



**CITY COUNCIL
SPECIAL AND REGULAR MEETING AGENDA**

Tuesday, October 30, 2012

5:30 p.m.

Menlo Park Council Chambers
701 Laurel Street, Menlo Park, CA 94025

5:30 P.M. CLOSED SESSION

CL1. Conference with legal counsel pursuant to Government Code 54956.9: Provide direction on a late claim request regarding *Lucius/Maude Barker BCJP-17031A* ([Attachment](#))

The City Council sitting as the Successor Agency to the former Menlo Park Community Development Agency for the following two items.

CL2. Conference with legal counsel pursuant to Government Code 54956.9(c): Potential litigation - 1 case
Police substation 1283-1299 Willow Road

CL3. Conference with real property negotiators pursuant to Government Code 54956.7

Property: 777 – 821 Hamilton Avenue

Agency Negotiators: Bill McClure and Alex McIntyre

Under negotiations: Sale of property including price and negotiation parameters

7:00 P.M. REGULAR SESSION

ROLL CALL – Cline, Cohen, Fergusson, Keith, Ohtaki

PLEDGE OF ALLEGIANCE

REPORT FROM CLOSED SESSION

ANNOUNCEMENTS

A. PRESENTATIONS AND PROCLAMATIONS – None

B. COMMISSION/COMMITTEE VACANCIES, APPOINTMENTS AND REPORTS – None

C. PUBLIC COMMENT #1 (Limited to 30 minutes)

Under “Public Comment #1”, the public may address the Council on any subject not listed on the agenda and items listed under the Consent Calendar. Each speaker may address the Council once under Public Comment for a limit of three minutes. Please clearly state your name and address or political jurisdiction in which you live. The Council cannot act on items not listed on the agenda and, therefore, the Council cannot respond to non-agenda issues brought up under Public Comment other than to provide general information.

D. CONSENT CALENDAR

- D1.** Approve the Rail Council Subcommittee Mission Statement and Statement of Principles, and the Council Position Summary on Rail/High Speed Rail issues ([Staff report #12-160](#))
- D2.** Accept the minutes of the October 22 and 23, 2012 minutes ([Attachment](#))

E. PUBLIC HEARING – None

F. REGULAR BUSINESS

- F1.** Direction on the parameters for negotiating the Development Agreement for the Facebook West Campus Project located at the intersection of Bayfront Expressway and Willow Road ([Staff report #12-161](#))
- F2.** Council review and possible direction regarding a proposed hotel at 555 Glenwood Avenue and associated use definition, public benefit bonus, parking rate and use of the Garwood Way right-of-way ([Staff report #12-162](#))
- F3.** Consider state and federal legislative items, including decisions to support or oppose any such legislation, and items listed under Written Communication or Information Item: None

G. CITY MANAGER'S REPORT – None

H. WRITTEN COMMUNICATION – None

I. INFORMATIONAL ITEMS – None

J. COUNCILMEMBER REPORTS

K. PUBLIC COMMENT #2: (Limited to 30 minutes)

Under "Public Comment #2", the public if unable to address the Council on non-agenda items during Public Comment #1, may do so at this time. Each person is limited to three minutes. Please clearly state your name and address or jurisdiction in which you live.

L. ADJOURNMENT

Agendas are posted in accordance with Government Code Section 54954.2(a) or Section 54956. Members of the public can view electronic agendas and staff reports by accessing the City website at <http://www.menlopark.org> and can receive e-mail notification of agenda and staff report postings by subscribing to the "Home Delivery" service on the City's homepage. Agendas and staff reports may also be obtained by contacting the City Clerk at (650) 330-6620. Copies of the entire packet are available at the library for viewing and copying. (Posted: 10/25/2012)

At every Regular Meeting of the City Council, in addition to the Public Comment period where the public shall have the right to address the City Council on the Consent Calendar and any matters of public interest not listed on the agenda, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the Mayor, either before or during the Council's consideration of the item.

At every Special Meeting of the City Council, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the Mayor, either before or during consideration of the item.

Any writing that is distributed to a majority of the City Council by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available for inspection at the Office of the City Clerk, Menlo Park City Hall, 701 Laurel Street, Menlo Park, CA 94025 during regular business hours. Members of the public may send communications to members of the City Council via the City Council's e-mail address at city.council@menlopark.org. These communications are public records and can be viewed by anyone by clicking on the following link: <http://ccin.menlopark.org>

City Council meetings are televised live on Government Access Television Cable TV Channel 26. Meetings are re-broadcast on Channel 26 on Thursdays and Saturdays at 11:00 a.m. A DVD of each meeting is available for check out at the Menlo Park Library.

Live and archived video stream of Council meetings can be accessed at:
http://menlopark.granicus.com/ViewPublisher.php?view_id=2 Persons with disabilities, who require auxiliary aids or services in attending or participating in City Council meetings, may call the City Clerk's Office

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MP 774

RECEIVED

SEP 24 2012

**City Clerk's Office
City of Menlo Park**

1 JERRY Y. FONG, ESQ. (SBN 99673)
2 THE LAW OFFICES OF JERRY FONG
3 706 COWPER STREET; SUITE 203
4 PALO ALTO, CA 94301
5 650/322-6123
6 650/322-6779 fax
7 jf@jerryfong.com

8 Attorneys for Claimants LUCIUS BARKER & MAUDE BARKER

9 CLAIM OF LUCIUS BARKER &
10 MAUDE BARKER, }
11 Re: Government Tort Claim Against }
12 THE CITY OF MENLO PARK, }

13 APPLICATION FOR LEAVE TO FILE
14 OR PRESENT LATE CLAIM, ON
15 BEHALF OF LUCIUS & MAUDE
16 BARKER, AGAINST THE CITY OF
17 MENLO PARK.

18 [GOVT CODE §911.4]

19 TO: THE CITY OF MENLO PARK, LOCATED IN SAN MATEO COUNTY, CA:

20 I, Jerry Fong, hereby make the following application on behalf of my clients, Lucius
21 Barker and Maude Barker, of Menlo Park:

22 1. Pursuant to California Government Code §911.4, this application is made on
23 behalf of Claimants Lucius Barker & Maude Barker, who reside at 1330 University Avenue,
24 Apt. # 45, Menlo Park, CA 94025, for leave to file or present a late government tort claim
25 against the City of Menlo Park, for a personal injury which occurred on November 8, 2011,
26 on the sidewalk on the north side of Oak Grove Avenue, between Crane Street and
27 University Avenue, in front of the building at 850 Oak Grove Avenue.

28 2. Lucius Barker fell on the sidewalk as a proximate result tripping over a
dangerous condition created by a crack or rise between two sidewalk slabs, measuring over
one inch. Mr. Barker sustained serious injuries, including but not limited to injuries to his
head, face, jaw, and teeth. Maude Barker is his spouse and she sustained a loss of
consortium resulting from Mr. Barker's injuries. They both also suffered emotional distress.

3. Mr. And Mrs. Barker did not file or present a government tort claim with the
City of Menlo Park within the six-month period provided by Govt Code §911.2 (a).

4. The failure of Mr. and Mrs. Barker to file or present the claim during the six

1 month period required by Govt Code §911.2 (a) was due to mistake, inadvertence, surprise,
2 or excusable neglect, and the City of Menlo Park was not (and has not been) prejudiced by
3 the failure to file or present the claim within the six month period.

4 5. Specifically, after Mr. Barker tripped and fell, he was required to undergo
5 extensive and multiple oral surgeries. He was in great pain and under heavy medication.
6 Maude Barker devoted her time to take care of him as he received medical treatment and
7 recovered from the injuries. They essentially placed their regular lives on hold to allow Mr.
8 Barker to receive the proper medical treatment and to recover. They canceled certain pre-
9 planned trips. Mr. Barker could not work on editing his (co-authored with others) book on
10 constitutional law and civil liberties, thereby delaying the publication of the most recent
11 edition of the book.

12 6. After Mr. Barker started to recover from his surgeries, around July, 2012, he
13 and Mrs. Barker contacted my office in Palo Alto, CA, to ascertain their rights in connection
14 with the accident.

15 7. I was out of the country at the time of the initial contact. When I returned, I
16 went into a jury trial immediately. As soon as I concluded that jury trial, I began to
17 investigate the Barkers' claims.

18 8. After conducting a preliminary investigation of the accident site, my law office
19 still had unanswered questions as to the City's control over the accident site and its
20 knowledge (actual or constructive) of the defect at issue, including its knowledge of the
21 nearby area. To that end, I directed my paralegal to submit a written request (under the
22 California Public Records Act) for documents relating to the City's control and knowledge
23 of the area.

24 9. In September, 2012, I finally received the City's responsive production of
25 documents. While the production was not complete, from the documents produced, I
26 concluded that the City was, at the least, partially responsible (along with the owner(s) of the
27 property at 850 Oak Grove Avenue) for Mr. Barker's injuries and that there was a basis to
28 make a government tort claim against the City.

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10. Based on my preliminary investigation, it appears that, until my office notified the City of the defect, the sidewalk where Lucius Barker tripped and fell had not been changed or modified since the November 8, 2012 accident. Even after the City made the required repairs at the accident site, the original defect is still visible. Therefore, there is no prejudice to the City for granting leave for the Barkers to present or file a late claim, pursuant to Govt Code §911.4.

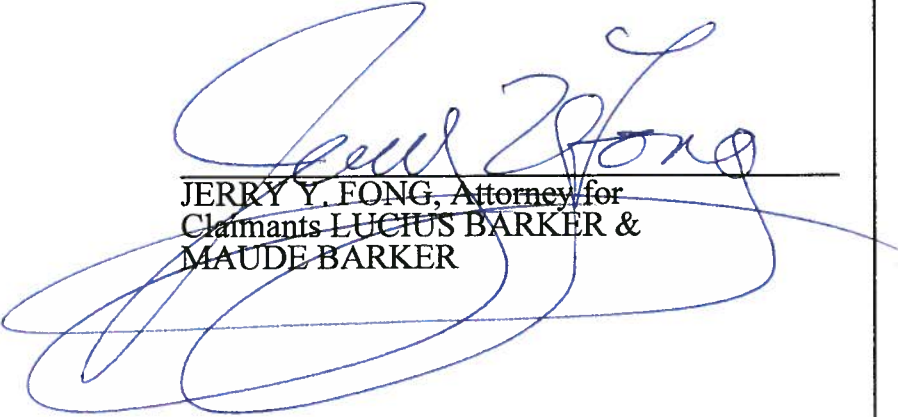
11. Accordingly, I am presenting this application on behalf of Lucius and Maude Barker, for leave to file or present a late claim against the City of Menlo Park. The proposed claim which the Barkers will file (if granted leave to do so) is attached as Exhibit "A" to this Application. The claim includes allegations of the breach of mandatory duties and/or creating, maintaining, or failing to remedy or repair a dangerous condition.

12. Please submit the response to this Application to:

Jerry Y. Fong, Esq.
The Law Offices of Jerry Fong
706 Cowper Street, Suite 203
Palo Alto, CA 94301
(650) 322-6123/fax (650) 322-6779
jf@jerryfong.com.

Dated: September 24, 2012

Respectfully submitted,



JERRY Y. FONG, Attorney for
Claimants LUCIUS BARKER &
MAUDE BARKER

GOVERNMENT TORT CLAIM FORM

Presented or Filed on behalf of Lucius Barker & Maude Barker

RECEIVED

Against the City of Menlo Park

SEP 24 2012

Claimants: Lucius Barker and Maude Barker **City Clerk's Office
City of Menlo Park**

Address: 1330 University Avenue, Apt. # 45, Menlo Park, CA
94025

Notices to be sent: c/o Jerry Fong, Esq., the Law Offices of Jerry Fong;
706 Cowper Street, Suite 203, Palo Alto, CA
94301; (650) 322-6123; fax (650) 322-6779;
jf@jerryfong.com.

Date of Incident: November 8, 2011

Location of Incident: On the sidewalk in front of 850 Oak Grove Avenue,
north side of Oak Grove Avenue, between Crane
Street and University Avenue, within the City of
Menlo Park, San Mateo County, CA.

Circumstances: Lucius Barker was walking on the sidewalk when
he tripped over a crack or rise (measuring more
than one inch) in the edge between two slabs of
sidewalk concrete. As a result of the fall, Lucius
Barker suffered serious physical injuries, including
but not limited to, injuries to his head, face, jaw,
and teeth. He has lost income as a result of this
accident.

Maude Barker is his spouse. She suffered a loss of
consortium. They both suffered emotional distress
from the accident and resulting injuries.

The Claimants contend that the City breached its
mandatory duties to maintain and repair its
sidewalks, to warn against a dangerous condition,

and/or not to create, neglect, or maintain a dangerous condition. The City knew or reasonably should have known of the dangerous condition at issue.

Names of relevant City employees:

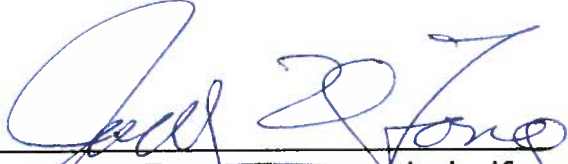
At the present time, the Claimants do have information as to the identities of the individuals who were responsible or negligent.

Amount of damages:

Each Claimant is claiming damages of not less than \$1 million.

September 24, 2012

Respectfully Presented,



by Jerry Fong, Esq., on behalf
of Claimants LUCIUS BARKER &
MAUDE BARKER

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PUBLIC WORKS DEPARTMENT

Council Meeting Date: October 30, 2012
Staff Report #: 12-160

Agenda Item #: D-1

CONSENT CALENDAR: Approve the Rail Council Subcommittee Mission Statement and Statement of Principles, and the Council Position Summary on Rail/High Speed Rail Issues

RECOMMENDATION

Staff recommends the City Council approve the Rail Council Subcommittee Mission Statement and Statement of Principles, and the Council position summary on Rail/High Speed Rail issues.

BACKGROUND

At the October 9th City Council meeting, the City Council approved changing the High Speed Rail Council Subcommittee to a Rail Council Subcommittee and provided direction to staff regarding the Rail Council Subcommittee's Mission Statement, Statement of Principles, and the Council's Summary Position on High Speed Rail. Council directed Staff to revise these documents and come back to Council for approval as a consent item.

ANALYSIS

Staff has revised the documents and the revised versions of these documents are Attachment's A, B, and C respectively. The redlined versions are included as Attachment D.

IMPACT ON CITY RESOURCES

Staff resources are required to support the Subcommittee. Depending on the strategies selected to advocate for Menlo Park's interests, additional resources may be needed in the future. In addition, other transportation related projects or work initiatives may be impacted if the workload capacity of the transportation staff is exceeded.

POLICY ISSUES

There are no policy issues as a result of this action.

Signature on File
Fernando Bravo
Engineering Service Manager

Signature on File
Chip Taylor
Director of Public Works

PUBLIC NOTICE: Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS:

- A. Menlo Park Rail Council Subcommittee Mission Statement
- B. Statement of Principles
- C. Council Position Summary
- D. Redline version of Mission Statement, Statement of Principles and Council Position Summary

**City of Menlo Park
Rail Council Subcommittee Mission Statement**

The Rail Council Subcommittee will advocate for ways to reduce the negative impacts and enhance the benefits of Rail in Menlo Park. The Subcommittee will ensure all voices are heard and that thoughtful ideas are generated and alternatives vetted. It will collaborate with other local and regional jurisdictions in support of regional consensus of matters of common interest related to Rail. Additionally, the subcommittee will support Council planning efforts and decision making on Rail-related issues with information, research and other expertise.

City of Menlo Park Statement of Principles for Rail

The City of Menlo Park Rail Council Subcommittee works to protect and enhance the character of Menlo Park and the community's economic vitality while supporting the conditions needed to maximize the local benefits and the long-term potential of rail.

- The character of Menlo Park includes:
 - Our connected, walkable, bikeable, safe and accessible neighborhoods, parks, commercial areas and civic center
 - Our vision and specific plan for the downtown and El Camino Real including improved east-west mobility for all modes of travel

- The community's economic vitality includes:
 - The continued success of our small and large businesses
 - The maintenance of our property values
 - Rail agencies responsibly mitigating impacts of rail, including but not limited to, HSR, Caltrain, and freight

- The conditions needed to maximize the long-term potential of the City's rail corridor include:
 - Improvements to east / west connectivity; rail unifies rather than divides
 - Improvements to local transit
 - The negative physical and social impacts of rail are minimized and the positive impacts are enhanced by using context sensitive design solutions
 - Consider all reasonable alternatives including those discussed previously by Menlo Park

Implied "decision criteria" from these principles might include:

- Does the alternative protect or enhance connectivity to additional modes of travel/ accessibility to city locations?
- Does the alternative protect or enhance walk-ability?
- Does the alternative protect or enhance bike-ability?
- Does the alternative protect or enhance the economic vitality of businesses?
- Does the alternative protect or enhance property values?
- Does the alternative align with / support the El Camino Real / Downtown Specific Plan?
- Does the alternative protect or enhance local transit opportunities?
- Does the alternative enhance the level of transit service?

**City of Menlo Park
Council Position Summary for Discussion**

The following bullet points are for discussion to clarify the Council's position on high speed rail on the Caltrain corridor through Menlo Park.

- The City opposes any elimination of any part of CEQA for the High Speed Rail Project environmental process.
- No aerial or elevated structures will be utilized on the Caltrain alignment between San Jose and San Francisco unless such an elevated structure is specifically requested by a local agency, for an area within their jurisdiction
- The high speed rail within Menlo Park should be either in a two-track envelope "at-grade" system, or in an open or closed trench or tunnel, and stay within the existing Caltrain right-of-way (with very minor exceptions, and in very limited locations)
- No Environmental Impact Report should go forward which increases it beyond two tracks in Menlo Park, unless underground in a closed trench or tunnel
- City is interested in positive train control and alternative propulsion systems as an early investment project to increase regional mobility and local train service. We are in favor of positive train control and electrification, provided they increase train service at or beyond 2005 levels at the Menlo Park Caltrain Station.
- The City approves of a blended system but opposes passing tracks located in Menlo Park
- The City is interested in quiet zones for the rail corridor in Menlo Park
- Our strategy is to work cooperatively with the blended system planning efforts while preventing an at-grade or elevated 4 track system through Menlo Park.

**City of Menlo Park
Rail Council Subcommittee Mission Statement**

~~DRAFT~~

The Rail Council Subcommittee will advocate for ways to reduce the negative impacts and enhance the benefits of Rail in Menlo Park. The Subcommittee will ensure all voices are heard and that thoughtful ideas are generated and alternatives vetted. It will collaborate with other local and regional jurisdictions in support of regional consensus of matters of common interest related to Rail. Additionally, the subcommittee will support Council planning efforts and decision making on Rail-related issues with information, research and other expertise.

City of Menlo Park Statement of Principles for Rail

~~DRAFT~~

The City of Menlo Park ~~High Speed~~ Rail Council Subcommittee works to protect and enhance the character of Menlo Park and the community's economic vitality while supporting the conditions needed to maximize the local benefits and the long-term potential of ~~high-speed~~ rail ~~(HSR)~~.

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 - Our vision and specific plan for the downtown and El Camino Real including improved east-west mobility for all modes of travel
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- Does the alternative protect or enhance property values?
- Does the alternative align with / support the El Camino Real / Downtown Specific Plan?
- Does the alternative protect or enhance local transit opportunities?
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City of Menlo Park Council Position Summary for Discussion

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- The City is interested in quiet zones for the rail corridor in Menlo Park
- Our strategy is to work cooperatively with the blended system planning efforts while preventing an at-grade or elevated 4 track system through Menlo Park.

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CITY COUNCIL SPECIAL MEETING MINUTES

Monday, October 22, 2012 at 6:00 p.m.
701 Laurel Street, Menlo Park, CA 94025
City Council Chambers

Mayor Keith called the Special Meeting to order at 6:05 p.m. with all Council Members present.

Mayor Keith led the pledge of allegiance.

PUBLIC COMMENT

There were no public comments.

SPECIAL BUSINESS

1. Authorize the City Manager to incorporate Council's direction and then submit the Draft Housing Element of the General Plan to the State Department of Housing and Community Development for review and comment ([Staff report #12-159](#))

Staff presentation by Justin Murphy, Development Services Manager and Jeffery Baird, Baird + Driskell ([PowerPoint](#)) ([Handout](#))

NOTE: Council Member Fergusson has a conflict of interest, due to her husband's employment with Stanford, and is recused on sites 1, 2, and 3.

Public Comment

- Terry Thygesen and Maurice Ghysels, Menlo Park City School District, pointed out the potential impacts on the school district from additional housing and requested that the City work with the school district.
- Lisa Cesario, Los Lomitas School District, pointed out the impacts to the school district and urged the Council to work with the school district.
- William Byron stated that Facebook should be include
- Adina Levin stated that housing near transit and of different size levels is important

NOTE: Council Member Fergusson left the meeting at 7:17 p.m. due to her previously noted conflict.

Public Comment Continued

- Susan Connelly spoke in opposition of the Burgess area for additional housing and asked if there was a way to change adding more housing by making existing housing available for low-income.
- John Stimson spoke in opposition of the Burgess area for additional housing.
- Don Brawner stated he would make his comments tomorrow night.

The following members of the public spoke in opposition of additional housing on Rural Lane and requested the site be removed from the housing list. Their concerns were regarding traffic congestion and safety, impacts to the school districts, lack of public transportation and the Habitat Conservation Plan.

- Bernadette DeRafael.
- Margaret Williams
- Eric Lai spoke
- Luke Vania
- Arshi Arshan
- Louise Pencavel
- Sandra Coplon
- Jennifer Kinzelberg
- Rebecca and Martin Frid-Nielson
- Arlene Lindblom
- Sydney Overland

The City Council discussed questions and concerns raised during public comment on the item as well as others.

ADJOURNMENT

The meeting was adjourned at 8:51 p.m.



Margaret S. Roberts, MMC
City Clerk

Minutes accepted at the Council meeting of



**CITY COUNCIL
REGULAR MEETING MINUTES**
Tuesday, October 23, 2012 at 7:00 p.m.
Menlo Park Council Chambers
701 Laurel Street, Menlo Park, CA 94025

Mayor Keith called the Regular Session to order 7:05 p.m. with all members present.

Mayor Keith led the Pledge of Allegiance.

ANNOUNCEMENTS: None

A. PRESENTATIONS AND PROCLAMATIONS: None

B. COMMISSION/COMMITTEE VACANCIES, APPOINTMENTS AND REPORTS

B1. Library Commission quarterly report on the status of their 2-year Work Plan
Commissioner Amita Vasudeva gave a status report on the 2-year Work Plan. ([PowerPoint](#))

C. PUBLIC COMMENT #1 (Limited to 30 minutes)

- Gary Wesley stated that Menlo Park does not have a charter and he suggested that Menlo Park consider becoming a Charter City.

D. CONSENT CALENDAR

ACTION: Motion and second (Cline/Fergusson) to approve Consent Calendar Items D2 and D3 as presented passes unanimously.

D2. Approve the recommendation of the Housing Commission to lower the prices of the City's two Neighborhood Stabilization Program homes in order to keep them in the Below Market Rate program and ensure they are affordable to families at 80% area median income for 2012 ([Staff report #12-156](#))

D3. Accept the minutes from the September 21, October 2, and October 9, 2012 ([Attachment](#))

D1. Adopt a resolution appropriating \$150,000 from the Transportation Impact Fee fund balance and award a contract to Apex Engineering & Construction in the amount of \$149,355 for the Alpine Road Bike Improvement Project and authorize a total budget of \$201,660 for contingencies, inspection, testing and project management ([Staff report #12-155](#))

Council Member Ohtaki pulled Item D3 for discussion.

ACTION: Motion and second (Ohtaki/Cline) to approve **Resolution No. 6106** appropriating \$150,000 from the Transportation Impact Fee fund balance and award a contract to Apex Engineering & Construction in the amount of \$149,355 for the Alpine Road Bike Improvement Project and authorize a total budget of \$201,660 for contingencies, inspection, testing and project management passes unanimously.

E. PUBLIC HEARING

E1. Authorize the City Council to make the findings that the Sharon Heights Pump Station Replacement Project is “substantially complex” and to increase the retention schedule from 5% to 10% ([Staff report #12-157](#))

Staff presentation by Fernando Bravo, Engineering Services Manager ([PowerPoint](#))

The Public Hearing was opened at 7:28 p.m.

There were no comments from members of the public.

ACTION: Motion and second (Fergusson/Ohtaki) to close the Public Hearing at 7:28 p.m. passes unanimously.

ACTION: Motion and second (Fergusson/Ohtaki) made the findings that the Sharon Heights Pump Station Replacement Project is “substantially complex” and increased the retention schedule from 5% to 10% passes unanimously.

F. REGULAR BUSINESS

F1. Authorize the City Manager to incorporate Council’s direction and then submit the Draft Housing Element of the General Plan to the State Department of Housing and Community Development for review and comment ([Staff report #12-159](#))

Staff presentation by Justin Murphy, Development Services Manager and Jeffery Baird, Baird + Driskell

Public Comment

- Lisa Cesario, Superintendent of the Los Lomitas School District, asked the Council to consider the increase in students and traffic impacts to the schools.
- Laura Rich, President of the Menlo Park City School District, stated that the schools in the District are full and is asking the Council to limit the number of students this will generate.
- Nevada Merriman, Mid Pen Housing, is pleased that her comments at the Housing Commission have been incorporated.
- Cheri Zaslowsky does not want to see the village character destroyed and suggested pushing back on the Association of Bay Area Government (ABAG) housing numbers.
- Mark Moulton, Housing Leadership Council, thanked the Council for moving forward with the Housing Element.
- Don Brawner commented on the lawsuit regarding the Housing Element and the number of housing units being required.
- Janet Davis spoke regarding the comments made by Vince Bressler in the newspaper.

NOTE: Council Member Fergusson stated that she has a conflict of interest due to her husband’s employment with Stanford and is recused on sites 1, 2, and 3 and left the meeting at 7:58 p.m.

Public Comment Continued

The following members of the public spoke in opposition of additional housing on Rural Lane and requested the site be removed from the housing list. Their concerns were regarding traffic congestion and safety, impacts to the school districts, lack of public transportation and the Habitat Conservation Plan.

- Gunter Steffen
- Ellyne Robin
- Maryam Arshi
- John Pencavel
- Katherine Bailey, Ladina Community Association
- Donald Prolo
- Lovinda Beal
- Bahram Arshi
- Tina Brass
- Neil Barmon, M.D.
- Tiffany Lee
- Renata Spangler
- Rick Vorek
- Margaret Williams
- Jennifer Kinzelberg
- Janet Davis

NOTE:

- Council Member Fergusson returned to the meeting at 8:36 p.m.
- Council Member Fergusson left the meeting at 9:14 p.m. for further discussion regarding her previously stated conflict.
- Council Member Fergusson returned to the meeting at 9:22 p.m.
- Council Member Fergusson left the meeting at 10:35 p.m. for further discussion regarding her previously stated conflict.
- Council Member Fergusson returned to the meeting at 10:41 p.m.

ACTION: By unanimous consensus, the density for the Post Office site on Bohannon Drive (site 14) will be increased to 40 units per acre.

NOTE: Council Member Fergusson left the meeting at 10:55 p.m. for further discussion regarding her previously stated conflict.

ACTION: By unanimous consensus (Fergusson recused) to remove the Rural Lane site (Site 3) from the list of sites to be studied for higher density housing.

NOTE: Council Member Fergusson returned to the meeting at 10:56 p.m.

ACTION: The Council provided additional input and items for City staff to look at prior to submitting to HCD.

