently reside in East Palo Alto. KMA has compared the Facebook commute data to overall commute patterns for Palo Alto to understand whether Facebook workers are relatively more or less likely to seek housing in East Palo Alto than other workers. About 2.9% of Palo Alto's workforce lives in East Palo Alto based on data from the 2006 to 2008 American Community Survey (ACS), which is much higher than the 0.2% specific to Facebook. Therefore, this commute data appears to indicate Facebook workers are much less likely to seek housing in East Palo Alto than other workers.

² On-site food service employees are included in the commute data although we understand these workers are not directly employed by Facebook (they are employees of the contract food service provider).

Table 1 - Percent of Workers Residing in East Palo Alto - Various Data Sources

	Percent of Workers Who Live In East Palo Alto
Menlo Park Workers: 2006 to 2008 ACS Data	3.3%
Menlo Park Workers: LEHD Data	
- Both East and West of US-101	2.2%
- East of US-101 Only	1.8%
Facebook Workers (based on Palo Alto location) ³	0.2%
Palo Alto Workers (2006 to 2008 ACS data)	2.9%

Housing Needs Analysis Findings

The Draft EIR for the Project includes a Housing Needs Analysis (HNA), which identifies housing needs for Facebook employee households by income level. The findings are summarized in Table 2 below.

Table 2 - Housing Needs by Affordability Tier

Income Category	Income Definition	% of Total
Very Low Income	0% - 50% AMI ⁴	11%
Low Income	50% - 80% AMI	17%
Moderate Income	80% - 120% AMI	18%
Above Moderate Income	120% - 150% AMI	13%
Upper Income	Over 150% AMI	41%
Total		100%

Approximately 54% of these households are either Upper Income or Above Moderate Income, 18% are Moderate Income, and 28% are in the Very Low and Low income tiers. The findings are reflective of the relatively high compensation levels for the industry category applicable to Facebook (Internet Publishing and Broadcasting). The distribution by income tier is similar to KMA’s findings with respect to Menlo Park office more generally per a 2009 housing needs analysis prepared for the Menlo Gateway Project. In contrast, other land uses such as retail, hotel, and restaurant are weighted heavily to the lower income tiers. The HNA results provide no reason to expect that housing affordability considerations will cause a higher share of Facebook workers to seek housing in East Palo Alto (for reasons of income/affordability) relative to other Menlo Park workers.

³ Ibid

⁴ Area Median Income

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Estimate of housing demand in East Palo Alto from Project

Based on the above data on current commute patterns, the percentage of Facebook's new workforce who will potentially seek housing in East Palo Alto is bracketed by KMA at a range of approximately 3% to 5%. This range assumes a much higher percentage than the existing 0.2% of Facebook workers who live in East Palo Alto. The lower end of the range at 3% mirrors the existing average for Menlo Park workers overall, while the upper end of the range at 5% reflects that Facebook workers could potentially be more likely than existing workers in Menlo Park to opt for the convenience of living close to work, especially when coupled with the affordability of the East Palo Alto housing stock.

This impact evaluation (like most impact evaluations) addresses future conditions, as well as the near to mid term conditions. Much of the current Facebook workforce was hired during the late 2000's, a period of recessionary conditions in the housing market overall. Looking ahead, as the economy recovers from the recession, these conditions will change. Housing in all communities may become less available and less affordable. The San Francisco option could be altered by rising rents and sales prices, which could combine with worsened commute times to make San Francisco a less attractive option. Indeed, there are many variables that could alter the equation that make more Facebook workers seek housing in East Palo Alto than has been the case over the past several years. Therefore, KMA has envisioned a scenario at 5% of all workers, many times the current Facebook level in East Palo Alto.

East Palo Alto is unlikely to see more than a 5% share of the Facebook workforce, in KMA's judgment. While East Palo Alto offers the dual advantages of proximity and relative affordability, it represents only a minor percentage of the housing stock within commuting distance of the Project; and, for most Facebook workers, housing affordability will not be an overriding consideration. Numerous individual factors and circumstances will drive workers' choices about where to live, including personal / lifestyle preferences, quality of schools, access to amenities and services, perception of safety / crime rate, and proximity to friends, family, or one of the Bay Area's diverse social or ethnic communities. Even those workers that are relatively limited by affordability considerations have options in other Bay Area communities that could potentially better suit workers' diverse individual needs and preferences.

The HNA, included as part of the Draft EIR, estimates total housing needs from the Project's approximately 5,800 net new employees (net increase above existing 3,600 cap). Total housing needs for these 5,800 workers, after accounting for multiple earner households, is estimated at 3,257 units. This is the total housing need within commuting distance of the Project. Assuming between 3% and 5% of Facebook's workforce will

seek housing in East Palo Alto, total demand in East Palo Alto would be in the range of 100 to 160 units upon completion and full occupancy (expected in 2018). This total demand converts to an annual average of 16 to 26 units per year for the next six years based on the projected timing for completion and full occupancy.

Table 3 - Estimated Housing Demand in East Palo Alto from Facebook Campus Project

	East Campus	West Campus	Total
Workers*	3,000 workers	2,800 workers	5,800 workers
Total Housing Need**	1,685 units	1,572 units	3,257 units
East Palo Alto estimated share of housing demand at 3% to 5%***	50 to 80 units	50 to 80 units	100 to 160 units
Average Net Annual Absorption Over Six Years Through Completion and Full Occupancy	8 to 13 units per year next six years	8 to 13 units per year next six years	16 to 26 units per year next six years

*Approximate net increase above existing 3,600 under current Conditional Development Permit.

** After accounting for multiple earner households. In San Mateo, there are 1.78 workers for each working household on average. See Housing Needs Analysis for more information.

*** Rounded to the nearest 10 units.

Demand Relative to Supply in East Palo Alto

The East Palo Alto housing stock is comprised of approximately 7,800 housing units of which a little over half are renter occupied (Table 4). In the context of the total housing stock, the 100 to 160 units would represent 1.3% to 2.0% of the stock. These percentages suggest a minimal to very minor impact

Another way to evaluate the potential impact is in the context of the portion of housing stock that will “turnover” every year in East Palo Alto, or become available for sale or rent. More than half of the ownership units in East Palo Alto changed ownership in the past ten years. (American Community Survey, 2008-2010) In both East Palo Alto and the County overall, the rental stock has turned over more than twice as fast as the ownership stock. This means that East Palo Alto’s ownership stock turns over about every ten years, and the rental stock about every four years, resulting in roughly 300 units available for sale every year and nearly a thousand rental units changing tenancy every year, or 1,300 units per year for the two combined.

