

Grossman, Rachel M

From: Omar Chatty <omarchatty@mindspring.com>
Sent: Monday, January 30, 2012 11:58 AM
To: Grossman, Rachel M
Cc: patrickjcotter@fb.com
Subject: Facebook Campus EIR Comment - input for EIR analysis & consideration

Importance: High

To: Ms Grossman,
January 30, 2012. 11:58am
Subject: Menlo Park Facebook Campus EIR

My comments on the EIR focus on the Vehicular Transportation section and dovetail nicely, with solution potential to consider that are consistent with East Palo Alto's documented concerns, as follows:

<http://www.ci.east-palo-alto.ca.us/citycouncil/reports/Jan242012/Item18Facebook.pdf>

However, I would like to propose some solutions from my 30 years of transportation involvement as an activist for better, more cost efficient, safe, and effective roads and transit.

- 1) The EIR should study environmentally sensitive and aesthetic, and most importantly, safe interchanges for the now deadly SR84 and University, and, SR84 and Willow, where a 6 year old child and a Pulitzer Prize winning author, commentator, and columnist were killed in the at-grade intersection, that is not contemplated to be converted to safe overpasses that will work well with the tunnel, as well as accommodate pedestrians, cyclists, automobiles, two-wheeled motorized cycles/mopeds, shuttles, delivery vans, trucks, and can provide a view site at the height of the overpasses to fit with the environment, but provide a nice touch to observe wildlife in the wetlands. Facebook can fund such overpasses (also at Chilco?) and can reduce the risk to its Intellectual Property (its employees and visitors), healthcare costs by improving the safety of its employees. Facebook can act ahead of tragic loss to its employees, vendors and others who visit the large campus to fund these overpasses, unlike San Jose's former IBM Plant on Cottle Road (now Hitachi-owned) where 3 employees were slaughtered when their car was hit by a train while they were enroute to the IBM campus in the early 70's. Only after the accident, did IBM donate \$1M (at that time a lot of money) to build an overpass over the rail tracks and Monterey Road (SR82).
- 2) Facebook should become an activist to replace at-grade Caltrain and the proposed Dumbarton Rail projects with BART up/down the Peninsula to serve the communities where its employees will inevitably live and commute to/from. BART is safer, cleaner, more frequent, and the shuttles Facebook has committed to Caltrain, will serve the same stations that BART will use (build) when BART replaces Caltrain and averts the need for the Dumbarton Rail, including Menlo Parks proposed (formerly RDA-funded) transit station. BART connected to Millbrae and San Jose/Santa Clara's funded station (2018 completion) will completely connect the Bay with congestion-reducing, GHG-reducing, backbone electric rail transit, possibly by 2022 (BART's 50th anniversary). In addition, if the overpasses to SR84 have a viewshed issue, running BART up the Peninsula eliminates the need for the Dumbarton Rail--and thus the cement and steel decaying pylons in the Bay...thus, enabling this lower section of the SF Bay to return to its natural, pre-1910 wetland state of a clear, unobstructed, ugly view of man-made artifacts that obscure the Bay and its natural habitat.

3) Consider partnering with Caltrans and San Mateo Transportation Commission and other stakeholders to buy right-of-way at the end of SR84 at Marsh RD to preserve a desperately-needed non-stop interchange, like the SR92/US101 interchange with US101. This can be funded via US Congress earmarks, with Facebook's support and will definitely relieve much traffic through East Palo Alto as motorists will no longer need to stop at any traffic lights to get to/from US101 and SR84. Local E.PA and MP roads return to locals' use, including local employees, not longer clogged by most through traffic or those going to/from Facebook's campus through city streets. Most drivers would prefer a non-stop freeway-to-freeway route, even if a little bit longer than inching through city streets (more dangerous and polluting), thus connecting SR84 at Marsh with US101 by an interchange, and a parallel collector road to handle Chilco and Chrysler streets for a SR84 safe grade-separated crossing will significantly mitigate Facebook campus's traffic and East Palo Alto's valid surface street congestion impacts, as Commented in the URL I pasted in above.

Please consider these options in the Final EIR to enable Facebook to be a fully-beneficial member of the community, as they've demonstrated is their interest so many times already.

Omar Chatty
omarchatty@mindspring.com
Freemotorist.blogspot.com
San Jose - Home
Palo Alto - Work site

CITY COUNCIL/REDEVELOPMENT AGENCY

TUESDAY JANUARY 24, 2012

ITEM No. 12

POLICY & ACTION

**Facebook Campus Project
Draft Environmental Impact Report Comments**

*(John Doughty, Director, Community Development Department,
Kathleen Kane, City Attorney,
Carlos Romero and David E. Woods, City Council Ad Hoc Committee)*

RECOMMENDATION:

Staff recommends the City Council:

- 1. Consider the information contained in the report and comments provided during the public discussion; and**
- 2. Direct staff to prepare a formal comment letter to the City of Menlo Park regarding the Facebook Campus Project Draft Environmental Impact Report; and**
- 3. Authorize Mayor Martinez to sign the final comment letter and forward to Menlo Park no later than January 30, 2012.**

MISSION STATEMENT

The City of East Palo Alto provides responsive, respectful, and efficient public services to enhance the quality of life and safety of its multi-cultural community.



CITY OF EAST PALO ALTO
COMMUNITY DEVELOPMENT DEPARTMENT
1960 Tate Street • East Palo Alto, CA 94303

Date: January 24, 2012

To: Honorable Mayor and Members of the City Council

Via: ML Gordon, City Manager

From: John Doughty, Director, Community Development Department
Kathleen Kane, City Attorney
Carlos Romero, City Council Member
David Earl Woods, City Council Member

Subject: Facebook Campus Project Draft Environmental Impact Report Comments

RECOMMENDATION:

Staff Recommends that the City Council:

- 1) Consider the information contained in the Staff Report and comments provided during the public discussion; and
- 2) Direct staff to prepare a formal comment letter to the City of Menlo Park regarding the Facebook Campus Project Draft Environmental Impact Report; and
- 3) Authorize Mayor Martinez to sign the final comment letter and forward to the City of Menlo Park no later than January 30, 2012.

ALIGNMENT WITH CITY COUNCIL STRATEGIC PRIORITIES:

The recommendation is primarily aligned with:

- Priority #1 *Enhance Public Safety and Emergency Preparedness*
- Priority #4 *Improve Public Facilities and Infrastructure*
- Priority #6 *Create a Healthy and Safe Community*

BACKGROUND:

On December 8, 2011, the City of Menlo Park released a Draft EIR (DEIR) for the proposed East and West campuses of Facebook (Project) proposed in the City of Menlo Park, adjacent to the City of East Palo Alto. The East Campus is proposed within the existing former Oracle/Sun Microsystems campus. The West Campus (formerly General Motors/Tyco Electronics) is proposed to be redeveloped with up to 440,000 square feet of structures. The project calls for up to 9,400 employees within the combined campuses. The East Campus is currently permitted to house up to 3,600 employees based upon previous entitlements and Facebook has initiated occupancy of the East Campus. Facebook is seeking authorization to increase the East Campus to a

total of 6,600 employees and add up to an additional 2,800 on the West Campus. The proposal is unique in that Facebook has proposed to utilize a vehicle trip base cap rather than a more traditional employee based cap. As such, the project proposes Transportation Demand Management (TDM) at levels not typically realized with projects located outside mass transportation corridors and dense areas like San Francisco. This site has been described by some Menlo Park residents as being "on the fringe of the City".

The City of Menlo Park is the Lead Agency per the California Environmental Quality Act (CEQA). Per CEQA, an EIR is required where it has been determined by the Lead Agency that the project could lead to potentially significant unavoidable and unmitigatable effect on the environment. The EIR determined that there are three issue areas of significant unavoidable impacts (*See Attachment A – Menlo Park Planning Commission – Staff report dated January 9, 2012.*)

A notice of Preparation (NOP) was issued for the project on April 21, 2011 in which comments were solicited regarding the scope of the environmental analysis. The City of East Palo Alto provided a written letter of response to the NOP on May 26, 2011 (*See Attachment B*). The City's comments identified concerns three principal areas: housing affordability and displacement; greenhouse gas emissions; and traffic/transportation.

On December 13, 2011, City of Menlo Park staff presented an overview of the Draft EIR and process to the East Palo Alto City Council and community. The City Council and community raised a number of concerns regarding the potential impacts of the project on housing and transportation. Additionally, Mayor Martinez requested, in light of the upcoming holiday season, an extension of the comment period on the EIR from 45 to 60 days. Menlo Park staff indicated they did not have the authority to extend the comment period. At this meeting, the Mayor appointed an Ad Hoc committee (Councilmembers Romero and Woods) to help staff coordinate formal comments on the project.

On December 22, 2011, the mayor sent a formal request to the City of Menlo Park requesting the comment period (*See Attachment C – Letter from Mayor Martinez*). On January 10, 2012, the Menlo Park City Council approved a one week (7-day) extension of the comment period. At this point comments are due by 5:30 PM on January 30, 2012.

The Ad Hoc Committee has met twice to discuss and coordinate comments regarding the project. The staff report reflects the input of the Ad Hoc committee.

ANALYSIS:

The City has taken the opportunity to review the Facebook Campus Project Draft EIR. In addition to City staff review, the City contracted with CHS Consulting (Paul Krupka) to provide additional assistance in review of traffic and transportation. The focus of staff review has been on issues and impacts, of the Project, on the City of East Palo Alto;

however, it is our intent to include comments and suggestions beyond those that have direct impacts to the City.

In general, we are disappointed that the Draft EIR does not adequately consider the potential impacts to the City of East Palo Alto or consider potential mitigation measures to address those impacts. Further, we are disappointed that the EIR has chosen to take the approach that partial mitigation of impacts is not warranted/desirable. In many instances, these partial mitigations could be of significant benefit to the residents of East Palo Alto and Menlo Park. This report has been prepared not as an all inclusive listing and discussion of the comments to the EIR, but as a means to convey to the City Council and community significant concerns and issue areas that staff, with concurrence, intends to include in the formal comment letter to the City of Menlo Park. The direction of the East Palo Alto City Council will be formulated into the City's formal comment letter that is due by January 30, 2012.

Staff is suggesting the following issue areas for inclusion in the formal letter:

Issues

A. General Issues

1. Section 3.2 of the DEIR references the documents, plans and regulations that apply to the Project. Notably missing in this Section is reference to the City of East Palo Alto General Plan which includes the City's Circulation Element and Certified Housing Element. These elements along with the context of the remaining elements should have been consulted, referenced and utilized in the analysis given the proximity of the project to the City. Given that there is no reference to any City of East Palo Alto Plan, it can be assumed that none of the analysis included City policies and criteria.
2. The DEIR acknowledges the adoption of an amendment to the BCDC Bay plan in October of 2011. This revision includes climate change policies and adaptation strategies that are critical to protecting the SF Bay and the man-made structures adjacent to the Bay. As flooding is of significant concern to the City of East Palo Alto, failure of the project to address and mitigate potential sea level rise and adaptation could be detrimental to the City of East Palo Alto. The DEIR should be revised to analyze the project and include mitigations per the most up-to-date BCDC Bay Plan.
3. The DEIR is inconsistent in its use and documentation of data. As an example, the housing analyses and Greenhouse Gas analyses both discuss current employee places of residence; however, each appears to be using a different set of data. Further, the DEIR utilizes the American Community Survey in instances where far more reliable and quantifiable data is available. The ACS should be used only as a last resort as it is what it says, a survey not an analysis.