F2. Consider state and federal legislative items, including decisions to support or oppose any such legislation, and items listed under Written Communication or Information Item: None

G. CITY MANAGER’S REPORT: None

H. WRITTEN COMMUNICATION: None

I. INFORMATIONAL ITEMS

I1. Financial review of General Fund operations as of June 30, 2012: Un-Audited budgetary comparison schedule ([Staff report #12-158](#))

J. COUNCILMEMBER REPORTS

Council members reported in compliance with AB1234 requirements.

K. PUBLIC COMMENT #2:

- Wynn Gersich, Fluoride Action Network, spoke regarding fluoride in the water and food labeling.

L. ADJOURNMENT

The meeting was adjourned at 11:18 p.m.



Margaret S. Roberts, MMC

City Clerk

Minutes accepted at the Council meeting of



COMMUNITY DEVELOPMENT DEPARTMENT

Council Meeting Date: October 30, 2012
Staff Report #: 12-161

Agenda Item #: F-1

REGULAR BUSINESS: Direction on the Parameters for Negotiating the Development Agreement for the Facebook West Campus Project Located at the Intersection of Bayfront Expressway and Willow Road

RECOMMENDATION

Staff recommends that the City Council provide direction for negotiating the Development Agreement for the Facebook West Campus Project located at the intersection of Bayfront Expressway and Willow Road based on the following parameters:

1. Provide a source of on-going revenue.
2. Provide one-time items in the form of funding, public improvements, studies or services that would benefit the surrounding area or greater community.
3. Consider inclusion of some of the requirements contained within the Facebook East Campus Development Agreement in the event that the East Campus Development Agreement is terminated.
4. Pursue a trip cap penalty amount that is comparable to the East Campus trip cap penalty.

BACKGROUND

The City is currently processing land use entitlements associated with the Facebook West Campus proposal, which is the second phase of the Facebook Campus Project. The approximately 22-acre West Campus is located at the intersection of Willow Road and Bayfront Expressway. The site is currently addressed 312 and 313 Constitution Drive, with the anticipation that the address will be updated in the near future to better reflect the location of the project site. The project site currently includes two legal parcels. The existing development on the western portion of the site includes two vacant office buildings totaling 127,246 square feet, a surface parking lot, landscape features, a basketball court and a guard house. The eastern portion of the site includes no improvements and minimal vegetation.

This second phase of the Project proposes demolition of the existing two buildings and associated site improvements. Subsequently, the applicant seeks to construct an approximately 433,555-square-foot building on top of surface parking that would include approximately 1,540 parking spaces. The entitlement process for the West Campus includes the following review and permit approvals:

- **Rezone from M-2 (General Industrial District) to M-2-X (General Industrial District, Conditional Development) and Conditional Development Permit:** to permit the proposal to diverge from standard M-2 zone requirements. In addition, in the M-2 zone, the construction of a new structure to house a permitted use requires use permit approval. In this case, the CDP takes the place of the required use permit;
- **Heritage Tree Removal Permits:** to permit the removal of heritage trees that are located within the development envelope of the proposed project;
- **Below Market Rate Housing Agreement:** per the requirements of the City's Municipal Code, a Below Market Rate (BMR) Housing Agreement is required, which would help increase the affordable housing supply by requiring the applicant to provide monies for the BMR fund;
- **Lot Merger:** to combine the two legal lots that make up the project site;
- **Development Agreement:** which results in the provision of overall benefits to the City and adequate development controls in exchange for vested rights in West Campus Project approvals;
- **Environmental Review:** an Environmental Impact Report (EIR) was prepared and certified by the City Council on May 29, 2012 that analyzed the potential environmental impacts associated with both the East Campus and West Campus components of the project. Given that there have been refinements to the project design since the environmental review was completed, additional environmental review will be conducted to confirm that the proposed project does not result in environmental impacts that were not already identified in the EIR. Staff anticipates that an addendum to the previously certified EIR will be required as part of the project review process; and
- **Adopt a the Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program:** which includes specific findings that the West Campus Project includes substantial benefits that outweigh its significant, and adverse environmental impacts, and establishes responsibility and timing for implementation of all required mitigation measures.

What follows is an overview of the project proposal and the associated land use entitlements.

Design and Site Layout

The project plans reflect the design of the architectural firm of Gehry Partners, LLP, which is the architect of record for the project. The proposed project would include development of a single building above at-grade parking. The parking level would be

open around the perimeter and the majority of parking spaces would be covered by the proposed structure. The height of the parking level would measure approximately 14 feet. The Zoning Ordinance requires one space per 300 square feet of gross floor area, which equates to a requirement for a total of 1,446 parking space for the proposed project. The project plans identify the provision of 1,540 parking spaces, inclusive of 26 accessible spaces and 125 parking spaces for energy efficient vehicles. None of the parking spaces would be located in landscape reserve.

The proposed single-story office building would be located above the parking level and would include approximately 433,555 square feet of gross floor area, some of which would be utilized for circulation elements in the garage and roof levels, as well as security control stations. The roof deck would be located at approximately 46 feet above grade. The building would have a linear design and spans approximately 1,565 feet along the Bayfront Expressway frontage and approximately 303 feet along the Willow Road frontage. The proposed structure, inclusive of all rooftop mechanical screening, would measure approximately 73 feet in height. Though the project plans do include site cross sections and photo simulations, they do not include elevation drawings. Elevations will be included when the City Council reviews the project again in 2013. Select plan sheets from the August 27, 2012 submittal are included as Attachment A.

The interior of the office is designed to house approximately 2,800 employees and includes open office space, as well as numerous amenity and support spaces. These distinct spaces include conference rooms, employee lounges, a large cafeteria, café spaces, laundry service, and general offices services. The interior is designed to provide natural daylighting from large window openings at the building's perimeter and skylight roof openings. Two public lobbies would be located along the north side of the building (proximate to Bayfront Expressway) and a third employee-only entry lobby would be provided near the center of the building. The lobby spaces would serve as security check points at ground level and reception lounge spaces at the office level.

The office level would be moderately screened by trees and partially covered terraces that are directly accessible from inside the building and via a pedestrian ramp from the ground. The roof is designed as an active and usable space, and would have extensive landscaped garden spaces with trees, paved gathering area and outdoor dining spaces, as well as an approximately one-half mile walking path. The roof top would also include mechanical enclosures to house the heating, ventilation and air conditioning (HVAC) equipment and emergency generators. The building design intends to create opportunities for flexible indoor/outdoor working environments, while maintaining a strong visual connection to the surrounding landscape and the Don Edwards San Francisco Bay National Wildlife Refuge.

The main vehicular access point to the project site would be along Bayfront Expressway. This entrance would be signalized under the proposed project and the existing curb cut would be moved approximately 250 feet to the west. Secondary and emergency access points are proposed at the northwest corner of the project site along Bayfront Expressway and at the southeast corner of the project site along Willow Road.

Both of the secondary access driveways would allow right-turns only for private vehicles. The secondary access point on Willow Road is also designed to provide a left-turn in option for emergency response vehicles traveling northbound on Willow Road. In addition, the connection between the East Campus and West Campus would be further enhanced via additional improvements to an existing undercrossing of Bayfront Expressway that links the campuses. As part of the East Campus component of the project, Facebook is upgrading the existing undercrossing by making improvements to allow Facebook employees and members of the public to utilize the undercrossing via bicycle or foot to bypass the at-grade crossing of Bayfront Expressway. As part of the West Campus component of the project, the undercrossing would be further improved to allow for use by the Facebook people-mover system, in addition to bicycle and pedestrian use. To ensure bicyclists and pedestrian safety in the undercrossing, traffic control devices would be installed on both sides of the undercrossing for controlling ingress/egress of the people-mover system into the undercrossing.

Trees and Landscaping

The applicant submitted an arborist report for the project site as part of the environmental review process for the Facebook Campus Project. The arborist report details the species, size, and conditions of all trees on site. The arborist report identified a total of 624 trees (the project plans currently indicate that there are 623 trees on site), 233 of which are identified as heritage trees. As is described in the arborist report and shown on the Tree Disposition Plan (sheet WL.1 of the plan set), the majority of the heritage trees on site are in poor health. As part of the current project proposal, the applicant seeks to remove a total of 141 heritage trees, 34 of which are in good health and the remaining 107 of which are in poor health. The applicant is required to apply for heritage tree removal permits for all 141 trees, which will be reviewed by the City Arborist or a consulting arborist who will provide a recommendation regarding the removal of the requested trees. As the design of the project is refined, the number of the heritage trees requested for removal may be adjusted.

As illustrated on the project plans, the site will be heavily landscaped with trees and water-efficient ground level plantings. Additional terrace level and rooftop gardens would help create a landscaped hillside appearance that would blend the building into the surrounding landscape. The seasonal wetland proposed at the east end of the site would combine seasonal variety and would also help the site comply with stormwater management requirements. The proposed plant palette includes a diversity of plants that would provide improved site aesthetics and ecological value. The applicant is working with local environmental stakeholders, as well as ecological consulting firm H.T. Harvey and Associates to ensure that the plant palette is suitable for the project site.

Below Market Rate (BMR) Housing Agreement

The applicant is proposing to pay the in lieu fee to comply with the City's Below Market Rate (BMR) housing requirements. Based on the current fee schedule and calculating a credit for the existing buildings, the fee is estimated to be \$4,505,805. The BMR

Agreement regarding the payment of fees would need to be reviewed by the Housing Commission and Planning Commission, with the City Council being the final decision making authority.

Development Agreement

The application submitted by the project sponsor includes a request for a legally binding Development Agreement in conjunction with the requested land use entitlements. The requested Development Agreement for the West Campus proposal is distinct from the Development Agreement executed for the East Campus, and was a specified project component in the certified EIR for the Facebook Campus Project. 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 West Campus component of the Project be approved.

The City Council adopted Resolution No. 4159 in January 1990, establishing the procedures and requirements for the consideration of Development Agreements. The City has previously entered into three Development Agreements, most recently with Facebook for the East Campus component of the Facebook Campus Project, and prior to that with the Bohannon Development Company for the Menlo Gateway Project, and with Sun Microsystems for what is now the Facebook East Campus site. Resolution No. 4159, The Facebook East Campus Development Agreement, the Bohannon Development Company Development Agreement, and the Sun Microsystems Development Agreement are available for review on the City's web site, and upon request at City offices.

A Development Agreement is not something that the City can require an applicant to apply for, but is something that an applicant may choose to apply for if they are seeking vested rights in approvals, approval of a project that might have significant unmitigated environmental impacts and/or a project element that is non-standard or diverges from Zoning Ordinance or General Plan requirements. For the Menlo Gateway project, the applicant sought an increase to the maximum allowed office Floor Area Ratio (FAR) from 45 percent to 100 percent office with a total FAR of 137.5 percent. For the Facebook East Campus project, the applicant sought the removal of the employee cap of a maximum of 3600 employees applicable to the property (essentially calculated on the basis of one employee per every 300 square feet of gross floor area) and replacement of the employee cap with daily and peak period trip caps. Staff and the applicant agreed that a Development Agreement is the best tool for documenting how the potential benefits outweigh the significant and unavoidable impacts in this particular situation.

On October 18, 2011, the Council appointed a Development Agreement subcommittee for the Facebook East Campus project, comprised of Council Members Keith and Cline, to provide assistance and general guidance to the negotiating team. At its meeting on September 11, 2012, the Council confirmed that this same subcommittee would be utilized to assist and guide the development of the Facebook West Campus

Development Agreement. The core City negotiating team for the Facebook West Campus Development Agreement includes the City Manager, City Attorney, Development Services Manager and Public Works Director. The two-member Council Subcommittee will meet with the City Manager and City Attorney on an as needed basis throughout the negotiation process.

At the conclusion of negotiation, the negotiating team will present a term sheet for consideration by the full Council. The term sheet prepared for the East Campus Development Agreement is included as Attachment B. It is important to take into consideration the benefits derived from the East Campus Development Agreement when considering potential benefits from a Development Agreement for the West Campus. In addition to the commitments memorialized in the East Campus Development Agreement, it also should be noted that the applicant entered into distinct agreements with the Menlo Park Fire Protection District, the City of East Palo Alto, and the Town of Atherton. These commitments illustrate the applicant's commitment to the greater community.

The remainder of this staff report focuses on Council direction to staff on negotiating the Development Agreement for the West Campus.

ANALYSIS

Planning Commission and Community Input

On September 24, 2012, the Planning Commission held a study session to discuss the Facebook West Campus proposal and requested land use entitlements. As part of the study session, the Planning Commission provided input on public benefits opportunities, which are summarized below:

- Consider requiring an on-going revenue stream requirement;
- Consider potential impacts to the educational system and the possible benefits Facebook could provide to the School Districts;
- Consider ways the applicant could contribute to the development of workforce housing;
- Consider utilization of the East Campus term sheet as a template for negotiation of the West Campus term sheet; and
- Consider ways the applicant could address transportation challenges within the City.

In addition to the Planning Commission meeting, staff hosted a public outreach meeting at the Menlo Park Senior Center on October 18, 2012 to provide an overview of the project proposal and to provide an additional opportunity for public input on the project, including public benefit recommendations. Public benefit suggestions provided by the community at this meeting are summarized below:

- Consider ways the applicant could address the high fees associated with the provision of sanitary sewer services to residential customers;
- Consider requiring the applicant to fund enhancements to the Hamilton Henderson Pump Station, inclusive of changes to reduce odors and improve the aesthetics of the pump station;
- Consider requiring the applicant to work with the Menlo Park Fire Protection District to facilitate improved response time to the Belle Haven neighborhood; and
- Consider ways that the applicant could assist the Belle Haven community in improving the disaster preparedness plan.

Parameters

Staff considered the following parameters that guided the negotiation of the East Campus Development Agreement negotiation:

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

Given that the applicant for the East Campus and West Campus Development Agreements is the same, it is beneficial to consider the previous commitments associated with the East Campus Development Agreement when establishing the negotiating parameters for the West Campus Development Agreement. That being said, it is also critical to remember that there is the potential that the East Campus Development Agreement may become null and void in the future if the applicant decides to vacate that site.

Based on all of the input to date, staff is recommending a similar, but slightly modified set of parameters to guide the negotiation of the West Campus Development Agreement. The recommended parameters outlined below reflect the previously established commitments contained within the East Campus Development Agreement and differences in the project proposals. In general, the negotiating team would focus on the public benefit ideas in which there is the greatest overlap between the City's need and the project sponsor's interest in a particular topic.

1. On-Going Revenue: *Provide a source of on-going revenue.*

Based upon City Council, Planning Commission and public direction, there appears to be a consensus that a high priority parameter is the provision of a source of on-going revenue. The revenue could be in the form of an in lieu of sales tax comparable to the annual payment associated with the East Campus Development Agreement or some other mechanism such as the provision of monies to support police services in the Belle Haven neighborhood. An example of how the latter mechanism might be realized would be a requirement for the applicant to annually provide monies to fund two existing full time police officers.

2. One-Time Items: *Provide one-time items in the form of funding, public improvements, studies or services that would benefit the surrounding area or greater community.*

There appears to be an interest in pursuing one-time improvements or studies that would benefit the surrounding area or greater community. A number of topic areas have been suggested, including, but not limited to sanitary sewer upgrades, an improved citywide transportation network, funding a City-operated pilot program maximizing the use of the Facebook social media tool citywide, and an updated Emergency Operations Plan. Other ideas include new or enhanced City facilities near the project site and/or streetscape improvements. The City's 5-Year Capital Improvement Plan, including unfunded and General Fund items, can serve as a basis for some ideas.

3. East Campus Development Agreement Requirements: *Consider inclusion of some of the requirements contained within the Facebook East Campus Development Agreement in the event that the East Campus Development agreement is terminated.*

If Facebook vacates the East Campus, the requirements of the East Campus Development Agreement would be null and void. Therefore, consideration should be given to inclusion of some of the requirements of the East Campus Development Agreement in the West Campus Development Agreement, in the event that the East Campus Development Agreement is no longer in force at some future date. Examples include, but are not limited to, the summer intern program, the annual local community organization fair, and the Facebooks program to support local businesses.

4. Trip Cap Penalty: *Pursue a trip cap penalty amount that is comparable to the East Campus trip cap penalty.*

The trip cap penalty should be comparable to the East Campus trip cap penalty to ensure compliance with the mitigation measure contained within the certified EIR. It is important to keep in mind that that the penalty is not intended to be a

revenue generator, rather to ensure compliance with the defined project and associated condition of approval and mitigation measures.

The Council has the option of supporting this guiding framework of parameters, modifying the framework, or proposing an alternative framework. Regardless of which option the Council chooses, it should provide direction to the negotiating team in order for the negotiations to begin.

Negotiation Process

The negotiation process will commence immediately upon the Council's direction. Through the negotiation process, the applicant would likely request certain items from the City, such as land use vesting rights, City-imposed fees reflective of the date of land use entitlement project approval, project modifications, and transferability. At the conclusion of negotiation, the negotiating team will present a term sheet for consideration by the full Council. After Council acceptance of the term sheet, staff will prepare the complete Development Agreement for public review by the Planning Commission and the City Council at respective public hearings, anticipated to occur in February and March, 2012. The updated West Campus Draft Permitting Schedule, which reflects these meetings and associated project milestones, is included as Attachment C.

Correspondence

Since the Planning Commission's study session to review the project proposal on September 24, 2012, City staff has received four emails regarding the West Campus project proposal, which are included as Attachment D. The emails generally express support for the project proposal and one email expresses concerns related to the operations of the Hamilton Henderson Pump Station, which is a sanitary sewer facility managed by West Bay Sanitary District. Staff is further exploring the concerns raised in the email and will follow-up with the commenter and West Bay Sanitary District, as appropriate.

IMPACT ON CITY RESOURCES

As part of the review of the Facebook Campus Project, a Fiscal Impact Analysis was prepared, which projected the potential changes in fiscal revenues and service costs directly associated with development of the proposed Project, inclusive of both the East Campus and West Campus. The 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 applicant is required to pay planning permit fees, based on the City's Master Fee Schedule, to fully cover the cost of staff time spent on the review of the project. The applicant is also required to bear the cost of the associated environmental review. For

the environmental review, the applicant deposits money with the City and the City pays the consultants. In addition, public benefits negotiated as part of the Development Agreement would serve to help offset any potential impacts of the Project.

POLICY ISSUES

The proposed project will ultimately require the Council to consider certain land use entitlements. Staff will be identifying policy issues during the Council's review of the project such as public benefit related to the Development Agreement. The negotiation of the Development Agreement will commence after the Council provides direction on the Development Agreement parameters.

ENVIRONMENTAL REVIEW

An Environmental Impact Report (EIR) was prepared and certified by the City Council on May 29, 2012 that analyzed the potential environmental impacts associated with both the East Campus and West Campus components of the project. Given that there have been refinements to the project design since the environmental review was completed, additional environmental review will be conducted to determine whether the proposed project results in environmental impacts that were not already identified in the EIR. At this point, staff anticipates that an addendum to the previously certified EIR will be required as part of the project review process.

The previously certified EIR analyzed the potential impacts of the Project across a wide range of impact areas. The EIR evaluated 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 Campuses, and then collectively for the entire Project proposal. The EIR concluded that there were no impacts associated with Agricultural and Mineral Resources and impacts related to Geology and Soils, Greenhouse Gas Emissions, Land Use, Population and Housing, Public Services, and Wind were less than significant and required no mitigation measures. Impacts associated with Aesthetics, Biological Resources, Cultural Resources, Hazards and Hazardous Materials, Hydrology and Water Quality, and Utilities were less than significant with the incorporation of mitigation measures. Finally, the EIR determined that the project would result in significant and unavoidable impacts related to Air Quality, Noise, and Transportation.

Although the certified EIR analyzed development on both campuses, and staff believes the proposed project would not result in environmental impacts that were not already identified, the current review of a detailed development proposal will require Planning Commission and City Council consideration of a Statement of Overriding

Considerations and a Mitigation Monitoring and Reporting Program. The Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program adopted by the City Council in May of 2012 were only applicable to the East Campus, as applications for required land use entitlements for the West Campus component of the project had not yet been submitted.

Signature on file
Rachel Grossman
Associate Planner

Signature on file
Justin Murphy
Development Services Manager

PUBLIC NOTICE

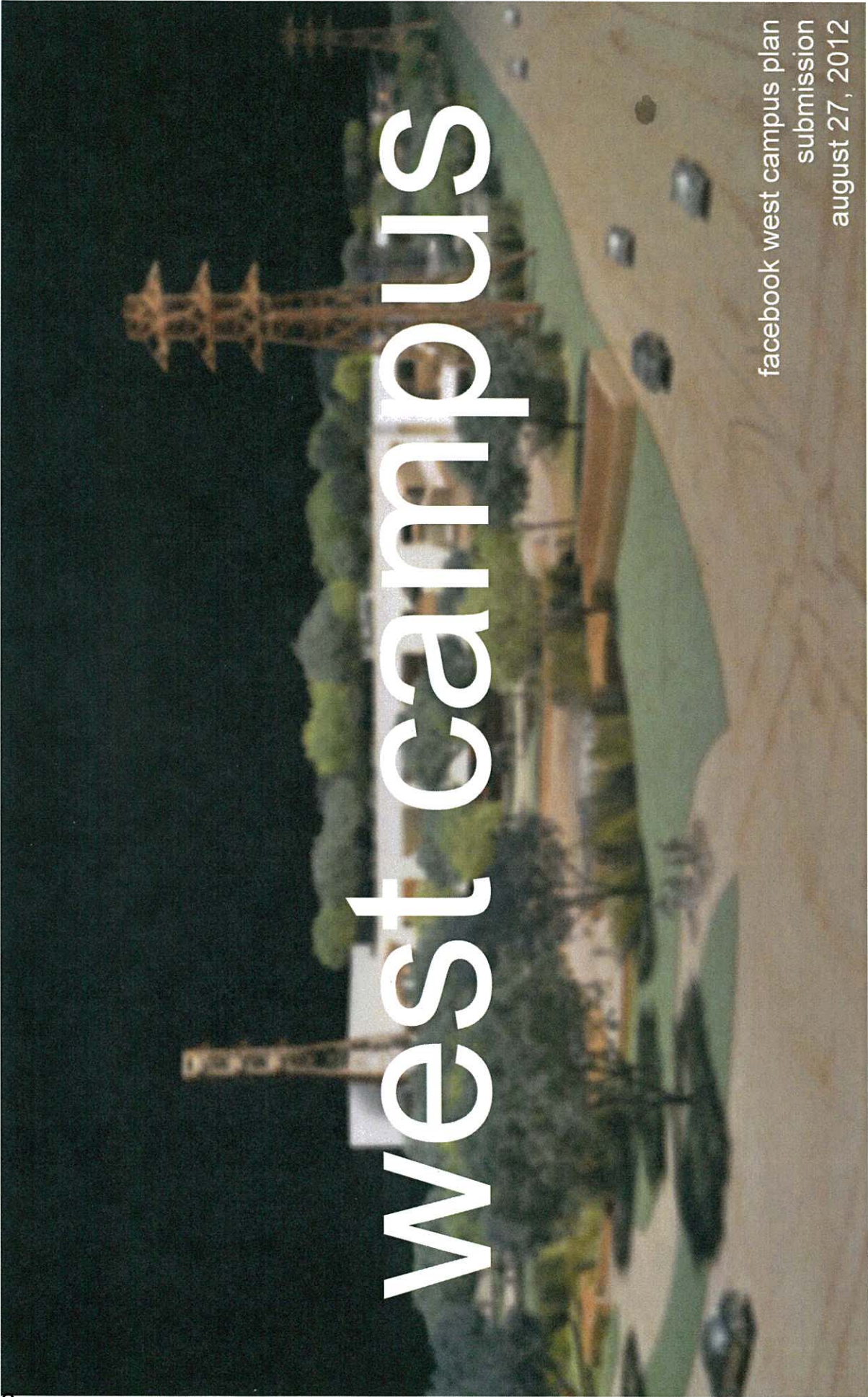
Public notification was achieved by posting the agenda, at least 72 hours prior to the meeting, with this agenda item being listed. In addition, the agenda publication was supplemented by a postcard mailing that was sent to all owners and occupants within a quarter-mile (1,320 feet) radius of the project site and all owners and occupants of the Belle Haven neighborhood, which provided information about the Project proposal and associated documents, as well as information about the public outreach meeting in October and the City Council meeting in October. Finally, the City sent an email update to subscribers of the Project page for the proposal, which is available at the following address: http://www.menlopark.org/s/comdev_fb.htm

ATTACHMENTS

- A. Select Plan Sheets, August 27, 2012 Submittal
- B. Facebook 1601 Willow Road (East Campus) Term Sheet
- C. Facebook West Campus Draft Permitting Schedule
- D. Correspondence
 - a. Email from Opha Wray, received September 25, 2012
 - b. Email from Crime Prevention Narcotics Drug Educational Center, received September 25, 2012
 - c. Email from Opha Wray, received October 19, 2012
 - d. Email from John Preyer, received October 20, 2012

BACKGROUND MATERIAL AVAILABLE AT CITY OFFICES

[Draft and Final Environmental Impact Report](#)
[Draft and Final Fiscal Impact Analysis](#)
[1601 Willow Road \(East Campus\) Development Agreement](#)
[City's 5-Year Capital Improvement Plan](#)
[City of Menlo Park Emergency Operations Plan](#)



facebook west campus plan
submission
august 27, 2012

DRAWING SHEET INDEX

| SHEET # | SHEET TITLE | SCALE |
|--------------------------------|---|-----------|
| CIVIL DRAWING INDEX | | |
| WI 1 | PROPOSED GRADING PLAN | 1"=15'-0" |
| WI 2 | PROPOSED EXISTING UTILITY SYSTEM | 1"=15'-0" |
| WI 3 | PROPOSED TREATMENT WATER QUALITY PLAN | 1"=15'-0" |
| WI 3.1 | TREATMENT AREA SECTION | NTS |
| WI 4 | PROPOSED SANITARY SEWER SYSTEM | 1"=15'-0" |
| WI 5 | PROPOSED WATER SYSTEM | 1"=15'-0" |
| WI 6 | PROPOSED JOINT TRENCH | 1"=15'-0" |
| LANDSCAPE DRAWING INDEX | | |
| WL 1 | TREE DISLOCATION PLAN | 1"=15'-0" |
| WL 2.1 | PRELIMINARY LANDSCAPE GROUND PLAN | 1"=15'-0" |
| WL 2.3 | PRELIMINARY LANDSCAPE ROOF PLAN | 1"=15'-0" |
| WL 3 | PRELIMINARY LANDSCAPE PLANTING PLAN | 1"=15'-0" |
| WL 3.1 | UNDERPASSING CONNECTIVITY - WEST CAMPUS | 1"=15'-0" |
| WL 3.2 | UNDERPASSING CONNECTIVITY - WEST CAMPUS | 1"=15'-0" |
| WL 3.3 | UNDERPASSING CONNECTIVITY - WEST CAMPUS | 1"=15'-0" |
| WL 3.4 | UNDERPASSING CROSS SECTION | 1"=15'-0" |