If the increases in employment at Facebook occur evenly over the six year buildout period, the 3% to 5% East Palo Alto share could be about 16 to 26 units per year as

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noted previously. When viewed in the context of the turnover in the housing stock in East Palo Alto, these percentages represent less than 2% of the units that become available, further supporting KMA's conclusion that the Facebook impact is minimal.

KMA's understanding is that East Palo Alto's primary concern over displacement relates to the potential displacement of existing renters. Unfortunately, KMA has no way to predict how many of the estimated 100 to 160 units might be for existing rentals versus the purchasing of existing or new units. Workers new to a region do typically seek out rental housing for a period until they become more established, but KMA has no information on the share of workers that are relocating from outside of the Bay Area. As described below, significant housing development is contemplated for East Palo Alto; however, there are other sources of demand for the new units and completion may or may not be well timed to absorb the potential housing demand from the Project. For example, if all of the 100 to 160 units consist of existing units, up to 100 to 160 existing households could be "displaced." This would mean that, as rental units come available through regular turnover, or as homeowners make the decision to sell, Facebook workers could be competing for up to about 2% of the units that come available, along with others seeking housing within East Palo Alto. This is a relatively conservative estimate because it is likely that a portion of the housing demand generated by the Project will be met by both new and existing units.

While East Palo Alto has a rent control ordinance which limits rent increases and provides protections for existing tenants, rents are free to reset to market rate upon turnover. Therefore, the rent control ordinance is unlikely to prevent some displacement from occurring, especially over the longer term.

Future Housing Development in East Palo Alto

A total of 738 units were built in East Palo Alto from 2000 to 2010 based on data from the Construction Industry Research Board. This represents an average of approximately 70 units per year (very few of these units were built over the past five years). The proposed Ravenswood / 4 Corners Transit Oriented Specific Plan within East Palo Alto could potentially add 835 additional residential units, which represents about a 10% increase in the existing housing stock of the City. These 835 potential units compare to an estimated demand related to Facebook of 100 to 160 units. Development within the Ravenswood / 4 Corners TOD Specific Plan is not anticipated to commence for several years and may or may not be well timed to absorb some of the housing demand from the Project.

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Overspending and Overcrowding

Overspending and overcrowding are problem conditions prevalent in East Palo Alto. Approximately 56% of renters and 55% of homeowners with a mortgage spend more than 35% of their income on housing (see attached Tables 6 to 6 B), a general criteria for overspending, particularly for renters. About 39% of renter households live in overcrowded conditions, generally defined as more than one occupant per room, of which more than half have more than 1.5 occupants per room. Overcrowding is less prevalent in the owner-occupied housing stock. About 20% of owner households are above one occupant per room and only 2% are above 1.5 occupants per room (See attached Table 7).

Both conditions of overspending and overcrowding are directly linked to the high cost of housing relative to residents' incomes. Households are forced to spend a high percentage of their income on housing if lower cost housing is not available. Overcrowding is a direct response to high housing costs, as households make do with smaller units or double up with other family members, roommates, etc.

Existing conditions of overspending and overcrowding would only be impacted by the Project to the extent it results in a measurable impact on prices and rents. Net absorption of housing in East Palo Alto by Facebook workers is estimated to represent 1% to 2% of the regular turnover of existing units, before accounting for the portion of demand that may be absorbed by new supply. Since the Facebook workers are anticipated to represent a fairly nominal component of the overall market, the impact on rents and prices, if any, is expected to be minimal. Consequently, the Project is not expected to materially impact the incidence of overspending or overcrowding in East Palo Alto.

Summary of Findings

The key findings of the analysis are as follows:

- The Project is estimated to generate housing demand in East Palo Alto in the range of 16 to 26 additional units per year over the next six years. Total housing demand in East Palo Alto upon full Project occupancy is estimated to be in the range of 100 to 160 units. This estimate is based on the conservative assumption that 3% to 5% of Facebook workers will seek housing in East Palo Alto, which is a much higher percentage than the current 0.2%.
- Demand from Facebook workers is likely to be met through a combination of existing units and new construction, including the 835 new units in the proposed Ravenswood / 4 Corners TOD Specific Plan Area. However, the precise allocation between existing units and new construction is not possible to predict for many reasons. In addition, there are uncertainties as to whether the proposed units will be built and the timing for completion may or may not match with development and occupancy of the Project.
- If none of the additional housing demand is absorbed by new construction, then up to 100 to 160 existing households in East Palo Alto could be displaced as Facebook workers compete with others, including existing residents looking to relocate within East Palo Alto. It is estimated that during the next six years, Facebook workers could represent a demand for about 2% of the units that come available through regular turnover.
- No significant impact to existing conditions in East Palo Alto of overspending for housing and overcrowding is anticipated. Facebook workers are anticipated to represent a relatively nominal share of the overall housing market in East Palo Alto; therefore, workers are not expected to have sufficient influence on prices and rents to materially affect existing conditions.

ADDENDUM

Existing Housing Conditions in East Palo Alto and Regional Context

The following addendum provides additional context and background on housing conditions in East Palo Alto and the regional housing market. The information shows that East Palo Alto differs in several respects from San Mateo County averages including: a higher share of renter households, a concentration of households overspending on housing, a higher percentage living in overcrowded conditions, relatively lower home prices and rents, larger average household sizes, a younger population, lower incomes, and an above average percentage below the poverty level.

Regional Housing Market Context

East Palo Alto is part of the Peninsula / Silicon Valley regional housing market. The City represents about 3% of the total housing stock in San Mateo County and less than 1% of the more than 900,000 housing units in San Mateo and Santa Clara counties combined. Because it is part of a broader regional housing market, rents and home prices in East Palo Alto are linked to trends regionally. East Palo Alto's position within a regional market also constrains the potential for localized increases in rents and prices disproportionate to the rest of the market.

