



CITY OF EAST PALO ALTO
Community Development Department— Planning Division
1960 Tate Street • East Palo Alto, CA 94303
Tel: (650) 853-3185 • Fax: (650) 853-3179

May 26, 2011

Justin Murphy, Development Services Manager
City of Menlo Park
Community Development Department, Planning Division
701 Laurel Street
Menlo Park, CA 94025

Re: Notice of Preparation for Facebook / 1601 Willow Road (10-19 Network Circle) East Campus and 312-314 Constitution Drive (West Campus)

Dear Mr. Justin Murphy:

The City of East Palo Alto (EPA) Planning Division and Redevelopment Agency have reviewed the Notice of Preparation (NOP) for the Facebook project. The City has identified housing and traffic as areas where there would be the potential for significant adverse impacts to the environment.

The Planning Division's comments regarding those issues are identified below.

Housing Affordability

It is anticipated that the spillover effect of Facebook employees who choose to purchase and rent housing in East Palo Alto could be significant. Based on a review of the housing and jobs data outlined below and memoranda provided by regional agencies, the Planning Division anticipates that a percentage of the local employees who choose to reside close to work or cannot afford housing in Menlo Park will displace EPA residents.

Without a better understanding of the earnings associated with Facebook employees, the Planning Division cannot accurately forecast the outcome. Several scenarios are identified below, which identify areas of potential concern for further investigation by the environmental consultants and/or city. A review of the U.S. Bureau of Labor Statistic's economic data suggests that affordable housing impacts might be lessened if Facebook employees are classified in the Professional, Scientific, and Technical Services sector, since this classification of employee earns an estimated annual income of \$150,000. In this case, a larger percentage of Facebook employees are assumed to have access to the local housing market in Menlo Park. If however most of the employees are classified in the Information Sector, which has estimated annualized earnings in the fourth quarter of 2010 of \$60,000, the pressure on housing in the City of East Palo Alto could be substantial, and could have significant environmental and social policy outcomes, as EPA is one of the last places in the mid-peninsula with housing within the range which low income households can afford. Local zoning and housing regulations were crafted in response to this unique situation. Recent data provided by the Equity Working Group for the

Metropolitan Transportation Commission (MTC) identifies declining affordability in the Menlo Park region near where Facebook is proposing to locate. This suggests that as housing becomes less affordable in Menlo Park, more individuals who would have purchased or rented there will be forced to reside or buy in the City of East Palo Alto (*See Attachment 1 – May 4, 2011 entitled – Identifying Communities of Concern and Other Relevant Equity Populations*).

To ensure continued affordability for as long as a city resident maintains his or her residence, the EPA City Council proposed a measure for the ballot, and the local residents overwhelmingly voted for a Rent Stabilization and Just Cause Eviction Ordinance (RSO). In accordance with the Costa Hawkins Act, residential tenancies which expire are reset to the market rate, which affects a significant share of the local housing. In some communities, it is anticipated that more than 50% of housing units reset to the market rate within 7 years. This is important for two reasons:

- First, the average household price, while lower than the surrounding communities of Menlo Park and Palo Alto, is still too high for many of the households within the City to afford without spending more than 30% of their income on housing. As identified in the EPA Housing Element adopted June 15, 2011, 79% of EPA residents are low income.
- Second, since many of the city's dwelling units are located in close proximity to the Facebook campus, and are exempt from the RSO, as they are less than four units, it is anticipated that a percentage of Facebook employees will seek housing in the local market, which therefore reduces the local supply and affordability of housing.

Finding 1 - Based on the foregoing, it is anticipated that a percentage of Facebook employees are likely to displace residents of East Palo Alto, and displacement is likely to result in increased residential densities above that which is permitted by the Health and Safety Code

Traffic and Greenhouse Gases

While those Facebook employees who reside near campus could commute using non-motorized means and thereby have a positive impact on greenhouse gases, those employees will need programs to encourage this type of activity and local infrastructure improvements to allow for safe passageways. Unless programs are encouraged and local infrastructure improvements are made, there is greater potential for this group of workers to drive through the city's side streets to access the campus, especially when the arterials are congested, as is frequently the case during the AM and PM peak hour. The additional traffic and the lack of adequate infrastructure will decrease the safety of non-motorized transportation through these streets.

Finding 2 - If the proposed expansion is unmitigated, the project will likely have detrimental impacts on the local community through increased greenhouse gases, and reduced non motorized mobility without concomitant infrastructure improvements, especially for those households traveling to the Facebook Campus traveling from the south.