DRAWING SHEET INDEX

| SHEET # | SHEET TITLE | SCALE |
|------------------------------------|--------------------------------|------------|
| AD PROJECT INFORMATION | | |
| A0.0 | TITLE PAGE COVER | NTS |
| A0.1 | INDEX | NTS |
| A0.2 | AREA A-0.1 | 1"=200'-0" |
| ARCHITECTURAL DRAWING INDEX | | |
| WA 1 | EXISTING SITE PLAN | 1"=100'-0" |
| WA 2 | PROPOSED SITE PLAN | 1"=15'-0" |
| WA 2.1 | SITE PLAN OVERLAY | 1"=15'-0" |
| WA 3 | PARKING PLAN | 1"=60'-0" |
| WA 3.1 | FIRST FLOOR PLAN | 1"=60'-0" |
| WA 3.4 | ROOF PLAN | 1"=60'-0" |
| WA 3.5 | MECHANICAL ROOM FLOOR PLAN | 1"=60'-0" |
| WA 3.7 | LOT COVERAGE DIAGRAM | 1"=60'-0" |
| WA 3.8 | SEALANT FOOTAGE DIAGRAMS | 1"=100'-0" |
| WA 4.1 | EMERGENCY VEHICLE ACCESS PLAN | 1"=15'-0" |
| WA 4.1.1 | EMERGENCY VEHICLE TURNING PLAN | 1"=15'-0" |
| WA 4.1.2 | EMERGENCY VEHICLE TURNING PLAN | 1"=15'-0" |
| WA 4.1.3 | EMERGENCY VEHICLE TURNING PLAN | 1"=15'-0" |
| WA 4.1.5 | LARGER ACCESS SECTION | 1"=20'-0" |
| WA 4.1.6 | LARGER ACCESS SECTION | 1"=20'-0" |
| WA 4.1.8 | LARGER ACCESS SECTION | 1"=20'-0" |
| WA 4.1.9 | LARGER ACCESS SECTION | 1"=20'-0" |
| WA 4.2 | LOADING DOCK DELIVERY PLAN | 1"=15'-0" |
| WA 4.3 | SECURITY PLAN | 1"=15'-0" |
| WA 5.1 | SITE SECTION - OVERLAY SET 1 | 1"=25'-0" |
| WA 5.2 | SITE SECTION - OVERLAY SET 2 | 1"=25'-0" |
| WA 5.3 | SITE SECTION - OVERLAY SET 3 | 1"=25'-0" |
| WA 5.4 | SITE SECTION - OVERLAY SET 4 | 1"=25'-0" |
| WA 5.5 | SITE SECTION | 1"=25'-0" |
| WA 5.6 | SITE SECTION | 1"=25'-0" |
| WA 6.1 | SHADOW STUDY | NTS |
| WA 6.2 | SHADOW STUDY | NTS |
| WA 7.0 | PHOTO SIMULATION KEY PLAN | NTS |
| WA 7.1 | PHOTO SIMULATION | NTS |
| WA 7.2 | PHOTO SIMULATION | NTS |
| WA 7.3 | PHOTO SIMULATION | NTS |
| WA 7.4 | PHOTO SIMULATION | NTS |
| WA 7.5 | PHOTO SIMULATION | NTS |
| WA 7.6 | PHOTO SIMULATION | NTS |
| WA 7.9 | PHOTO SIMULATION | NTS |

ISSUED FOR REFERENCE

facebook west campus

312 & 313 CONSTITUTION DR.
MENLO PARK, CALIFORNIA



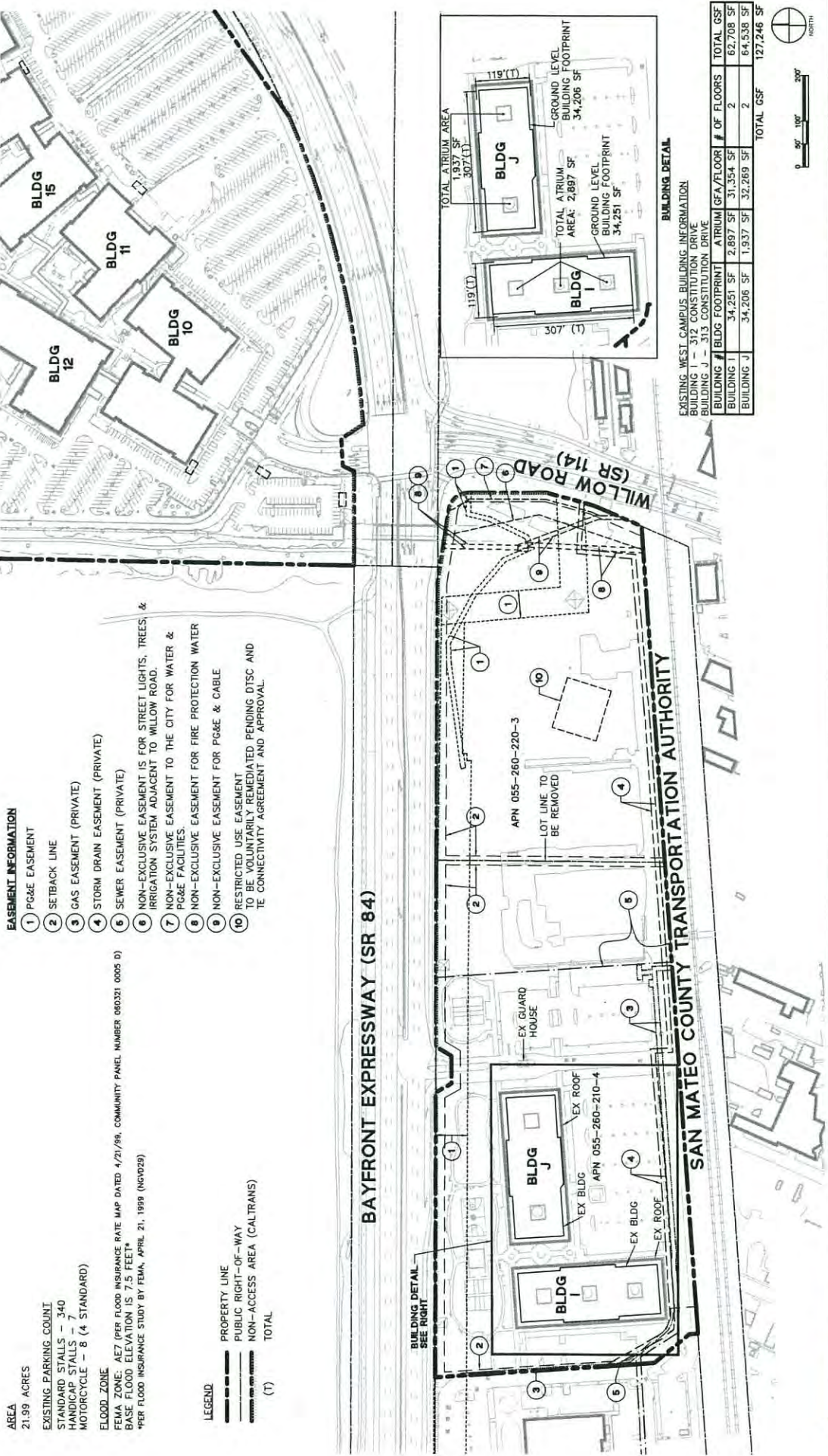
A0.1: DRAWING INDEX
SCALE: 1"=NTS
11X17 SCALE IS 1"=NTS
AUGUST 27 2012



A.0.2: AREA PLAN
 SCALE: 1"=200'
 11X17 SCALE IS 1"=400'
 AUGUST 27 2012

facebook west campus
 312 & 313 CONSTITUTION DR.
 MENLO PARK, CALIFORNIA





WA.1: EXISTING SITE PLAN

facebook west campus
 312 & 313 CONSTITUTION DR.
 MENLO PARK, CALIFORNIA

NOTE: THE EXISTING LOT LINE WILL BE ELIMINATED THROUGH A LOT MERGER OR OTHER INSTRUMENT.



WA.2.0: PROPOSED SITE PLAN
 SCALE: 1"=75'
 11X17 SCALE IS 1"=150'
 AUGUST 27 2012

MINIMUM LIGHTING STANDARD

The lighting standards for the West Campus shall comply with LEED & CALGreen performance standards designed to minimize light trespass from the building and site. The standard set by the West campus site lighting.

"Light areas only as required for safety and security. Lighting fixtures shall be designed to minimize light trespass. Light fixtures shall produce a maximum initial illuminance value no greater than 0.20 horizontal and vertical footcandles at the site boundary and no greater than 0.01 horizontal footcandles 15 feet beyond the site boundary.

Document that no more than 5% of the total initial designed fixture lumens (sum total of all fixtures on site) are emitted at an angle of 90 degrees or higher from nadir (straight down)."

The design will also comply with the San Francisco Planning Department Standards for Bird-Safe Buildings.

Interior lighting will be on motion sensors as much as possible.

Perimeter interior lighting to be shielded.

Exterior lighting to be shielded and not to have window coverings.

Exterior light fixtures to be designed to minimize light escaping upwards.

Outdoor lighting systems shall be designed and installed to comply with the following:

- The minimum requirements in the California Energy Code for outdoor lighting as defined in Chapter 19 of the California Administrative Code; and
- IESNA TM-15-11; and
- AS 106.8, or
- Comply with a local ordinance lawfully enacted pursuant to Section 101.7, whichever is more stringent.

Exemptions that qualify as exceptions in Section 147 of the California Energy Code

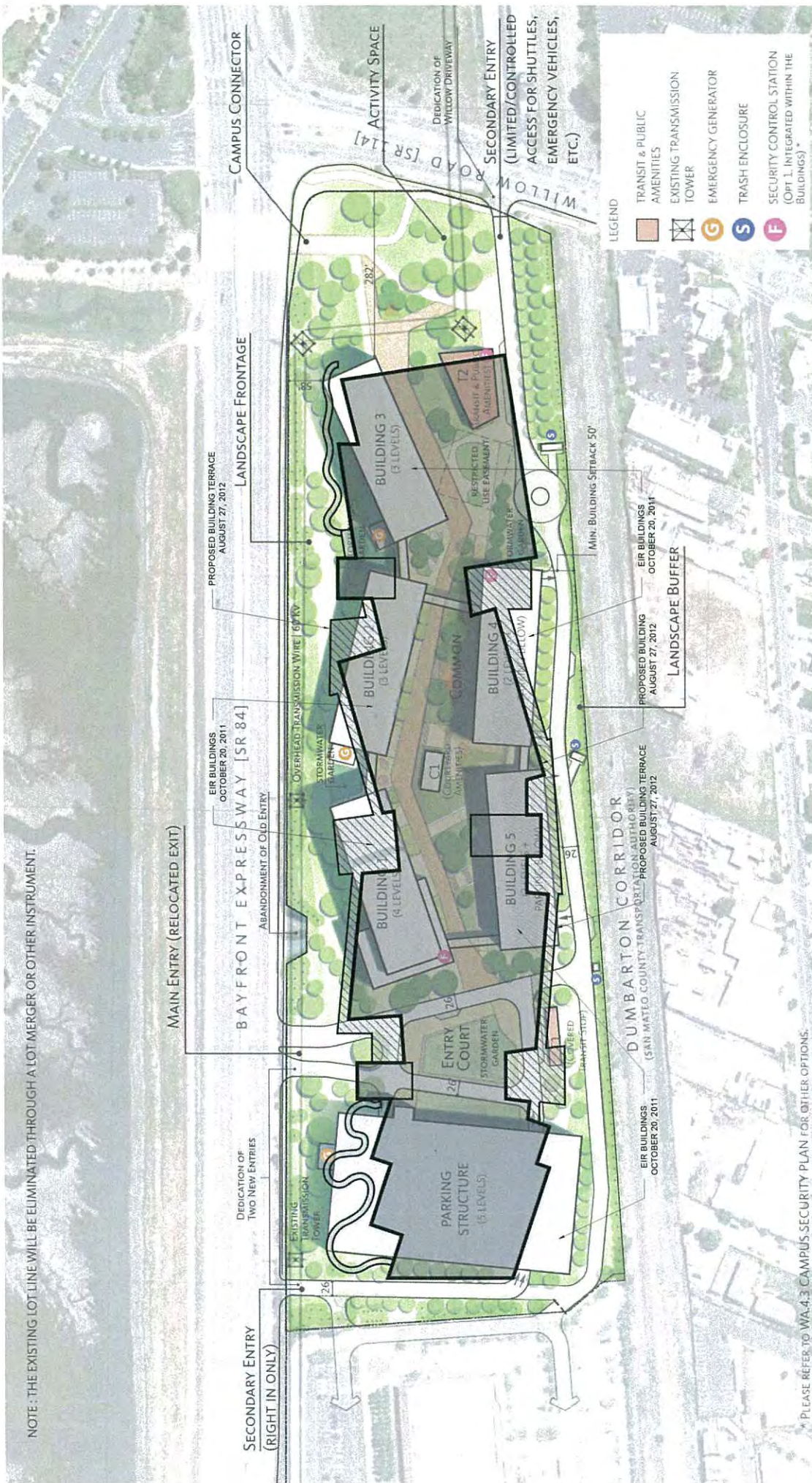
- California Energy Code
- Emergency lighting

- LEGEND**
- G EMERGENCY GENERATOR
 - S SITE SECURITY CONTROL STATION (ALSO SEE WA.3.1)
 - T TRASH ENCLOSURE (SEE WA.3.1)
 - EXISTING TRANSMISSION TOWER

facebook west campus
 312 & 313 CONSTITUTION DR.
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NOTE: THE EXISTING LOT LINE WILL BE ELIMINATED THROUGH A LOT MERGER OR OTHER INSTRUMENT.



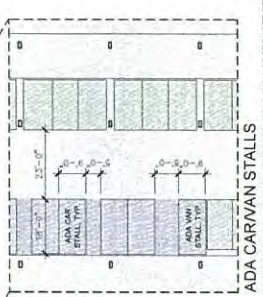
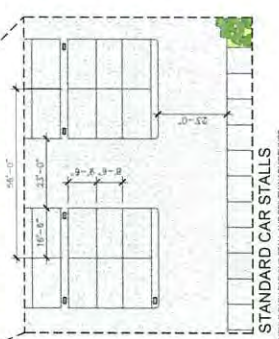
WA.2.1: SITE PLAN OVERLAY
 SCALE: 1"=75'
 11X17 SCALE IS 1"=150'
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PLEASE REFER TO WA.4.3 CAMPUS SECURITY PLAN FOR OTHER OPTIONS.



- LEGEND**
- SITE SECURITY CONTROL STATION
 - BUILDING SECURITY CONTROL STATION
 - TRASH COLLECTION
 - BICYCLE PARKING
 - ENERGY EFFICIENT VEHICLE PARKING
 - ADA COMPLIANT VEHICLE AND VAN PARKING
 - NON-OFFICE SPACE/AMENITIES/MECHANICAL
 - INTERIOR CORE/STAIR



| | WEST LOT | EAST LOT | TOTAL |
|---|-----------|-----------|-------------|
| REGULAR STALLS | 357 | 1,032 | 1389 |
| ENERGY EFFICIENT VEHICLE STALLS (EEV) 8'-0" X 12'-6" | 34 | 91 | 125* |
| ADA COMPLIANT VEHICLE STALLS 8'-0" X 18'-0" (SEE ACCESS LABEL) | 10 | 10 | 20 |
| ADA COMPLIANT VAN STALLS 8'-0" X 18'-0" (SEE ACCESS LABEL) | 2 | 4 | 6 |
| TOTAL VEHICLE PARKING | 40 | 48 | 1540 |
| BICYCLE PARKING | | | 88 |

* 5% OF TOTAL PARKING CAPACITY (769 STALLS) SHALL BE PROVIDED WITH METRO GREEN (2011) TO FACILITATE CARPOOLING. METRO GREEN SHALL BE PROVIDED WITHIN 200' OF MAIN ENTRANCE (CONSISTENT WITH CALGREEN 2011) TO FACILITATE CARPOOLING. METRO GREEN SHALL BE PROVIDED WITHIN 200' OF MAIN ENTRANCE (CONSISTENT WITH CALGREEN 2011) TO FACILITATE CARPOOLING. METRO GREEN SHALL BE PROVIDED WITHIN 200' OF MAIN ENTRANCE (CONSISTENT WITH CALGREEN 2011) TO FACILITATE CARPOOLING. METRO GREEN SHALL BE PROVIDED WITHIN 200' OF MAIN ENTRANCE (CONSISTENT WITH CALGREEN 2011) TO FACILITATE CARPOOLING.

WA.3.1: PARKING PLAN

SCALE: 1"=60'
11X17 SCALE IS 1"=120'
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BAYFRONT EXPRESSWAY

WILLOW ROAD

DUMBARTON RAILWAY



DRAWING LEGEND:

| | | | | | |
|---|-----------------------|----|----------------------------|----|---------------------------|
| 1 | SMALL CONF RM | 5 | STORAGE ROOM | 17 | RESTROOM |
| 2 | MEDIUM CONF RM | 6 | PURPLE TIE LAUNDRY | 18 | JANITOR'S CLOSETS |
| 3 | LARGE CONF RM | 7 | IT SUPPLY DEPOT / KIOSK | 19 | SHIPPING / RECEIVING |
| 4 | SHARED PRIVATE OFFICE | 8 | POP-UPS | 20 | IDF / MIDE ROOM / VOIP |
| | | 9 | MOTHER'S ROOM | 21 | UPS |
| | | 10 | MAIL / COPY / PRINT CENTER | 22 | LIBRARY |
| | | 11 | MICRO KITCHEN | 23 | IT HELP DESK / IT STORAGE |
| | | 12 | GAME ROOM | 24 | CAFETERIA / CAFE |

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WA.3.2: FIRST FLOOR PLAN

SCALE: 1"=60'
11X17 SCALE IS 1"=120'
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| DEVELOPMENT STANDARDS | PROPOSED PROJECT | M-2 ZONING ORDINANCE |
|--|------------------------------------|---------------------------------|
| LOT AREA | 963,684 SF | 25,000 SF MIN. |
| AVERAGE LOT WIDTH | 500.75 FT | 100 FT MIN. |
| AVERAGE LOT DEPTH | 1,846.4 FT | 100 FT MIN. |
| SETBACKS | | |
| FRONT | 219 FT | 20 FT |
| REAR | 60 FT | 0 FT |
| SIDE (LEFT) | 60 FT | 10 FT |
| SIDE (RIGHT) | 60 FT | 10 FT |
| BUILDING COVERAGE | | |
| COVERAGE (INCLUDES BUILDING ENCLOSURE, EXTERIOR TERRACES, SECURITY STATIONS) | 480,904 SF 49.90 % | 481,842 SF 50 % |
| FAR (FLOOR AREA RATIO) | 433,555 SF / 963,684 SF 44.99 % | 433,657 SF / 963,684 SF 45 % |
| SQUARE FOOTAGE BY FLOOR | | |
| GROUND FLOOR | 14,218 SF | |
| FIRST FLOOR | 413,690 SF | |
| ROOF LEVEL | 5,197 SF | |
| ACCESSORY BUILDING (SECURITY STATIONS) | 450 SF | |
| TOTAL SQUARE FOOTAGE | 433,555 SF | 433,657 SF |
| BUILDING HEIGHT ABOVE AVG. NATURAL GRADE | 73 FT | 35 FT |
| PARKING | | |
| PARKING PROVIDED ONSITE | 1,540 SPACES | |
| CALCULATED BASIS: 1 SPACE / 300 SF | | 1,446 SPACES |

| PERVIOUS / IMPERVIOUS SURFACES | |
|--|--------------------|
| GROUND FLOOR | |
| PERVIOUS LANDSCAPE | 245,125 SF |
| (OUTSIDE BUILDING FOOTPRINT) | 125,048 SF |
| PERVIOUS EMERGENCY VEHICLE ACCESS LANE | |
| IMPERVIOUS PAVING | 113,800 SF |
| (OUTSIDE BUILDING FOOTPRINT) | 461 SF |
| ACCESSORY BUILDING ROOFS (IMPERVIOUS AREA) | |
| FIRST FLOOR | |
| IMPERVIOUS TERRACE | 63,573 SF |
| ROOF LEVEL* | |
| PERVIOUS GREEN ROOF LANDSCAPE | 236,531 SF |
| PERVIOUS GREEN ROOF PATH | 52,934 SF |
| IMPERVIOUS ROOF | 126,212 SF |
| TOTAL PERVIOUS SURFACE WITH GREEN ROOF | 659,638 SF 68 % |
| TOTAL IMPERVIOUS SURFACE WITH GREEN ROOF | 304,046 SF 32 % |
| TOTAL PERVIOUS SURFACE EXCLUDING GREEN ROOF | 370,173 SF 38 % |
| TOTAL IMPERVIOUS SURFACE EXCLUDING GREEN ROOF | 593,511 SF 62 % |

*POTENTIAL GREEN ROOF AREA REPORTED IS SUBJECT TO REFINEMENT

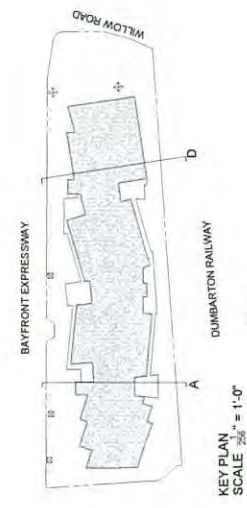
| TREES* | |
|--|-----|
| NUMBER OF EXISTING HERITAGE TREES | 73 |
| NUMBER OF EXISTING HERITAGE TREES TO REMAIN | 39 |
| NUMBER OF EXISTING HERITAGE TREES REMOVED | 34 |
| NUMBER OF EXISTING HERITAGE TREES IN POOR HEALTH | 160 |
| NUMBER OF EXISTING HERITAGE TREES IN POOR HEALTH TO REMAIN | 53 |
| NUMBER OF EXISTING HERITAGE TREES IN POOR HEALTH REMOVED | 107 |
| NUMBER OF EXISTING NON-HERITAGE TREES | 392 |
| NUMBER OF EXISTING NON-HERITAGE TREES TO REMAIN | 25 |
| NUMBER OF EXISTING NON-HERITAGE TREES REMOVED | 367 |
| NUMBER OF NEW TREES | 254 |
| GROUND LEVEL SITE TREES | 24 |
| TERRACE TREES (POTENTIAL) | 148 |
| ROOF GARDEN LEVEL TREES (POTENTIAL) | |
| TOTAL NUMBER OF SITE TREES (NEW SITE TREES PLUS EXISTING TREES TO REMAIN) | 371 |

*TREE DISPOSITION REPORTED ABOVE IS BASED ON AVAILABLE LOCATION DATA AND IS SUBJECT TO REVISION BASED ON ACTUAL TREE SITE LOCATION RELATIVE TO PROPOSED PROJECT DEVELOPMENT.

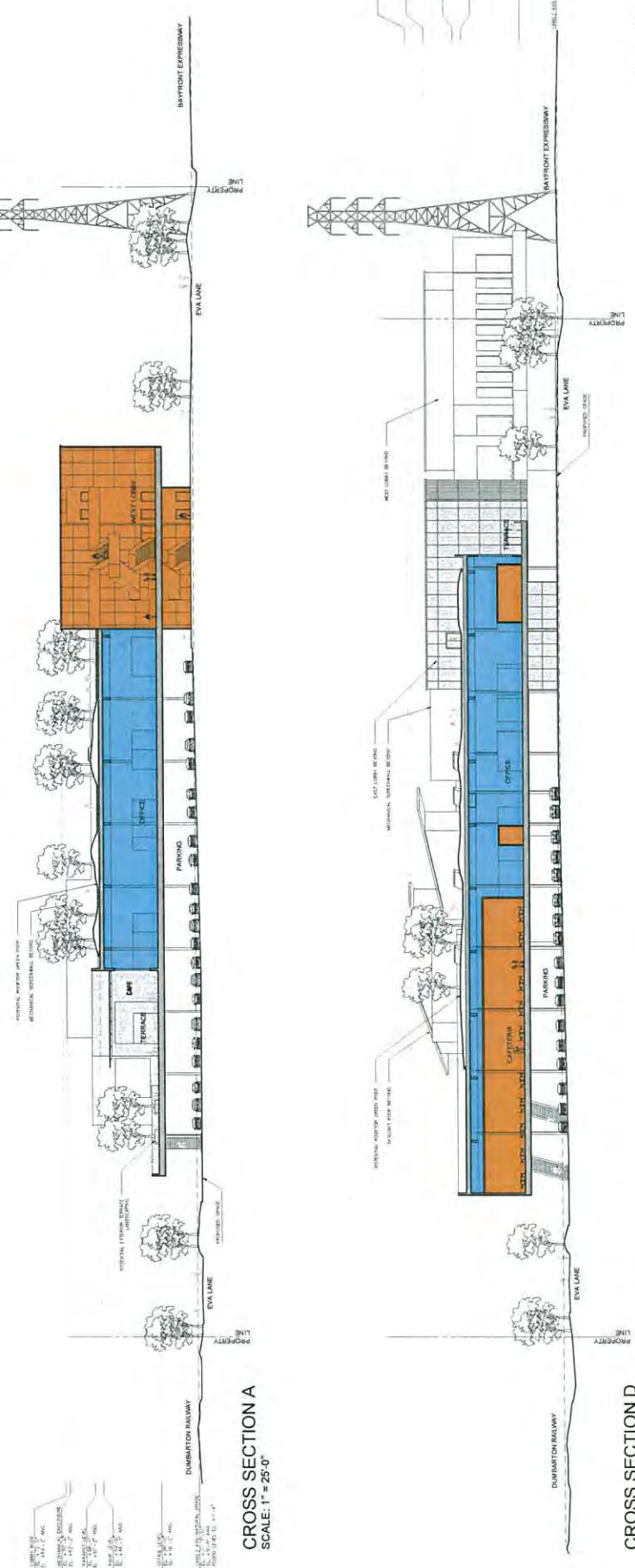


WA.3.6: PROPOSED AREA STATEMENT

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- LEGEND**
- OFFICE
 - NON OFFICE - AMENITIES/MEETING ROOMS
 - EXTERIOR TERRACE
 - EXTERIOR STAIRS
 - INTERIOR CORE/STAIR



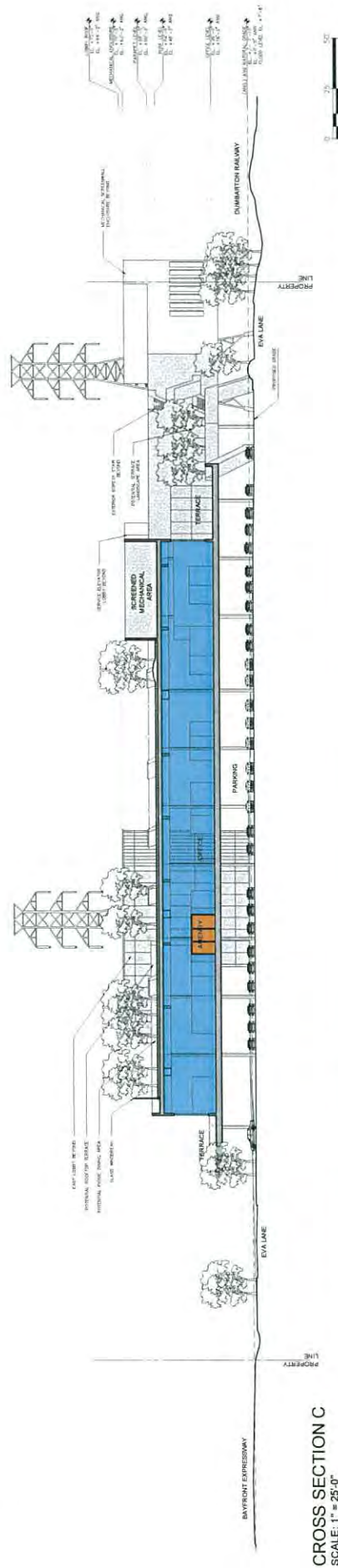
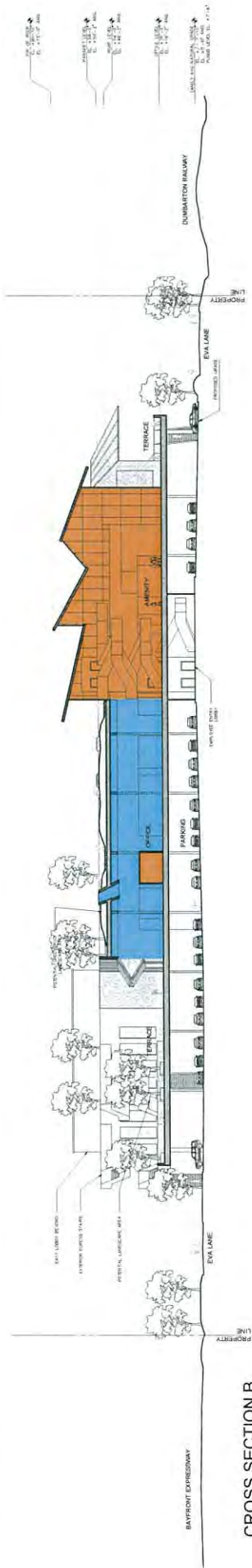
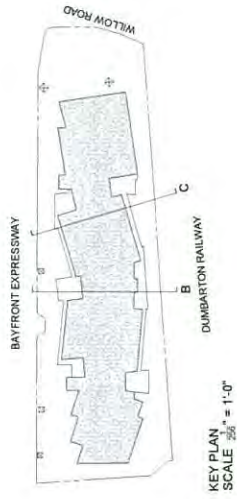
WA.5.5: SITE SECTION
SCALE: 1" = 25'-0"
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LEGEND