Background on Existing Housing Conditions in East Palo Alto

KMA assembled information from U.S. Census and other sources as a first step to assist in further understanding conditions described by the City of East Palo Alto in their comment letter and to provide context for evaluating potential impacts. This background information is summarized on Tables 4 to 12 attached to this memorandum. In many cases similar information may be obtained from the City's Housing Element; however, KMA is using updated Census information where available. Data for San Mateo County as a whole is also provided as a point of reference.

East Palo Alto currently has about 7,800 housing units and represents 3% of the housing stock in San Mateo County (Table 4), based on data from the 2010 Census. Approximately 51% of units are rental, 38% are owner-occupied, and 11% are vacant. The vacancy rate at 11% is more than double the County average of 5%. However, the high vacancy rate may be driven, in part, by foreclosure activity. In 2010, the year the Census was conducted, there were over 200 foreclosure-related transactions in East Palo Alto (includes both foreclosure by lender and subsequent re-sale). Units that sit vacant following foreclosure are not part of the available housing supply and are not an indication of slack in demand.

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Approximately 57% of units in East Palo Alto are single family compared to the County average of 66%. The balance of units is in multi-family structures. See Table 5.

Approximately 56% of renter households and 55% of homeowner households with a mortgage spend more than 35% of their income on housing (Tables 6 and 6A). The percentage of households spending more than 35% of their income on housing has been increasing over the years (Table 6B).

Overcrowding is generally defined as an occupancy level above one person per room. About 20% of owner-occupied units and 39% of renter-occupied units have more than one person per room. The incidence of over-crowding in East Palo Alto is significantly greater than San Mateo County as a whole, especially in the over 1.5 persons per room category in the East Palo Alto rental stock. See Table 7.

The average price for homes sold during the period from October 2010 to November 2011 in East Palo Alto was \$250,000. See Table 8.

Average rents in East Palo Alto range from approximately \$1,050 for a one bedroom to \$2,100 for a three bedroom. Rents are below the County average, but not substantially below in all unit size categories. See Table 9.

Average household sizes are larger relative to averages for San Mateo County as presented on Table 10.

East Palo Alto has a younger population than the County as a whole as shown on Tables 11 A and 11 B.

East Palo Alto households have lower incomes than the County averages and a higher percentage of families below the poverty line. Unemployment levels in East Palo Alto are similar to the County average. See Table 12.

For additional information on housing and demographic characteristics of East Palo Alto's, see the City's Housing Element⁵.

⁵ East Palo Alto's Housing Element is available at: http://www.ci.east-palo-alto.ca.us/housingdiv/pdf/April_25_2011_Housing_Element.pdf

Table 4
Housing Units by Tenure and Occupancy
East Palo Alto Housing Conditions and Displacement Analysis
Menlo Park Facebook Campus Project
Menlo Park, CA

December 21, 2011

	<u>East Palo Alto</u>		<u>San Mateo County</u>	
	<u>Number</u>	<u>Percent of Total Housing Units</u>	<u>Number</u>	<u>Percent of Total Housing Units</u>
Renter Occupied Housing Units	3,969	51%	104,727	39%
Owned with a mortgage or loan	2,521	32%	116,981	43%
Owned "free and clear"	450	6%	36,129	13%
Owner Occupied Housing Units	2,971	38%	153,110	56%
<i>Total, Occupied Housing Units</i>	<u>6,940</u>	<u>89%</u>	<u>257,837</u>	<u>95%</u>
Vacant Housing Units	879	11%	13,194	5%
<i>Total Housing Units</i>	<u>7,819</u>	100%	<u>271,031</u>	100%
Percent of County Housing Stock	3%			

Source: 2010 US Census Summary File 1, Table QT-H1: General Housing Characteristics

**Table 5
Housing Units by Type
East Palo Alto Housing Conditions and Displacement Analysis
Menlo Park Facebook Campus Project
Menlo Park, CA**

December 21, 2011

	<u>East Palo Alto, CA</u>		<u>San Mateo County, CA</u>	
	<u>Estimated Housing Units</u>	<u>Percent of Total</u>	<u>Estimated Housing Units</u>	<u>Percent of Total</u>
Single Family Detached	4,629	57%	177,688	66%
Duplex Units	172	2%	5,201	2%
Three or Four Unit Building	133	2%	12,759	5%
Five to Nine Unit Building	423	5%	18,408	7%
Ten to 19 Unit Building	458	6%	15,878	6%
Twenty to 49 Unit Building	1,295	16%	17,915	7%
Fifty or More Unit Building	898	11%	19,574	7%
<u>Mobile Home, Boat, RV, etc.</u>	<u>99</u>	<u>1%</u>	<u>2,671</u>	<u>1%</u>
Total, Housing Units	8,107	100%	270,094	100%

Note: Total Housing Units in Table 5 does not equal Total Housing Units in Table 4 because of differences in data source. Table 4 is Decennial Census data, while Table 5 relies on American Community Survey data.

Source: 2008-2010 American Community Survey 3-Year Estimates.

Table 6
Percent of Income Spent on Housing
East Palo Alto Housing Conditions and Displacement Analysis
Menlo Park Facebook Campus Project
Menlo Park, CA

