



SPECIAL AND REGULAR MEETING AGENDA

Date: 11/15/2016
Time: 6:00 p.m.
City Council Chambers
701 Laurel St., Menlo Park, CA 94025

6:00 p.m. Closed Session (City Hall Administration Building, 1st floor conference room)

Public comment will be taken on this item prior to adjourning to Closed Session.

CL1. Closed Session pursuant to Government Code Section §54957.6 to confer with labor negotiators regarding current labor negotiations with the unrepresented management

Attendees: City Manager Alex McIntyre, Administrative Services Director Nick Pegueros, Finance and Budget Manager Rosendo Rodriguez, Human Resources Manager Lenka Diaz, City Attorney Bill McClure, Labor Counsel Charles Sakai

7:00 p.m. Regular Meeting

- A. Call To Order**
- B. Roll Call**
- C. Pledge of Allegiance**
- D. Report from Closed Session**
- E. Public Comment**

Under “Public Comment,” the public may address the City Council on any subject listed on the agenda. Each speaker may address the City 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 City Council cannot act on items not listed on the agenda and, therefore, the City Council cannot respond to non-agenda issues brought up under Public Comment other than to provide general information.

F. Consent Calendar

F1. Waive the reading and adopt ordinances rezoning project site, located at 300-309 Constitution Drive, from M-2 and M-2(x) to M-2(x); modifying the M-2 zoning district to conditionally permit hotel uses; and approving the Development Agreement for the Facebook Campus Expansion Project (Staff Report# 16-192-CC)

G. Public Hearing

- G1. Consider and provide guidance on the General Plan land use and circulation elements, zoning ordinance amendments, rezonings and environmental review associated with the General Plan and M-2 area zoning update in preparation for adoption at the City Council meeting on November 29, 2016 (Staff Report# 16-193-CC)

H. 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 www.menlopark.org and can receive e-mail notification of agenda and staff report postings by subscribing to the "Notify Me" service at menlopark.org/notifyme. Agendas and staff reports may also be obtained by contacting City Clerk at 650-330-6620. (Posted: 11/09/2016)

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 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 City 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 City Clerk's Office, 701 Laurel St., Menlo Park, CA 94025 during regular business hours.

Persons with disabilities, who require auxiliary aids or services in attending or participating in City Council meetings, may call the City Clerk's Office at 650-330-6620.



STAFF REPORT

City Council Meeting Date: 11/15/2016
Staff Report Number: 16-192-CC

Consent Calendar: **Waive the reading and adopt ordinances rezoning project site, located at 300-309 Constitution Drive, from M-2 and M-2(X) to M-2(X); modifying the M-2 zoning district to conditionally permit hotel uses; and approving the Development Agreement for the Facebook Campus Expansion Project**

Recommendation

Staff recommends that the City Council waive the full reading of and adopt ordinances rezoning the project site (encompassing the buildings currently addressed 300-309 Constitution Drive), amending the M-2 zoning district to list hotels as conditional uses, and approving the Development Agreement between the Applicant and the City of Menlo Park to enable the comprehensive redevelopment of the site with two new offices buildings totaling approximately 962,400 square feet and an up to 200 room hotel comprised of approximately 174,800 square feet.

Policy Issues

The recommended action is consistent with the City Council's actions and approvals on the Project at its meeting of November 1, 2016 and would serve to complete the approval process of the land use entitlements for the Facebook Campus Expansion Project.

Background

At the November 1, 2016 City Council meeting, the Council voted 5-0 to take the following actions related to the Facebook Campus Expansion Project:

1. Adopt a Resolution Certifying the Environmental Impact Report and adopting the findings required by the California Environmental Quality Act, Adopting the Statement of Overriding Considerations, and Adopting the Mitigation Monitoring and Reporting Program for the Facebook Campus Expansion Project, located at 300-309 Constitution Drive.
2. Introduce an Ordinance amending the text of the M-2 (General Industrial) zoning district to add hotels, including ancillary facilities, to conditional uses.
3. Introduce an Ordinance Rezoning the property at 300-309 Constitution Drive from M-2 (General Industrial) and M-2(X) (General Industrial, Conditional Development) to M-2(X) (General Industrial, Conditional Development).
4. Adopt a Resolution Approving an Amended and Restated Conditional Development Permit for the property located at 300-309 Constitution Drive and 1 Facebook Way (Building 20).