- OFFICE
- NON OFFICE - AMENITIES/MEETING ROOMS
- EXTERIOR TERRACE
- EXTERIOR STAIRS
- INTERIOR CORE/STAIR



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WA.5.6: SITE SECTION
SCALE: 1" = 25'-0"

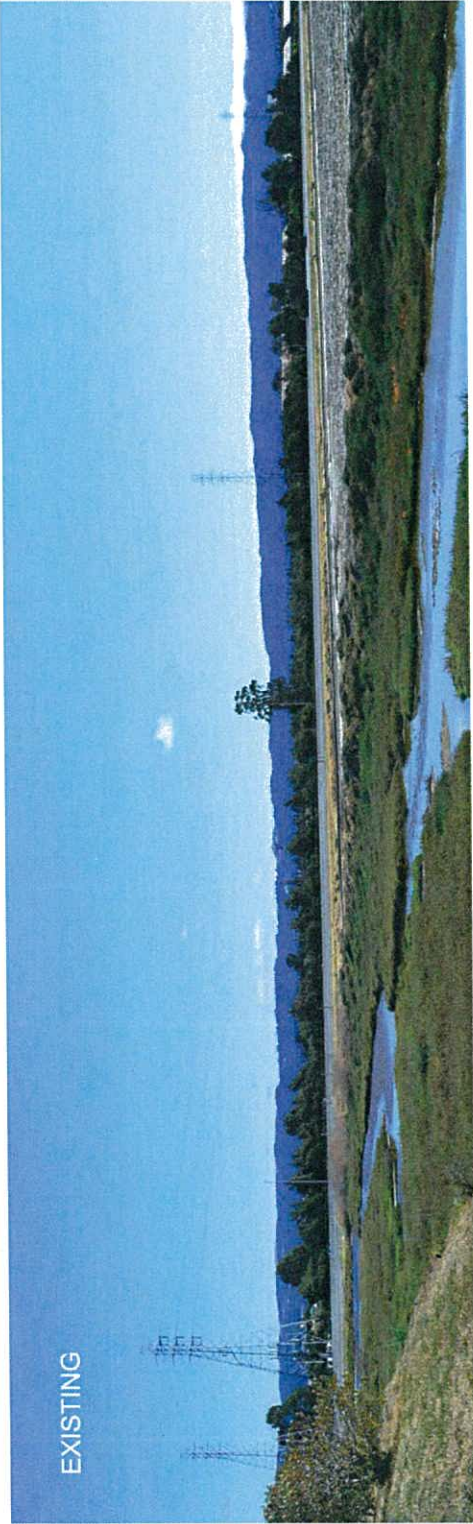
AUGUST 27 2012



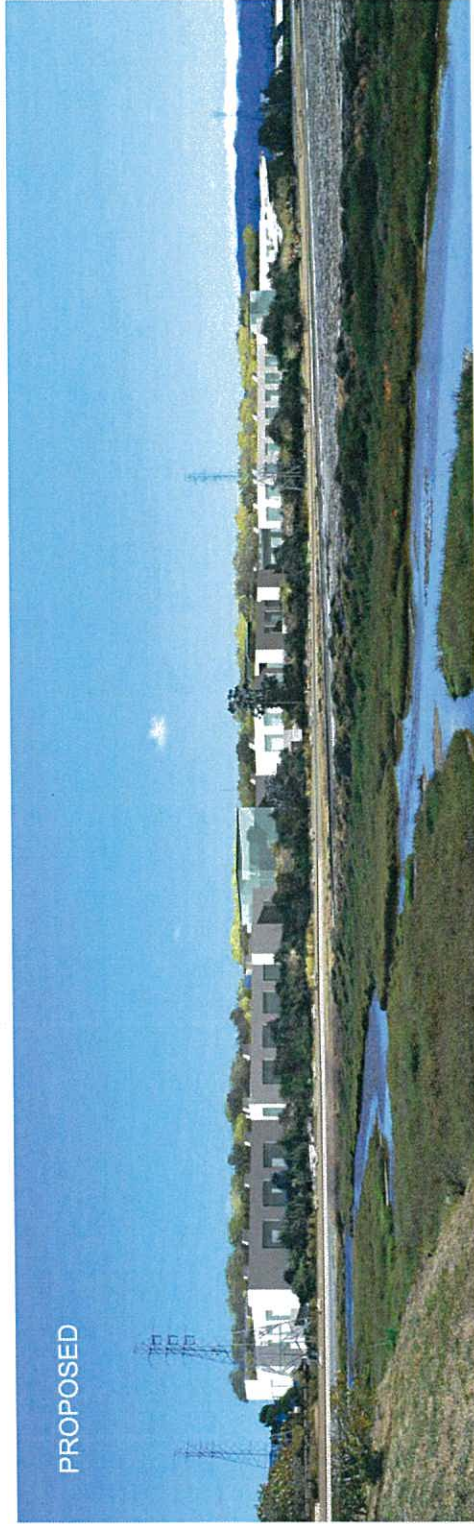
WA.7.0: PHOTO SIMULATION KEY PLAN
 SCALE: NTS
 11X17 SCALE IS NTS
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EXISTING



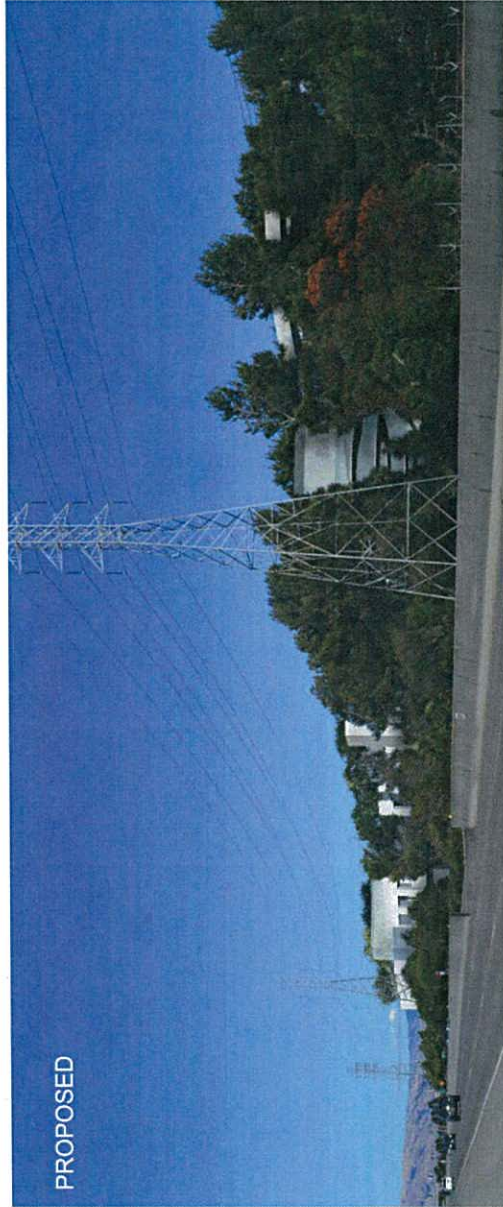
PROPOSED

PUBLIC SHORELINE TRAIL FACING SOUTH (VIEWPOINT 1)

WA.7.1: PHOTO SIMULATION
 SCALE: NTS
 11'X17' SCALE IS NTS
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BAYFRONT EXPRESSWAY/BAY TRAIL FACING SOUTHEAST (VIEWPOINT 2)

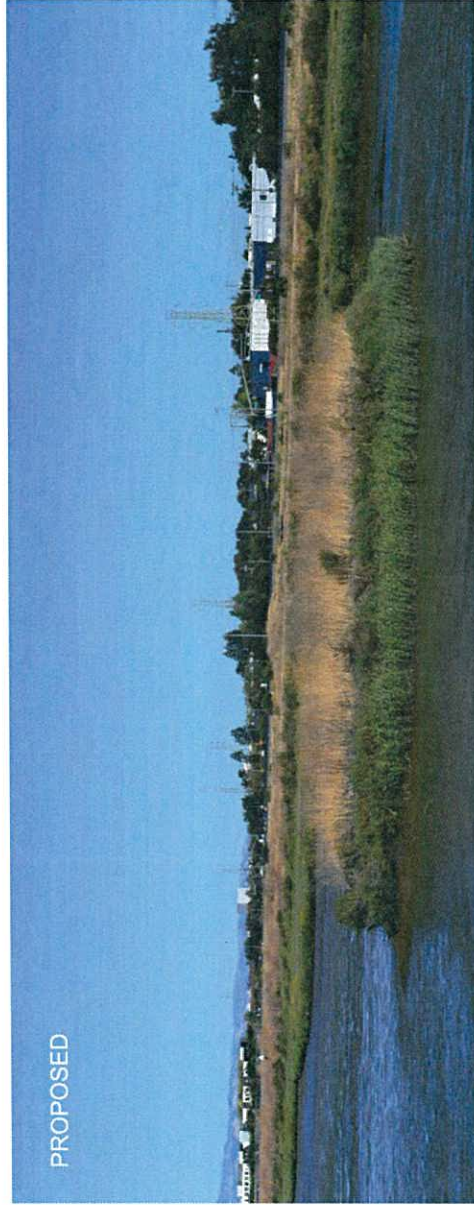
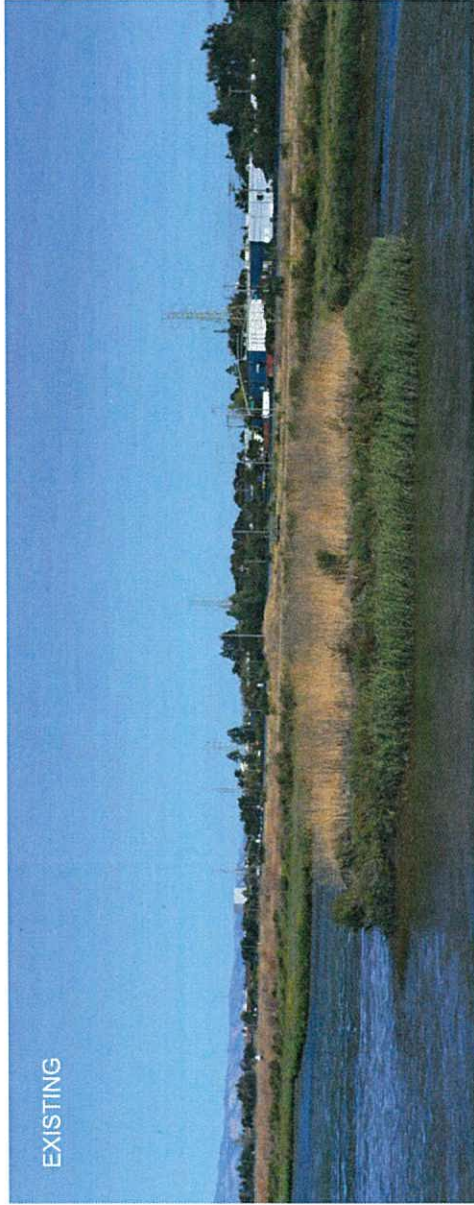
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WA.7.2: PHOTO SIMULATION

SCALE: NTS
11X17 SCALE IS NTS

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BAYFRONT PARK FACING SOUTHEAST (VIEWPOINT 3)

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WA.7.3: PHOTO SIMULATION

SCALE: NTS
11X17 SCALE IS NTS

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EXISTING



PROPOSED

BAYFRONT EXPRESSWAY/WILLOW ROAD (VIEWPOINT 4)

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WA.7.4: PHOTO SIMULATION

SCALE: NTS
11'X17 SCALE IS NTS
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EXISTING



PROPOSED

HOLLYBURN AVENUE FACING NORTH (VIEWPOINT 5)



EXISTING



PROPOSED

MADERA AVENUE FACING NORTH (VIEWPOINT 6)

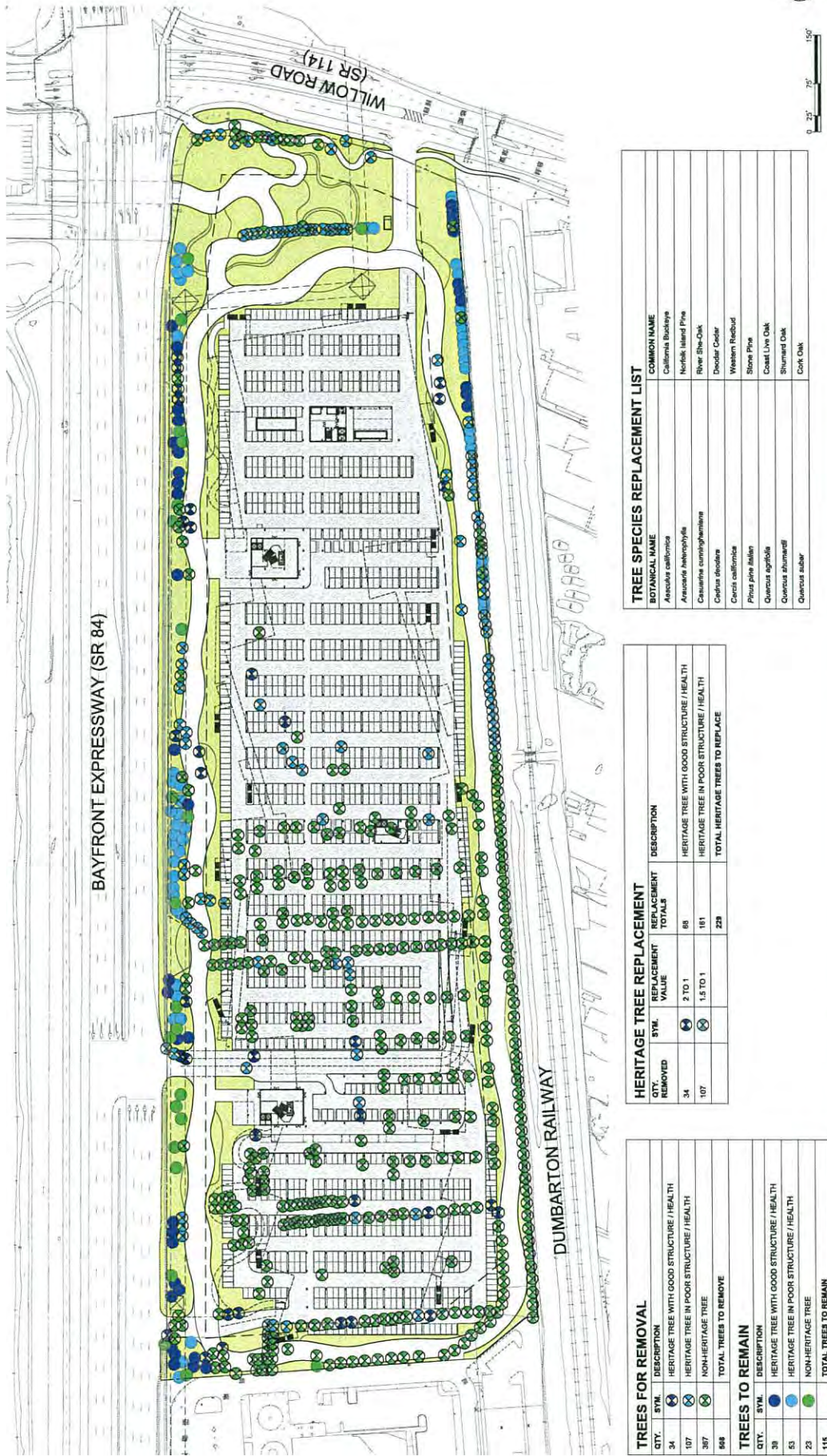
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WA.7.6: PHOTO SIMULATION

SCALE: NTS
11'X17' SCALE IS NTS
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| TREES FOR REMOVAL | |
|------------------------------|-------------------------------------|
| QTY. | SYMBOL |
| 34 | (Symbol: Green circle with a cross) |
| 107 | (Symbol: Green circle) |
| 367 | (Symbol: Blue circle) |
| 568 | (Symbol: Yellow circle) |
| TOTAL TREES TO REMOVE | |
| TREES TO REMAIN | |
| 39 | (Symbol: Green circle with a cross) |
| 53 | (Symbol: Green circle) |
| 23 | (Symbol: Blue circle) |
| 115 | (Symbol: Yellow circle) |
| TOTAL TREES TO REMAIN | |

| HERITAGE TREE REPLACEMENT | | REPLACEMENT TOTALS | |
|---------------------------|-------------------------------------|--------------------|--|
| REMOVED | SYMBOL | VALUE | DESCRIPTION |
| 34 | (Symbol: Green circle with a cross) | 2 TO 1 | HERITAGE TREE WITH GOOD STRUCTURE / HEALTH |
| 107 | (Symbol: Green circle) | 1.5 TO 1 | HERITAGE TREE IN POOR STRUCTURE / HEALTH |
| | | | TOTAL HERITAGE TREES TO REPLACE |
| | | 228 | |

| TREE SPECIES REPLACEMENT LIST | |
|---------------------------------|---------------------|
| BOTANICAL NAME | COMMON NAME |
| <i>Acacia californica</i> | California Buckeye |
| <i>Arceuthobium</i> | Norfolk Island Pine |
| <i>Casuarina cunninghamiana</i> | River She-Oak |
| <i>Cedrus deodara</i> | Deodar Cedar |
| <i>Cercis californica</i> | Western Redbud |
| <i>Pinus pinea</i> | Stone Pine |
| <i>Quercus agrifolia</i> | Coast Live Oak |
| <i>Quercus shumardii</i> | Shumard Oak |
| <i>Quercus subar</i> | Cork Oak |

WL.1: TREE DISPOSITION PLAN
 SCALE: 1"=75'
 1/16" SCALE IS 1"=150'
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PRELIMINARY PLANT LIST

| TREES | SHRUBS AND GROUNDCOVERS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------------|-------------|--------------------|--------------------|-------------------------|---------------------|-------------------------|----------------|----------------|--------------|-------------------|-----------------|---------------------|------------|--------------------|----------------|-------------------|-------------|---------------|----------|--|----------------|-------------|------------------------|----------------------|--------------------|----------------|-------------------------|------------------|----------------|---------------|------------------|-------------------|------------------|-------------|------------------|-------------|------------------|------------------|---------------|------------|------------------------|---------------|----------------------|-------------------|---------------------|--------------------|------------------|-----------------|--------------------|-------------|------------------|------------|------------------|------------|------------------|------------|
| <table border="1"> <thead> <tr> <th>BOTANICAL NAME</th> <th>COMMON NAME</th> </tr> </thead> <tbody> <tr><td>ACERUS CALIFORNICA</td><td>CALIFORNIA BUCKEYE</td></tr> <tr><td>ARALOCARPA HETEROPHYLLA</td><td>NORFOLK ISLAND PINE</td></tr> <tr><td>COXSONIA CUNNINGHAMIANA</td><td>PIPER SPIE OAK</td></tr> <tr><td>CEDRUS DEODARA</td><td>DEODAR CEDAR</td></tr> <tr><td>CECIS CALIFORNICA</td><td>WESTERN REDGARD</td></tr> <tr><td>QUERCUS CALIFORNICA</td><td>STORCK OAK</td></tr> <tr><td>QUERCUS ABERNETHYI</td><td>COAST LAKE OAK</td></tr> <tr><td>QUERCUS SHUMARDII</td><td>SHUMARD OAK</td></tr> <tr><td>QUERCUS SUBER</td><td>COOK OAK</td></tr> </tbody> </table> | BOTANICAL NAME | COMMON NAME | ACERUS CALIFORNICA | CALIFORNIA BUCKEYE | ARALOCARPA HETEROPHYLLA | NORFOLK ISLAND PINE | COXSONIA CUNNINGHAMIANA | PIPER SPIE OAK | CEDRUS DEODARA | DEODAR CEDAR | CECIS CALIFORNICA | WESTERN REDGARD | QUERCUS CALIFORNICA | STORCK OAK | QUERCUS ABERNETHYI | COAST LAKE OAK | QUERCUS SHUMARDII | SHUMARD OAK | QUERCUS SUBER | COOK OAK | <table border="1"> <thead> <tr> <th>BOTANICAL NAME</th> <th>COMMON NAME</th> </tr> </thead> <tbody> <tr><td>ANTENNARIA CALIFORNICA</td><td>CALIFORNIA SAGEBRUSH</td></tr> <tr><td>BACCHARIS PILLARIS</td><td>EMERALD CAMPET</td></tr> <tr><td>CELANOTHUS THYRSIFLORUS</td><td>CALIFORNIA LILAC</td></tr> <tr><td>ELYNIA BLAUBER</td><td>BLUE WILD RYE</td></tr> <tr><td>ERIGONIA BLAUCUS</td><td>DREPPING WILD RYE</td></tr> <tr><td>ERIGONIA BLAUCUS</td><td>SHADE DANDY</td></tr> <tr><td>ERIGONIA BLAUCUS</td><td>SHADE DANDY</td></tr> <tr><td>ERIGONIA BLAUCUS</td><td>CALIFORNIA WOPPY</td></tr> <tr><td>FESTUCA RUBRA</td><td>RED FESCUE</td></tr> <tr><td>HORDEUM BRACHYANTHERUM</td><td>MEADOW BARLEY</td></tr> <tr><td>LEPIDIUM TRITICOIDES</td><td>DREPPING WILD RYE</td></tr> <tr><td>LUPINUS ALBERNETHYI</td><td>SILVER BUSH LUPINE</td></tr> <tr><td>PHACELIA FLORENS</td><td>YELLOW FLOUNDER</td></tr> <tr><td>RAMNUS CALIFORNICA</td><td>COFFEEBERRY</td></tr> <tr><td>RYNUS WITCERISIA</td><td>LEMONBERRY</td></tr> <tr><td>RYNUS WITCERISIA</td><td>BLACK SAGE</td></tr> <tr><td>RYNUS WITCERISIA</td><td>BLACK SAGE</td></tr> </tbody> </table> | BOTANICAL NAME | COMMON NAME | ANTENNARIA CALIFORNICA | CALIFORNIA SAGEBRUSH | BACCHARIS PILLARIS | EMERALD CAMPET | CELANOTHUS THYRSIFLORUS | CALIFORNIA LILAC | ELYNIA BLAUBER | BLUE WILD RYE | ERIGONIA BLAUCUS | DREPPING WILD RYE | ERIGONIA BLAUCUS | SHADE DANDY | ERIGONIA BLAUCUS | SHADE DANDY | ERIGONIA BLAUCUS | CALIFORNIA WOPPY | FESTUCA RUBRA | RED FESCUE | HORDEUM BRACHYANTHERUM | MEADOW BARLEY | LEPIDIUM TRITICOIDES | DREPPING WILD RYE | LUPINUS ALBERNETHYI | SILVER BUSH LUPINE | PHACELIA FLORENS | YELLOW FLOUNDER | RAMNUS CALIFORNICA | COFFEEBERRY | RYNUS WITCERISIA | LEMONBERRY | RYNUS WITCERISIA | BLACK SAGE | RYNUS WITCERISIA | BLACK SAGE |
| BOTANICAL NAME | COMMON NAME | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ACERUS CALIFORNICA | CALIFORNIA BUCKEYE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ARALOCARPA HETEROPHYLLA | NORFOLK ISLAND PINE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| COXSONIA CUNNINGHAMIANA | PIPER SPIE OAK | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CEDRUS DEODARA | DEODAR CEDAR | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CECIS CALIFORNICA | WESTERN REDGARD | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| QUERCUS CALIFORNICA | STORCK OAK | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| QUERCUS ABERNETHYI | COAST LAKE OAK | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| QUERCUS SHUMARDII | SHUMARD OAK | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| QUERCUS SUBER | COOK OAK | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BOTANICAL NAME | COMMON NAME | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ANTENNARIA CALIFORNICA | CALIFORNIA SAGEBRUSH | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BACCHARIS PILLARIS | EMERALD CAMPET | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CELANOTHUS THYRSIFLORUS | CALIFORNIA LILAC | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ELYNIA BLAUBER | BLUE WILD RYE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ERIGONIA BLAUCUS | DREPPING WILD RYE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ERIGONIA BLAUCUS | SHADE DANDY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ERIGONIA BLAUCUS | SHADE DANDY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ERIGONIA BLAUCUS | CALIFORNIA WOPPY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FESTUCA RUBRA | RED FESCUE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| HORDEUM BRACHYANTHERUM | MEADOW BARLEY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| LEPIDIUM TRITICOIDES | DREPPING WILD RYE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| LUPINUS ALBERNETHYI | SILVER BUSH LUPINE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| PHACELIA FLORENS | YELLOW FLOUNDER | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| RAMNUS CALIFORNICA | COFFEEBERRY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| RYNUS WITCERISIA | LEMONBERRY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| RYNUS WITCERISIA | BLACK SAGE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| RYNUS WITCERISIA | BLACK SAGE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

- LEGEND**
- PERIMETER LANDSCAPE: A mix of water efficient native and adapted groundcovers, perennials and shrubs planted upon undulating topography and bioretention areas. The mix will be predominantly evergreen and naturalistic in character.
 - STORMWATER TREATMENT: BIORETENTION AREA: A mix of native riparian and adapted species selected for bioturbation and soil moisture levels including extended inundation and low irrigation use during the dry season.
 - SEASONAL WETLAND FEATURE: BIORETENTION AREA
 - PROPOSED TREE: TOTAL QTY. 254
 - TOTAL TREE REPLACEMENT REQUIREMENT = 229 TREES. REFER TO WL-1 FOR TREE DISPOSITION PLAN.
 - EXISTING TREE TO REMAIN: TOTAL QTY. 115
 - FIRELANE/PEDESTRIAN PATH: Pervious concrete
 - CAMPUS CONNECTOR PAVING: Asphalt paving or concrete with integral color
 - ENTRY/WAYFINDING SIGNAGE