December 21, 2011

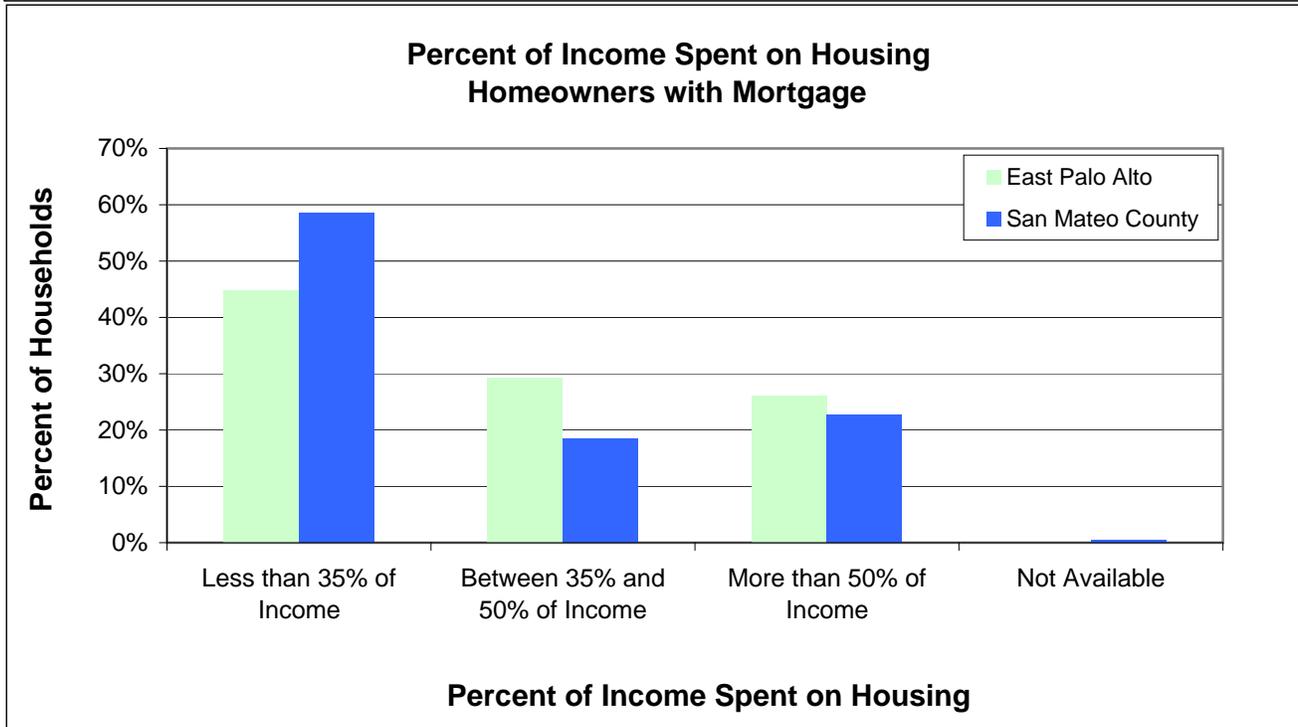
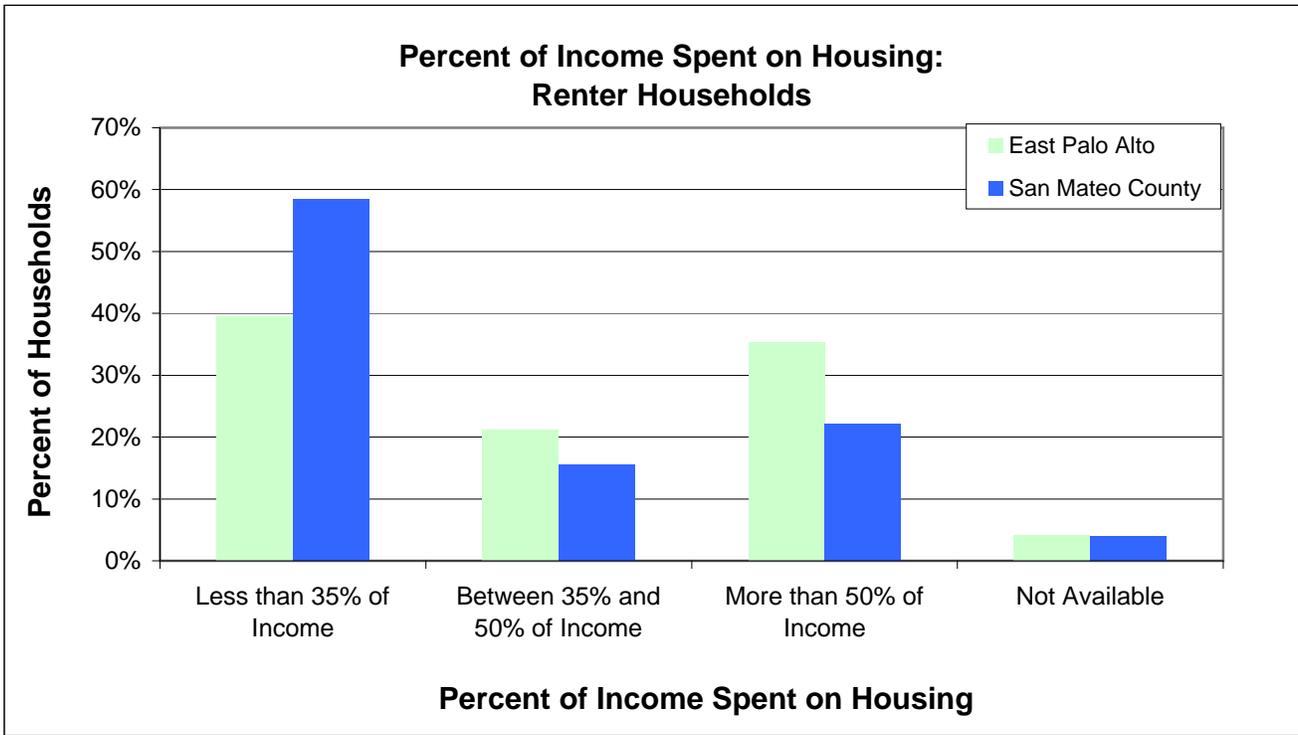
<u>Percent of Income Spent on Housing</u>	<u>Rental Units</u>	<u>Owner Units</u>		
		<u>Owner Units</u>	<u>With Mortgage</u>	<u>No Mortgage</u>
<i>East Palo Alto</i>				
Less than 35% of Income	39%	51%	45%	90%
Between 35% and 50% of Income	21%	26%	29%	4%
More than 50% of Income	<u>35%</u>	<u>23%</u>	<u>26%</u>	<u>6%</u>
Subtotal Over 35% of Income	56%	49%	55%	10%
Not Available	4%	0%	0%	0%
<i>Note: In East Palo Alto, 87% of Owner Units have a mortgage.</i>				
<i>San Mateo County</i>				
Less than 35% of Income	58%	66%	59%	88%
Between 35% and 50% of Income	16%	15%	18%	5%
More than 50% of Income	<u>22%</u>	<u>18%</u>	<u>23%</u>	<u>6%</u>
Subtotal Over 35% of Income	38%	33%	41%	10%
Not Available	4%	1%	0%	1%

Note: In San Mateo County, 75% of Owner Units have a mortgage.