B. Specific Issues

1. Transportation--Vehicular

- a. The Draft EIR fails to analyze the potential vehicular traffic impacts on critical streets and intersections in the City. For those streets and intersections the DEIR chose to analyze, the DEIR concluded substantially less of an impact to the City of East Palo Alto transportation system than other studies and analyses have concluded.
- b. The DEIR identified only nominal project traffic from the project on University Avenue. Additionally, the DEIR mislabeled the entire section of University Avenue as State Route 109 which led to incorrect threshold analyses (City versus Caltrans thresholds).
- c. The DEIR fails to consider that a significant number of Facebook employees are and will in the future, be arriving from the south on the Bayshore Highway (HWY 101) and to assign appropriate trip counts to East Palo Alto streets.
- d. The report assumes that employees commuting from the south will utilize bypass two earlier access options (Embarcadero Street in Palo Alto and University Avenue in East Palo Alto) in favor of traveling an additional miles further to exit at Willow Road. This conclusion not only defies logic, but is contradictory to how commuters are presently behaving.
- e. The report fails to acknowledge legitimate commuter options such as Embarcadero Road (Palo Alto) to East Bayshore Drive and the resulting impacts of cut-through traffic on East Palo Alto local streets including Pulgas Avenue, Clarke Street, Bay Road and University Avenue.
- f. The DEIR allocates 0-percent of the project trips to University Avenue in the City of East Palo Alto with no justification for doing so.
- g. Despite having stated that 20+ percent of the current workforce resides in the City of Palo Alto, the DEIR fails to consider the commute activities of Palo Alto residents seeking access through the City of East Palo Alto.
- h. The DEIR fails to recognize and analyze traffic and commuter activity given the existence of a second access to Facebook less than 300-feet the intersection of University Avenue and the Bayfront Expressway. The DEIR assumes virtually all traffic will utilize Willow Road despite an unmitigatable intersection at Willow Road and Newbridge Street.
- i. It appears that the DEIR did not evaluate/include the analysis or conclusions contained in the 2020 Peninsula Gateway Corridor Study prepared by C/CAG in 2008 or the Willow Road and

University Avenue-Traffic Operations Study and Recommended Near Term Improvements prepared by C/CAG in 2011.

- j. Overall, the DEIR failed to address the potential impacts of the Facebook Project on the City of East Palo Alto roadway system. Existing congestion and delays will only be worsen along the University Avenue corridor in the City of East Palo Alto. Congestion, based on the DEIR, will only worsen along Willow Road in Menlo Park. Alternate routes will be sought and many of those routes will be in the City of East Palo Alto.

b. Transportation Demand Management (TDM)

- a. The Project proposes a trip based rather than employee based cap concept. This is particularly pertinent to the East Campus where the proponent proposes an almost doubling of the number of employees. As such the DEIR presumably assumed an almost 50% reduction in trips through the TDM program. While the City of East Palo Alto commends the proponent for their environmental leadership, we remain highly skeptical that the goal can be at the proposed location and suggest that the DEIR analyze the impacts should the TDM goal of almost 50% not be realized.
- b. The DEIR fails to analyze in detail how the project will meet the TDM goals and appears to rely on the unsubstantiated information provided by the proponent. The DEIR must analyze more fully the proposed TDM program and should utilize substantiated data.
- c. It is unclear what data was used for the current employee places of residence. Was zip code data generated and utilized? If so, the DEIR should include the data. If it was not done, the zip code analysis should be completed.
- d. Unlike the Facebook site in Palo Alto, the proposed campus is located far from a rail corridor or transit hub. The site is located at the "fringe" of Menlo Park adjacent to the SF Bay. It lacks a core of high density residential for employees in proximity to the site. These factors tend to lead to higher TDM, but are not present at this site.
- e. The DEIR provides inadequate analysis of transit and potential light rail access and the impacts and needs of the transit/light rail system to serve the project.
- f. The DEIR proposes that a penalty fee be assessed if the project is found to be exceeding the trip based cap. This poses significant questions. First, how does payment of Citywide traffic impact fees (penalties) translate to addressing the impacts of the project in Menlo Park? Secondly and more importantly, how will these fees address the impacts of the

additional unmitigated trips on the City of East Palo Alto?
Additional analysis of the CEQA implications of this deferred mitigation is warranted including the allocation of a portion of these funds to the City of East Palo Alto for impact mitigation.

- g. The DEIR fails to analyze whether the penalties are adequate to encourage the proponent to meet TDM goals or are they simply a means to increase the employee base (is it just a cost of doing business?).
 - h. The DEIR assumes that the workforce characteristics will remain relatively static. The workforce characteristics throughout the area have changed. Housing and lifestyle changes tend to occur with a maturing workforce which also influence commute patterns. The DEIR is looking at long term impacts without considering a changing workforce.
 - i. The Final EIR should include an annual TDM monitoring and submit report to the City of East Palo Alto for its review.
 - j. The TDM Program mitigation measure as currently proposed is inadequate because there is no enforcement mechanism to ensure that estimate trip reductions are actually achieved.
 - k. The Mitigation Monitoring Plan should require annual traffic counts with specific daily trip limits. It should be enforceable with requirements to supplement the TDM program as needed to meet trip limits, or be subject to monetary penalties. Project phasing requirements should be another potential enforcement mechanism that could limit the square footage of future project phases if trip reduction targets are not met.
- c. Transportation--Non-Vehicular
- a. The DEIR fails to adequately analyze non-vehicular transportation needs. In particular, the DEIR inadequately addresses continuous and safe bicycle and pedestrian system needs within the City of East Palo Alto.
 - b. The project proposes to mitigate its impacts via TDM methods without analyzing needs and mitigation measures for major corridors including University Avenue, Bay Road, and Newbridge Street. Further, the DEIR fails to analyze the lack of pedestrian and bicycle access across HWY 101 from the City of Palo Alto to the City of East Palo Alto.
 - c. The DEIR fails to analyze potential alternate Bay Trail alignments within the City of East Palo Alto to serve bicycle commuters from the south and west.
 - d. The DEIR fails to analyze the safety impacts and implications of the increased traffic in the City of East Palo Alto and to identify potential mitigation measures.

d. Greenhouse Gas Analysis

- a. The data utilized in this analysis is unclear and suspect. The Technical Appendices indicates that information on commute/residence was provided by Facebook. In what form was this provided and how was it independently verified?
- b. As noted in the TDM discussion, the analysis failed to consider changes in workforce and commute patterns. Again assuming that the workforce will always be young and "hip" and living in the heart of San Francisco. Young and "hip" employees tend to eventually pair up and look at their lifestyle differently over time.

e. Housing

- a. The City remains steadfast in its belief that the Facebook project will result in physical change to the environment and should be included in the EIR as a significant impact.
- b. The Keyser Marston Associates (KMA) Study was provided late to the community which limited the time for review by the City and the public.
- c. The KMA Study was sloppy and cursory at best and reflected a lack of commitment to determining the potential impacts on housing in the City of East Palo Alto. Notably, the report indicates that their analyses of worker traits at Facebook were derived from newspaper articles rather than actual data.
- d. The study utilized the American Community Survey (ACS) for data. As noted earlier, the ACS is not the most accurate source of data on housing vacancies and occupancies. Notably, the ACS data reflected vacancy rates that were artificially created and manipulated by a large holder of property. Had analyses been conducted and/or questions been posed to the City, we are confident that the KMA Study would reflect different conclusions.
- e. Because of the artificially induced vacancies, KMA concludes that approximately 1000 rental units change occupancy every four years in the City of East Palo Alto. This number is inaccurate and reflects market manipulation rather than sustained and historic vacancy rates.
- f. The KMA Study concludes that there will likely be displacement of between 100 and 160 households in the City by the Facebook Project. Without more accurate data, the City does not feel that it is possible to reach this conclusion. That being said, the report should acknowledge the implications of the difference in household formations between the City of East Palo Alto and Menlo Park. Using current census figures, the displacement of persons would be almost three times greater in the City of East Palo Alto for a similar number of units.

providing additional details of concern. The Ad Hoc Committee plans to review the draft final letter later in the week. Staff is also recommending that Mayor Martinez be authorized to sign the letter.

FISCAL IMPACT:

The review of this DEIR by staff has no direct impact on the General Fund. These activities are part of the normal duties of City staff. The City entered into a contract with CHS Consultants for an amount not to exceed \$27,000. This contract is being funded by the General Fund.

Attachments:

- Attachment A - Menlo Park Planning Commission Report of January 9, 2012
- Attachment B - City Response Letter to NOP May 26, 2011
- Attachment C - Letter from Mayor Martinez
- Attachment D - Section 1 of DEIR
- Attachment E - Map of Needed Bike Route Improvements in East Palo Alto
- Attachment F - Map of Needed Pedestrian Crossing Improvements in East Palo Alto

ATTACHMENT A



PLANNING COMMISSION STAFF REPORT

FOR THE PLANNING COMMISSION
MEETING OF JANUARY 9, 2012
AGENDA ITEMS: E1, F1, G1

LOCATION:	<u>East Campus</u> – 1601 Willow Road <u>West Campus</u> – 312 and 313 Constitution Drive	APPLICANT:	Facebook Inc.
EXISTING USE:	<u>East Campus</u> – Corporate Campus <u>West Campus</u> – Unoccupied Office Buildings	PROPERTY OWNER:	<u>East Campus</u> – Wilson Menlo Park Campus <u>West Campus</u> – Giant Properties LLC (West Campus)
PROPOSED USE:	<u>East Campus</u> – Corporate Campus <u>West Campus</u> - Corporate Campus	APPLICATION:	<u>East Campus</u> - Conditional Development Permit Amendment, Development Agreement, and Environmental Review <u>West Campus</u> – Environmental Review
ZONING:	<u>East Campus</u> - M-2-X (General Industrial, Conditional Development) <u>West Campus</u> - M-2 (General Industrial)		

PROPOSAL

Facebook Incorporated (Facebook) seeks to develop an integrated, phased permanent headquarters to accommodate the company's long-term growth potential. This phased approach includes the development of an East Campus, followed by the development of a West Campus. Currently, Facebook is seeking land use entitlements for the East Campus, as well as environmental review for the entire Project, per the requirements of the California Environmental Quality Act (CEQA). The requested land use entitlements for the East Campus include amendment of the existing Conditional Development Permit (CDP) to convert the employee cap to a vehicular trip cap, as well as execution of a Development Agreement. Project plans, including schematic plans for the West Campus, are included as Attachment B to this staff report.

The 56.9 acre East Campus is currently developed with nine buildings, which contain approximately 1,035,840 square feet. The existing entitlements for the site allow up to 3,600 employees to occupy the site, and Facebook currently has approximately 2,000 employees at the site. The project sponsor has completed tenant improvements at the site to convert the hardware-intensive laboratory spaces and individual hard-wall offices to a more open, shared workspace characteristic of the Facebook work environment, which is intended to foster innovation, teamwork, and creativity.

As part of the proposed Project, the project sponsor seeks to convert the existing employee cap into a vehicular trip cap. The trip cap includes a maximum of 2,600 trips during the AM Peak Period from 7:00 a.m. to 9:00 a.m. and the PM Peak Period from 4:00 p.m. to 6:00 p.m. and a maximum of 15,000 daily trips. The trip cap would allow approximately 6,600 employees to occupy the East Campus.

The environmental review analyzes this proposal, as well as the build-out of the approximately 22-acre West Campus. This second phase of the Project contemplates construction of five buildings totaling approximately 440,000 square feet of gross floor area, consistent with M-2 zone requirements, and an associated five-story parking structure. 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 and approval of a CDP would be required to exceed the height limit. The project sponsor anticipates submitting land use entitlements for the West Campus in the latter part of this year.

The second phase of the Project is anticipated to house approximately 2,800 employees for a total of approximately 9,400 employees occupying both the East and West Campuses at full occupancy. The proposed Project would result in approximately 5,800 more employees than are currently permitted under the existing land use entitlements for the East Campus. However, unlike the existing entitlements for the East Campus, the Project proposal does not include a cap on the number of employees.