WL.2.1: PRELIMINARY LANDSCAPE GROUND PLAN
 SCALE: 1"=75'
 1/16" SCALE IS 1"=150'
 AUGUST 27 2012

facebook west campus
 312 & 313 CONSTITUTION DR.
 MENLO PARK, CALIFORNIA

BAYFRONT EXPRESSWAY (SR 84)



PRELIMINARY PLANT LIST

| TREES | COMMON NAME | SCIENTIFIC NAME | COMMON NAME | SCIENTIFIC NAME | COMMON NAME | SCIENTIFIC NAME |
|-------|-----------------------|-----------------------|------------------------|------------------------|----------------------|----------------------|
| | ASCLEPIAS CALIFORNICA | ASCLEPIAS CALIFORNICA | ARTEMESIA CALIFORNICA | ARTEMESIA CALIFORNICA | CALIFORNIA SAGEBRUSH | CALIFORNIA SAGEBRUSH |
| | ANACARDIUM PECTINATUM | ANACARDIUM PECTINATUM | BACCHARIS PILLULARIS | BACCHARIS PILLULARIS | COYOTE BUSH | COYOTE BUSH |
| | CAESALPINIA BICOLOR | CAESALPINIA BICOLOR | CHONOSTYLIS BREVIFLORA | CHONOSTYLIS BREVIFLORA | CALIFORNIA LILAC | CALIFORNIA LILAC |
| | CERCIS CALIFORNICA | CERCIS CALIFORNICA | ERODIUM GLAUCUM | ERODIUM GLAUCUM | SALE WILD RYE | SALE WILD RYE |
| | QUERCUS BREVIFLORA | QUERCUS BREVIFLORA | ERODIUM GLAUCUM | ERODIUM GLAUCUM | CREeping WILD RYE | CREeping WILD RYE |
| | QUERCUS BREVIFLORA | QUERCUS BREVIFLORA | ERODIUM GLAUCUM | ERODIUM GLAUCUM | SEAMLESS DAISY | SEAMLESS DAISY |
| | QUERCUS BREVIFLORA | QUERCUS BREVIFLORA | ERODIUM GLAUCUM | ERODIUM GLAUCUM | CALIFORNIA BUCKWHEAT | CALIFORNIA BUCKWHEAT |
| | QUERCUS BREVIFLORA | QUERCUS BREVIFLORA | ERODIUM GLAUCUM | ERODIUM GLAUCUM | CALIFORNIA POPPY | CALIFORNIA POPPY |
| | QUERCUS BREVIFLORA | QUERCUS BREVIFLORA | ERODIUM GLAUCUM | ERODIUM GLAUCUM | MEADOW BANILEY | MEADOW BANILEY |
| | QUERCUS BREVIFLORA | QUERCUS BREVIFLORA | ERODIUM GLAUCUM | ERODIUM GLAUCUM | CREeping WILD RYE | CREeping WILD RYE |
| | QUERCUS BREVIFLORA | QUERCUS BREVIFLORA | ERODIUM GLAUCUM | ERODIUM GLAUCUM | SILVER BUSH LUPINE | SILVER BUSH LUPINE |
| | QUERCUS BREVIFLORA | QUERCUS BREVIFLORA | ERODIUM GLAUCUM | ERODIUM GLAUCUM | STICKY MINNEY FLOWER | STICKY MINNEY FLOWER |
| | QUERCUS BREVIFLORA | QUERCUS BREVIFLORA | ERODIUM GLAUCUM | ERODIUM GLAUCUM | CONFESSORY | CONFESSORY |
| | QUERCUS BREVIFLORA | QUERCUS BREVIFLORA | ERODIUM GLAUCUM | ERODIUM GLAUCUM | BLACK BAGE | BLACK BAGE |

LEGEND

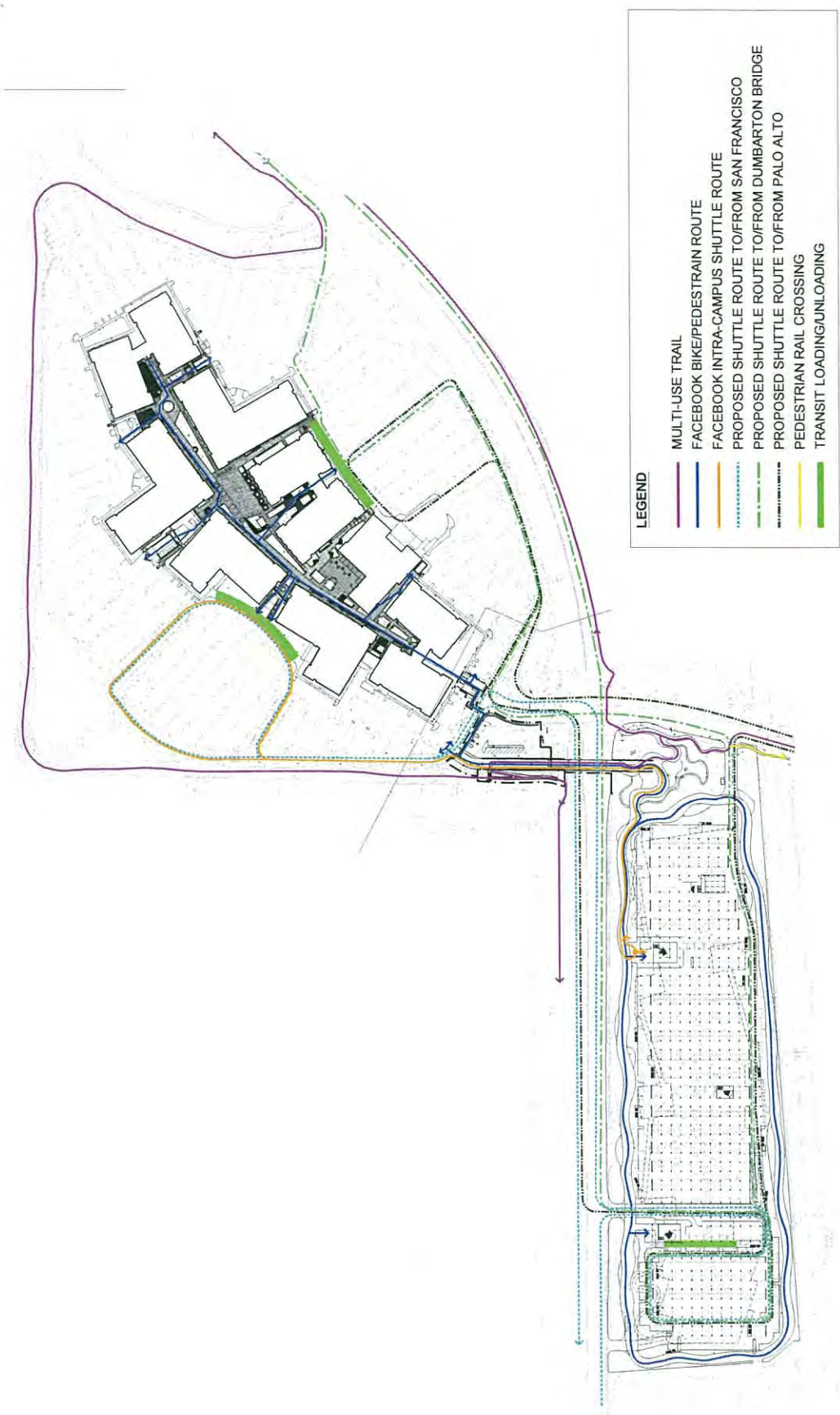
- CENTRAL PLAZA AND PICNIC DINING AREA: Open and flexible paving area with built-in and moveable furnishing.
- WALKING PATH: Crushed stone or concrete topping slab
- TERRACE
- GREEN ROOF: LAWN AREA: Drought-resistant, low water use, and low mow lawn.
- GREEN ROOF GARDEN AREA: Low water use native adapted grasses, perennials and succulent groundcovers suitable for intensive green roof applications.
- TREES (POTENTIAL): Total Qty, Roof 148, Total Qty, Terrace 24

NOTES:

- TREE REPLACEMENT REQUIREMENT DOES NOT RELY ON TERRACE OR ROOF LEVEL TREES.
- THE EXTENT OF POTENTIAL ROOF LEVEL GATHERING AND GREEN ROOF AREAS ARE SUBJECT TO MODIFICATION.
- ROOF LEVEL SITE LIGHTING WILL BE DESIGNED TO ADDRESS DARK SKYS WITH LOW LEVEL LIGHTING WHERE APPLICABLE AND FULL CUT-OFF FOR PATH OF TRAVEL.
- FINAL SELECTION (HEIGHT AND TYPE) OF ROOF LEVEL TREES WILL ADDRESS POTENTIAL WILDLIFE IMPACTS ASSOCIATED WITH ADJACENT WETLAND AREAS.

WL.2.3: PRELIMINARY LANDSCAPE ROOF PLAN
 SCALE: 1"=60'
 11X17 SCALE IS 1"=120'
 AUGUST 27 2012

facebook west campus
 312 & 313 CONSTITUTION DR.
 MENLO PARK, CALIFORNIA



SCALE: 1"=150'
 11X17 SCALE IS 1"=300'
 AUGUST 27 2012

facebook west campus
 312 & 313 CONSTITUTION DR.
 MENLO PARK, CALIFORNIA



WL.3: PEDESTRIAN & BIKE CONNECTIVITY- BOTH CAMPUSES



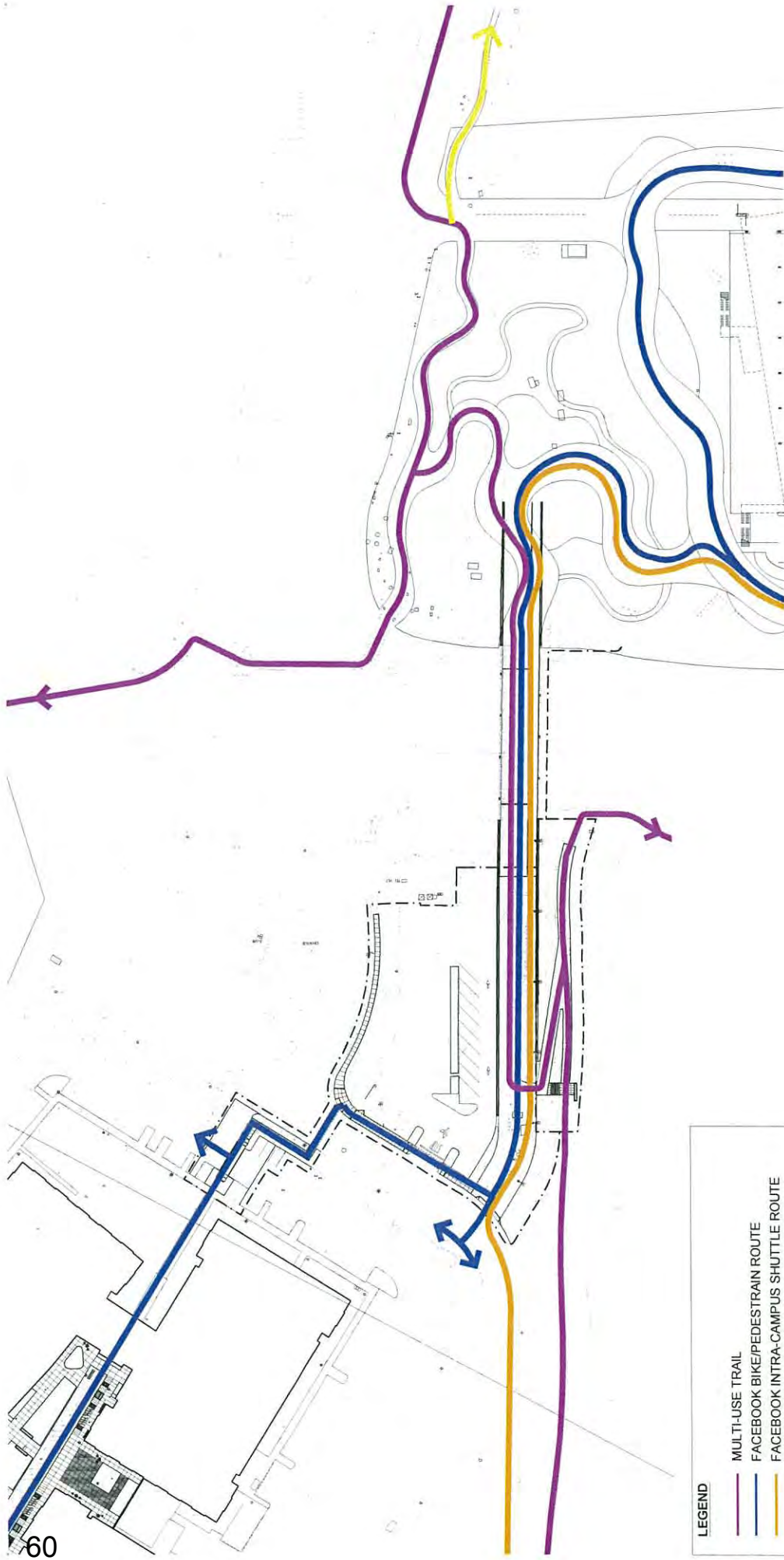
- LEGEND**
- MULTI-USE TRAIL
 - FACEBOOK BIKE/PEDESTRIAN ROUTE
 - FACEBOOK INTRA-CAMPUS SHUTTLE ROUTE
 - - - - - PROPOSED SHUTTLE ROUTE TO/FROM SAN FRANCISCO
 - - - - - PROPOSED SHUTTLE ROUTE TO/FROM DUMBARTON BRIDGE
 - - - - - PROPOSED SHUTTLE ROUTE TO/FROM PALO ALTO
 - PEDESTRIAN RAIL CROSSING
 - TRANSIT LOADING/UNLOADING



WL.3.2: PEDESTRIAN & BIKE CONNECTIVITY- WEST CAMPUS
 SCALE: 1"=75'
 11X17 SCALE IS 1"=150'
 AUGUST 27 2012

facebook west campus
 312 & 313 CONSTITUTION DR.
 MENLO PARK, CALIFORNIA

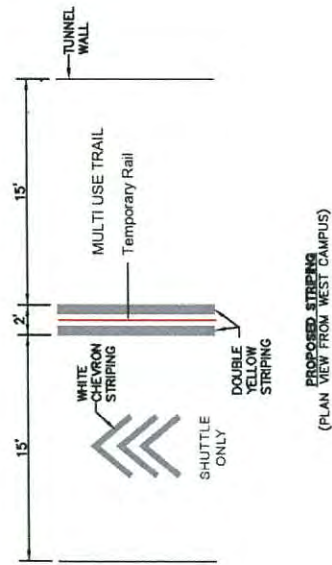
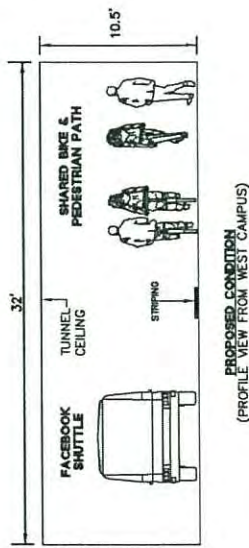
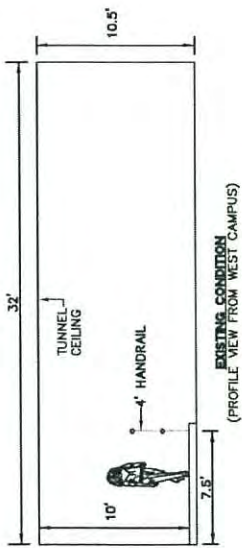




LEGEND

| | |
|---|-------------------------------------|
|  | MULTI-USE TRAIL |
|  | FACEBOOK BIKE/PEDESTRAIN ROUTE |
|  | FACEBOOK INTRA-CAMPUS SHUTTLE ROUTE |
|  | PEDESTRIAN RAIL CROSSING |





WL.3.4: UNDERCROSSING SECTION
 SCALE: 1"=40'
 11X17 SCALE IS 1"=80'
 AUGUST 27 2012

facebook west campus
 312 & 313 CONSTITUTION DR.
 MENLO PARK, CALIFORNIA

April 10, 2012

The Honorable Kirsten Keith
 Mayor of the City of Menlo Park
 And Members of the City Council
 701 Laurel Street
 Menlo Park, CA 94025

RE: Facebook Project – Development Agreement Term Sheet

On behalf of Facebook, we are privileged to present you the Facebook Term Sheet for the Facebook East Campus, which sets forth the terms negotiated between Facebook and the City of Menlo Park Negotiating Team (City) for the East Campus Development Agreement (DA).

We are pleased to bring you the terms outlined in this agreement that are the result of a careful, constructive and comprehensive process; a process which included hundreds of hours of collaborative, creative negotiations between the City and Facebook.

These terms represent Facebook's significant investment in the City, in addition to the public benefits that inherently flow from its recent occupancy of the former Sun Microsystems campus.

According to an independent economic analysis commissioned by Facebook, even at the currently permitted 3,600 employees, Facebook's occupancy of the East Campus is expected to generate some \$50 million annually in new economic activity in the City, and about \$179,000 in new retail and lodging tax dollars. When the East Campus is fully occupied pursuant to the DA, annual economic activity escalates to \$69 million. Facebook's occupancy of the East Campus in accordance with the DA is expected to generate some \$236,000 in net fiscal benefit, before considering the DA's annual payment commitment.

The DA term sheet reflects a multi-million dollar package that includes payments to the City of in lieu taxes, as well as an additional one-time payment to the City for capital improvements. The DA also provides:

- Public benefits for the City and East Palo Alto that will include a *Local Community Fund*, as well as job-training and internship programs.
- Environmental investments and safeguards for the nearby San Francisco Bay wildlife and habitat.
- Economic incentives for Facebook employees to shop in the City, which will build on the "Facebucks" pilot program.

- A hard cap on the number of car trips permitted on and off Facebook's campus, which will carry a financial penalty for excess trips.
- Investments in traffic mitigations and infrastructure improvements as outlined in the Environmental Impact Report.

While Facebook's obligations under the DA will be considerable, they build upon the most significant aspect of Facebook's move – its commitment to building a stronger community and being a good neighbor. As many in your community can attest, Facebook has already invested significant resources to support local programs and create long term relationships. This is not part of the DA, because it arises organically from the nature of the Facebook culture. Facebook values its connection and engagement with the community and considers it a long term priority.

We thank you for your consideration of this matter. We look forward to the upcoming Council meeting on April 17, 2012.

Sincerely,



John Tenanes
Director Global Real Estate

FACEBOOK TERM SHEET

City Benefits

1. Annual Payment - Facebook will make an annual payment to the City while it increases the use intensity of the East Campus (as compared to that allowed by the existing entitlements). Facebook will commit to making an annual payment for at least 10 years. The annual payment amount will be \$800,000 in each of the first 5 years, \$900,000 in years 6-10 and \$1,000,000 in years 11-15. Following year 15, the annual payment amount will adjust annually based on changes to the CPI as compared to the preceding year (i.e. beginning in year 16, the annual payment amount will be adjusted based on changes to the CPI as compared to year 15). These annual payments are in-lieu of sales tax or other revenues that might otherwise accrue to the City. Facebook will be entitled to a credit for sales taxes attributable to retail operations performed at the East Campus and any future taxes on Facebook's services.
2. One-Time Payment - Facebook will make a one-time payment to the City of \$1.1 million for the City's unrestricted use toward capital improvement projects.
3. Facebook agrees that if the City secures other funds to pay for mitigations Facebook is obligated to perform under the EIR, then Facebook will make an equivalent in lieu payment to the City.
4. Following expiration of the minimum annual payment period (i.e. 10 years) and on each 5-year anniversary thereof, Facebook will have the option to temporarily suspend or decrease the intensity of use increase permitted by the entitlements; or, if the intensity increase is then suspended or decreased, to un-suspend or increase the intensity not to exceed the intensity originally permitted by the entitlements. Facebook may only elect to increase or decrease the intensity in increments of 1,000 daily vehicle trips. The amount of the annual payment will be adjusted in case of an increase or decrease to the intensity of use.
5. In addition, if there is a "Triggering Event," Facebook will have the option to suspend or decrease the intensity increase by giving the City notice of its exercise of its option. A "Triggering Event" means the vacation of 4 or more of Buildings 10, 12, 14, 15, 16, 17 and 18, or the performance of building improvements that cause the average employee density of the Buildings 10, 12, 14, 15, 16, 17 and 18 to be less dense than the occupancy permitted by the existing entitlements. The amount of the annual payment will be adjusted in case of a decrease to the intensity of use.

Community Benefits

6. Facebook will create a Local Community Fund in partnership with a non-profit partner to manage and administer the fund and contribute \$500,000 to it. The purpose of the Local Community Fund will be to provide support for local community needs. It will be managed by a 5-member Board of Directors consisting of 3 persons appointed by Facebook (1 of whom will be a Facebook representative who will serve on a continuing basis), 1 person appointed by the City's City Manager and 1 person appointed by East

Palo Alto's City Manager. If the Local Community Fund is a success and Facebook concludes that the Local Community Fund is operating smoothly and making a positive impact on the community, then when its assets are exhausted Facebook will consider making an additional contribution to it.

7. Facebook will create a Facebook summer intern program for qualified high school students who are residents of the Ravenswood Elementary District. The internship program will be launched in partnership with an academic non-profit organization to source students, and will include at least 10 students per session. Facebook may elect to expand the program to include an after-school session during the school year in addition to an annual summer program.
8. Facebook will (a) work with a local training program (such as Jobtrain) to expand training services for residents of the City and East Palo Alto, (b) create an ongoing quarterly series of career development workshops, and (c) host a session on how to become a Facebook employee. To encourage the hiring of residents of the City and East Palo Alto, Facebook will require future vendors to use reasonable efforts to notify residents of the City and East Palo Alto when they are hiring new people to work at the Facebook East Campus in the facilities, culinary and construction trades. Facebook will also encourage campus vendors to host sessions on how to become an employee of their organization.
9. Facebook will explore opportunities to invest in low income tax credits for affordable housing projects in the City and East Palo Alto. Facebook will also work with a local real estate developer(s) to explore ways to support a housing project in the City, including through investing capital in the project, committing to leasing units or offering marketing opportunities to Facebook employees.
10. Facebook agrees to cooperate with the City in its efforts to underground existing electric transmission lines located in the vicinity of the East Campus.
11. Facebook will work with the Bay Trail stakeholders and the business community to close the Bay Trail Gap and will also evaluate making a future financial contribution to the effort.
12. Facebook will adopt a roadway segment in the vicinity of the East Campus pursuant to Caltrans' Adopt-A-Highway Program for a period of 5 years.
13. Facebook has created the Facebooks program with local businesses and agrees to continue its Facebooks program for at least 3 years. When purchasing goods and engaging vendors to provide on-site services to employees (e.g., chiropractic services) that can be sourced locally, Facebook will endeavor to purchase from or engage vendors located in the City. If the Menlo Gateway project is developed, Facebook will consider adding the hotel built as part of that project to its list of preferred hotels for East Campus visitors.

14. Facebook will actively promote local volunteer opportunities to all its employees. Facebook will also host a “Local Community Organization Fair” on the Facebook campus. This event will launch in Summer 2012 and take place annually.
15. Facebook will perform improvements to the undercrossing above and beyond those described in the project description. Conceptually, these improvements include landscape embellishments, seating areas and a self-service bicycle station.
16. Facebook will investigate the possibility of creating a business improvement district in the Willow Road corridor between U.S. 101 and Bayfront Expressway that includes the East Campus. If the business improvement district is feasible and the adjacent property owners are likewise interested in creating the business improvement district, Facebook will initiate the process for creating the business improvement district; provided, however, that Facebook will not be obligated to spend more than \$50,000 on this effort.
17. Facebook will perform improvements to publicly accessible walking path trails and levees in the immediate vicinity of the East Campus, subject to approval by the San Francisco Bay Conservation and Development Commission (BCDC), to make the area surrounding the East Campus more pedestrian friendly and enable the community, visitors and Facebook employees to learn about and enjoy the surrounding bay-lands in an ecologically sensitive manner. Facebook will work with an environmental consultant to ensure that human interactions with the ecosystem are appropriate.

Environmental Commitments

18. When performing work that might impact the bay-lands, Facebook will hire an environmental consultant knowledgeable about the S.F. Bay and associated marsh habitats to ensure that endangered species, particularly the Salt Marsh Harvest Mouse and Clapper Rail, are not harmed. When performing future landscape improvements to those portions of the property that abut the San Francisco Bay, Facebook will consult with a qualified environmental consultant familiar with California native plant communities and select suitable natives for landscaping.
19. Facebook will cooperate with the Don Edwards San Francisco Bay National Wildlife Refuge team and related nonprofit groups on habitat restoration adjacent to the East Campus. Facebook will educate employees and visitors about the unique species next to the East Campus and their habitat requirements. Facebook will engage in “wildlife-friendly behavior,” such as ensuring that dogs are leashed, feral cats are trapped and beneficial species are encouraged (through, for example, the installation of bat houses). If Facebook installs new windows facing the parking lot or new window treatments on windows facing the parking lot, it will select windows and window treatments that minimize impacts of glare, window exposure and night lighting on migratory birds. If Facebook installs new lighting in the parking lot, it will use then available best practices to design and shield that new lighting so as to confine direct rays to the property and not out into the wildlife refuge. Except for the existing basketball court, Facebook will not create any lighted playing fields on the perimeter of the site that abut the San Francisco Bay. If Facebook installs new building roofs, window ledges and parking lot light poles,

Facebook will use then available best practices to ensure that the new building roofs, window ledges and parking lot light poles do not create sites for predatory bird species to roost or nest.

20. Facebook agrees to periodically maintain and improve the levees in order to ensure that the condition of the levees remains adequate. Facebook will also cooperate with Federal efforts to address repair/reconstruction of adjacent levees. When performing future landscape improvements, Facebook will minimize potential stormwater runoff through the use of appropriate techniques, such as grassy swales, rain gardens, and other Low Impact Development (LID) measures.
21. Facebook will adhere to a vehicle trip cap which limits am/pm peak period trips to 2,600 and daily trips to 15,000. To ensure compliance, the trip cap will include monitoring with periodic reporting. Facebook agrees to share its Transportation Demand Management (TDM) best practices with other interested Silicon Valley companies to help mitigate regional traffic.
22. Facebook will pursue Leadership in Energy and Environmental Design (LEED) Commercial Interiors 2009 Gold certification for all nine buildings at the East Campus.

Pedestrian and Bicycle Circulation Enhancements

23. Facebook will perform or contribute funds towards Bicycle/Pedestrian Improvements in the City and East Palo Alto subject to the consent of the applicable regulatory agencies (e.g. the City, East Palo Alto and Caltrans). These improvements will include restriping within the existing rights-of-way.
24. Facebook will also investigate making crosswalk improvements to the pedestrian crossings at the U.S. 101 and Willow Road interchange, and, subject to the consent of the applicable regulatory agencies, spend up to \$100,000 on such improvements.

Mutual Commitments

25. The City will use its best efforts to expeditiously process permits and approvals required for development, use and occupancy of the project.
26. Facebook will have the vested right to occupy the East Campus consistent with the various project approvals and subject to the terms and conditions of the Development Agreement. Generally, the City laws applicable to the project will be those in force and effect on the effective date of the Development Agreement.
27. Generally, there will be a fixed cap at current rates on the effective date of the Development Agreement for city fees and exactions, except for fees scheduled to rise by way of indexing and/or the imposition of new City-wide or area-wide (e.g. the M-2 district) fees/taxes.
28. Project modifications that are substantially consistent with the initial project approvals may be approved by the City Manager or his/her designee.