Source: 2008-2010 American Community Survey 3-Year Estimates.

Table 6 A
Percent of Income Spent on Housing
East Palo Alto Housing Conditions and Displacement Analysis
Menlo Park Facebook Campus Project
Menlo Park, CA

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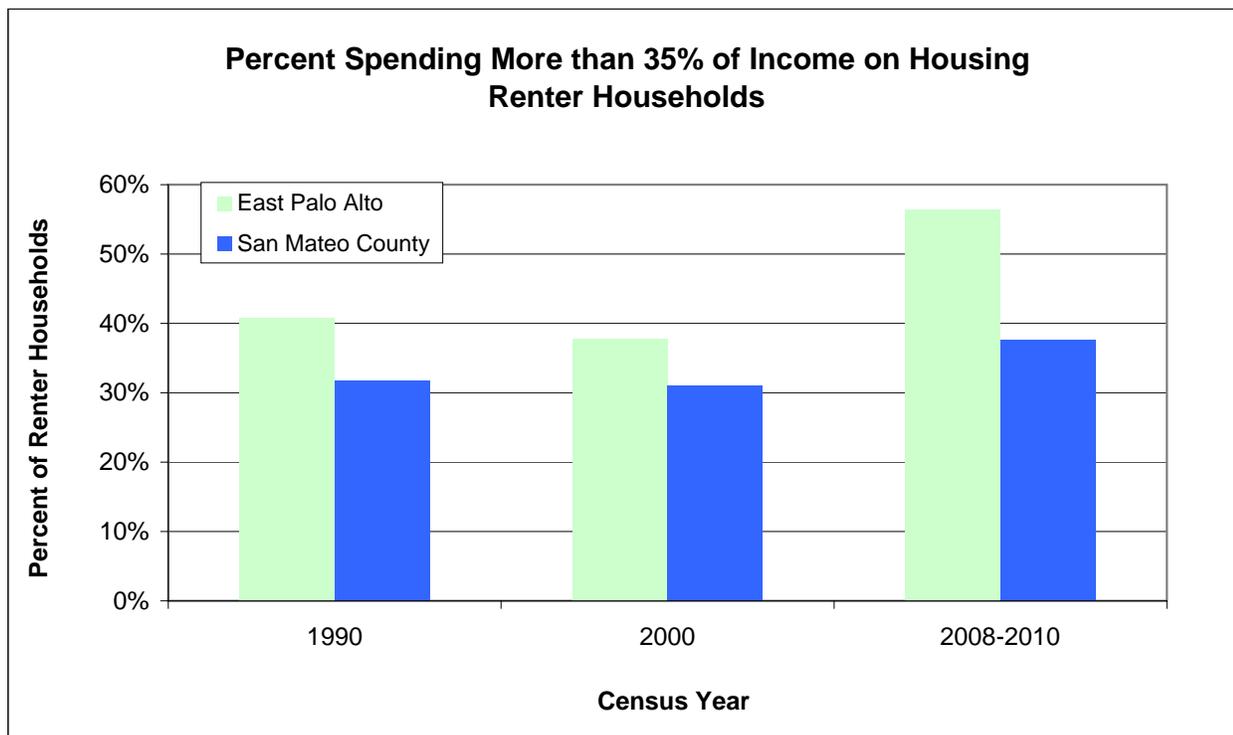
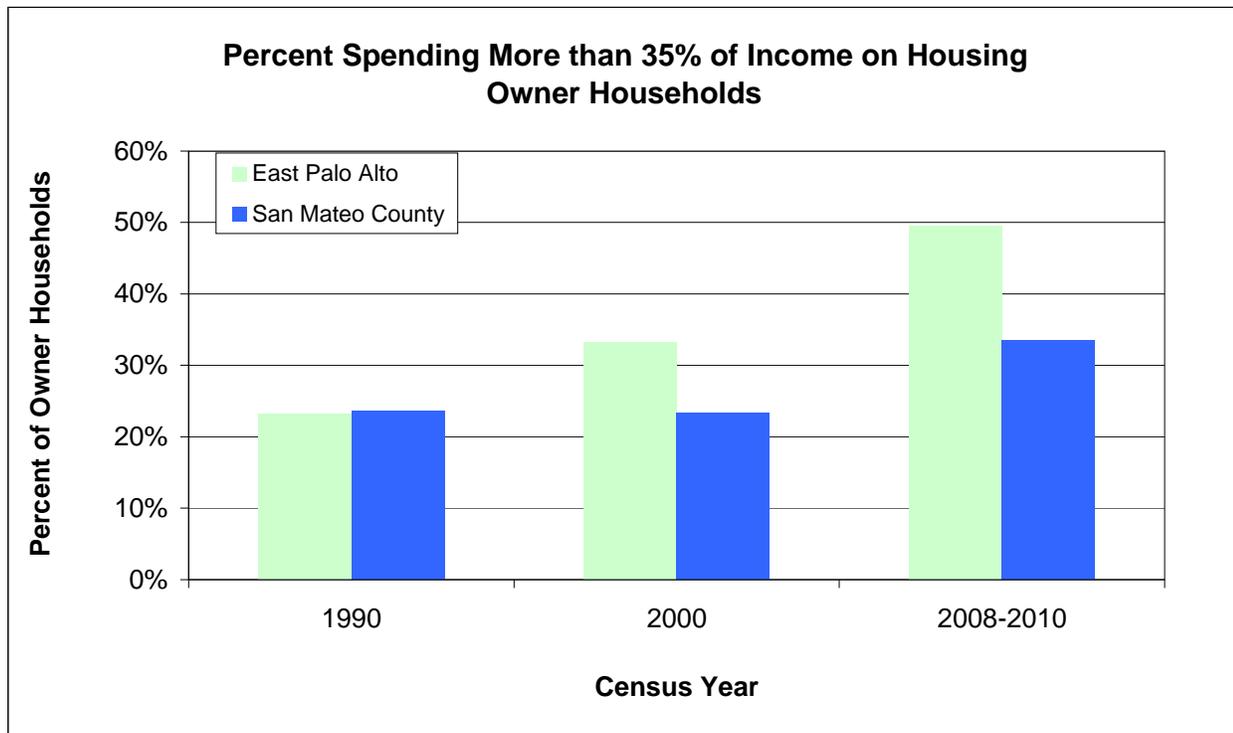


Note: Chart above is for owner households with mortgages only. In East Palo Alto, 87% of owner households carry a mortgage.