The Redevelopment Agency's four comments are below.

First, the City of East Palo Alto and the City of Menlo Park will need to coordinate efforts to ensure that the traffic counts from the City of East Palo Alto's Ravenswood/4 Corners Transit Oriented Specific Plan (Specific Plan) and Program EIR are included in the Facebook project's

cumulative traffic scenario. The Specific Plan Area is generally bounded at the west by University Avenue; at the north by the Union Pacific rail line, where future passenger rail service is planned; at the east by the Ravenswood Open Space Preserve and Palo Alto Baylands along the San Francisco Bay; and at the south by Weeks Street. The net development estimates are shown in Table 1.

TABLE 1 NET Development Estimates for Specific Plan Area

Land Use	Estimated Net Development
Single-Family Residential	19 dwelling units
Multi-Family Residential	816 dwelling units
Office	1,268,500 square feet
Retail	112,400 square feet
R&D/Industrial	351,820 square feet
Civic Uses*	61,000 square feet
Parks and Trails	30 acres

* Potential civic uses include a school, a community center, an expanded library, health services, and a recreation center.

Detailed information is available at the Specific Plan website at: <http://www.ci.east-palo-alto.ca.us/economicdev/dumbarton.html> The Draft Program EIR should be available in August/September 2011.

Second, the Alternatives Analysis Memo for the Specific Plan identifies 84% of the traffic on University Avenue as “cut through traffic” that neither originates nor ends in East Palo Alto. To adequately analyze the potential impact of the Facebook Campus Project, please add the following intersections to the TIA.

1. University Avenue/Hwy 101 NB on-off ramp.
2. University Avenue/Hwy 101 SB on-off ramp.
3. University Avenue and Bell Street
4. University Avenue and Purdue Ave.

Third, please provide direction as to the need or desire of Menlo Park or Facebook to accommodate a station for the Dumbarton Rail Project in the vicinity of Willow Ave. Previous Dumbarton Rail Corridor planning documents identified a station near Willow Ave.

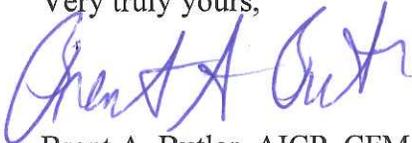
Fourth, please include the following individuals in all notices related to this project.

Brent Butler
Planning Manager
East Palo Alto Planning Dept.
1960 Tate Street
East Palo Alto, CA 94303
bbutler@cityofepa.org

Sean Charpentier
RDA Project Coordinator II
East Palo Alto Redevelopment Agency
1960 Tate Street
East Palo Alto, CA 94303
scharpentier@cityofepa.org

Thank you for this opportunity to comment. We look forward to working collaboratively with the City of Menlo Park.

Very truly yours,



Brent A. Butler, AICP, CFM
Planning Manager
City of East Palo Alto

Attachment 1: May 4, 2011 entitled – Identifying Communities of Concern and Other Relevant Equity Populations).

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To: Equity Working Group

From: Jennifer Yeamans

Date: May 4, 2011

Re: Identifying Communities of Concern and Other Relevant Equity Populations

Creating a Framework for Alternative Scenarios Analysis

Building on the discussion of elevating regional equity priorities at our April meeting, the next major task is defining a framework for equity analysis for the Alternative Scenarios. A typical equity analysis framework has two key components: one component defines the specific populations of concern to be analyzed, and the other defines a set of performance measures that will provide quantitative data with which different planning scenarios can be compared to each other, and different population subgroups can be compared to each other (such as "low-income" vs. "not low-income").

There are two related goals within this task of developing the framework that we will be exploring over the next several months:

- (1) to understand how the equity analysis framework will satisfy federal guidance the U.S. Department of Transportation issues metropolitan planning organizations like MTC regarding civil rights and environmental justice in long-range planning; and
- (2) to explore and identify which combinations of possible population definitions and possible measures provide the best "fit" to inform the priority equity issues with quantitative analysis.

Overview of Populations and Communities for Consideration

Attachment A lists a summary of potential populations that may be considered for analysis. The list is broken into two groups, based on the methodological approach to analyzing the populations. Population groups that MTC must include to satisfy federal guidance are noted in boldface.

There are two main differences to note between the "population-based" and "geographic-based" definitions. The first difference is in how the regional population is broken out for analysis: the population-based approach captures *all persons* in a given population subset *wherever they may live* in the region; the geographic-based approach, by contrast, is a spatial definition, where geographic subregions are defined based on whether the populations *within those subregions exceed a given threshold* for a certain population of concern.