29. Facebook has entered into a separate agreement with the Menlo Park Fire Protection District.
30. Facebook's obligations under the Development Agreement will be conditioned on the absence or resolution (as applicable) of all legal and referenda challenges to the EIR, the Development Agreement and the project.
31. In making this offer, Facebook has assumed it will reach an amicable resolution with East Palo Alto. If Facebook and East Palo Alto do not reach an amicable resolution, then certain of the commitments benefitting the City and East Palo Alto will be reduced or changed. The annual payment to the City and the one-time payment to the City will not, however, be affected.

| Number | Task | Time Required | Target Completion Date |
|---|---|--------------------|-------------------------|
| 1 | <i>Submittal</i> | | <i>August 27, 2012</i> |
| 2 | Council Meeting - Info item on proposed process | | September 11, 2012 |
| 3 | Planning Commission - Study Session | | September 24, 2012 |
| 4 | Public Outreach Meeting in Belle Haven | | October 18, 2012 |
| 5 | City Council Meeting - Regular Business Item DA Parameters | | October 30, 2012 |
| 6 | <i>Negotiations</i> | <i>75 days**</i> | <i>January 14, 2013</i> |
| 7 | City Council Meeting - Regular Business Item for Term Sheet Review | | February 5, 2013 |
| 8 | Housing Commission - BMR Agreement | | February 13, 2013 |
| 9 | <i>Prepare and complete Addendum - will be released as part of February PC hearing</i> | <i>72 days***</i> | February 13, 2013 |
| 10 | Planning Commission - Public Hearing on Project Proposal, including review of addendum, rezoning, CDP, lot merger, heritage tree removal permits, BMR Agreement, Development Agreement, SOC, and MMRP | | February 25, 2013 |
| 11 | City Council - Public Hearing on Project Proposal, including review of addendum, rezoning, CDP, lot merger, heritage tree removal permits, BMR Agreement, Development Agreement, SOC, and MMRP | | March 19, 2013 |
| 12 | City Council - second reading of rezoning and DA ordinances | | March 26, 2013 |
| | | Total Weeks | 31 |
| <p>* To maintain these timelines, the applicant shall provide project resubmittals, inclusive of required plan sets and reports in a timely fashion. All 2013 dates are estimates, as the Council and Planning Commission schedules have not been adopted. Demolition of the remaining two buildings and grading for new construction is part of this submittal, therefore, these actions cannot occur until after completion of the environmental review process. The West Campus Remediation Project, under the purview of the Department of Toxic Substance Control (DTSC), is a distinct project.</p> | | | |
| <p>**Negotiations period begins on Council meeting date to discuss the DA Parameters and Process, which is scheduled for October 30, 2012</p> | | | |
| <p>*** Preparation period begins on anticipated plan set resubmittal date of December 3, 2012</p> | | | |

Grossman, Rachel M

From: Opha Wray <owray@mtolive.org>
Sent: Tuesday, September 25, 2012 2:27 PM
To: vincent@comissionctri.com; Eiref, Ben; Ferrick, Katie; Riggs, Henry; Grossman, Rachel M; Perata, Kyle T; Kadvany, John
Cc: johnt@fb.com; lauren.swezey@fb.com; ttosta@luce.com; bishoptlbosticsr@yahoo.com
Subject: Public Comment- RE: Facebook-West Campus Proposal

Dear Members of the Menlo Park Planning Commission:

On behalf of the Bishop Teman L. Bostic and the Mt. Olive A. O. H. Church of God located at 605 Hamilton Avenue, in Menlo Park.

We attended the special Planning session last night to show our support for Facebook's proposal.

Unfortunately time did not permit us to make a verbal comment. However, we are sending this email message to record our approval of the West campus proposal project.

We are in favor of the proposal and strongly urge the planning commission to approve all of the required permits for the west campus development project.

The project will be value additive for the entire community.

Thanks for your consideration

Opha Wray

for Bishop Teman Bostic and the Mt. Olive Church

Grossman, Rachel M

From: drhlbeducation <drhlbeducation@cpndec.org>
Sent: Tuesday, September 25, 2012 2:34 PM
To: vincent@comissionctri.com; Eiref, Ben; Ferrick, Katie; Riggs, Henry; Grossman, Rachel M; Perata, Kyle T; Kadvany, John
Cc: johnt@fb.com; lauren.swezey@fb.com; ttosta@luce.com; bishoptlbosticsr@yahoo.com; opwray@gmail.com
Subject: Public Comment-RE: Facebook-West Campus Proposal

From Crime Prevention Narcotics Drugs Educational Center (CPNDEC)

To the Menlo Park Planning Commissioners:

Hello Rachel,

Per our conversation today, member of the CPNDEC organization located at 605 Hamilton Avenue in Menlo Park, attended the special Planning session last night to show our support for Facebook's proposal. Unfortunately time did not permit for us to make a verbal comment. I am sending this email message to record our approval of the project.

The CPNDEC organization strongly support Facebook's development plans for the west campus and request the planning commission to approve all of the required permits for the west campus development project.
The project will be value addition for the entire community.

Thanks
Opha Wray

Grossman, Rachel M

From: Opha Wray <owray@mtolive.org>
Sent: Friday, October 19, 2012 3:03 PM
To: Grossman, Rachel M
Cc: bishoptlbostic@yahoo.com
Subject: Public Comment-- Sanitation Issue- During the West Campus meeting- Mt. Olive & CPNDEC

Rachel,

During the Facebook (West Campus) meeting last night at the Onetta Harris Senior Center (October 18th) The sanitation discussions brought to light many of the concerns Mt. Olive and CPNDEC have for the existing pumping station on the corner of Henderson and Hamilton Avenue located adjacent to our church property at 605 Hamilton Avenue, Menlo Park, CA. We need the city to revisit our initial concerns raised regarding this site.

The current development plans of new homes and Facebook West Campus provides a perfect opportunity for the City of Menlo Park to remove the existing pumping station to a more appropriate location (i.e. on either side of the railroad tracts). Any plan other than removal will have a negative impact for our property.

Please let us know what the City of Menlo Park plans are for removing the existing pump station.

Thanks

Opha Wray

Mt. Olive A.O. H. Church of God

And CPNDEC

Grossman, Rachel M

From: John Preyer <meoshse@yahoo.com>
Sent: Saturday, October 20, 2012 2:46 PM
To: Grossman, Rachel M
Subject: 10/18/12 presentation

Your presentation at the community center was excellent.
If the finished products are good as the renderings that will be a SUPERB campus. Thanks for sharing your intentions with the community.

John Preyer

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COMMUNITY DEVELOPMENT DEPARTMENT

Council Meeting Date: October 30, 2012
Staff Report #: 12-162

Agenda Item #: F-2

REGULAR BUSINESS: Council Review and Possible Direction Regarding a Proposed Hotel at 555 Glenwood Avenue and Associated Use Definition, Public Benefit Bonus, Parking Rate, and Use of the Garwood Way Right-of-Way

RECOMMENDATION

Staff recommends that the City Council review and provide feedback on a proposed hotel at 555 Glenwood Avenue. The property is within the El Camino Real/Downtown Specific Plan area, and is currently in use as a senior citizens retirement living center. This initial proposal would benefit at this time from policy direction from the Council on a number of interrelated topics, in particular:

- Confirmation whether the hotel type matches the definition of this use;
- Approval of a Public Benefit Bonus in exchange for the inherent revenue-generating aspects of this use;
- Application of an alternate parking rate for this use; and
- Use of the public right-of-way for required parking.

At this meeting, no formal action will be taken by the City Council. Public meetings for a potential future full application would be scheduled as needed, if the applicant elects to proceed.

BACKGROUND

In April and May 1987, the City Council approved a Planned Development (P-D) permit and associated P-D(3) district rezoning for a 138-room senior citizens retirement living center on a 2.25-acre site at 555 Glenwood Avenue. The P-D permit established a maximum gross floor area of 113,803 square feet, which represents a Floor Area Ratio (FAR) of approximately 1.16. In addition, the P-D permit required that the development provide “off-street parking for 82 vehicles and provide for additional parking on Garwood Way per Engineering Division requirements.” The specific number of parking spaces along Garwood Way was not specified, and the City did not approve an encroachment permit or other mechanism that dedicated these spaces for the exclusive use of the development.

The Planning Commission subsequently approved precise development plans in August 1987, and the development was constructed between 1988 and 1990. In November

1989, during the construction process, the Planning Commission approved a revision that allowed three on-site parking spaces (at the rear of the development) to be removed in exchange for the development of five additional on-street spaces along Garwood Way, due to a conflict with an on-site oak tree. Again, no encroachment permit or other mechanism for exclusive use of the on-street spaces was approved.

The property has since been in use as a senior residential facility, branded initially as the “Glenwood Inn” and renamed more recently to “Casa on the Peninsula.” The facility is age-restricted to seniors and provides independent and assisted living options, but is not a skilled nursing facility that provides specialized medical care. Casa on the Peninsula provides a market-rate housing option for seniors (as opposed to subsidized affordable housing). As reported by the applicant, the owners of the property have conducted revisions over time, such that the number of units is now 125 (due to some single-bedroom units being combined into two-bedroom units), and the number of on-site parking spaces is 78. The east side of Garwood Way, next to the Caltrain tracks, features 30 perpendicular parking spaces in the public right-of-way, which currently have signage stating they may only be used by the 555 Glenwood Avenue facility. The west side of Garwood Way provides nine parallel parking spaces, which do not feature any signage regarding their use. No parking is permitted on Glenwood Avenue in the immediate vicinity of the development; this street features bicycle lanes on both sides of the roadway, and there does not appear to be room to add any on-street parking.

In June 2012, the City Council approved the El Camino Real/Downtown Specific Plan (“Specific Plan”), which rezoned the subject property from P-D(3) to the new SP-ECR/D zoning district. The Specific Plan established that existing discretionary approvals (such as P-D permits) for developments in the SP-ECR/D district will continue to be honored and enforced, but properties may elect to proceed with new or modified development in accordance with Specific Plan regulations. Within the Specific Plan, the 555 Glenwood Avenue parcel is in the El Camino Real Mixed Use/Residential land use designation and the ECR NE-R zoning district.

ANALYSIS

The applicant, Sand Hill Property Company, has requested a study session at this time so that the City Council may provide feedback, informed by public comment, on a potential conversion of 555 Glenwood Avenue to a hotel use. The applicant has provided a project description letter, which discusses their proposal in more detail (Attachment A) as well as initial project plans (Attachment B). The applicant has also prepared initial economic and traffic studies, although the Council should note that, due to the unique circumstances regarding the potential use and applicant’s timeline for staying under contract to purchase the property, staff has not yet had time to fully review and provide comments on these analyses.

As currently proposed, the conversion would not include the construction of any new floor area or any significant exterior modifications. The interior public spaces, located in the central one-story building, would be fully reconfigured to support the hotel use, such

as with dining, meeting, and computer rooms. The three-story residential buildings would be renovated to provide 138 hotel suites, within the outlines of the 138 rooms originally approved. Staff would note that this proposal has not been fully reviewed with regard to Building and Fire Code requirements, and additional actions/improvements could be necessary to technically permit the conversion of use.

Staff has identified a number of areas for Council consideration, which follow, with key questions consolidated at the end of this report. With regard to all topics, the Council should specify if additional information would be needed as part of a full application.

Hotel Use

The Specific Plan establishes hotels as a permitted use in the El Camino Real Mixed Use/Residential land use designation. The “hotel” definition states in part that this “classification includes motor lodges, motels, hostels, extended-stay hotels, and tourist courts, but does not include rooming hotels, boarding houses, or residential hotels designed or intended to be used for sleeping for a period of 30 consecutive days or longer.” The excluded types of uses typically do not provide any Transient Occupancy Tax (TOT). The applicant is proposing that the specific hotel brand be a Marriott Residence Inn, which provides extended-stay accommodations, typically a week or longer. Such hotel would be a limited-service, business-oriented facility that would not include any sizable restaurant or conference center component. Based on the applicant’s experience operating a Marriott Residence Inn in Los Altos on El Camino Real, 23 percent of room revenue would be from guests staying 30 days or longer, and as such would not be subject to TOT. However, as proposed, there would not be any restriction that would prevent non-TOT revenue from being even higher.

The City Council should consider providing guidance on this topic, including:

- Does the proposed use substantially match the definition of “hotel”, or is the projected proportion of 30-day stays too large to be considered ancillary?
- If the projected proportion of 30-day stays is an area of concern, would it be appropriate to prohibit extended-term, non-TOT stays, or limit them to a significantly smaller percentage? (This topic is also discussed in the following section as it relates to initial revenue projections.)

Public Benefit Bonus

The Specific Plan establishes various uses as permitted, permitted with limitations, administratively permitted, conditionally permitted, and prohibited for its land use designations. As previously noted, the El Camino Real Mixed Use/Residential permits hotel uses. However, the Specific Plan also establishes a two-tier density/intensity system, in which uses that exceed the Base level dwelling units per acre and/or Floor Area Ratio (FAR) standards are required to pursue a discretionary Public Benefit Bonus process.

For the 555 Glenwood Avenue property, the ECR NE-R zone establishes a Base level maximum FAR of 1.10, and a Public Benefit Bonus level maximum FAR of 1.50. Although the parcel area and square footage totals have not recently been independently verified, the FAR estimated from the P-D permit standards (1.16) would put the development at a Public Benefit Bonus level. Although the building size is already approved for the current senior living center use, the change of use at a Public Benefit Bonus level would require Planning Commission review and approval (with appeal rights to the City Council).

The Public Benefit Bonus process as outlined in the Specific Plan provides a flexible structure for consideration of such requests, requiring a study session informed by appropriate fiscal/economic review, and providing some suggested elements for consideration. In particular, hotels are called out as one recommended option, as such a facility “generates higher tax revenue for the City while also enhancing downtown vibrancy.”

To inform the Council’s discussion, the applicant has prepared a limited economic benefit review. This review concludes that the proposal would generate substantially more revenue to the General Fund than does the existing use, primarily due to new TOT revenues and increased property taxes. Specifically, the analysis projects that the use would increase annual revenues from the property by approximately \$660,000 (at the current 10 percent TOT) or \$770,000 (at the potential 12 percent TOT that is being considered by Menlo Park voters as part of the November 6, 2012 general election). This analysis also notes that if the revenue from longer-term stays was subject to TOT, the project would generate additional General Fund annual revenues of approximately \$163,000 (at 10 percent TOT) or \$196,000 (at 12 percent TOT).

Although staff has not had time to fully review and critique this analysis, the conclusions are broadly consistent with what the City has seen for other hotel-related projects, and staff would generally agree that such a revenue increase would be a significant fiscal benefit to the City.

The City Council should consider providing guidance on this topic, including:

- Does the proposed public benefit (primarily through TOT revenues) generally seem appropriate, given the relatively modest FAR bonus being requested (1.16, which is slightly over the 1.10 Base level and well below the maximum 1.50 Public Benefit Bonus level that could be considered)?
- For a full application, would a City-overseen peer review of the applicant’s limited economic benefit review be sufficient, or should the City initiate a full, independent Fiscal Impact Analysis (FIA)? (In either case, the applicant is required to pay for the City’s consultant costs.)

Parking Standards

The Specific Plan establishes parking rates by use, and requires that developments provide parking on-site (with the exception of the Downtown Shared/Unbundled Parking Area, where there are allowances for required parking to be provided in the public parking plazas). As established by Specific Plan Table F2, the parking rate for hotel uses is 1.25 spaces per room, which for a 138-room hotel use results in a requirement for 173 off-street parking spaces.

The applicant is proposing to provide 117 parking spaces for the proposal, consisting of 78 on-site spaces and 39 on-street spaces. The use of the public right-of-way for required parking is discussed in more detail in the following section, while this section focuses on the parking rate itself. If all 117 spaces are considered dedicated for this 138-room proposal, it would result in a parking rate of 0.848 spaces per room, which does not meet the Specific Plan baseline requirement for hotel uses. However, Specific Plan Table F2 footnote #6 states: "If a use is not listed in this table, a project applicant may propose a rate from *ULI Shared Parking* or other appropriate source or survey for the review and approval of the Transportation Manager. If ULI Shared Parking is updated with a new edition, the Transportation Manager may consider new rates."

The Specific Plan also allows for shared parking reductions, also via the *ULI Shared Parking* text, as noted in Section F.8:

In addition to the proposed rates, an individual development proposal may incorporate a shared parking study that proposes additional ULI credits to account for the mixture of uses, either on-site or within a reasonable distance. By virtue of the existing diversity of nearby uses, parcels in the downtown area would effectively have lower parking rates. However, the precise credit would be subject to review and approval based on the specific design and site conditions.

In addition to the above allowances, an applicant would also have the right to apply for a variance to permit a lower parking rate (at a maximum of 50 percent of the standard in question). Approval of a variance requires specific findings, in particular that a hardship peculiar to the property and not created by any act of the owner exists.

The applicant has prepared an initial parking analysis, which argues that a parking ratio of between 0.75 and 0.84 spaces per room is appropriate given the unique attributes of this hotel, and is justified both from alternate parking rate sources and from observed facility operations at the Los Altos Marriott Residence Inn that is operated by the applicant. Staff has not had an opportunity to review this analysis in detail, but generally believes that there are technical means by which such an alternate rate could be granted (be it through a variance, shared parking reduction, the Specific Plan Table F2 footnote #6 allowance, or a combination).

The City Council should consider providing guidance on this topic, including:

- Provided staff continues to work with the applicant to refine the parking analysis and ultimately supports an alternate parking rate proposal, does the Council believe it can support the provision of 117 parking spaces for the proposed 138-room hotel (a limited service business-oriented facility that would not include any sizable restaurant or conference center component)?

Use of Garwood Way Public Right-of-Way

The applicant is proposing that the 39 on-street parking spaces along Garwood Way in the vicinity of the development be considered as part of the hotel facility's required parking. As noted previously, the original approvals for the senior citizens retirement living facility required that the developer construct the perpendicular spaces along the east side of the street, but did not formally recognize or enumerate them as required parking spaces for the exclusive use of this parcel (such as through an encroachment permit or other agreement). Staff understands that the spaces have effectively been used as dedicated private parking spaces since the construction of the building, but this use has not created a legal right for continued use, either for the current senior residential facility or any future use, as "prescriptive" rights cannot be obtained on public property.

The applicant is proposing that these on-street spaces be considered as part of the proposal, and that documentation of their exclusive use be recorded if such an agreement does not already exist. The applicant states that alternatives, such as constructing new on-site parking facilities, adding parking lifts to existing parking areas, or providing a 24-hour valet service, are either financially, technically, or aesthetically infeasible given the constraints of this site. Although not described in the project description letter, staff has also encouraged the applicant to consider whether parking could be shared with any nearby parcels, such as the adjacent pending 1300 El Camino Real project, but the applicant has stated that this is also not feasible, primarily due to differing development timeframes.

Staff is not aware of any existing examples of private uses being granted exclusive use of parking spaces on the public right-of-way for the purposes of meeting a development's parking requirement. In some cases, such as for the recent 389 El Camino Real project, public right-of-way has been abandoned for the benefit of a private development, but such a permanent step is typically reserved for cases in which the right-of-way has limited use to the public, either now or in the future (the 389 El Camino Real case involved abandonment of a short dead-end alley only serving the project site). While this section of Garwood Way is currently a dead-end street, the City Council has previously adopted a plan line to extend this roadway to Oak Grove Avenue, and as such staff does not recommend a permanent right-of-way abandonment for this application. However, a long-term encroachment permit (or equivalent mechanism), tied to the hotel use being in active operation, could be considered in recognition of the positive fiscal aspects of this use and the unique attributes of this site

(namely, that it was required to construct these spaces originally and has limited opportunities to provide additional on-site parking). If such approval is ultimately granted, staff recommends that the City Council specify it is limited and does not establish any precedents for future applications, which should have their attributes and benefits evaluated on a case-by-case basis.

It should also be noted that the approved off-site improvement plans for the 1300 El Camino Real project show the existing perpendicular parking spaces on the east side of Garwood Way as being changed into parallel spots. Such a reconfiguration would likely reduce the number of parking spaces in this location. Although the 1300 El Camino Real project currently appears likely to be revised in some way, some sort of reconfiguration of the perpendicular parking spaces along Garwood Way may still be necessary. It is possible that alternate (such as angled) parking layouts could preserve a larger number of spaces, but the feasibility of such alternatives is not immediately certain.

The City Council should consider providing guidance on this topic, including:

- Is the granting of exclusive use rights for on-street parking appropriate for this proposal, given the positive fiscal attributes of this use and the unique attributes of this site and the right-of-way immediately adjacent to the railroad tracks?
- If such rights are granted, but changes to the Garwood Way parking layout are required by other projects in the vicinity, how should that potential conflict be addressed? For example, if Garwood Way is extended to Oak Grove Avenue, would it be appropriate to dedicate on-street spaces farther down the new portion of the street for the benefit of 555 Glenwood Avenue?

Architectural Modifications

The Specific Plan states that the “Architectural Control procedures as codified in Zoning Ordinance Section 16.68.020 would apply to all new construction and additions of more than 100 square feet, as well as exterior modifications (regardless of whether square footage is affected) that would not be in conformance with a previous design approval.” The Applicant states that exterior changes will be minimal, but has not prepared full project plans that would enable a determination of whether Planning Commission Architectural Control review would be required. New signage, if it conforms to the Zoning Ordinance and the Sign Design Guidelines, does not itself require Planning Commission Architectural Control review.

The City Council should consider providing guidance on this topic, including:

- Are there particular aspects of the existing development (for example, building color or landscaping) that, if modified, either should or should not be considered a significant change from the original building approvals?

Housing Element and Related Implications

The City is currently undertaking a Housing Element update. A concern of staff when the applicant initially inquired about a use change was whether such an action could result in direct negative implications for future Housing Element update cycles (i.e., would the City's unit count obligations be raised by an amount equivalent to the number of rooms currently at this facility). Staff inquired with the primary consultant assisting the current Housing Element update, who has stated that his experience indicates such a "penalty" is only a possibility if a development is explicitly income-restricted for affordable housing and is subsequently removed from those protections. Based on this guidance, because the Casa on the Peninsula facility is and has always been a market-rate facility, conversion of the use should not result in direct effects for future Housing Element cycles. In addition, it may also be relevant that the existing facility does not provide independent living units (while there are efficiency kitchens in each room, they are not full kitchens that would be required under City practices in order to be considered a primary or secondary dwelling unit). If the application proceeds, staff would continue to review this topic to ensure that there are not negative effects with regard to the Housing Element.

Although there do not appear to be direct Housing Element implications, and although the requested actions to enable a potential hotel operation do not explicitly require consideration of the use change from a senior living center, the applicant has provided information about the State requirements for winding down such a facility. Specifically, they state that "(i) the current owner will be generating a relocation plan customized to each resident and coordinating with the governing agency as to that person's relocation, (ii) from the provision of this information residents would have 60 days' notice to vacate, (iii) staff will be maintained to assist the residents in their moves, and (iv) referral agencies will be retained to place them in a new home." As previously noted, Casa on the Peninsula is not a skilled nursing home or an affordable senior housing community, which should enable greater flexibility with potential placement of residents in alternate facilities. In addition, the applicant has stated that the facility has recently operated far below capacity (current at approximately 20 percent), which would limit the number of residents affected by a potential closure.

SUGGESTED STUDY SESSION PROCESS

Staff suggests that the City Council consider an agenda for the study session that would include the following:

1. Staff presentation
2. Council questions of clarification regarding the presentation
3. Applicant presentation
4. Council questions of clarification regarding the presentation
5. Public comments
6. Council discussion

As previously discussed, the key questions for Council consideration are:

Hotel Use

- Does the proposed use substantially match the definition of “hotel”, or is the projected proportion of 30-day stays too large to be considered ancillary?
- If the projected proportion of 30-day stays is an area of concern, would it be appropriate to prohibit extended-term, non-TOT stays, or limit them to a significantly smaller percentage?

Public Benefit Bonus

- Does the proposed public benefit (primarily through TOT revenues) generally seem appropriate, given the relatively modest FAR being requested (1.16, which is slightly over the 1.10 Base level and well below the maximum 1.50 Public Benefit Bonus level that could be considered)?
- For a full application, would a City-overseen peer review of the applicant’s limited economic benefit review be sufficient, or should the City initiate a full, independent Fiscal Impact Analysis (FIA)? (In either case, the applicant is required to pay for the City’s consultant costs.)

Parking Standards

- Provided staff continues to work with the applicant to refine the parking analysis and ultimately supports an alternate parking rate proposal, does the Council believe it can support a the provision of 117 parking spaces for the proposed 138-room hotel (a limited service business-oriented facility that would not include any sizable restaurant or conference center component)?

Use of Garwood Way Public Right-of-Way

- Is the granting of exclusive use rights for on-street parking appropriate for this proposal, given the positive fiscal attributes of this use and the unique attributes of this site and the right-of-way immediately adjacent to the railroad tracks?
- If such rights are granted, but changes to the Garwood Way parking layout are required by other projects in the vicinity, how should that potential conflict be addressed? For example, if Garwood Way is extended to Oak Grove Avenue, would it be appropriate to dedicate on-street spaces farther down the new portion of the street for the benefit of 555 Glenwood Avenue?

Architectural Modifications

- Are there particular aspects of the existing development (for example, building color or landscaping) that, if modified, either should or should not be considered a significant change from the original building approvals?

The study session is intended to provide feedback to inform the applicant's potential future full application for the actions as described in the preceding sections. The Council may not necessarily be able to provide clear and unified direction on all topics, but consideration of each can still provide useful information for the benefit of the applicant and the public.

IMPACT ON CITY RESOURCES

The applicant has submitted an initial deposit for this study session, and is required to pay for staff time above and beyond that deposit. A future full application would likewise require a deposit and billing for full cost recovery.

The applicant has prepared an initial analysis that states that this use would result in annual net new General Fund revenues of between \$660,000 and \$770,000 (plus a potential additional \$163,000 to \$196,000 if extended-term stays are subject to TOT). This initial analysis has not been fully reviewed or independently replicated by staff, but would be as part of a full application.

POLICY ISSUES

The El Camino Real/Downtown Specific Plan establishes regulations and guidelines for potential future development of the 555 Glenwood Avenue property, although there are specific areas that the Council should provide policy feedback on, as described in more detail above.

ENVIRONMENTAL REVIEW

Study sessions do not result in an action, and as such are not subject to the requirements of the California Environmental Quality Act (CEQA).

A future full application would require some level of environmental review, although the precise requirements have not been determined at this point. The El Camino Real/Downtown Specific Plan did include the preparation of a program-level Environmental Impact Report (EIR), which states the following with regard to review of individual projects:

- It is anticipated that projects will typically fall into one of the following categories:
 - Smaller buildings/additions (under 10,000 square feet of floor area, typically) may be categorically exempt under Class 1 ("Existing Facilities") or other provisions of the CEQA Guidelines, and no further review needs to be done. However, environmental review may be required even for future projects that would normally be categorically exempt if there is a reasonable possibility that a project would have a significant effect due to unusual circumstances;

- Any project that is not categorically exempt will be required to complete an Initial Study to determine if all potential impacts were reviewed in this Program EIR; and
- If the Initial Study identifies any impacts that were not analyzed in this Specific Plan EIR, then either a Mitigated Negative Declaration or a project-level EIR will be prepared, depending on whether all of the new impacts can be mitigated.
- In addition, all future projects must incorporate feasible mitigation measures and alternatives included in the Mitigation Monitoring Program.