Source: 2008-2010 American Community Survey 3-Year Estimates.

Table 6 B
Percent of Income Spent on Housing - Long Term Trend
East Palo Alto Housing Conditions and Displacement Analysis
Menlo Park Facebook Campus Project
Menlo Park, CA

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Sources: 1990, 2000 Decennial Census, and 2008 - 2010 ACS

**Table 7
Occupants Per Room
East Palo Alto Housing Conditions and Displacement Analysis
Menlo Park Facebook Campus Project
Menlo Park, CA**

December 21, 2011

Occupants Per Room	Owner Occupied		Renter Occupied		Total Occupied Units	
	East Palo Alto	San Mateo County	East Palo Alto	San Mateo County	East Palo Alto	San Mateo County
Percent of Units						
1 Person or few Per Room	80%	97%	61%	86%	69%	93%
1.01 to 1.50 per room	19%	2%	16%	8%	17%	5%
1.51 to 2.00 per room	2%	1%	13%	4%	8%	2%
2.01 or more per room	<u>0%</u>	<u>0%</u>	<u>10%</u>	<u>2%</u>	<u>6%</u>	<u>1%</u>
1.01 Per Room or more ⁽¹⁾	20%	3%	39%	14%	31%	7%
Total	100%	100%	100%	100%	100%	100%
Number of Units						
1 Person or few Per Room	2,420	148,563	2,561	88,914	4,981	237,477
1.01 to 1.50 per room	562	3,702	674	8,595	1,236	12,297
1.51 to 2.00 per room	49	808	541	4,038	590	4,846
2.01 or more per room	<u>0</u>	<u>328</u>	<u>425</u>	<u>1,668</u>	<u>425</u>	<u>1,996</u>
1.01 Per Room or more ⁽¹⁾	611	4,838	1,640	14,301	2,251	19,139
Total	3,031	153,401	4,201	103,215	7,232	256,616

Source: 2008-2010 American Community Survey 3-Year Estimates.

Note:

(1) The Census has no official definition of over-crowding but it is sometimes defined as more than one person per room.

Table 8
Median Home Prices
East Palo Alto Housing Conditions and Displacement Analysis
Menlo Park Facebook Campus Project
Menlo Park, CA

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East Palo Alto Housing Units Sold in the Past Year

	<u>One BR</u>	<u>Two BR</u>	<u>Three BR</u>	<u>Four BR +</u>	<u>Overall</u>
Median Sale Price	\$140,000	\$222,500	\$255,000	\$329,500	\$250,000
Price/SF	\$206	\$239	\$225	\$188	\$222
Number of Homes	9	62	127	42	240

Source:MLS data downloaded from RedFin.com, November 2011.

Table 9
Average Asking Rents
East Palo Alto Housing Conditions and Displacement Analysis
Menlo Park Facebook Campus Project
Menlo Park, CA

December 21, 2011

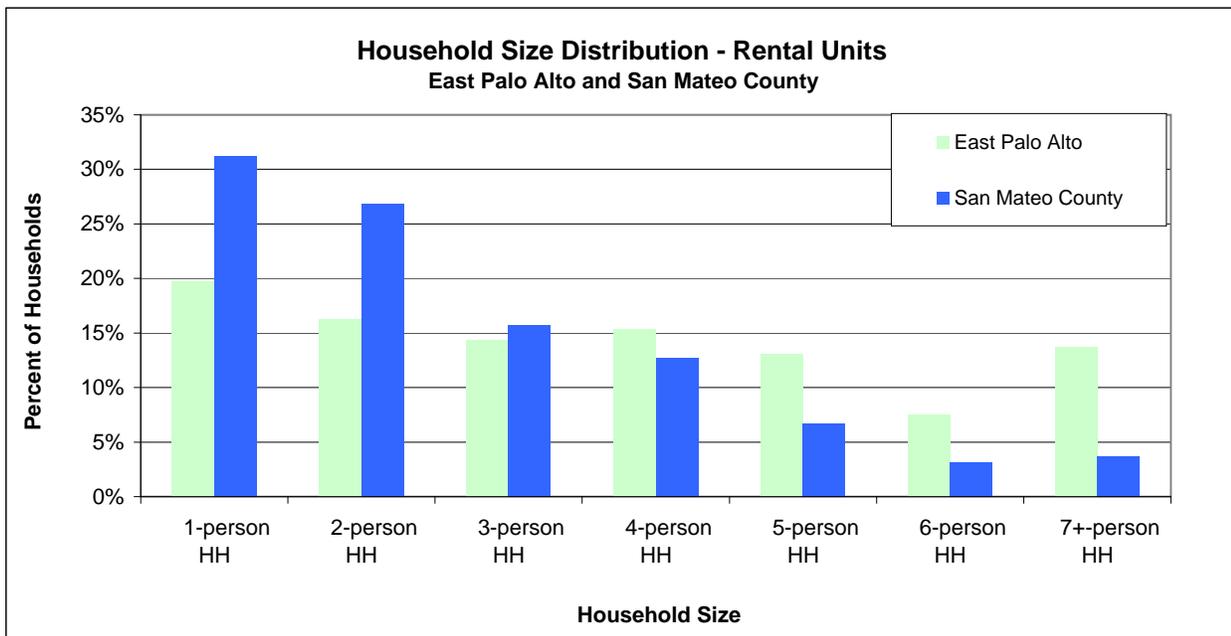
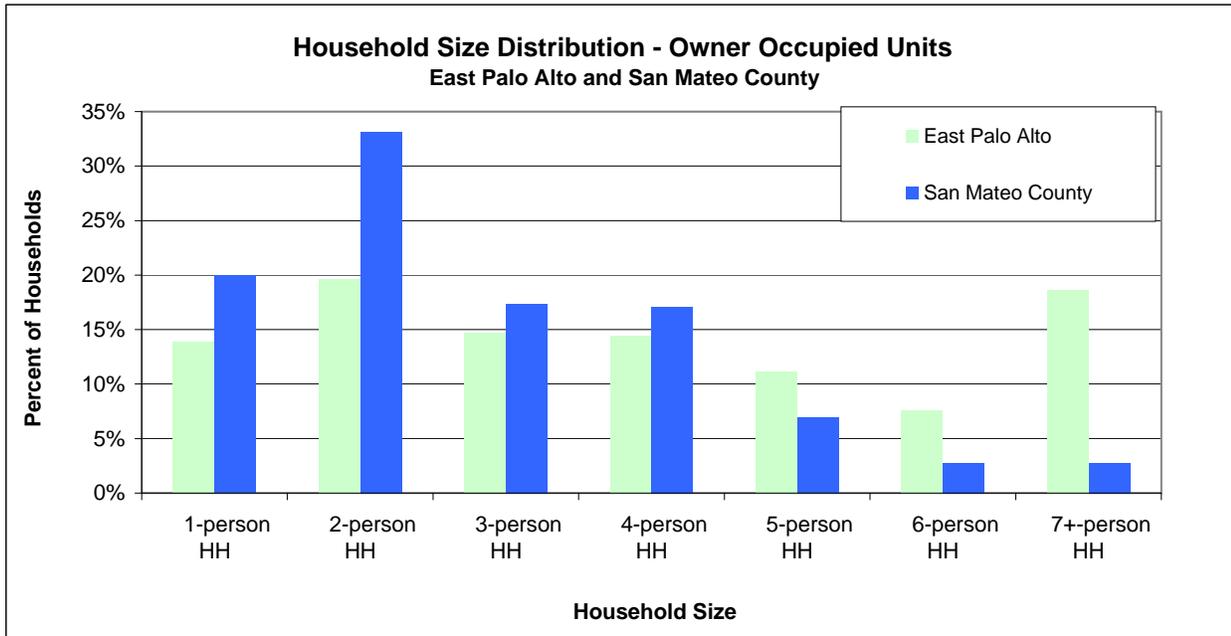
Average Asking Rents (2009 data)