Specifically, the proposed phased Project would require the following actions:

East Campus – Phase I

1. **Conditional Development Permit Amendment** to convert the existing 3,600 employee cap to an AM and PM peak period and daily vehicular trip cap;
2. **Development Agreement** to create vested rights in project approvals, address implementation of the proposed design and infrastructure improvements in the project area, and specify benefits to the City; and
3. **Environmental Impact Report (EIR)** to analyze the potential environmental impacts of the proposal.

West Campus – Phase II

1. **Rezoning** the project site from M-2 to M-2-X to exceed the M-2 zoning district's 35-foot height limit and build up to 75-feet;
2. **Conditional Development Permit** to establish development regulations;
3. **Lot Merger/Lot Line Adjustment** would be required to merge the existing two parcels that make up the West Campus site; alternatively, a lot line adjustment would be required to ensure that no buildings cross property lines;
4. **Lot Line Adjustment** would be required to facilitate additional Emergency Vehicle Access (EVA);
5. **Heritage Tree Removal Permits** would be required for each heritage tree to be removed;
6. **BMR Agreement** for the payment of in-lieu fees associated with the City's Below Market Rate Housing Program;
7. **Development Agreement** to create vested rights in project approvals, address implementation of the proposed design and infrastructure improvements in the project area, and specify benefits to the City; and
8. **Environmental Impact Report (EIR)** to analyze the potential environmental impacts of the proposal (one EIR was prepared to analyze both the East and West Campus phases of the Project).

In addition, the land use entitlement process includes the development and review of a Fiscal Impact Analysis (FIA), which is currently available in draft form.

BACKGROUND

On February 8, 2011, the City received a preliminary application from Facebook to commence the environmental review process for the Facebook Campus Project described above. Since that date, numerous meetings have been held and milestones achieved, which are specified in the table below.

Date	Body/Milestone	Description
4/15/11	City Council	Review of EIR Notice of Preparation (NOP) schedule
4/21/11	Milestone	NOP released for public review
5/10/11	City Council	Authorization for City Manager to enter into consultant contract for transportation analysis
5/16/11	Planning Commission	EIR scoping session and study session
6/14/11	City Council	City Council authorization for City Manager to enter into consultant contracts for EIR and FIA
8/23/11	City Council	Review of public meeting process and tentative schedule
10/18/11	City Council	Appointment of Council Development Agreement subcommittee
11/15/11	City Council	Update on status of release of Draft EIR and Draft FIA
12/8/11	Milestone	Release of Draft EIR and Draft FIA
12/8/11	Public Outreach Meeting	To inform the community about the proposed project and the documents available for review
12/12/11	Bicycle Commission	To inform the community about the proposed project and the documents available for review
12/13/11	East Palo Alto City Council Study Session	To inform the Council and community about the proposed project and environmental impacts specific to the City of East Palo Alto
12/14/11	Transportation Commission	To inform the community about the proposed project and the documents available for review
12/15/11	Green Ribbon Citizen's Commission	To inform the community about the proposed project and the documents available for review
12/21/11	Milestone	Release of East Palo Alto Housing Affordability Analysis
1/4/12	Housing Commission	To inform the community about the proposed project and the documents available for review
1/4/12	Environmental Quality Commission	To inform the community about the proposed project and the documents available for review

Staff reports, presentations and minutes (the Public Outreach meeting did not have formal minutes prepared and some meeting minutes were not yet available at the publication date of this staff report) for the above referenced meetings are available at the City's web site, or at the Community Development Department at City Hall.

MEETING PROCEDURE

The purpose of the January 9, 2012 Planning Commission meeting is threefold, and includes the following items:

- 1. Public Hearing Item - Draft Environmental Impact Report:** Review of the Draft EIR for the Facebook Campus Project and provision of an opportunity for Planning Commissioners and members of the public to comment individually on the Draft EIR during the 47-day public comment review period, running through

January 23, 2012. Comments should be informed by the summary analysis in the Environmental Review section below and presentations by City staff at the January 9th meeting. Comments received during the public hearing on the Draft EIR will be transcribed by a court reporter and responded to as part of the Final EIR. Comments may also be submitted as written correspondence before the end of the comment period. The response to comments in the Final EIR will be reviewed at a subsequent Planning Commission meeting.

2. **Regular Business Item - Draft Fiscal Impact Analysis:** Review of the Draft FIA for the Facebook Campus Project and provision of an opportunity for Planning Commissioners and members of the public to comment individually on the Draft FIA. Comments should be informed by the discussion in the Draft FIA and presentations by City Consultants at the January 9th meeting. Comments received on the Draft FIA will be transcribed by a court reporter and included and responded to in the Final FIA.
3. **Study Session Item - Review of Facebook Campus Project Proposal:** An overview of the Project proposal, inclusive of the Development Agreement and associated public benefits will be provided and the Planning Commission and public will have the opportunity to provide feedback on the Project proposal

Given the extensive nature of the topics to be covered at the meeting, staff recommends the following meeting procedure to effectively and efficiently move through the three items included on tonight's agenda for the Facebook Campus Project

Draft Environmental Impact Report Public Hearing

1. Introduction by Staff
2. Draft EIR Overview Presentation by Staff
3. Public Comments on Draft EIR
4. Commission Questions of Staff/Consultant/Project sponsor on Draft EIR
5. Commissioner Comments on Draft EIR
6. Close of Public Hearing

Draft Fiscal Impact Analysis Regular Business Item

7. Introduction by Staff
8. Draft FIA Overview by City Consultant
9. Public Comments on Draft FIA
10. Commission Questions of Staff/Consultant on Draft FIA
11. Commissioner Comments on Draft FIA

Project Proposal Study Session

12. Project Overview Presentation by the Project sponsor
13. Public Comments on Project Proposal
14. Commission Questions of Staff/Project sponsor on Project Proposal
15. Commissioner Comments on Project Proposal

Immediate next steps after the January 9th meeting include a City Council Study Session on January 31st for the Council to learn more about the Project and identify any other information that is needed to ultimately make a decision on the Project.

Subsequent to the Study Session on January 31st, the City Council will have a regular business item at their meeting on February 14th to consider feedback from the Commissions, discuss environmental impacts and mitigations, public benefit, fiscal impacts, Project proposal, and provide direction on parameters to guide development agreements negotiations. Publication of the Final EIR and Final FIA are anticipated in April, with additional Planning Commission and City Council meetings in April, May and June of 2012.

PUBLIC HEARING ITEM D- 1: ENVIRONMENTAL REVIEW

The Draft EIR analyzes the potential impacts of the Project across a wide range of impact areas. The Draft EIR evaluates 16 topic areas as required by the California Environmental Quality Act (CEQA), as well as one additional topic area specific to the project site (Wind). The 16 required topic areas include: Aesthetics, Agricultural Resources, Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Greenhouse Gas Emissions, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use, Mineral Resources, Noise, Population and Housing, Public Services, Transportation, and Utilities. Given the phased nature of the Project, these topic areas were analyzed separately for both the East and West Campus, and then collectively for the entire Project proposal. Since the East Campus component of the project does not include ground disturbing activities or new construction, topic areas whose impacts are directly tied to ground disturbing activities and new construction were not analyzed for the East Campus. These topic areas include Aesthetics, Cultural Resources, Biological Resources and Wind.

The Draft EIR identifies significant and unavoidable impacts in the following categories: Air Quality, Noise, and Transportation. These significant and unavoidable impacts are explained in more detail below. A complete list of impacts and mitigation measures is included in section S.1 – Summary, of the Draft EIR. A comprehensive table of all potential environmental impacts and associated mitigations measure can be found in Tables S-1 (East Campus) and Table S-2 (West Campus), which begin on page S-5. Given the significant and unavoidable impacts associated with the Project, the City Council would be required to adopt a Statement of Overriding Consideration, if it determines that the Project's benefits outweigh the environmental impacts.

Summary of Significant and Unavoidable Project Impacts

The proposed Project would result in significant and unavoidable impacts in three issue areas. Specifics of those impacts are discussed below.

Air Quality

The increase in air pollutants, including nitrogen oxide (NO_x), reactive organic gas (ROG), and particulate matter (PM₁₀), during project operation would exceed the Bay Area Air Quality Management District (BAAQMD) significance thresholds. This impact is directly attributable to increased vehicle emissions, and there is no feasible mitigation measure, beyond what the Project sponsor is already doing (e.g., Transportation

Demand Management program, vehicular trip cap) to reduce emissions from Project operations. Therefore, the impact is significant and unavoidable. This impact is also identified as a significant and unavoidable cumulative impact.

In addition, the proposed Project would result in a cumulative impact related to the exposure of sensitive receptors to toxic air contaminants (TAC). It is important to note that the Project's contribution to this impact is less than five percent, and that the sensitive receptors that would be exposed to TACs are already being exposed as a result of their proximity to major roadways. Per BAAQMD standards, these existing sensitive receptors are located closer than recommended to sources of significant TACs. As such, there are no feasible mitigation measures to address this impact and it remains significant and unavoidable.

Noise

As a result of the increase in traffic associated with the Project, there is an associated increase in traffic related noise. Specifically, the Project would result in significant increases in traffic noise on Marsh Road between Scott Drive and Bohannon Drive, and on Willow Road between O'Brien Drive and Newbridge Street. This increase in noise levels would expose people or generate noise levels in excess of applicable standards. Specifically, the noise at these locations would increase by 1.0 dBA CNEL, which exceeds the Federal Transit Administration's (FTA) significance threshold. The trigger for exceeding the threshold is an increase of 1.0 dBA CNEL or more due to the presence of residential uses that are currently exposed to relatively high ambient noise levels. Therefore, the proposed Project would expose persons to noise levels in excess of established standards. Mitigation measures, such as sound walls, were explored to mitigate this impact, but were found to be infeasible due to Caltrans standards pertaining to sound walls, existing residential driveways that require breaks in the sound walls, the potential for creating aesthetic impacts and the resulting isolation of residential units located behind the sound walls. As such, there is no feasible mitigation available to minimize this impact, and therefore, the impact remains significant and unavoidable.

The noise increase resulting from traffic noise discussed above would also result in substantial, permanent increases in the ambient noise levels at the identified roadway segments. As discussed above, there are no feasible mitigation measures for this impact, and therefore, the impact would remain significant and unavoidable.

In addition to the significant and unavoidable operational noise impacts, vibration associated with pile driving during project construction on the West Campus could expose adjacent uses to vibration levels that may damage sensitive research and manufacturing equipment as well as any on-site occupants in the short term. Mitigation measures are included to address this impact, but even with implementation of feasible mitigation measures this impact would remain significant and unavoidable.

Transportation

The Transportation Study for the Facebook Campus Project included analysis of four different scenarios:

- Near Term 2015 East Campus Only;
- Near Term 2018 East and West Campuses;
- Cumulative 2025 East Campus Only; and
- Cumulative 2025 East and West Campuses

The analysis studied 34 intersections, ten roadway segments, and nine roadway segments on four Routes of Regional Significance. The analysis found that the Project would result in significant and unavoidable impacts to nine intersections, four roadway segments, and six segments of routes of regional significance in both the near-term and long-term (cumulative) conditions as described below.

Intersections

A total of ten study intersections were identified as having potentially significant impacts, and the intersection of Willow Road and Middlefield can be fully mitigated because it is controlled by the City of Menlo Park. For the remaining nine intersections, the identified mitigation measures would only partially mitigate the impacts or would fully mitigate the impacts if approval is granted by the agency that controls the intersection. As presented in the table on the following page and summarized below, of the ten impacted intersections:

- Impacts to one intersection can be fully mitigated;
- Impacts to four intersections can be fully mitigated with approval of the agency controlling the intersection;
- Impacts to four intersections can be partially mitigated, and
- Impacts to one intersection cannot be mitigated.