The Specific Plan development program did consider the addition of up to 380 hotel rooms within the Plan area, although the projected geographic distribution of these uses and other new development may not necessarily align with any particular individual development proposal. As a result, a key part of any project-level review relates to traffic. The applicant has submitted an initial analysis of four intersections. This information has not been fully reviewed by staff, but detailed review would proceed if the applicant elects to pursue a full application.

Signature on file

Thomas Rogers
Senior Planner

Signature on file

Arlinda Heineck
Community Development Director

PUBLIC NOTICE

Public notification was achieved by posting the agenda, at least 72 hours prior to the meeting, with this agenda item being listed.

ATTACHMENTS

- A. Project Description Letter
- B. Project Plans



SAND HILL PROPERTY COMPANY

PROJECT DESCRIPTION

MARRIOTT RESIDENCE INN MENLO PARK

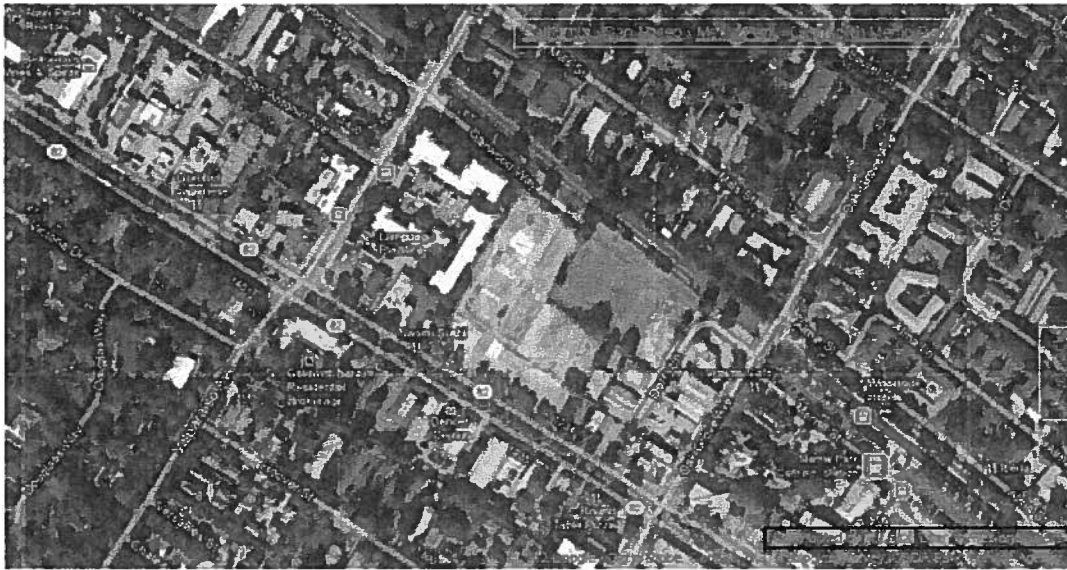
OCTOBER 19, 2012

Sand Hill Property Company (the "Company") is considering the purchase of 555 Glenwood Avenue, commonly known as the Glenwood Inn (the "Property"). The Company's intent is to change the permitted use of the property from retirement living complex to a Marriott Residence Inn hotel. The Company has had preliminary discussions with and feedback from staff and is presenting this project description in connection with a "development permit application" submitted on a date even herewith and moreover in furtherance of its desire to (i) solicit the feedback of the City Council at an October 30th study session as to its support of the project as proposed. The Company intends to purchase the property subject to the City's approval of the proposed use change.

PROJECT LOCATION

The subject property is located at 555 Glenwood Avenue at the corner of Garwood Way, less than a block to the east of El Camino Real and approximately one block (less than one quarter of a mile) from the Menlo Park Caltrain Station. Due to its proximity to mass transit alternatives, the property should be considered a transit-oriented site. Glenwood Avenue bounds the project to the north and Garwood Way (and the adjacent Caltrain railroad tracks) bound the project site to the east. Beyond two commercial parcels to the north sits El Camino Real. The site is isolated from adjacent residential neighborhoods by El Camino Real and the railroad tracks.





EXISTING CONDITIONS

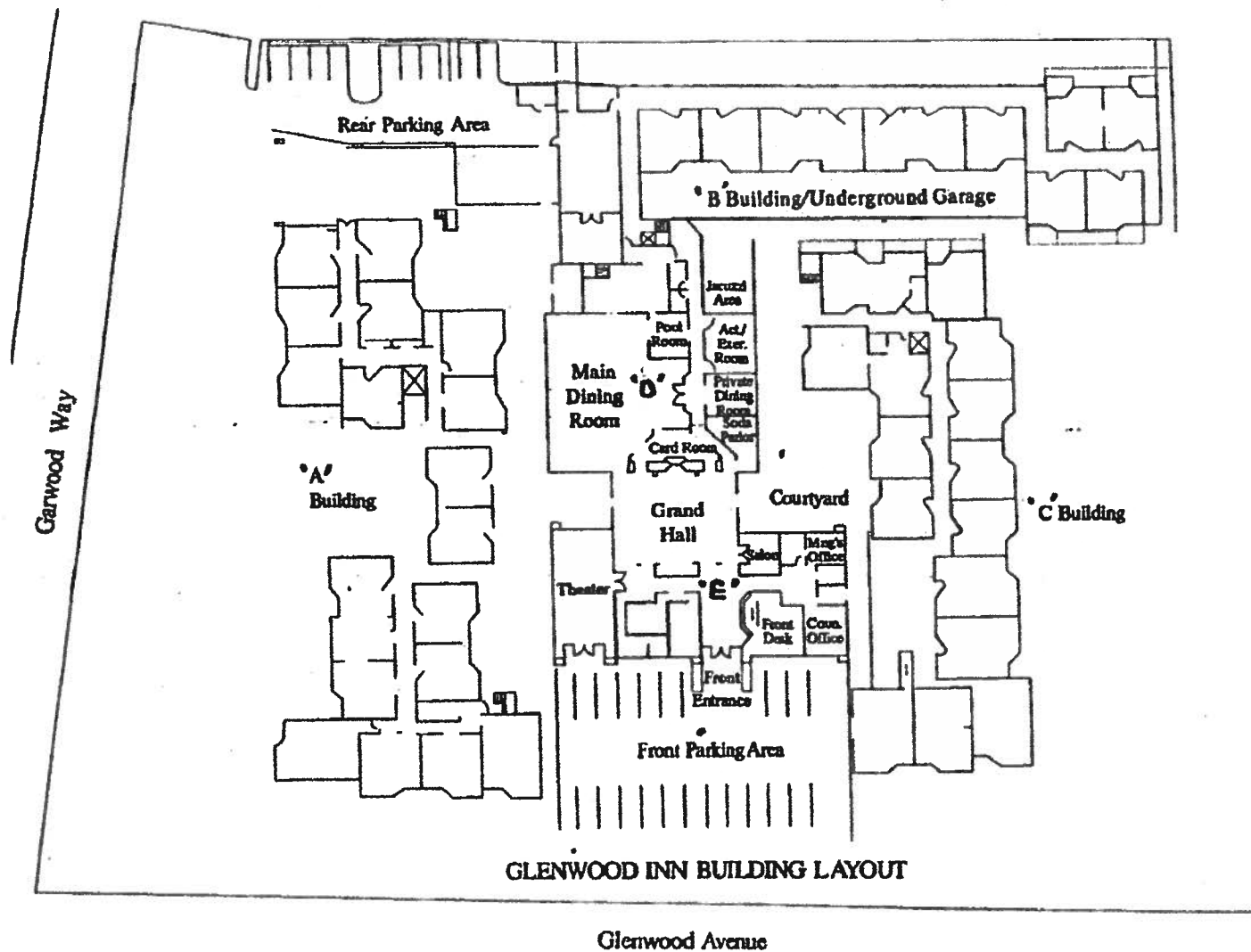
The project site consists of one parcel (APN 061-430-430) of 2.266 acres and existing buildings totaling 113,803 square feet. The subject property is currently operating a market rate assisted living facility consisting of four rectilinear buildings. The buildings were constructed in 1989 in connection with a PD permit issued on April 14, 1987 and are classified as post-modern, concrete and frame structures. The complex has one single-story building (Building A) that houses the public space and common facilities, and three additional three-story structures which contain the guest quarters. The single-story building consists of a library, auditorium, main dining room, private dining room, social room, meeting room, and card room, as well as management offices and areas. The guest quarters include a combination of studio, one-bedroom, and two-bedroom/two-bathroom units that total 125 existing guest rooms, having been converted from the original permitted construction of 138 rooms. Covered or enclosed walkways connect all buildings. There is also an existing 50 space structured garage underneath Building B (see chart below) and 78 total on-site parking stalls. Approximately 30 additional stalls are located on the east side of Garwood Way and are for the property's exclusive use (as indicated by signage all along this parking area). Another 9 stalls are located on the west side of Garwood Way, contiguous to the property, and for practical purposes are solely used by the facility. Including the Garwood Way parking, the facility's total parking is 117 stalls.

Each studio or one bedroom guest quarter has a bathroom as well as an efficiency kitchen (two plate burners, no oven or ventilation, and a shallow bar sink). Each two bedroom guest quarter has two bathrooms as well as the afore-described efficiency kitchen. The units are not considered permanent residences for purposes of characterizing Menlo Park's "housing stock" due to, among other things, this substandard kitchen.

Existing Room Breakdown

| Building | Studio | 1 Bedroom | 2 bedrooms/2 bath |
|--------------|-----------|-----------|-------------------|
| A | 37 | 4 | 11 |
| B | 17 | 0 | 11 |
| C | 32 | 10 | 3 |
| Total | 86 | 14 | 25 |

Existing Building Layout



The existing facility serves both independent and assisted living residents aged 62 years or older. No skilled nursing, Alzheimer's care or rehabilitation care is offered. This is not a continuum of care facility.

Actual rental rates currently range from approximately \$4,000 to over \$5,000 for an "independent" resident in a basic living suite. Additional charges apply for assisted living care (in-room meal service, grooming, dressing, toileting, among other like services) and can bring total monthly room rents to over \$7,000. These are not "affordable" or subsidized rents – they are "at market" and at the highest rate it can bear.

The facility has been operating at far below capacity as a result of the current owner's contemplation of exiting the business and currently only stands at approximately 20%¹ occupancy.

In terms of impacts of the facility closure on the remaining residents, existing state codes govern how the current owner must close the facility and assist in the relocation of residents prior to a sale taking place. Among other things, it is our understanding that (i) the current owner will be generating a relocation plan customized to each resident and coordinating with the governing agency as to that person's relocation, (ii) from the provision of this information residents would have 60 days' notice to vacate, (iii) staff will be maintained to assist the residents in their moves, and (iv) referral agencies will be retained to place them in a new home. The relocation of the residents from this facility should be easier than had it been a skilled nursing home or rehabilitation facility, where the health conditions of

¹ Percentage occupancy as of the first week in October 2012. The vacancy rate is showing no signs of slowing as time progresses.

The current owner has ceased re-leasing pending the sale.

Marriott Residence Inn – Menlo Park

residents would present unique challenges, or an affordable senior housing community, in which case the available options for residents with subsidy requirements for relocation would have been much more limited.

Given the rapid rate of move-outs in recent weeks (word of the finality of the use change has prematurely been spread), it is apparent that the residents of this facility are highly mobile and have options financially. While there are a few exceptions, the majority of the remaining occupants is from Menlo Park and adjacent communities such as Palo Alto, Atherton and Redwood City and has family support locally. (Note that residents or their families typically choose residential care facilities based on proximity to the home of the resident or the home of the families responsible for their care.)

The property sits within the El Camino Real Mixed Use/Residential land use designation of the City's recently adopted El Camino Real / Downtown Specific Plan.

PROJECT OBJECTIVE

The renovation and adaptive re-use of an underutilized assisted living facility to/as a vibrant, tax-generating, business-oriented, internationally-recognized hotel, which use is encouraged by the City of Menlo Park pursuant to its recently adopted Specific Plan.

PROJECT DESCRIPTION

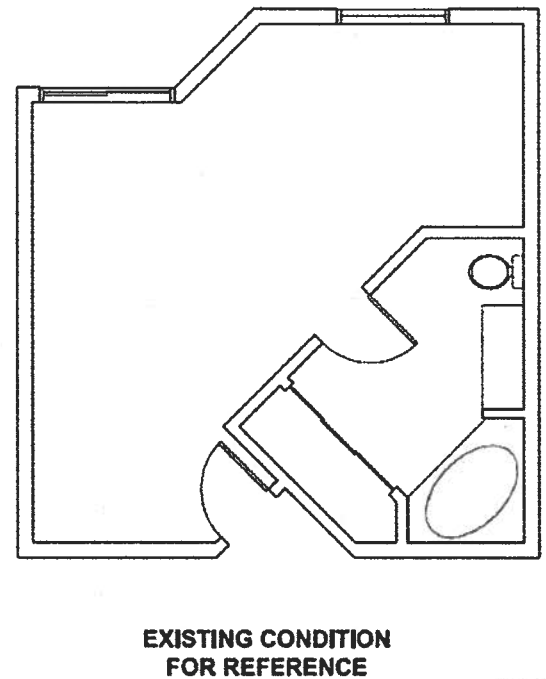
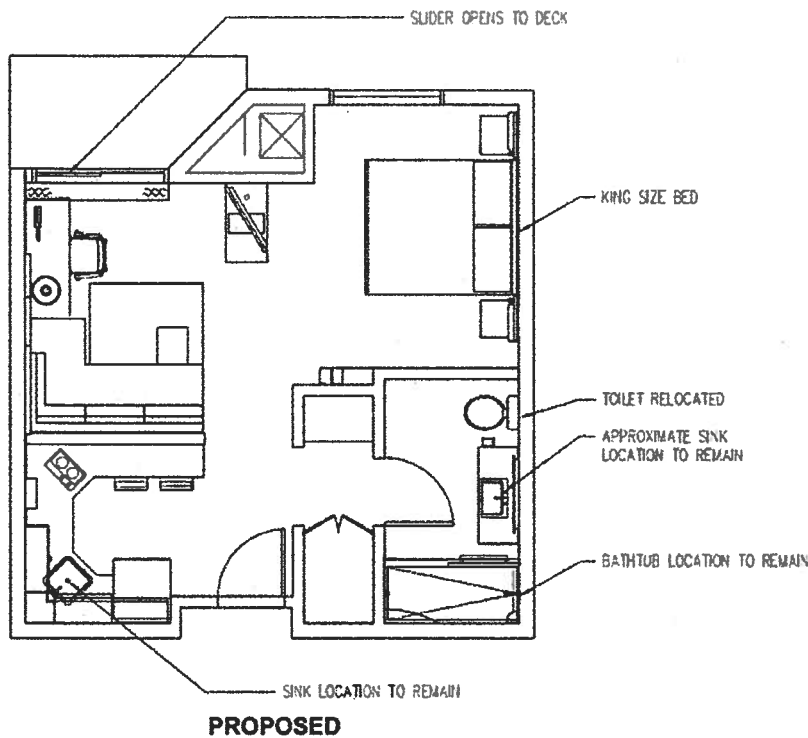
The proposed project is the conversion of the existing market rate assisted living senior housing complex into a limited service hotel. The hotel brand proposed would be Marriott Residence Inn ("MRI"), a Marriott brand with over 650 locations throughout the United States. The Company is an experienced hotel developer and has previously developed (and continues to own and operate) a MRI in Los Altos, CA. (The Los Altos MRI has continuously ranked in the top 5% globally in guest satisfaction, including multiple "Platinum" awards, since we opened it 10 years ago.) Marriott has already given the Company its approval of the site as a MRI consistent with this project description. The MRI brand is ideal for the Menlo Park area because it will appeal not only to the corporate travelers visiting the Silicon Valley and nearby Stanford University, it will also serve as a popular amenity to the residents and businesses of the local Menlo Park community. MRIs typically appeal to guests staying for a week or longer and provides them away-from-home comforts including functional in-room and public area work spaces, free daily hot breakfasts, free high speed internet in guest rooms and public areas, convenient 24 hour snack and essentials market, as well as complimentary social events including foods and beverages in the afternoon, while also offering on-site amenities including private meeting rooms, a business center for guests, a communal room for guest work pods/spaces, a guest "hearth room" or sitting room, a breakfast buffet and eating room, and exercise room. The average MRI guest stay is 5 to 10 days.

The project proposes no increases to the existing lot coverage or floor area. Conveniently, the existing facility very closely mirrors the layout of a prototypical MRI brand product. The size and layout of the guest quarters transitions seamlessly into the various guest room mixes required for a MRI. Additionally the common area and facilities currently in Building A (the public area building) will be reallocated and reconfigured to accommodate the MRI amenities requirements and appeal to the demands of the local market. The goal is to update the existing facilities to create a fresh, unique, and high quality environment that provides state of the art technology, amenities, and business services while still maintaining a consistency with the exterior so as to integrate the use change into the existing neighborhood character.

| Existing Facility's Common Area | | Proposed Hotel Public Space | |
|---------------------------------|------------------------|--------------------------------|------------------------|
| Room Description/Use | Approx. Square Footage | Room Description/Use | Approx. Square Footage |
| Activity/Exercise Room | 483 | Meeting Room I | 483 |
| Card Room | 420 | Meeting Room II | 828 |
| Grand Hall | 1711 | Meeting Room III | 1209 |
| Library | 178 | Tech Lounge | 420 |
| Main Dining Room | 2793 | Hearthroom | 1711 |
| Pool Room | 261 | Computer Area | 178 |
| Private Dining Room | 475 | Breakfast Buffet & Dining Area | 2467 |
| Restrooms | 371 | Exercise Room | 587 |
| Salon | 165 | Restrooms | 371 |
| Soda Parlor | 353 | The Market | 165 |
| Theater | 1209 | | |
| TOTAL | 8419 | TOTAL | 8419 |

Residence Inn hotels are designed to accommodate the extended-stay traveler, and the rooms will be spacious suites with full kitchens and separate areas for sleeping, working, eating, and relaxing.

The below diagram illustrates a potential renovation of an existing studio layout to the MRI proposed studio layout. The existing room structures and plumbing fixtures generally remain in place despite new configurations for the furniture and equipment.



For the ideal MRI room mix, the project proposes the restoration of the converted two-bedroom/two-bathroom guest quarters back into their original studio configuration. The current owner had over time converted 26 original studios into two-bedroom/two-bathroom quarters by simply removing the demising wall and second kitchen area and keeping all other elements of the guest quarters intact. Our project contemplates the reversion of those converted two-bedroom/two-bathroom quarters into their original layout as a single studio guest room by re-introducing the demising wall and the removed kitchen area. The new proposed guest room mix would be as follows:

| Room Type | Existing Senior Guest Quarter | Proposed under MRI |
|--------------------------|-------------------------------|--------------------|
| Studio | 86 | 112 |
| One Bedroom | 14 | 14 |
| Two Bedroom/Two Bathroom | 25 | 12 |
| Total Room Count | 125 | 138 |

Note that the original PD permit for the existing buildings permitted 138 “living suites” and the buildings were originally developed with those 138 rooms.

No increases to the property’s existing heights (35’), lot coverage, or floor area (113,800 sq ft) are proposed in our project.

Parking

Furthermore, we propose no decrease to the site’s parking supply. Today there are total 78 parking stalls on site (17 on the surface parking lot near the entrance and 61 along the ramp and in the below grade parking garage). The facility

also currently has use of an additional 39 stalls on Garwood Way, 30 of which are exclusive to the facility². The current parking ratio falls well below what is typically required for housing but is suitable for a business hotel use.

Our project would propose on- and off-site parking to accommodate the operations of the MRI. In addition to the continued exclusive use of the 30 off-site stalls along the east side of Garwood Way³, the project proposes the 9 existing parallel stalls along the Property on the west side of Garwood Way, which is the maximum amount of stalls readily available to be added to the site (with removing existing buildings and/or constructing more underground parking areas). Based on the Company's operating experience (and empirical data from its Los Altos MRI) as well as Marriott's site-specific requirements, only with the inclusion of the above Garwood Way stalls is the parking ratio manageable for the proposed MRI operation. A parking analysis from TJKM justifies the proposed parking ratio for the business hotel use.

| Location | Existing Stall Count | Proposed under MRI | Change |
|---|----------------------|--------------------|----------|
| Entrance Surface Lot | 17 | 17 | 0 |
| Surface Lot at Building Rear | 11 | 11 | 0 |
| Below Grade Garage | 50 | 50 | 0 |
| Garwood Way – East Side | 30 | 30 | 0 |
| Garwood Way – West Side | 9 | 9 | 0 |
| Total Count | 117 | 117 | 0 |
| Ratio of Stalls to Guest Quarters (inclusive of stalls along Garwood Way) | 0.848 | 0.848 | |
| Ratio of Stalls to Guest Quarters (exclusive of stalls along Garwood Way) | 0.565 | 0.565 | |

The proposed parking rate above is supported by industry standard rates for the proposed use as well as actual parking usage rates for the Company's comparable MRI in Los Altos. The Company has audited the parking demand of its 156-room Los Altos MRI (regularly 100% occupied) for the last several months and the resulting data shows that the parking usage peaks at 0.75-0.88 stalls per room⁴ and averages at approximately 0.68 stalls per room. Quite simply neither the Company as the future hotel operator nor Marriott as the hotel franchisor require stalls beyond what is proposed to satisfy the future parking demand of the hotel.

Further, the requirement of additional stalls would not only be unnecessary but would make the project infeasible. The costs of construction to provide subterranean parking are prohibitively high. Adding this below ground parking would also require the removal of portions of the existing structure, as would the creation of additional surface parking. The addition of an above-ground parking structure over the portion of the property currently used as surface parking along Glenwood Avenue is not only cost prohibitive for this project but such a structure would be highly visible from the street and would negatively affect the character of the surrounding area. Finally, the addition of parking stackers or lifts in the existing below grade parking area is physically impossible due to clear height constraints. Moreover, the labor costs of providing 24 hour valet services and stacker or tandem stall management is financially infeasible.

² Garwood Way was developed as configured by the original developer of the property at his expense in connection with the entitlement and construction of the existing assisted living facility.

³ We would propose to document such continued use with the City for the benefit of the Property, if same does not already exist.

⁴ This figure is inflated at least 5-10% as it does not exclude unauthorized night-time parkers from Box.net, our next door neighbor.

REVIEW & APPROVAL PROCESS

In mid-July, the City of Menlo Park adopted the El Camino Real / Downtown Specific Plan (the "Plan"). As of that date, all new development proposals in the Plan area, which encompasses the Property, are now required to adhere to the Specific Plan regulations.

The Company believes the proposed project is in conformance with the guidelines and is strongly supported by the objectives of the Plan.

Our review of the Plan showed that:

- ✓ The Property sits within the Plan's ECR Mixed Use / Residential district (the "District").
- ✓ The existing buildings generally comply with the District's development standards.
- ✓ The hotel use is a permitted use within the District.
- ✓ The hotel use is considered a public benefit by the Plan for its tax revenue and vibrancy.
- ✓ The Property's parking is deficient for the proposed hotel use using the Plan's 1.25 stalls per room ratio.
- ✓ The Plan allows for justifiable parking reductions.
- ✓ The Plan attempts to incentivize public benefit by granting development bonuses or other concessions.

Parking Reduction

With respect to the above-referenced parking shortfall, as previously outlined the lower number of provided stalls will not have a negative impact on the operations of the hotel or on the adjacent community as the demand will be fully met. In fact, the Plan itself:

- (i) acknowledges that the prescribed parking rate is "conservative" and "industry standard" as opposed to accurate and customized to suit the variety of potential hotel types (limited service hotels such as MRI involve substantially fewer employees – our Los Altos MRI has only two night-time employees on site – than full service hotels, which we believe was a major driver for the high 1.25 "standard" rate) and
- (ii) offers various scenarios in which a qualifying project can justifiably propose a parking supply that does not meet the Plan's minimum parking ratio or involves a use that is not contemplated by the Plan.

The Plan provides that its minimum parking requirements are "higher than average for commercial uses when compared to neighboring jurisdictions." The Plan considers a hotel to be a commercial use. Accordingly, the Plan offers that "there is an opportunity to reduce the minimum parking requirements for some types of development to account for the accessibility of the downtown to non-automobile users and the potential for shared parking."

Non-Automobile Users

We anticipate a great deal of our proposed hotel's occupancy will come from "non-automobile users". For one, as a member site of the ECR MU/R land use designation, we of course are located less than a quarter of a mile from Menlo Park's Caltrain Station and four SamTrans bus routes (one Express, one Community, and two Caltrain connecting routes, one of which also connects to BART) and expect a significant percentage of guests and employees to travel by modes other than private automobile. Further, from our experience operating the Los Altos MRI, a large portion of the proposed hotel's guests will be "non-transit non-automobile users" including the following guest profiles:

- Business traveler visiting a company within walking or biking distance of hotel
- Business traveler ride-sharing with coworkers (either also staying at the hotel or locally based at the business being visited)
- Longer-term guest from a foreign country who has no valid driver's license utilizing a car service
- Leisure traveler visiting family who is responsible for the guest's transportation

Shared Parking

As the Plan states, “different uses have different parking demand characteristics, with some uses (like offices) peaking during the day on weekdays and other uses (like housing) peaking in the evenings and on weekends. Providing parking spaces that can be shared between these uses is a more efficient usage of the limited amount of available parking.”

First, there is an abundance of available street parking in the vicinity of the Property. In addition to the Property’s 30 dedicated stalls on the east side of Garwood Way south of Glenwood Ave, there is approximately 300 linear feet of parallel parking on the west side of Garwood which is effectively used only by visitors to the Property. Crossing Glenwood also on the west side, from the corner there is another 150 lf of uninterrupted parallel parking on Garwood alongside the PG&E substation, for which there is little to no competition as the adjacent uses are single family or low density residential with adequate off-street and adjacent on-street parking for residents and guests.⁵

Further, the entire block in which the Property sits (including large vacant lots such as 1300 El Camino Real and the Derry Property) contain no other residential or hotel uses, only commercial uses. Hotel and residential uses typically share similar evening peak hours and are compatible shared parking mates with the day-time peaking commercial uses.

The Plan provides that “shared parking reductions are not included in the City’s existing rates, although individual developments can currently request parking reductions based on specific factors”. This project is an excellent candidate for a parking reduction not just because it is transit-oriented but on the basis of shared parking efficiencies.

Finally, the Plan introduces a specific geographic zone referred to as the “Station Area Sphere of Influence”, which zone includes the subject site. Interestingly the Plan grants all projects within the Station Area Sphere of Influence proposing a multifamily residential use a dramatically reduced minimum parking rate of 1.0 stall per residential unit. This effectively is a 45% reduction from the standard multifamily residential Specific Plan parking rate of 1.85 (which would be applicable to all sites outside of the Station Area or the Station Area Sphere of Influence). As discussed previously, hotel use parking acts very similarly to residential use parking (except hotel use parking typically does not involve weekend daytime volumes like residential use). The question we present to staff is would it not be appropriate to offer hotel uses within the Station Area Sphere of Influence the same kind of Sphere of Influence parking requirement reduction. (This would make the 1.25 stalls per room rate closer to 0.70, aligning with our operational needs.) We feel that, given the above justifications, it would.

We have commissioned the preparation of a parking analysis by TJKM, which concludes that the proposed parking is adequate for the proposed use, and have included same in our project application for the City’s reference. TJKM also performed an assessment of the traffic impacts of the proposed use change and determined that level of service impacts at the four study intersections (as identified by staff) due to the proposed project are also considered acceptable. The traffic analysis was also included in the application.

Public Benefits

We feel the public benefit the proposed project inherently offers to the community should be a material element of the City’s consideration of the proposed project.