	<u>East Palo Alto</u>	<u>San Mateo County</u>
1 BR	\$1,055	\$1,598
2 BR	\$1,966	\$2,178
3 BR	\$2,111	\$2,596
Average	\$1,576	\$1,772

Source: City of East Palo Alto 2010 Housing Element.

Table 10
Occupied Housing Units by Household Size, Tenure
East Palo Alto Housing Conditions and Displacement Analysis
Menlo Park Facebook Campus Project
Menlo Park, CA

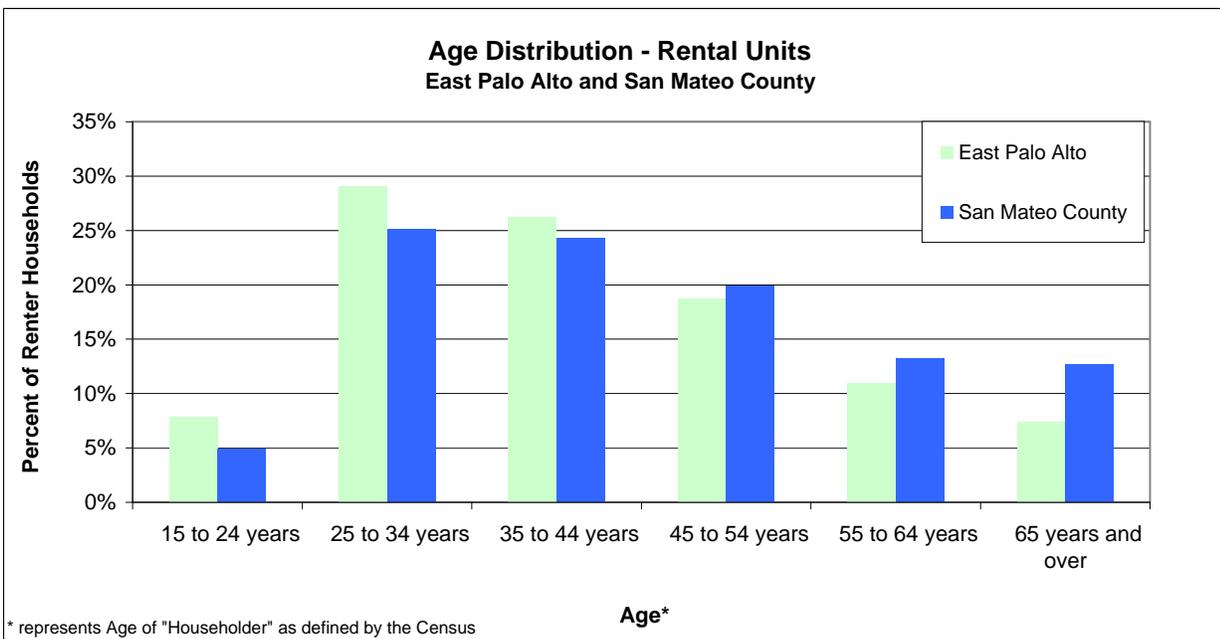
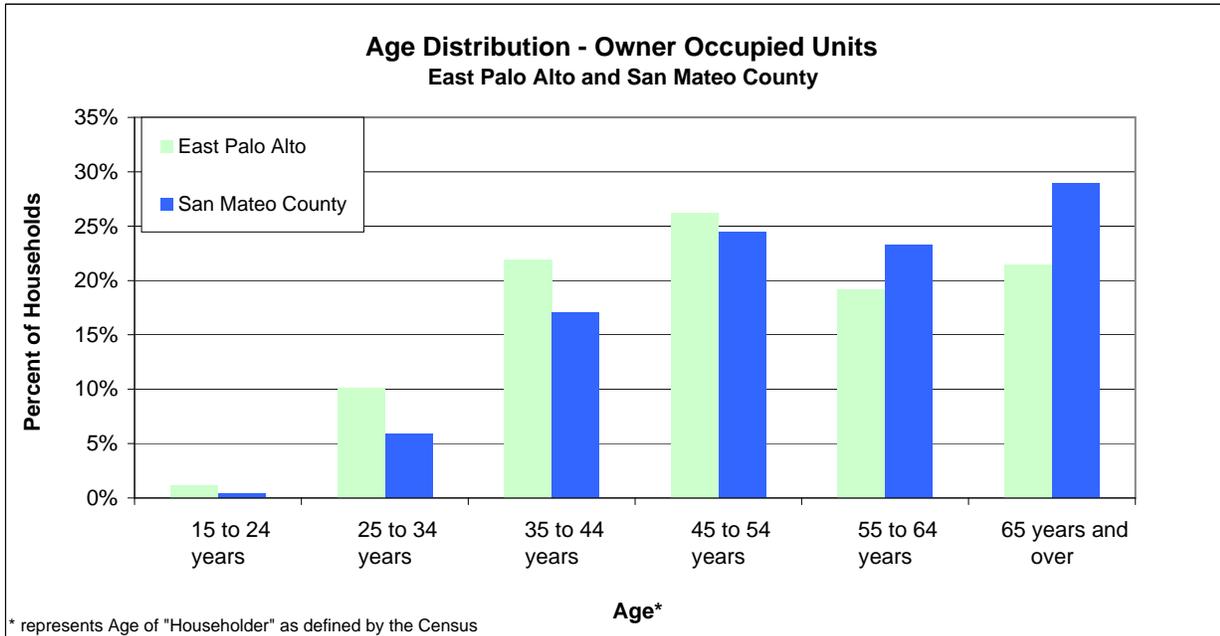
December 21, 2011