As a result of the factors discussed above, including the fact that only one of the impacted intersections is controlled by the City of Menlo Park, impacts at the remaining nine intersections would remain significant and unavoidable.

The following chart provides a more comprehensive picture of the impacted intersections and associated mitigations measures.

Intersection	Scenario of Significance	Jurisdiction	Mitigation Measure	Feasible?	Mitigated?
Marsh Rd. and Bayfront Expy.	Near Term East and West Campuses	Caltrans	Reconfigure the westbound approach from a shared left-through-right lane to a left-through lane and a right-through lane	Yes	Yes – with Caltrans approval
Marsh Rd. and US-101 NB Ramps	Near Term East and West Campuses	Caltrans	Add a northbound right turn lane	Yes	Yes – with Caltrans approval
Marsh Rd. and Middlefield Rd.	Cumulative East and West Campuses	Atherton	Add a second left-turn lane to the southbound approach and widen paving. Re-stripe Marsh to accommodate receiving lane. Fair share contribution for project calculated to be approximately 30.4%	Yes	Partial, due to fair share contribution
Willow Rd. and Bayfront Expy.	Near Term East Campus	Caltrans	Add a third eastbound right-turn lane and a second westbound left-turn lane.	No ¹	Partial
Willow Rd. and Newbridge St.	Near Term East and West Campuses	Caltrans	Add a second eastbound left-turn lane and a third westbound through lane	No ²	Partial
Willow Rd. and Middlefield Rd.	Near Term East Campus	Menlo Park	Restripe northbound through lane to a northbound shared through-right lane	Yes	Yes
University Ave. and Bayfront Expy	Near Term East Campus	Caltrans	Add a fourth southbound through lane	No ³	Partial
University Ave. and Donohoe St.	Cumulative East and West Campuses	Caltrans	Stripe a formal southbound right turn lane and provide southbound right turn overlap phasing	Yes	Yes – with Caltrans approval
Bayfront Expy and Chrysler Dr.	Near Term East Campus	Caltrans	Restripe existing eastbound right turn lane to a shared left-right lane	Yes	Yes – with Caltrans approval
Middlefield Rd. and Lytton Ave.	Near Term East Campus	Palo Alto	Add an additional eastbound left-turn lane	No	No
<ol style="list-style-type: none"> 1. Westbound left-turn lane is not feasible. Eastbound right-turn lane is feasible, but only partially mitigates impact. 2. A second eastbound left turn lane is not feasible. 3. An approximately one-mile portion of the Bay Trail will be constructed on University Avenue to partially mitigate this impact. 					

Roadway Segments

Of the agencies that control roadway segments within the study area, only the Cities of Menlo Park and Palo Alto have guidelines that require the evaluation of roadway segments during the environmental review process. The Menlo Park Transportation

Impact Analysis Guidelines were utilized to evaluate impacts to roadway impacts for segments within the City of Menlo Park. These Guidelines include a set of impact criteria for minor arterial, collector and local streets based on average daily traffic volume (ADT). To determine if there is an impact, the daily increase in traffic volumes associated with the proposal were compared to the City's impact criteria for its respective street type.

Roadway segments within the City of Palo Alto were evaluated using the Traffic Infusion on Residential Environment (TIRE) method. The TIRE method provides a way to qualitatively measure the impacts of a roadway from the traffic added by new developments. This method assigns an index value based on the daily traffic volumes on roadway segments. These index values range from 0.0 to 5.0 with 3.0 or higher values representing a roadway that is "auto-dominated." According to the TIRE method, a traffic volume increase that causes at least a 0.1 increase in the TIRE index would be noticeable to street residents.

Utilizing these two evaluation tools on the ten roadway segments reviewed in the Draft EIR, the analysis found that four roadway segments would experience significant and unavoidable impacts. Impacted roadway segments include the following, all of which are located within the City of Menlo Park:

- Marsh Road between Bay Road and the Railroad tracks;
- Willow Road between Durham Street and Chester Street;
- Willow Road between Nash Avenue and Blackburn Avenue; and
- Middlefield Road between Linfield Drive and Survey Lane.

All of these impacts would begin with the Near Term East Campus Only scenario in 2015 and there are no feasible mitigation measures for these impacts.

Routes of Regional Significance

The San Mateo County Congestion Management Program Land Use Analysis Program guidelines requires that Routes of Regional Significance be evaluated to determine the impacts of added Project generated trips for projects that create more than 100 net peak hour trips. The Route of Regional Significance that are in the project area are State Route (SR) 84 (Bayfront Expressway), SR 109 (University Avenue), SR 114 (Willow Road) and United States Highway 101 (US 101). Nine segments of routes or regional significant were evaluated in the transportation analysis, which determined that the following six segments had significant and unavoidable impacts:

- SR 84 (US 101 to Willow Road);
- SR 84 (Willow Road to University Avenue);
- SR 84 (University Avenue to County Line);
- US 101 (North of Marsh Road);
- US 101 (Willow Road to University Avenue); and
- US 101 (South of University Avenue).

All of these impacts would begin with the Near Term East Campus Only Scenario in 2015 and there are no feasible mitigation measures for these impacts.

Mitigation Measures

Transportation related mitigation measures include the following:

- **Intersection Improvements:** As presented in the table above, ten intersection mitigation measures will be required to address intersection impacts. Since some of these measures are only partial mitigations, and the majority of intersections are not under the jurisdiction of the City of Menlo Park, the intersection mitigations would not reduce the Project's intersection impacts and the impacts remain significant and unavoidable.
- **Transportation Impact Fee (TIF):** Payment of a TIF would be required for the redevelopment of the West Campus. Although payment of a TIF would provide the City with funding to be used towards traffic improvement projects, it would not reduce the impacts to a less than significant level.
- **West Campus Trip Cap:** For the Near Term 2018 East and West Campuses scenario, a West Campus Trip Cap is included as a mitigation measure. Specifically, the trip cap limits both the A.M. and P.M. peak period vehicular trips to 1,100. This mitigation measure would reduce A.M. and P.M. peak period trips, and thus reduce trips at impacted intersections, and involves the imposition of a trip cap on the West Campus comparable to the Peak Period Trip Cap that is part of the Project for the East Campus. A peak period trip cap of 1,100 trips for the West Campus does not, in and of itself, fully mitigate the impacts in either the A.M. or P.M. peak periods for any of the impacted intersections. Because the proposed mitigation would not fully mitigate the impact, it remains significant and unavoidable, unless the impact is fully mitigated through an intersection specific mitigation measure.

Summary of Alternatives Analysis

The Draft EIR analyzed two alternatives including a No Project Alternative and a Reduced Project Alternative. Per the requirements of CEQA, alternatives are required to meet the majority of the Project objectives established by the project sponsor, and substantially lessen or avoid significant and unavoidable impacts. When evaluating which alternatives to consider, the City determined that an 80 percent reduction in vehicular trips would be required to eliminate any of the significant and unavoidable impacts. Since this would not meet any of the basic Project objectives, it was ruled out as infeasible. Reduced Project alternatives of a 50 percent reduction in vehicular trips and 40 percent reduction in vehicular trips, respectively, were also considered. However, since these alternatives resulted in fewer employees, or a minor increase in the number of employees currently permitted under the existing land use entitlements for the East Campus, they were ruled out as infeasible.

Ultimately, the City evaluated the No Project Alternative as required by CEQA and a Reduced Project Alternative that reduced vehicular trips associated with the Project by 25 percent. After completing the alternatives analysis, it was determined that the No Project alternative would not achieve even the most basic Project objectives including providing a centralized headquarters and an integrated highly connected campus. The Reduced Project Alternative, however, would meet several of the Project objectives. However, since the Reduced Project Alternative would not accommodate the Project sponsor's anticipated employee growth, it would not be feasible for the Project sponsor to establish its permanent headquarters at the Project site since such permanence relies entirely on housing its future workforce.

REGULAR BUSINESS ITEM E-1: FISCAL IMPACT ANALYSIS (FIA)

The City's independent economic consultant, Bay Area Economics (BAE), has prepared a Draft Fiscal Impact Analysis (FIA), projecting the potential net increase in revenues and expenditures, and resulting net fiscal impact directly associated with development of the proposed Project. The Draft FIA also explores a number of related topics, including indirect revenues/costs from potential induced housing demand, as well as one-time/non-recurring revenues (such as impact fees), and potential additional opportunities for fiscal benefits. The Draft FIA evaluates Project related impact to the City (both the General Fund and Community Development Agency (CDA)) and the following affected Special Districts:

- Menlo Park Fire Protection District;
- Menlo Park Municipal Water District;
- West Bay Sanitary District;
- Elementary and High School Districts;
- San Mateo County Office of Education Special District;
- San Mateo County Community College District; and
- Midpeninsula Regional Open Space District.

The Draft FIA was released with the Draft EIR on December 8, 2011, and is available for public review at City offices, the Library and on the City maintained Project web page.

General Fund Impact of Proposed Project

The core of the Draft FIA is the estimation of annual General Fund revenues and costs associated with the Project. The major annually occurring revenue sources include new property taxes, sales taxes, and transient occupancy tax (TOT, also known as the room or lodging tax). The Draft FIA analyzes two scenarios when evaluating the potential General Fund revenues from the Project, which correspond to alternative assumptions for sales tax and TOT generation. Based upon these two scenarios, the analysis determined that the Project would generate annual revenues to the General Fund between \$567,300 and \$660,300, with the actual amount likely falling within the range defined by these figures. Ultimately, the actual amount would be dependent upon the

extent to which Facebook employees, prospective employees, and visitors make taxable retail purchases in Menlo Park and utilize Menlo Park hotels.

General fund expenditures generated by the Project include the additional Staff and resources needs generated by the Project. In total, implementation of the Project is anticipated to result in \$492,200 of new General Fund expenditures. Utilizing both scenarios for annually occurring General Fund revenues and the anticipated General Fund expenditures generated by the Project, the Project is projected to result in an annual net positive fiscal impact (surplus) ranging from \$75,100 to \$168,100

Community Development Agency (CDA) Analysis

The CDA serves as the City's Redevelopment Area and oversees the Las Pulgas Community Development Project Area. The Project Area was created in 1981 and the East Campus component of the Facebook Campus Project is located within the Project Area. Based upon the anticipated increase in assessed value for the East Campus, there would be \$735,000 in new tax increment generated each year. This additional tax increment would annually allow for \$146,000 in set asides for affordable housing, \$4,600 to the City's General Fund and \$309,000 for redevelopment project area plan improvements.

On December 29, 2011, subsequent to the publication of the Draft FIA, the California Supreme Court ruled that the state has the right to abolish local redevelopment agencies, but cannot compel them to spend more property tax dollars on local services as a requirement to stay in operation. Barring any legislative intervention, all redevelopment agencies, including the City of Menlo Park's CDA will be dissolved sometime in 2012. The implications of the Supreme Court's actions will be analyzed in the Final FIA.

Special Districts

The Draft FIA also looks at the ongoing impact on special districts, in particular the Menlo Park Fire Protection District (MPFPD), which is projected to receive total annual revenues (primarily from property tax) of approximately \$300,357 from the proposed Project. On the cost side, the Fire District is projected to have annual expenditures of approximately \$200,000 per year to fund the fully loaded cost of one new fire safety personnel, which will be required as a result of the Project. Based upon the anticipated revenues and costs associated with the Project, it is considered to have a net positive fiscal impact to the MPFPD of \$100,357 annually. However, the District has indicated that the purchase of an aerial ladder truck for the fire station most proximate to the Project site would be necessary to serve the West Campus. Conversely, guidelines issued by the Insurance Service Organization (ISO) suggest that the purchase of additional equipment to service the Project site is not necessary as a result of the presence of an existing a ladder truck within acceptable distance of the Project site.