The second difference reflects how forecasting assumptions are applied to the target population: the population-based definition reflects ABAG population and economic forecasts for the planning horizon year, while the geographic-based definitions are not forecast spatially and therefore must be analyzed based solely on the *current location* of these populations.

MTC's current Community of Concern definition, for example, is a geographic-based definition. By contrast, the low-income population used in the Initial Vision Scenario equity analysis was a population-based definition that looked at all low-income households throughout the region.

(over)

Reviewing Low-Income and Minority Communities of Concern

MTC's low-income and minority Communities of Concern, used in the past two RTP Equity Analyses, were defined based on 2000 Census data, and represent travel analysis zones (similar to census tracts) where more than 70 percent of the population is a member of a minority group, or more than 30 percent of the population is below 200 percent of the federal poverty level.

More up-to-date socioeconomic data is now available from the Census Bureau for these fine-grained geographies, providing tract-level averages for the period 2005-09 (the Census Bureau uses this five-year timeframe to obtain an adequate sampling rate for these smaller geographies) for race/ethnicity and income level, and for 2010 for race/ethnicity only. At your May meeting, staff will present maps showing updated locations of the region's minority and low-income population concentrations relative to 2000 data (see attached). Staff requests you consider the following in providing feedback on characterizing low-income and minority populations for the equity analysis:

1. Should the analysis of low-income and minority populations (a) employ the same 70% minority/30% low-income thresholds for the 2005-09 data; (b) employ a higher threshold such as 75% minority/35% low-income for the 2005-09; or (c) use something different altogether?
2. Is it preferable to use race/ethnicity and income data from the same data set representing the same "universe," or is it preferable to use the most up-to-date data wherever possible, even if they are from different data sets and represent different "universes"? Example: more recent data is available from the 2010 Census for race/ethnicity at the tract level, while 2005-09 is the most recent data available for income at that level.

Next Steps and Timeline

Building on discussions of relevant populations and communities for analysis, staff will bring an initial framework of proposed equity measures matched with relevant populations of concern to your June meeting for discussion and feedback. This will include a summary of comments and input received at earlier meetings that was flagged for follow-up in the Alternative Scenarios analysis work. While discussions of development of other, off-model analyses will be ongoing throughout the development of the Alternative Scenarios, the model-based framework will need to be in place by July in to meet the timeframe needed to carry out technical analysis of the Alternative Scenarios. To meet this July timeframe, staff proposes the following schedule over the next three meetings:

<u>Meeting</u>	<u>Goal</u>
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- | | |
|------|---|
| May | <ul style="list-style-type: none">• Review equity-related populations and communities |
| June | <ul style="list-style-type: none">• Review and provide input on staff proposal for framework matching populations with relevant model-based equity measures• Identify critical off-model issue(s) for analysis |
| July | <ul style="list-style-type: none">• Finalize model-based framework, proceed with technical analysis of Alternative Scenarios• Initial report back on possible off-model analysis (continues to August) |