5. Introduce an Ordinance Approving the Development Agreement for 301-309 Constitution Drive (Facebook Campus Expansion Project).
6. Adopt a Resolution Approving the Lot Line Adjustment between parcels 055-260-250 (300-309 Constitution Drive) and 055-260-290 (1 Facebook Way, Building 20).
7. Adopt a Resolution Approving the Heritage Tree Removal Permits for the Facebook Campus Expansion Project.
8. Adopt a Resolution Approving a Below Market Rate Housing Agreement with Hibiscus Properties, LLC for the Facebook Campus Expansion Project.
9. Authorize City Manager to enter into agreements associated with the approval of the project unless a condition of approval explicitly calls for review by the City Council.

The resolutions (Item numbers 1, 4, 6, 7, and 8) and authorization to the City Manager became effective immediately with the Council's action.

Analysis

In addition to the adopted resolutions, the project includes three ordinances to enable the development of the project.

- The project requires a rezoning of the entire site from M-2 (General Industrial) and M-2(X) (General Industrial, Conditional Development) to M-2(X) to implement the conditional development permit to allow for the comprehensive development of the site. The approval of the CDP was completed at the November 1 meeting.
- The proposed project includes a hotel of up to 200 rooms. The M-2 zoning district does not currently allow for hotel uses and therefore, the project proposal includes a Zoning Ordinance text amendment to incorporate hotels into the conditional uses within the M-2 zoning district. The hotel use is consistent with the current general plan.
- The third ordinance would approve the Development Agreement between the City and the Applicant for the provision of public benefits in exchange for vested rights. The Development Agreement ordinance was introduced by the City Council with a modification to the timing for the provision of the \$100,000 for the Transportation Management Associate Feasibility and Implementation Strategy (Section 7.1.4). The draft Development Agreement required the payment within sixty (60) days of the City's final sign-off of building permits for the occupancy of Building 21; however, the Council requested that the timing be changed to require payment within sixty (60) days from when the City is ready to proceed with the study. The City would make the request for payment in writing. The updated Draft Ordinance and Development Agreement are located in Attachment C.

No other changes to the ordinances were requested by the City Council, nor have any changes been initiated by staff. The City Council voted 5-0 to introduce the above mentioned ordinances at the November 1, 2016 meeting.

Impact on City Resources

The project sponsor is required to pay Planning, Building and Public Works 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.

Environmental Review

On November 1, 2016, the City Council adopted a resolution that certified the EIR, made the CEQA findings, adopted the Statement of Overriding Considerations, and adopted the Mitigated Monitoring and Reporting Program.

Public Notice

Public Notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Draft Ordinance Rezoning the Project Site to M-2(X)
- B. Draft Ordinance for Zoning Ordinance Text Amendment
- C. Draft Ordinance for Development Agreement and Draft Development Agreement

Report prepared by: Kyle Perata, Senior Planner

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DRAFT – November 15, 2016

ORDINANCE NO. ____

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
REZONING PROPERTIES LOCATED AT 300-309 CONSTITUTION
DRIVE AND 1 FACEBOOK WAY, BUILDING 20**

The City Council of the City of Menlo Park does ordain as follows:

SECTION 1. The zoning map of the City of Menlo Park is hereby amended such that certain real properties with the addresses of 300-309 Constitution Drive (Assessor's Parcel Number 055-260-250) and 1 Facebook Way, Building 20 (055-260-290) are rezoned to the M-2(X) (General Industrial, Conditional Development) district as more particularly described and shown in Exhibit A.