The remainder of the special district analysis (such as for school districts and water/sanitary districts) project positive net impacts, or no net fiscal impact resulting from implementation of the Project.

Indirect Impacts: Induced Housing Demand

The Draft FIA discusses the potential indirect impact of induced housing demand, using the projections included in the Housing Needs Analysis prepared for the City by Keyser Marston and Associates for the Project (included as an appendix to the Draft EIR), which states that the Project could result in a 254-unit increase in residential units in the City. This project equates to approximately 666 new residents in the City based upon an average household size of 2.62 (254 units x 2.62 persons per unit = 666). The Draft FIA projects that if these units were actually developed and occupied, the revenues/expenditures would result in an annual net General Fund deficit of approximately \$20,200. The induced housing demand of the Project would result in divergent fiscal outcomes for each of the three school districts. The Menlo Park City Elementary School District is projected to have a net negative fiscal impact of \$269,600 annually, the Ravenswood Elementary School District is projected to have no fiscal impact, and the Sequoia Union High School District is projected to have a net positive fiscal impact of \$119,600 annually.

Alternative Business-to-Business Sales Tax Analysis

The Alternative Business-to-Business Sales Tax Analysis considers the potential revenues to the City based on a different types of business(es) moving into the Project site. This analysis was completed due to the fact that the previous occupant of the East Campus (Sun Microsystems/Oracle) sold hardware and software and generated substantial business-to-business sales tax revenues; whereas, Facebook's business does not currently generate business-to-business sales tax revenue. The analysis of different types of business(es) occupying the Project site utilized two alternative calculation methods but reached similar conclusions on the range of potential sales tax revenues that the City would receive. Based upon this methodology, the analysis determined that the range of business-to-business sales tax revenue that could be generated from a typical Silicon Valley mix of companies at the Project site would range from \$431,000 per year to \$827,000 per year.

STUDY SESSION ITEM F-1: REVIEW OF FACEBOOK CAMPUS PROJECT PROPOSAL

As discussed previously in the report, the Facebook Campus Project is a phased project, inclusive of two components, the East Campus and the West Campus. Though both phases of the Project are evaluated in the Draft EIR, the project sponsor has only submitted an application for land use entitlements for the East Campus component of the Project. As such, this discussion focuses on the East Campus component of the Project.

East Campus Development Proposal

The East Campus includes approximately 56.9 acres and was previously occupied by Sun Microsystems/Oracle. The East Campus is currently developed with nine buildings, which contain approximately 1,035,840 square feet. The existing entitlements for the site allow up to 3,600 employees to occupy the site, and Facebook currently has approximately 2,000 employees at the site. The project sponsor has completed tenant improvements at the site to convert the hardware-intensive laboratory spaces and individual hard-wall offices to a more open, shared workspace characteristic of the Facebook work environment, which is intended to foster innovation, teamwork, and creativity.

The project sponsor is currently seeking amendment of the existing CDP applicable to the site. Details regarding the CDP amendment and associated development agreement are discussed below.

Conditional Development Permit Amendment

As part of the proposed Project, the project sponsor seeks to convert the existing employee cap into a vehicular trip cap. The trip cap includes a maximum of 2,600 trips during the AM Peak Period from 7:00 a.m. to 9:00 a.m. and the PM Peak Period from 4:00 p.m. to 6:00 p.m. and a maximum of 15,000 daily trips. The trip cap would allow approximately 6,600 employees to occupy the East Campus. The number of vehicular trips would be monitored continuously through automated means (e.g., imbedded loop detectors in the pavement in each travel lane or video detection) approved by the City. All vehicular entrances to the East Campus would be included in the monitoring. Facebook would be responsible not only for monitoring, but also for achieving compliance with the Trip Cap, which includes, by definition, all three trip cap measurements on a daily basis (the A.M. Peak Period Trip Cap, the P.M. Peak Period Trip Cap and the Daily Trip Cap). The City would enforce compliance with the Trip Cap, and any lack of compliance with the trip cap would result in monetary fines. The amount of these fines would be determined during the Development Agreement process.

Specific parameters regarding the trip cap can be found in the Trip Cap Monitoring and Enforcement Policy, which is included as Appendix 3.5-F of the Draft EIR and is included as Attachment C to this report for ease of reference. This document touches on the following issue areas:

- Definitions – explanation of terminology utilized;
- Trip Cap – definition of the East Campus trip cap, inclusive of the designation of AM and PM peak hour trip caps and a daily vehicular trip cap;
- Monitoring – discussion regarding how the trip cap would be monitored; and
- Enforcement – discussion regarding how the trip cap would be enforced.

Key components of the proposed Project that would assist the project sponsor in achieving compliance with the trip cap include a Transportation Demand Management

Program and enhanced bicycle and pedestrian circulation on site and connecting to the site. These Project components are discussed in more detail below.

Transportation Demand Management (TDM) Program

The TDM Program, which would be implemented as part of the Project, would reduce the number of vehicle trips to and from the East Campus. The TDM Program is designed to provide alternatives to single-occupancy vehicle travel. The proposed TDM Program would include, but would not be limited to the following:

- TDM Program coordinator;
- Commute assistance center;
- New-hire transportation orientation packet;
- On-site amenities to prevent the need for mid-day trips, including but not limited to food service, exercise areas, and banking services;
- Shuttle service (both long-distance and to/from Caltrain stations);
- Vanpool program;
- Carpool matching assistance through ZimRide, an online carpooling and ridesharing service that focuses on college communities and corporate campuses;
- Preferential carpool and vanpool parking;
- Guaranteed ride home program;
- Subsidized public transit passes;
- Subsidies for employees who walk or bike to work;
- Bicycle parking (both short-term racks and long-term lockers or storage facilities);
- Bicycle-share program;
- Showers and changing rooms; and
- Alternative and flexible work schedules.

This program is designed to provide a variety of options to help Facebook and its employees reduce vehicular trips and comply with the vehicular trip cap discussed above.

Bicycle and Pedestrian Circulation

There are existing bicycle facilities on several major routes that access the East Campus. With occupancy of the East Campus, it is expected that bicycle demand on the roadways and paths leading to the campus will increase as employees choose to bicycle commute to the campus. The Project Sponsor has proposed to incorporate bicycle improvements as part of the Project, to encourage employee and visitor ridership to the campus, and to improve the citywide bicycle network. These improvements, which are consistent with the City's Comprehensive Bicycle Development Plan, are described below.

The existing undercrossing of Bayfront Expressway at Willow Road would be improved to provide a connection from Menlo Park to the Bay Trail as part of the Project. This

connection would provide bicyclists and pedestrians a grade-separated route to cross Bayfront Expressway, and would serve as an extension of the Bay Trail. The undercrossing would be opened during initial occupancy of the East Campus with minimal improvements, and if and when entitlements for the West Campus are granted, would be further enhanced. These improvements would provide pedestrian and bicycle access, as well as a people-mover system to transport employees and visitors between the East Campus and West Campus.

Additionally, pathways would be constructed to connect from the Willow Road frontage (from the existing sidewalk that ends between Hamilton Avenue and the railroad crossing) to the undercrossing and from the undercrossing to the Bay Conservation and Development Commission (BCDC) Shoreline Trail (which borders the East Campus), to link to the Bay Trail. These improvements are both identified as long-term needs in the City's Bike Plan. When constructed, they will reduce bicycle and pedestrian exposure when crossing the existing at-grade signalized intersection at Willow Road and Bayfront Expressway, and provide improved access and connectivity to the Bay Trail. Although not part of the Project, the Project Sponsor is also working with the City and Caltrans to restripe the existing bicycle lanes on Willow Road between US 101 and Bayfront Expressway to immediately improve bicycle access to the East Campus.

Development Agreement

The project sponsor is requesting a legally binding Development Agreement in concert with the requested CDP Amendment. The Development Agreement would define the long-term land use intentions, specific terms and conditions for the development, and public benefits that would apply, should the East Campus component of the Project be approved. Under State law (California Government Code Sections 6584-65869.5), development agreements enable the City to grant a longer-term approval in exchange for demonstrable public benefits.

The City Council adopted Resolution No. 4159 in January 1990, establishing the procedures and requirements for the consideration of Development Agreements. The resolution contains specific provisions regarding the form of applications for development agreements, minimum requirements for public notification and review, standards for review, findings and decisions, amendments and cancellation of agreements by mutual consent, recordation of the agreements, periodic review, and modification or termination of an agreement. The City has previously entered into two Development Agreements, most recently with the Bohannon Development Company for the Menlo Gateway Project, and prior to that with Sun Microsystems for the subject Project site. The obligations under the Sun Microsystems Development Agreement have since been fulfilled. Resolution No. 4159, the Bohannon Development Company Development Agreement, and the Sun Microsystems Development Agreement are available for review on the City's webs site, and upon request at City offices.

Similar to each of the Projects discussed above, the Council appointed a Development Agreement subcommittee on October 18, 2011, inclusive of Council members Keith and Cline, to provide assistance and general guidance to the negotiating team utilizing parameters established by the full Council at its February 14, 2012 meeting. The core

City negotiating team includes the City Manager, City Attorney, Development Services Manager and Public Works Director. The two-member Council Subcommittee will meet with the negotiating team on an as needed basis.

At the conclusion of negotiation, the negotiating team will present a term sheet for consideration by the full Council. Prior to finalization of the Development Agreement, the Planning Commission will have an opportunity to make a recommendation to the City Council.

Public Benefit

As noted earlier, the Development Agreement provides a mechanism for the City to grant a longer-term approval in exchange for demonstrable public benefits. In contrast to standard conditions of approval (such as payment of impact fees) or mitigation measures required through the EIR process (such as construction of intersection improvements), public benefits that are defined through the Development Agreement do not have to be directly correlated to a Project's impacts or follow a standard formula. For the purposes of this discussion, public benefit is typically viewed as a distinct topic than those inherent attributes of the Project that may be considered positive, such as the Projected sales tax revenue, although the characteristics of the overall Project should be understood and considered as part of the detailed discussion of public benefit options. The concept of public benefit is linked with the overall development proposal, in particular the size and scope of the Project.

One purpose of the January 9th Planning Commission meeting is to provide an opportunity for the public and Commission to identify potential public benefit ideas for the Council to consider when it provides parameters for negotiating the Development Agreement. Staff will provide the Commission's public benefit recommendations to the City Council during the study session to discuss the Project on January 31st. The Council will then conduct the final review and prioritization of the public benefit ideas during their meeting on February 14th. These recommendations will be utilized during the Development Agreement negotiation phase. The establishment of public benefit recommendations will be used to guide the negotiation, but it should be understood that some or many of the ideas may not be achievable.

East Palo Alto Housing Affordability Analysis

In response to the release of the Notice of Preparation for the Facebook Campus Project on April 21, 2011, the City of East Palo Alto submitted a comment letter voicing concerns about the potential impact of the Facebook Campus Project on housing affordability in the City of East Palo Alto. Since housing affordability is a socio-economic issue not under the purview of CEQA, analysis related to this comment was not included in the Draft EIR. However, City staff commissioned Keyser Marston and Associates to prepare a Housing Affordability Analysis for the City of East Palo Alto to address the expressed concerns. This report, entitled *Menlo Park Facebook Campus Project: Evaluation of Potential Impacts to Housing Conditions in East Palo Alto* was

released for public review on December 21, 2011, and is available for review on the City's web site, at City Hall and at the City's Library.

The key findings of this analysis are as follows:

- The Project is estimated to generate housing demand in East Palo Alto in the range from 16 to 26 additional units per year over the next six years. Total housing demand to East Palo Alto upon full Project occupancy is estimated to be in the range from 100 to 160 units. This estimate is based on the conservative assumption that three to five percent of Facebook workers will seek housing in East Palo Alto, which is a much higher percentage than the current 0.2 percent.
- 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 two percent of the units that come available through 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.