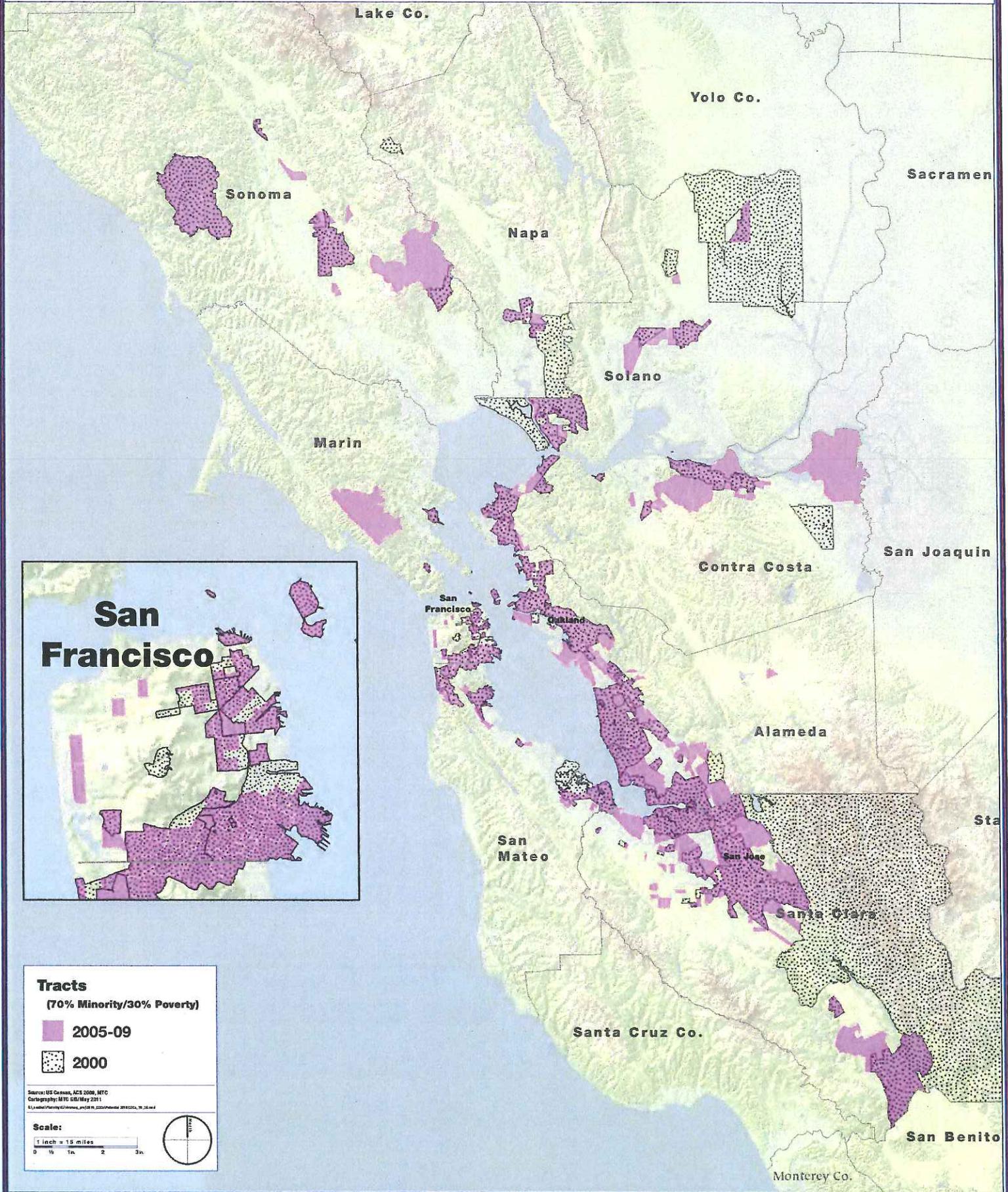
Attachment A
DRAFT – May 4, 2011

Potential Population/ Community Definitions		Data Source
Level of Analysis		
<p>Population-based "disaggregate" analysis; accounts for every member of the population of concern at the individual or household level, regardless of location.</p> <p>Future-year forecasts are generally based on ABAG's demographic and economic projections for these populations.</p>	Low-income status (by income quartiles; low-income = appx. \$35,000/yr. or below)	ABAG
	Senior (e.g. over 65)	ABAG
	Youth/young adults (e.g. 5-20)	ABAG
	Auto availability (zero-vehicle households, households with fewer autos than workers)	MTC estimates
	Specific family characteristics (e.g. low-income households with children, seniors living alone)	MTC travel model population synthesizer
<p>Geographic-based "aggregate" analysis; accounts for all members of a particular geographic area (i.e. census tract/travel analysis zone) identified as above a certain threshold for a population of concern.</p> <p>These characteristics are not forecast, so future-year analyses must assume these population concentrations remain located where they are today.</p>	Minority status (based on race/ethnicity)	Census 2010 American Community Survey (ACS) 2005-09
	Low-income status (based on 200% of federal poverty level)	ACS 2005-09
	MTC-defined "community of concern" * (population greater than 70% minority or 30% low-income)	Census 2000 (current definition) ACS 2005-09 (to update)
	Limited English Proficiency (people who do not speak English well or at all)	ACS 2005-09
	People with disabilities	Census 2000
	Other socioeconomic characteristics derived from Census Bureau data (e.g. educational attainment, employment status, renter vs. owner status)	ACS 2005-09
	Other community definitions based on current-year conditions, such as highlighted in other agency or outside reports (e.g. overburdened renters, below-average transportation availability)	Varies

Bolded indicate populations protected under Title VI and federal Environmental Justice regulations within MTC's long-range planning context.