Source: 2010 US Census Summary File 1, QT-H2: Tenure, Household Size, and Age of Householder: 2010

Table 11 A
Age Distribution of Owner and Renter Households
East Palo Alto Housing Conditions and Displacement Analysis
Menlo Park, CA

December 21, 2011



Source: 2010 US Census Summary File 1, QT-H2: Tenure, Household Size, and Age of Householder: 2010

Table 11 B
Age Distribution
East Palo Alto Housing Conditions and Displacement Analysis
Menlo Park Facebook Campus Project
Menlo Park, CA

December 21, 2011

<u>Age Group</u>	<i>East Palo Alto</i>		<i>San Mateo County</i>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under 18 Years	8,976	32%	159,772	22%
18 to 24 Years	3,487	12%	55,127	8%
25 to 44 Years	8,897	32%	207,434	29%
45 to 64 Years	5,120	18%	199,856	28%
<u>65 Years and Over</u>	<u>1,675</u>	6%	<u>96,262</u>	13%
Total Population	28,155		718,451	
<i>Median Age</i>	28.1		39.3	

Source: 2010 Census Summary File 1.

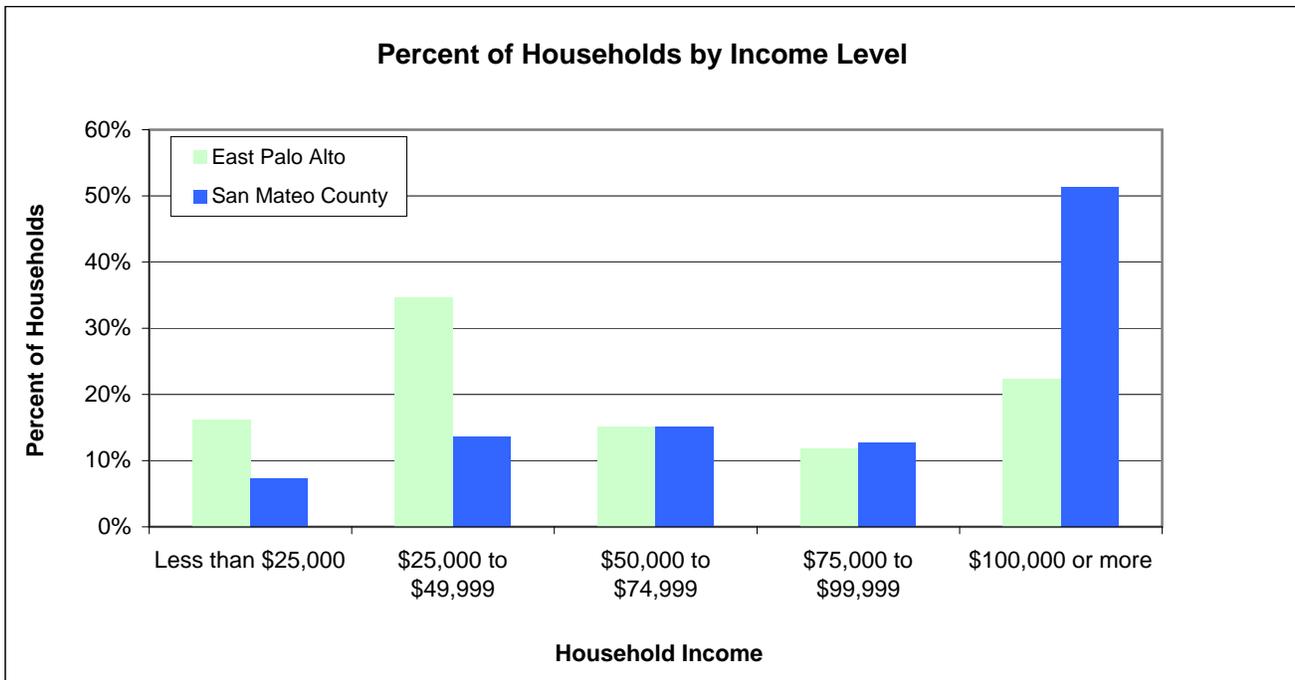
Table 12
Employment Status and Income Data
East Palo Alto Housing Conditions and Displacement Analysis
Menlo Park Facebook Campus Project
Menlo Park, CA

December 21, 2011

Employment Status	<i>East Palo Alto</i>		<i>San Mateo County</i>	
	Number	Percent	Number	Percent
Employed	12,783	61%	363,852	64%
Unemployed	1,263	6%	29,571	5%
Not in Labor Force	6,868	33%	178,541	31%
Total Population Over 16 Years	20,914	100%	571,964	100%

Household Income

Median Household Income (2010 dollars)	\$49,146	\$85,569
Percent of Families Below Poverty Level	13.6%	4.60%



Source: 2008-2010 American Community Survey 3-Year Estimates