CORRESPONDENCE

Since the release of the Draft EIR and Draft FIA on December 8, 2011, the City has received correspondence from the City of Palo Alto and the Loma Prieta Chapter of the Sierra Club requesting extension of the comment period for the Draft EIR. The City Council will be reviewing this request at its January 10th meeting.

RECOMMENDATION

Staff recommends that the Planning Commission follow the meeting procedure for the three agendas outlined on pages 4 and 5 of this report

Rachel Grossman
Associate Planner
Report Author

Justin Murphy
Development Services Manager

PUBLIC NOTICE

Public notification consisted of publishing a legal notice in the local newspaper and notification by mail of all property owners and occupants within a quarter-mile (1,320 feet) radius of the subject property. The newspaper notice was published on December 1, 2011. The mailed notice was supplemented by a citywide postcard mailing, which provided information about the Project proposal and associated documents, as well as information about the community outreach meeting in December, and the Planning Commission and City Council meetings in January and February to discuss the Project.

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 or meetings are scheduled. Previous staff reports and other related documents are available for review on the Project page.

ATTACHMENTS

- A. Location Map
- B. Project Plans (select sheets – complete plans available for review at the City offices or on the City web site)
- C. Trip Cap Monitoring and Enforcement Policy

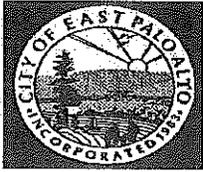
Note: Attached are reduced versions of maps and diagrams submitted by the project sponsors. The accuracy of the information in these drawings is the responsibility of the project sponsors, and verification of the accuracy by City Staff is not always possible. The original full-scale maps, drawings and exhibits are available for public viewing at the Community Development Department.

AVAILABLE FOR REVIEW AT CITY OFFICES AND CITY WEBSITE

Draft Environmental Impact Report prepared by Atkins, dated December 2011
Draft Fiscal Impact Analysis prepared by BAE, dated December 2011

V:\STAFFRPT\PC\2012\010912 - Facebook Campus Project.doc

ATTACHMENT B



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.

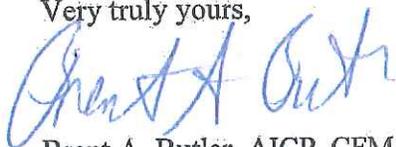
Fourth, please include the following individuals in all notices related to this project.

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

One BayArea

To: Equity Working Group

From: Jennifer Yeaman

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>
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)

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

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

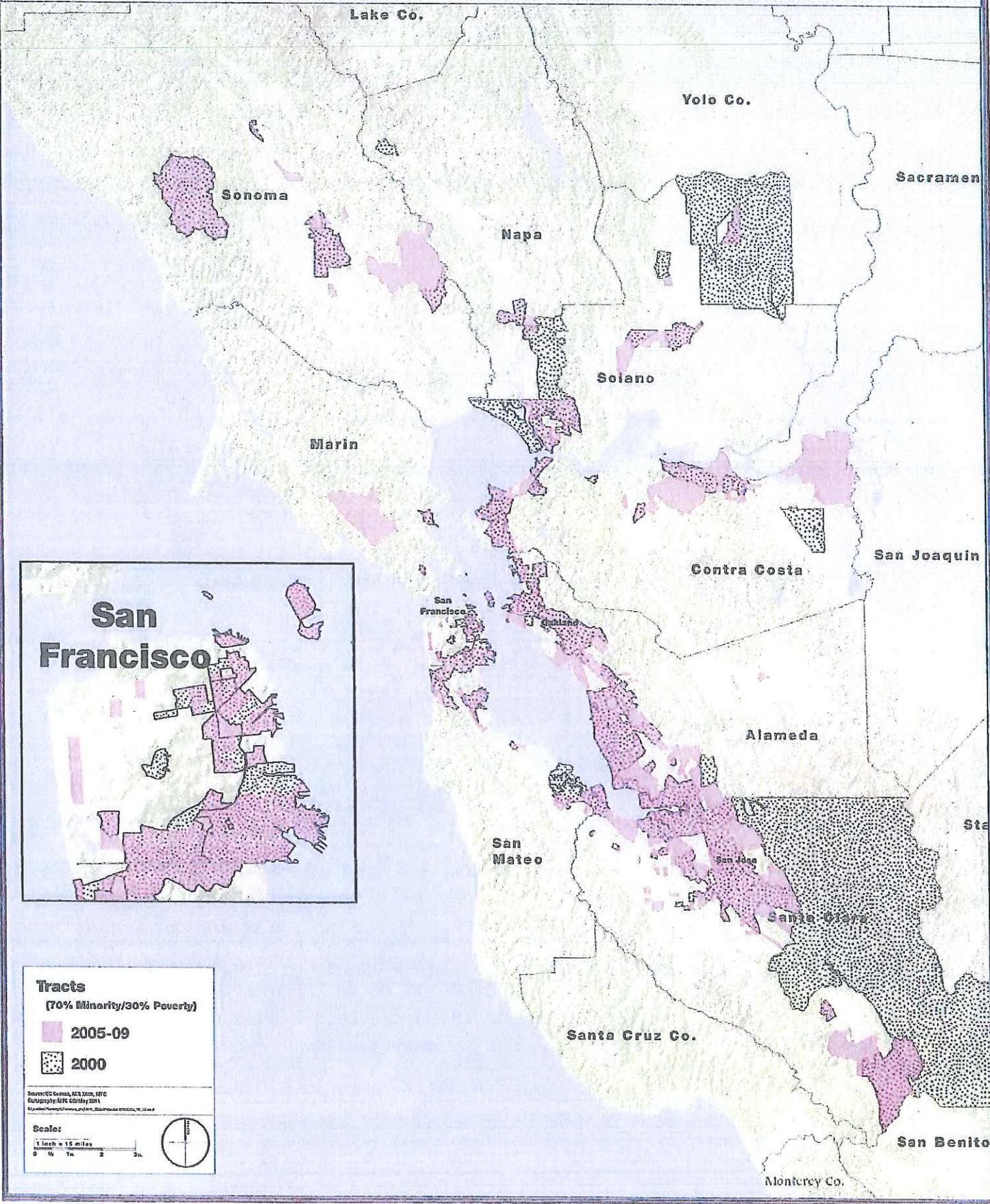
* denotes definition used in *Transportation 2035 Equity Analysis*

70% Minority and/or 30% Low Income

Research and Demographic Unit

DRAFT

Geographic Information Systems Unit



Tracts
(70% Minority/30% Poverty)

- 2005-09
- 2000

Source: US Census, ACS 2000, IPED
 Geography: MTC GIS/Map 2004
 Map Date: 02/09/09

Scale:
 1 inch = 15 miles
 0 1/2 1 2 3



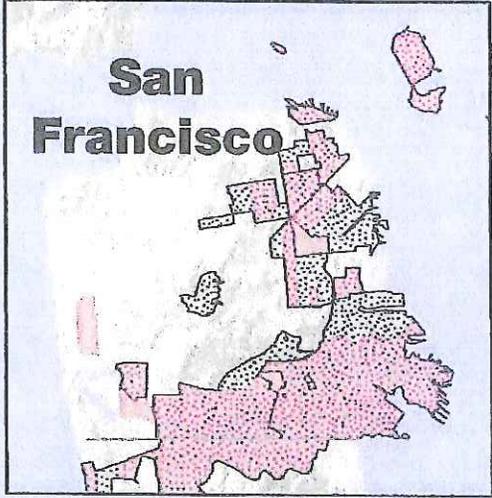
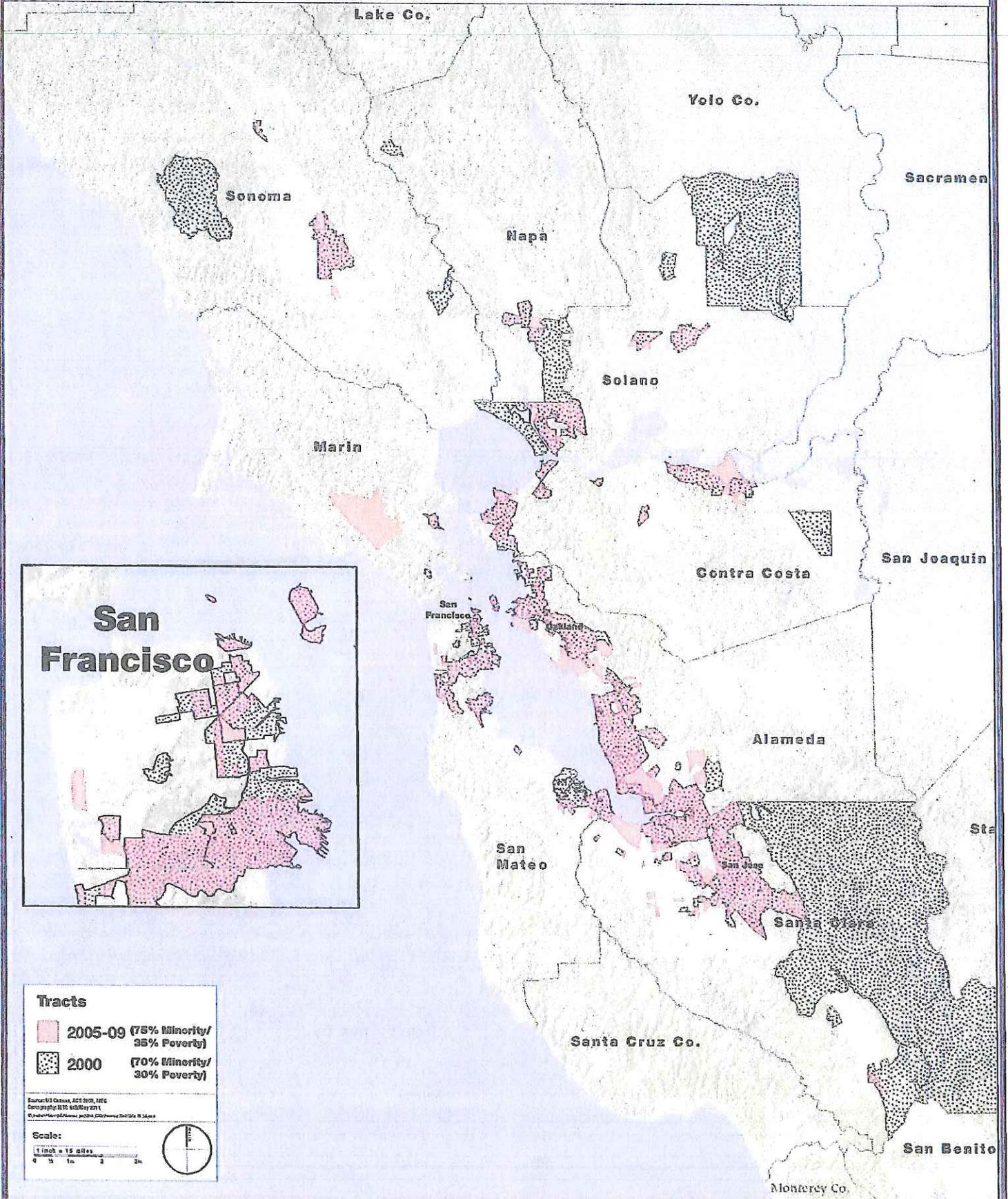
75% Minority and/or 35% Low Income

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

Research and Demographic Unit

DRAFT

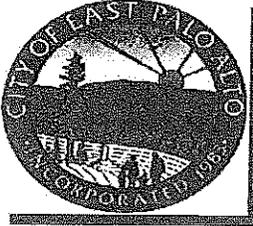
Geographic Information Systems Unit



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

Source: US Census, ACS 2005, HHS
Copyright: MTD 6/10/09 2/11
© 2009 Metropolitan Transportation Commission
Scale: 1 inch = 15 miles
0 15 30


ATTACHMENT C



Office of the City Council

December 22, 2011

Mayor Kirsten Keith and City Council
701 Laurel Street
Menlo Park, CA 94025

e-mail to city.council@menlopark.org

Re: Facebook Draft EIR Comment Period

Dear Mayor Keith and City Council Members:

I write on behalf of the residents, as well as the entity, of the City of East Palo Alto with regard to the Facebook Draft EIR. I respectfully request an extension to the official comment period in the Draft EIR to February 6, 2012.