The Plan reveals that the community believes “hotels are a desirable use for the City from a fiscal and economic development perspective.” Accordingly, the Plan identifies the hotel use that by itself will be considered a public benefit. No other use is so esteemed. The Plan explains that hotel use is considered a public benefit because it

⁵ It should be noted that the Plan indicates that downtown on-street parking supply would not be impacted by the parking situation at the intersection of Glenwood and Garwood. The Plan’s Figure F5 clearly demarcates the Property as “Outside Downtown On-Site Parking Area”, while Table F3 (“Existing and Future Downtown Parking Supply”) and Figure F6 (“Proposed Public Parking Downtown”) show in practice that overflow parking by our proposed hotel at the Glenwood/Garwood intersection would be separate and distinct from the downtown parking dynamic.

generates higher tax revenue for the City while also enhancing downtown vibrancy. Our proposed MRI will undoubtedly accomplish both of these things, and more. Below is a list of public benefits that will result from the proposed MRI:

- ✓ Transient Occupancy Tax ("TOT"). This is a topical issue right now for the City as it attempts to manage on-going budget challenges. There is a measure on the November ballot calling for the increase of the TOT rate in the City from 10% to 12%. The proposed MRI hotel would introduce 138 hotel rooms to the City, which based on our market knowledge, operating data from our neighboring Los Altos MRI, and independent review by a fiscal impact consultant, at the current 10% TOT rate would each conservatively generate approximately \$4,000 annually in tax revenue, or approximately \$600,000 in total annual tax revenue from this hotel. In fact, assuming we achieve our projections the proposed hotel will generate upwards of \$1,000,000 in annual TOT within 3 years of opening. Furthermore, this revenue would be independent of the state's budget crisis and not subject to appropriation, as was the case when the State of California eliminated the Redevelopment Agency in January. The proposed MRI's tax revenue is pure bonus revenue with no accompanying economic disadvantages to local businesses or impact or constraint to the 380 hotel units that the Plan projects to see developed over the next 30 years in other parts of the City. The 138 rooms and bonus TOT revenue from the proposed MRI would be immediately accretive to the Plan and the greater economic development of the City in every sense.

Together with its other additional taxes (property, sales, and business), our most conservative internal projections indicate no less than \$1,000,000 per year in direct revenue to the City thanks to this proposed project.

- ✓ Direct Economic Stimulus to the Community. In addition to tax revenue, the hotel will generate economic stimulus within the community on a direct basis. The proposed MRI is geared toward the business traveler (we expect an 80/20 split between business and leisure guests), and we expect the productivity of the Menlo Park business community to benefit from the introduction of a business friendly, amenitized hotel. The hotel proposed multiple meeting spaces that will not only be amenity to guests but available to the public. We expect these quasi-public spaces to be popular with the City's larger businesses. Furthermore, based on our experience with the Los Altos MRI, we know guests prefer to eat and shop locally and preferably within walking distance – our proposed Menlo Park MRI is in a more walkable location than our Los Altos MRI (and per the Plan sits within a 5 minute walking radius of the Santa Cruz/El Camino Real intersection), so we know our guests will generate spending with downtown businesses. Additionally, we expect the proposed hotel to create nearly 50 net new jobs in the City after considering those removed by the closure of the existing facility. This means with this one project the City will have already created 2+% of the 1,357 new jobs the Plan hopes to create over the next 30 years. Further, our internal projections indicate that the proposed project will generate a net increase of \$3.4 million in direct economic activity, \$1.6 million in indirect impacts and \$1.7 million in induced impacts for a net total of \$6.6 million of economic activity added to the local economy.
- ✓ Vibrancy. The proposed hotel will offer guests a premier location within walking distance of Caltrain and downtown that will result in their maximum interaction with the community that surrounds the hotel. We expect over 120 guests to be introduced to the greater downtown area on a nightly basis, and many of which will spend their days here as well. The location of the proposed hotel is highly beneficial to the community. At the edge of the Plan's "Station Area Sphere of Influence", the hotel will activate the Station Area and allow for the expansion of the borders of the greater downtown area and bring vibrancy to a pocket of the City that currently is at risk of being deadened by the lack of connectivity caused by the adjacent railroad tracks. An important publicly-stated City goal is to enhance connectivity. As the Plan states, "There is a relatively weak connection between the train station and downtown, with limited foot traffic and activities that would otherwise generate more vibrancy in the area." We believe this trend would be reversed by the proposed hotel and its location.
- ✓ Improvement of Underutilized Properties & Sustaining Village Character. The existing facility, 'Casa on the Peninsula' and formerly (and perhaps more commonly) known as the 'Glenwood Inn', has been running at occupancies well below industry and market standards for several years as the owner has been contemplating

exiting the business. The facility has accrued a significant amount of deferred maintenance and has not enjoyed a comprehensive “refresh” in many years. The exterior of the buildings and perimeter of the property, while offering interesting architecture and pleasing landscaping, are tired and merit rehabilitation. In anticipation of 85% occupancy rates, the conversion to the hotel use would involve cosmetic improvements to the exterior (as well as to the interior, of course) that will transform the streetscape character along Glenwood Avenue and Garwood Way, encouraging street level activity and enhancing the pedestrian environment. Because no changes to the building massing or additional parking structures are envisioned, Menlo Park will get a new hotel while still preserving its village character.

- ✓ **Healthy Living and Sustainability.** We believe that our adaptive re-use of the Property, salvaging as much of the existing structure and improvements as possible, is an environmentally responsible approach to the project. Our goal is to adhere to the Plan’s recommendation, “utilizing finite resources in a responsible way, creating healthy environments for building inhabitants and minimizing impacts to both natural systems and existing utilities”. We believe our proposed hotel responds to the Plan’s sustainability strategy: “Reduce parking footprint by limiting the amount of space dedicated to surface parking, providing shared parking facilities and integrating parking within development footprints.” By requesting to provide only enough parking to meet the actual demand of the hotel, as opposed to creating un-needed additional surface parking through the demolition of certain, non-critical existing buildings (which would eliminate hotel amenities, like meeting rooms), we not only avoid unnecessary expense and a compromised hotel operation, we are being sustainable. Additionally, the hotel will be designed and constructed to the standards of LEED certification.

Unlike what the Plan contemplates the nature of the relationship between the City and a developer proposing a public benefit, the proposed hotel does not attempt to derive any benefit or additional profits for the provision to the City of the above. As proposed, the re-use of the existing facility as a hotel is justifiable on its own merits. The public benefits that would accompany the re-use would come at no cost or expense to the City. They would be a bonus to the successful project.

In addition to the above public benefits, there are several advantages offered by the proposed hotel.

- ✓ **Free of Political and Unmitigated Environmental Impacts.** The proposed use change does not remove any housing units from the City’s existing housing stock or eliminate an “opportunity site” for rezoning for compliance with the City’s Regional Housing Needs Allocation, so there is no negative impact to the efforts of the City’s Housing Element. Not only this, but the proposed 138 room hotel is accretive to the Plan’s expectation of future hotel development and site targeting. Furthermore, the site’s proposed hotel use is an analyzed and permitted use pursuant to the Plan and its Environmental Impact Report. There will be no intensification, densification, or footprint increases to the Property. From an environmental impact perspective, the assisted living facility and the proposed hotel are comparable uses and no environmental impacts, including traffic related, would result from the use change.
- ✓ **Community Advocacy.** The MRI hotel will be an active member of the community. We anticipate the proposed MRI will act as does our Los Altos MRI, which:
 - Participates in various local community programs
 - Donates rooms to local schools for charity purposes (fundraisers)
 - Is a member of the chamber of commerce and is involved in their events and causes
 - Is actively involved in local festivals
 - Conducts in-house drives to give back to the community
 - Advertises in local papers
 - Refers out to and promotes local businesses
- ✓ **Developer Track Record.** The developer, Sand Hill Property Company is a long-time local developer with deep experience in hotel development and management, having built or in the process of building several hotels and currently owning and operating the Los Altos Marriott Residence Inn, an award-winning hotel for its

management and guest satisfaction. Further, the Company has experience working with the City, having recently entitled the 1300 El Camino Real project.

In addition to the above public benefits and advantages, the proposed project successfully neutralizes several constraints of the Plan area as suggested by the City.

- **“Railroad Line Limits East-West Connectivity”**. The site is immediately bounded by the railroad line, and our MRI will bring the vibrancy associated with 120+ guests per night right up against it. Increased east-west connectivity over the railroad line on Glenwood Avenue is a natural consequence.
- **“Funding for Public Improvements”**. The proposed hotel will bring with it upwards of \$1,000,000 in unplanned tax revenue on an annual basis. The City should consider directing this revenue to its General Capital Improvement Fund or its forthcoming “public amenity fund” so that it may utilize this TOT windfall toward the implementation of the public improvements included in the Plan.
- **“Financing Given the Current Market Situation”**. The economy still has not fully recovered from the financial crises of the last few years. According to the Plan, “the current market situation is characterized by constrained credit markets and a broader economic downturn that has impacted the potential for real estate development. While current market conditions, wherein home prices and the volume of sales have both declined, are not conducive to real estate development at this time, the market for real estate tends to be cyclical in nature. It is difficult to predict when the market will improve; however it is unlikely that new projects in the plan area will be constructed and occupied until 2012–2013, at the earliest.” It is true that there are still significant challenges to planning and executing economically viable projects, and the market for hotel construction (or renovation) financing is not a free-flowing one.

However, the unique circumstances of this proposed project make this a realistic opportunity for a successful hotel in the City to be built. A MRI-conducive building on a properly sized parcel, not to mention the availability thereof, is not commonplace, especially in Menlo Park. The minimal amount of hotel development occurring in the region will also give the project a competitive advantage, especially considering no MRIs even exist between the cities of San Mateo and Los Altos. The local market has put this unique hotel use in demand today, appealing to businesses both big and small as well as the residential population, without impairing the likelihood of the 380 additional new hotel rooms (made up of a conference hotel in the southern end of the City and a boutique hotel downtown) envisioned by the Plan over the next 20 to 30 years. (We believe this not only because our hotel’s location does not conflict with either of the two envisioned hotels, but because our expected guest profile will be 80% business guest and 20% leisure guest, while the Plan based its 380 room vision on an expected breakdown of 60% leisure guests and 40% business guests.) Finally, the economy supports our particular effort: the project as proposed is financeable and we have capital already arranged for the purchase and complete redevelopment of the property. We are proposing to commence construction immediately upon receiving the necessary approvals and believe we can open the hotel within a year.

In sum, not only is the proposed hotel consistent with guidelines and standards of the Plan, we believe this project and its inherent public benefit achieves many of its goals, strategies, and intent.

Applicant’s Request

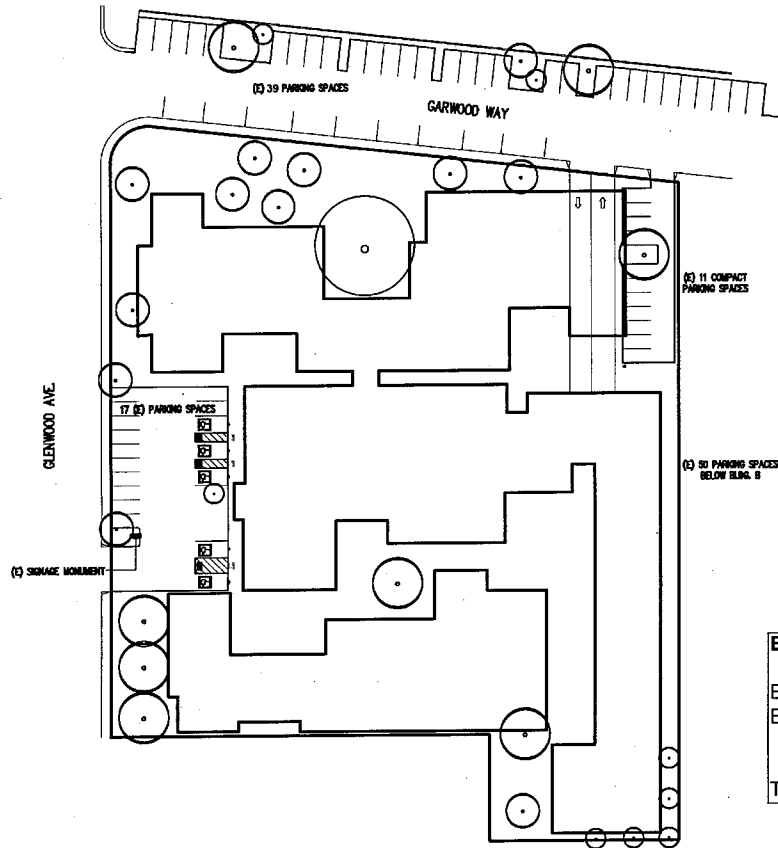
We request the following of the City:

- Feedback from the City Council as to its willingness to formally dedicate the 39 parking stalls on Garwood Way for the exclusive of the proposed hotel facility (to run with the land and be transferable) for as long as the hotel use is maintained. In the event the City requires a third party developer to redevelop and/or reconfigure the existing Garwood Way per the previously approved plans in connection with the “Derry” and “1300 ECR” projects, the applicant shall be able to use the 39 most adjacent stalls to the Property in such new configuration. Applicant is willing to accommodate on its own an interim parking solution in that event (ie during the actual reconfiguration).

- Community Development Director to grant an administrative permit for the change of assisted living facility use to hotel use with the proposed parking supply of 117 stalls. After receipt of the administrative permit but prior to granting a building permit, if it has not been done already applicant shall demonstrate how the 117 stalls shall be provided (whether by exclusive dedication by the City of the Garwood parking areas, licensing of off-site parking areas from a third party, or some on-site solution that in the future shows itself to be physically, operationally, and financially viable). No Architectural Control to be required.
- Expedited permit processing. We respectfully recognize the City has an established process for reviewing project proposals and have legitimate constraints on accommodating expedited schedules. However, we have a limited amount of time and flexibility to execute on this project given that we are not currently the owners of the Property and believe the benefits of this project justify an expedited review. To date the City has been quite accommodating of this special need and we are greatly appreciative.

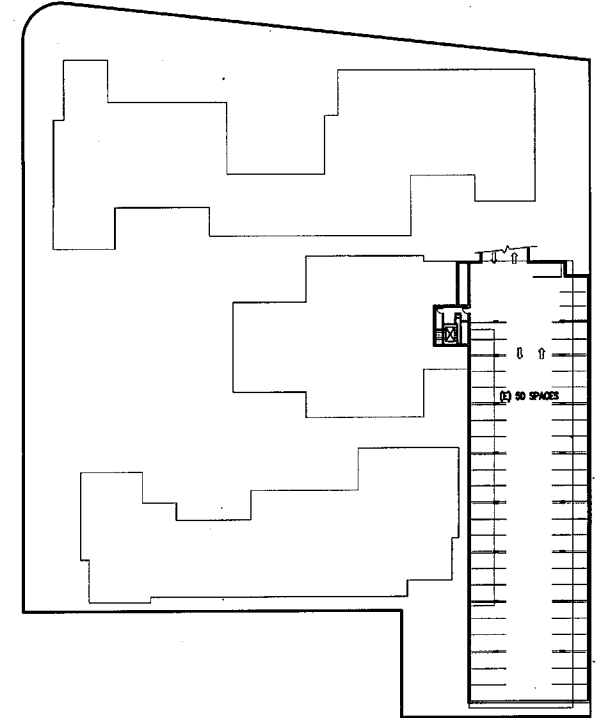
Please direct all correspondence regarding the enclosed to:

Reed Moulds
Managing Director
Sand Hill Property Company
203 Redwood Shores Parkway, Suite 200
Redwood City, CA 94065
650/344-1500x110



Existing & Proposed Site Plan

| EXISTING PARKING TABULATION | |
|-----------------------------|------------|
| EXISTING ON GRADE | 67 |
| EXISTING BASEMENT | 50 |
| TOTAL | 117 |



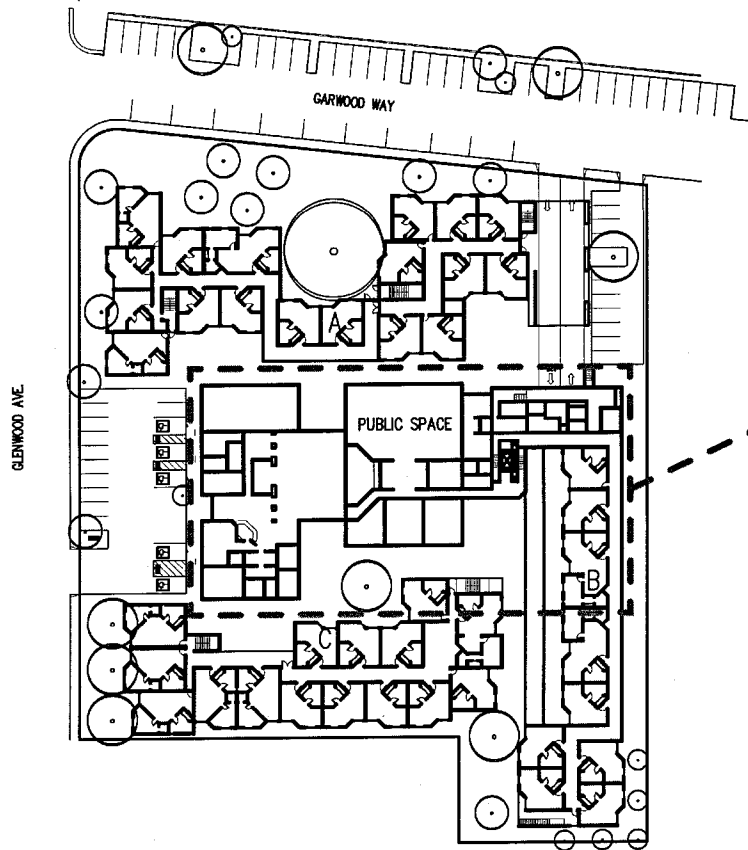
Plan Below Grade

SCALE: 1/64" = 1'-0"
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Residence Inn by Marriott
 555 Glenwood Avenue, Menlo Park

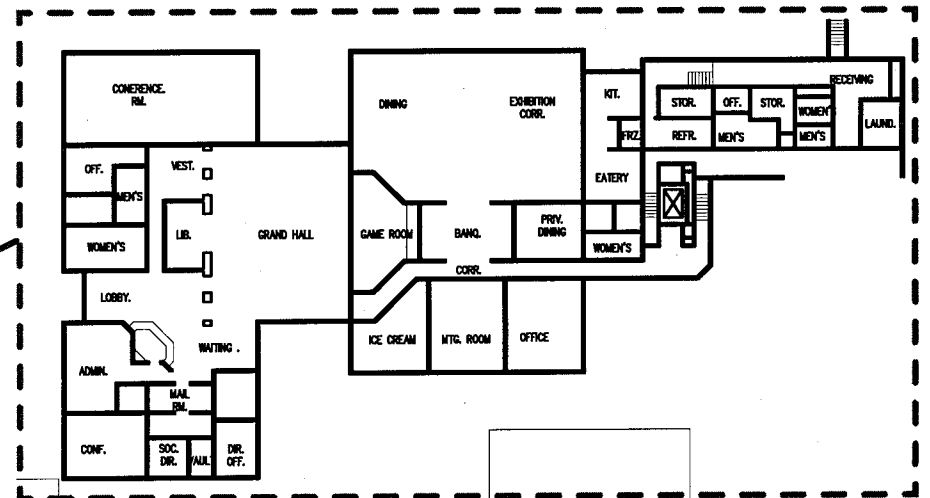
Sand Hill Property Company

Stantec October 18, 2012



Existing Ground Floor Plan

SCALE: 1/64" = 1'-0"
0 16' 32' 64'



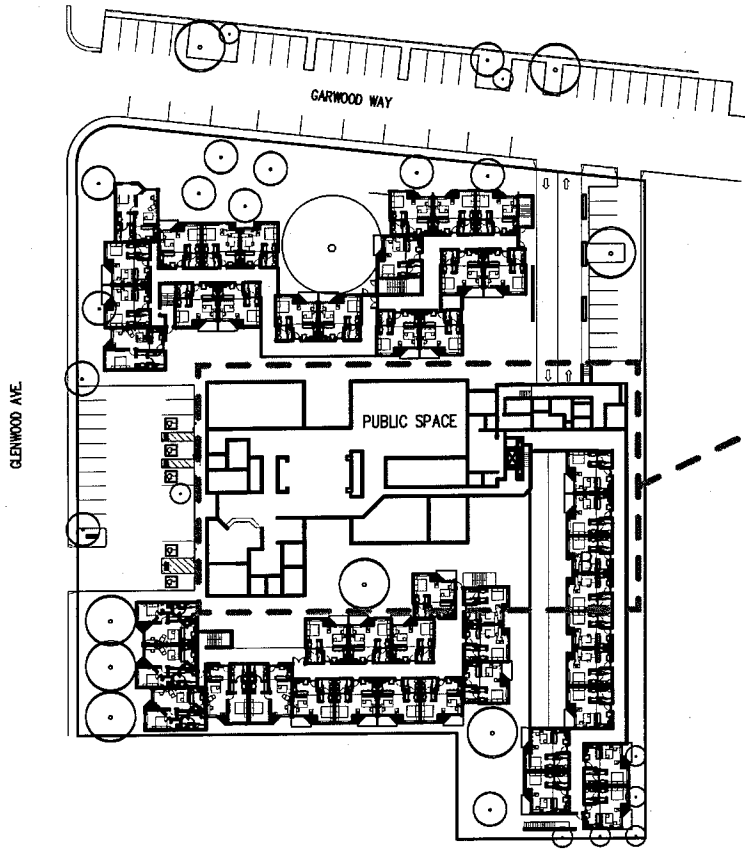
Existing Public Spaces

SCALE: 1/32" = 1'-0"
0 8' 16' 32'

Residence Inn by Marriott
555 Glenwood Avenue, Menlo Park

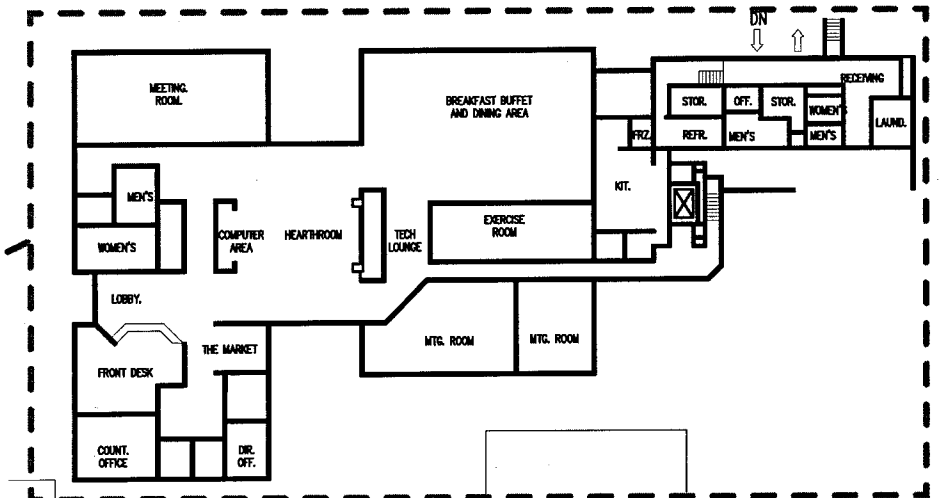
Sand Hill Property Company

Stantec October 18, 2012



Proposed Ground Floor Plan

SCALE: 1/64" = 1'-0"
0 16' 32' 64'



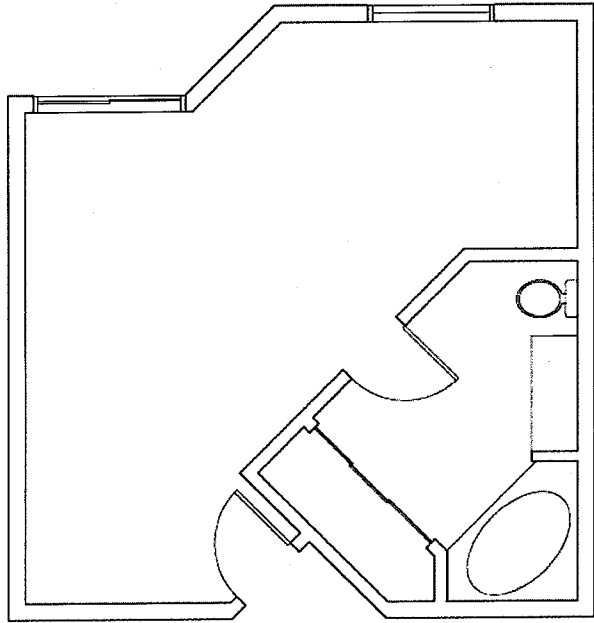
Proposed Public Spaces

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0 8' 16' 32'

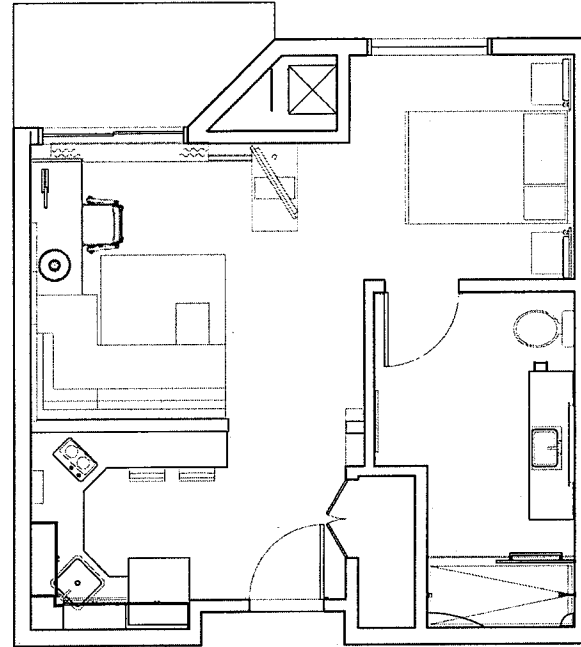
Residence Inn by Marriott
555 Glenwood Avenue, Menlo Park

Sand Hill Property Company

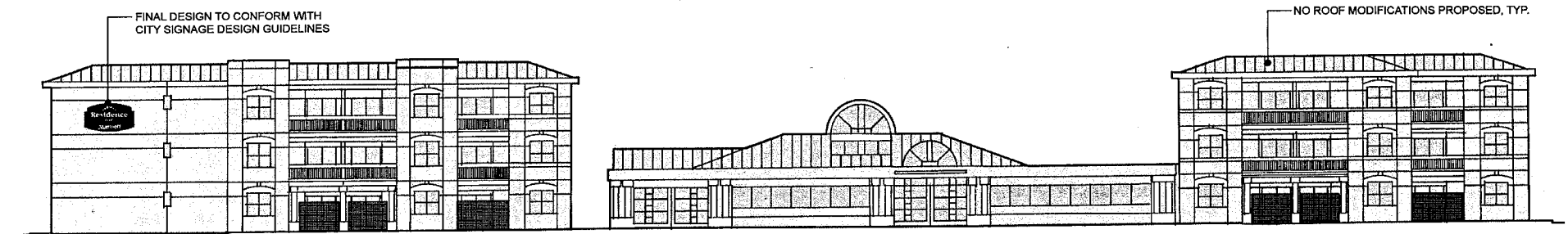
Stantec October 18, 2012



Existing Room Layout



Proposed Room Layout



North Elevation (Glenwood Avenue)



East Elevation (Garwood Way)

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