* denotes definition used in *Transportation 2035 Equity Analysis*

70% Minority and/or 30% Low Income



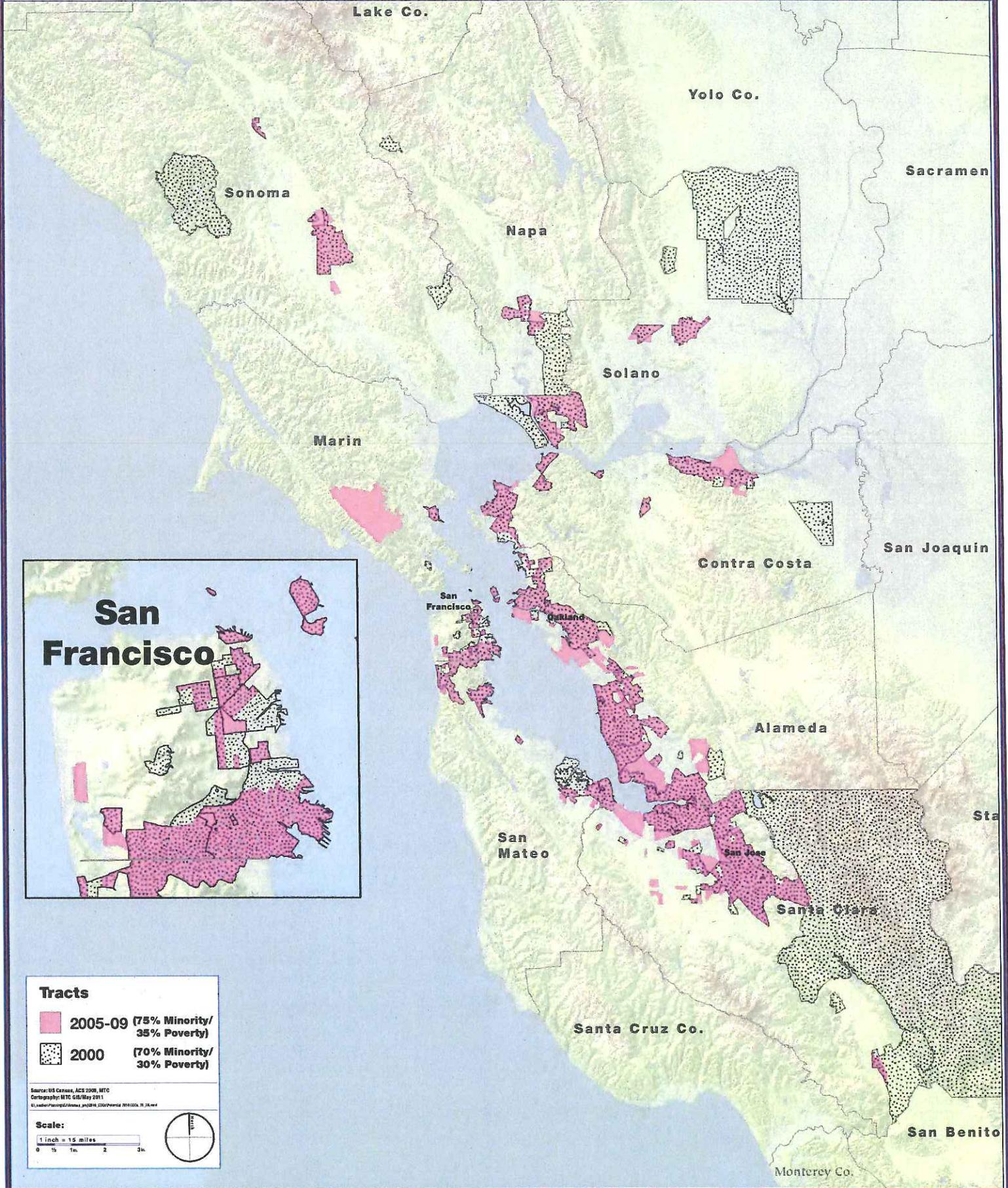
75% Minority and/or 35% Low Income

M Metropolitan Transportation Commission
Planning, Financing and Coordinating
Transportation for the nine-county
San Francisco Bay Area

Research and Demographic Unit

DRAFT

Geographic Information Systems Unit



Tracts

- 2005-09 (75% Minority/
35% Poverty)
- 2000 (70% Minority/
30% Poverty)

Source: US Census, ACS 2009, MTC
Cartography: MTC GIS/Map 2011
C:\Users\patterson\Documents\proj\GIS\2009\POV\2009_POV_75_35.mxd

Scale:

1 inch = 15 miles
0 1/2 1m 2 3m