The Draft EIR was released on Thursday, December 8, 2011, and the current schedule calls for comments to be submitted no later than 5:30 pm on January 23, 2012. This is a total of 47 days, a mere 2 days more than the statutory minimum (solely because day 45 falls on a Saturday), and far less than is typical for a project of the magnitude involved and a base document of over 700 pages, with appendices in excess of 2600 pages. A 60 day review period would be much more appropriate and in keeping with the spirit of the law, as well as common practice on significant projects.

When Facebook representatives and Menlo Park staff members made a presentation to East Palo Alto on December 13, which was very much appreciated, it was shortly after the document was released. At that time, I requested from your staff an extended comment period, which was declined. I realize staff may not have such authority, but clearly the City Council is in a position to grant this modest request.

East Palo Alto has been concerned about the impact the Facebook project will have on housing demand and supply, as noted in our letter related to the Notice of Preparation. In response to our concerns, Menlo Park commissioned Keyser Marston Associates to do a separate analysis of potential impacts to housing. That document is dated December 21, 2011 and was not available until late that day, 2 weeks after the Draft EIR. We are thus faced with only a few weeks to digest that study.

At this time of year, when so many members of the public are engaged in family matters and when government offices and businesses are closed for holiday celebrations, for a lead agency to appear to be running the clock down on a major development (when it is clearly difficult for people to give these documents the attention they deserve), comes across as less than good

City of East Palo Alto
EPA Government Center
2415 University Avenue
East Palo Alto, CA 94303

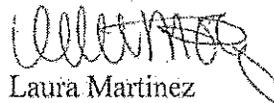
Telephone Number: (650) 853-3116
Confidential Fax Number: (650) 853-3111

Mayor Kirsten Keith and City Council
December 22, 2011
Page 2

government. Menlo Park's own citizens and businesses may well view this comment period as overly restrictive since I note that the City of Menlo Park is officially closed on 21 of the days prior to January 23.

I look forward to positive response from the City of Menlo Park on an extension of the comment period for the Facebook Draft EIR.

Yours truly,



Laura Martinez
Mayor

C: City Council

ATTACHMENT D

Section 1

Introduction

1.1 PURPOSE OF ENVIRONMENTAL IMPACT REPORT

This Draft Environmental Impact Report (EIR) for the Menlo Park Facebook Campus Project (Project) has been prepared by the City of Menlo Park (City), which is the lead agency for the Project, in conformance with the provisions of the California Environmental Quality Act (CEQA) Guidelines, as amended.¹ The lead agency is the public agency that has the principal responsibility for carrying out or approving a project.

This Draft EIR assesses potentially significant impacts that could result from the Project. As defined in the CEQA Guidelines Section 15382, a “significant effect on the environment” is:

. . . a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. An economic or social change by itself shall not be considered a significant effect on the environment. A social or economic change related to a physical change may be considered in determining whether the physical change is significant.

As stated in the CEQA Guidelines, an EIR is an “informational document” intended to inform public agency decision-makers and the public of the significant environmental effects of a project, identify possible ways to minimize the significant effects, and describe reasonable alternatives to the project. The City Council will consider this Draft EIR in reviewing the Project and making the final decision to certify the Final EIR (responses to comments) and to approve or deny the Project.

The City must consider the information in the Draft and Final EIR and, particularly, each significant impact resulting from the Project. The City will use the EIR, along with other information in the public record, to determine whether to approve, modify, or disapprove the Project, and to specify any applicable environmental conditions or mitigation measures as part of the Project approvals. The purpose of this Draft EIR is to provide the City, responsible and trustee agencies, other public agencies, and the public with detailed information about the environmental effects of implementing the Project, to examine and institute methods of mitigating any adverse environmental impacts should the Project be approved, and to consider feasible alternatives to the Project.

1.2 PROJECT INTRODUCTION

Facebook, Inc. (Project Sponsor) is moving its operations from its existing facilities in the City of Palo Alto to the City of Menlo Park. The Project site consists of a 56.9-acre site (East Campus), which was

¹ *CEQA, California Environmental Quality Act, Statutes and Guidelines*, Guidelines as amended January 1, 2011, published by the Governor's Office of Planning Research.

previously occupied by Oracle (formerly Sun Microsystems), and a 22-acre site (West Campus), which was formerly owned by General Motors (GM) and occupied by TE Connectivity (formerly Tyco Electronics) (Project Site). The Project proposes that Facebook occupy the East Campus as part of the first phase and then expand to the West Campus in the second phase. In total, the Project would employ approximately 9,400 employees at both campuses.

The East Campus is currently developed with nine buildings, totaling more than one million square feet (sf). To accommodate Facebook's rapid employment growth, the Project Sponsor submitted an application to the City to modify the Conditional Development Permit (CDP) that applies to the East Campus. The Project Sponsor proposes to convert the 3,600-employee cap included in the CDP into a vehicle trip cap for the AM and PM peak periods and daily trips. According to the Project Sponsor, this approach is designed to minimize traffic, air quality, and greenhouse gas emission impacts, while still allowing approximately 6,600 workers to occupy the East Campus. It is estimated that the East Campus would reach full capacity by 2014 or 2015. Tenant Improvements (TIs) are also being undertaken to convert existing hardware-intensive laboratory spaces and individual hard-wall offices to a more open, shared workspace characteristic of the Facebook work environment. However, the TIs are being done through ministerial building permits and are not part of the Project.²

Approximately half of the West Campus is currently developed with two office buildings totaling 127,246 sf, an asphalt parking area, a guard house, and landscape features, but the entire site is currently unoccupied. The West Campus is zoned M-2 and designated General Industrial in the City's General Plan. The existing buildings at the West Campus would be demolished and developed with office buildings and amenities structures, totaling approximately 440,000 sf. Although the Project Sponsor does not intend to apply for entitlements for the West Campus at this time, this subsequent phase of development is evaluated as part of the Project in this Draft EIR. Facebook estimates that the West Campus would be operational by mid-2014 and would reach maximum occupancy of approximately 2,800 employees within two to three years thereafter.

1.3 NOTICE OF PREPARATION AND EIR SCOPE

Notice of Preparation

The Notice of Preparation (NOP) was released for the Project on April 21, 2011 for a 36-day public review period. A public scoping meeting was held on May 16, 2011 before the Planning Commission. The NOP noted that the Project may have a significant effect on the environment and that an EIR would be prepared for the Project. A copy of the NOP is provided in Appendix 1 of this Draft EIR.

The NOP was sent to individuals, local interest groups, adjacent property owners, and responsible and trustee State and local agencies having jurisdiction or interest over environmental resources and/or

² In addition to the TIs, the Project Sponsor proposed new construction on the East Campus resulting in an increase in gross floor area, which required approval of a use permit in the M-2 zoning district. The addition of approximately 1,400 sf to accommodate two small structures in the courtyard area and minor additions to Buildings 11 and 15 for two security control points was subject to CEQA review but determined to be categorically exempt under Class 3 (Section 15303) of the CEQA Guidelines.

conditions in the vicinity of the Project Site. The purpose of the NOP was to allow various private and public entities to transmit their concerns and comments on the scope and content of the Draft EIR, focusing on specific information related to each individual's or group's interest or agency's statutory responsibility early in the environmental review process.

In response to the NOP, letters were received from the following agencies:

- California Department of Transportation
- California Native Plant Society, Santa Clara Valley Chapter
- Citizens Committee to Complete the Refuge
- City of East Palo Alto
- Department of Toxic Substances Control
- East Palo Alto Bicycle Club
- Envision, Transform, Build EPA Coalition
- San Francisco Bay Conservation and Development Commission
- San Francisco Bay Trail Project
- Silicon Valley Bicycle Coalition
- West Bay Sanitary District

In addition, five letters were received from individuals and four members of the public made oral comments at the Planning Commission hearing. Copies of these NOP comment letters and comments recorded at the Planning Commission hearing are included in Appendix 1 of this Draft EIR.

The NOP concluded that the following environmental topics would be addressed as separate sections in this Draft EIR:

- Land Use
- Aesthetics
- Wind
- Transportation
- Air Quality
- Greenhouse Gas Emissions
- Noise
- Cultural Resources
- Biological Resources
- Geology and Soils
- Hydrology/Flood Hazards
- Hazardous Materials
- Population and Housing
- Public Services
- Utilities and Service Systems

The Project would not result in significant environmental impacts to agricultural, forestry, or mineral resources since none of these resources exist at the Project site. A detailed analysis of these topics is therefore not included in the Draft EIR; however, these topics are briefly discussed in Section 3.1, Introduction to the Environmental Analysis.

Draft EIR and Public Review

This Draft EIR provides an analysis of physical impacts anticipated to result from the Project. Where significant impacts are identified, the Draft EIR recommends feasible mitigation measures to reduce or eliminate the significant impacts and identifies which significant impacts are unavoidable. Alternatives to the Project are also presented (Section 5). This environmental document is considered a draft under CEQA since it must be reviewed and commented upon by public agencies, organizations, and individuals before being finalized.

This Draft EIR is being distributed for a minimum of a 45-day public review and comment period. Readers are invited to submit written comments on the document (e.g., does this Draft EIR identify and analyze the possible environmental impacts and recommend appropriate mitigation measures? Does it consider and evaluate a reasonable range of alternatives?). Comments are most helpful when they suggest specific alternatives or measures that would better mitigate significant environmental effects. Written comments should be submitted to:

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

A public hearing to take oral comments on the Draft EIR will be held before the Planning Commission on January 9, 2012. Hearing notices will be mailed to responsible agencies and interested individuals.

Final EIR and Project Approval

Following the close of the public review period, the City will prepare responses to all substantive comments that relate to potential physical changes to the environment. The Draft EIR, along with the responses to the substantive comments received during the review period, will comprise the Final EIR and will be considered by the City Council in making the decision to certify the Final EIR and to approve or deny the Project.

Certification of the Final EIR by the City Council as complete and adequate in conformance with CEQA does not grant any land use approvals or entitlements for the Project. The merits of the Project will be considered by the City Council in tandem with review of the Final EIR. The CEQA Guidelines require that, for one or more significant unavoidable impacts that cannot be substantially mitigated, the Lead Agency (City of Menlo Park), must prepare a Statement of Overriding Considerations in which the Lead Agency balances the social, economic, technological, and legal benefits of approving a project against the significant and unavoidable environmental impacts which would result from project

implementation. This Statement of Overriding Considerations must be approved by the City Council in order for the Project to be approved.

1.4 EFFECT ON THE ENVIRONMENT

The environmental effects from implementing the Project are considered in this Draft EIR. Current environmental conditions (the environmental setting or baseline) under which the Project would be implemented are considered in determining impact significance. If it is determined that a potential impact is too speculative for evaluation, this condition is noted and further discussion of the impact is not necessary.

In accordance with Section 15143 of the CEQA Guidelines, this Draft EIR focuses on the significant effects on the environment resulting from construction and operation of the Project. Each major topic (e.g., Aesthetics, Biological Resources, Transportation, etc.) provides criteria or standards of significance for evaluating whether an environmental impact is significant or less than significant. The criteria presented in this Draft EIR are based on information contained in the CEQA Guidelines Appendix G, *Environmental Checklist Form*, which establishes thresholds of impact significance. In addition, this document uses City-adopted significance criteria for traffic impacts. As explained in Section 15002(g) of the CEQA Guidelines, a significant effect on the environment is defined as a substantial adverse change in the physical conditions which exist in the area affected by the Project.

Determining the significance, or severity, of an impact rests with understanding the criteria for determining a significant impact. If the criterion for determining a significant impact is not met, the impact is considered less than significant. If the criterion is exceeded, a significant impact would occur and feasible mitigation measures are proposed. The mitigation measures are intended to modify the Project such that the impact is avoided or reduced to below the significance criteria. If the mitigation measures would not reduce the impact to a less-than-significant level, the impact is considered significant and unavoidable. Cumulative impacts are discussed at the end of each technical section of this Draft EIR. A cumulative impact refers to two or more individual effects that, when considered together, compound or increase the environmental impact under consideration or other related environmental impacts.

1.5 ECONOMIC AND SOCIAL EFFECTS

Section 15131 of the CEQA Guidelines specifies that the economic or social effects of a project shall not be treated as significant effects on the environment. However, “an EIR may trace a chain of cause and effect from a proposed decision on a project through anticipated economic or social changes resulting from the project to physical changes caused in turn by the economic or social changes. The intermediate economic or social changes need not be analyzed in any detail greater than necessary to trace the chain of cause and effect. The focus of the analysis shall be on the physical changes.” Accordingly, this Draft EIR focuses on physical changes that could be caused due to implementation of the Project. Nevertheless, a housing needs analysis for the Project was prepared by Keyser Marston

Associates (KMA) and is included as Appendix 3.14 of this Draft EIR for informational purposes. Although the Project would not include the construction of new housing (a direct physical impact), the Project would trigger the demand for new housing in the area to accommodate the increase in employees (an indirect impact).

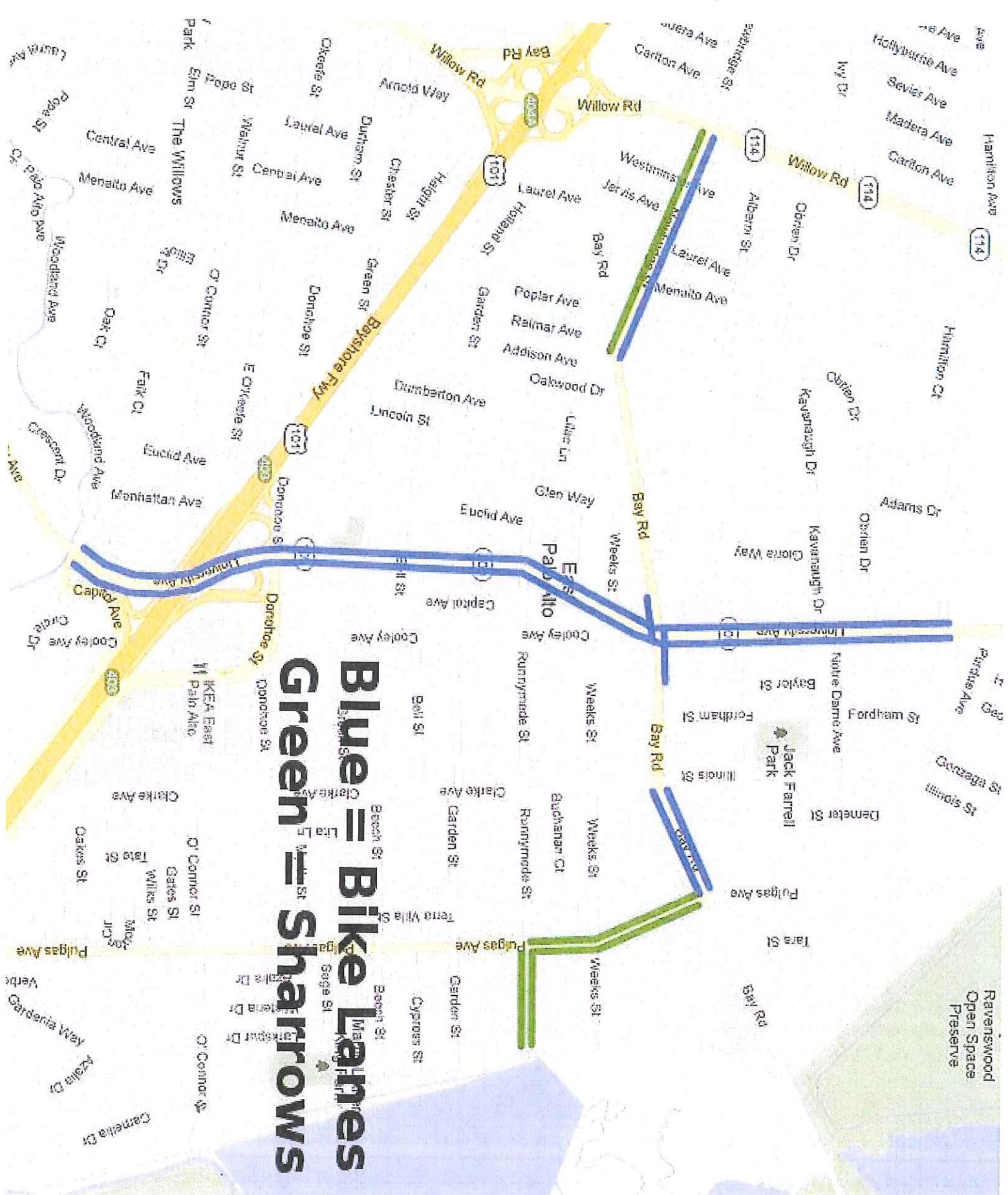
1.6 REPORT ORGANIZATION

This Draft EIR is organized into the following sections:

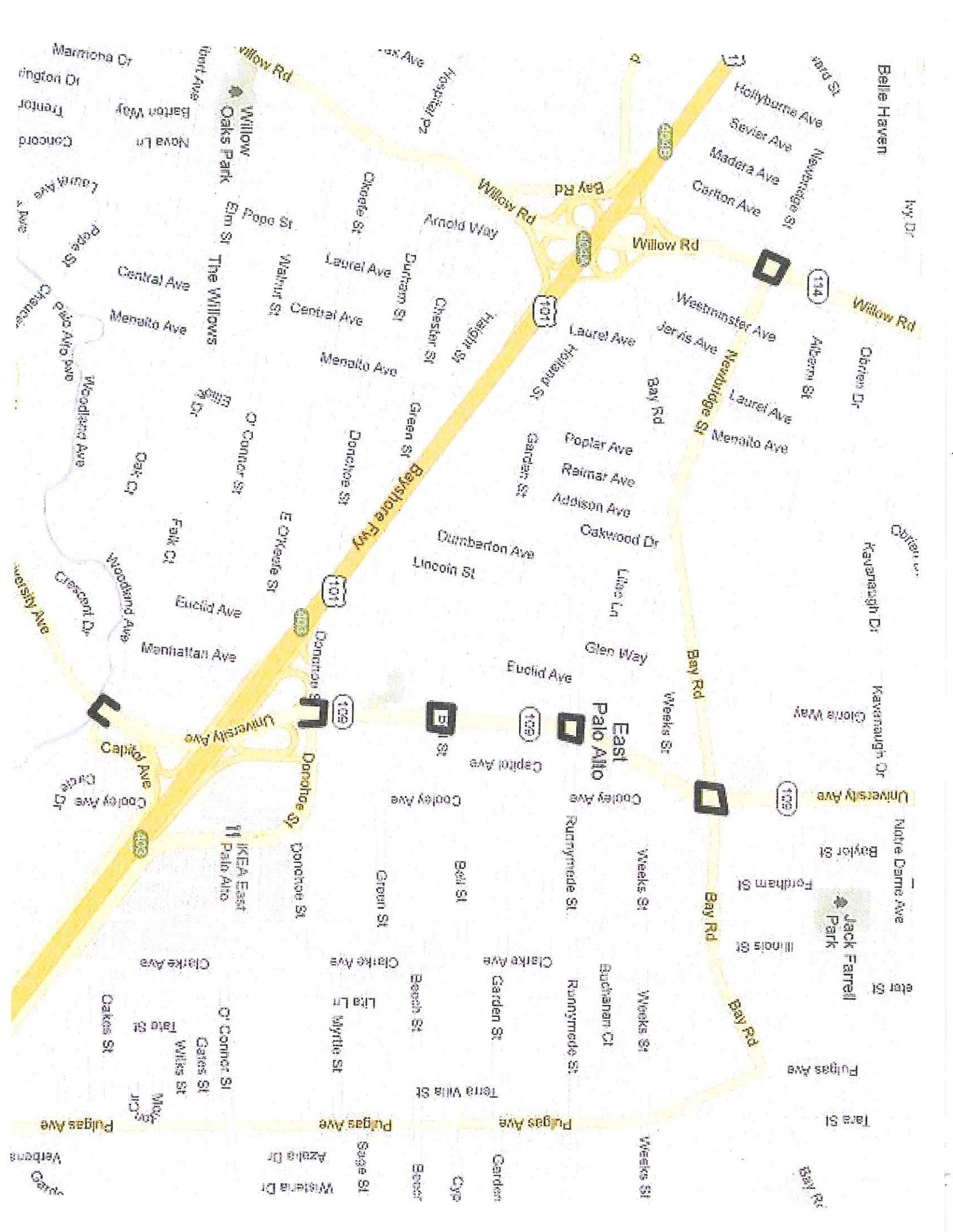
- *Summary*: Provides a summary of the Project and of the impacts that would result from its implementation, and describes mitigation measures recommended to reduce or avoid significant impacts. A discussion of alternatives to the Project is also provided.
- *Section 1 – Introduction*: Discusses the overall Draft EIR purpose, provides a summary of the Project and the Draft EIR scope, and summarizes the organization of the Draft EIR.
- *Section 2 – Project Description*: Provides a description of the Project site, site development, Project objectives, required approval process, and details of the Project itself.
- *Section 3 – Environmental Analysis*: Describes the existing conditions (setting), environmental impact assessment, and mitigation measures for each environmental technical topic.
- *Section 4 – Other CEQA Considerations*: Provides additional specifically-required analyses of the Project's effects, significant irreversible changes, cumulative impacts, and effects not found to be significant.
- *Section 5 – Alternatives*: Provides an evaluation of one alternative to the Project in addition to the No Project alternative.

ATTACHMENT E

Blue = Bike Lanes Green = Sharrows



ATTACHMENT F



Belle Haven

Hwy Dr

Hollyburn Ave
Sevier Ave
Madera Ave
Carlton Ave

114
Albion St

Carlton Dr

Carlton Dr

Kavanaugh Dr

Kavanaugh Dr

Native Dame Ave

eter St

Fulgas Ave

Tara St

Jack Farrell Park

Bayler St

Fordham St

Illinois St

109

University Ave

Bay Rd

Weeks St

Weeks St

Weeks St

Weeks St

East Palo Alto

Runnymede St

Runnymede St

Buchanan Ct

Clarke Ave

Garden St

Terra Villa St

Pulgas Ave

Garden

Cyo

Essex

Beech St

Terra Villa St

Green St

Clarke Ave

Liba Ln
Myrtle St

Pulgas Ave

Sage St

Wetters Dr

11 IKEA East
11 Palo Alto

Clarke Ave

Carles St

Pulgas Ave

Wills St

Wills St

Tara St

Wills St

Wills St

Manhattan Ave

Euclid Ave

Cooley Ave

Cooley Ave

Cooley Ave

Clarke Ave

Clarke Ave

Clarke Ave

Clarke Ave

Pulgas Ave

Pulgas Ave

Pulgas Ave

University Ave

Manhattan Ave

Euclid Ave

Cooley Ave

Manhattan Ave

Euclid Ave

Cooley Ave

Manhattan Ave

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