SECTION 2. This ordinance shall become effective thirty (30) days after the date of its adoption. Within fifteen (15) days of its adoption, the ordinance shall be posted in three (3) public places within the City of Menlo Park, and the ordinance, or a summary of the ordinance prepared by the City Attorney, shall be published in a local newspaper used to publish official notices for the City of Menlo Park prior to the effective date.

SECTION 3. An environmental impact report was prepared for the project and certified by the City Council on November 1, 2016, in accordance with the provisions of the California Environmental Quality Act and CEQA Guidelines. Findings and a statement of overriding considerations were adopted by the City Council on November 1, 2016 by Resolution No. 6351.

INTRODUCED on the first day of November, 2016.

PASSED AND ADOPTED as an ordinance of the City of Menlo Park at a regular meeting of said Council on the fifteenth day of November, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

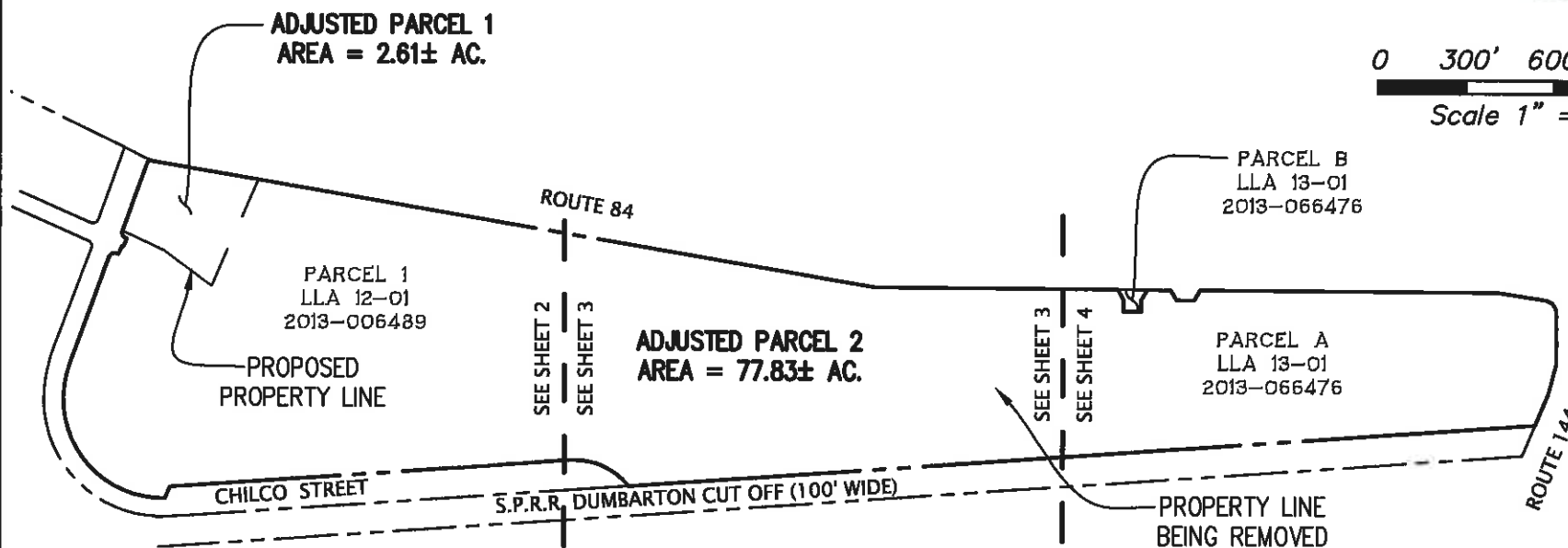
Richard Cline
Mayor, City of Menlo Park

ATTEST:

Pamela Aguilar, CMC
City Clerk



0 300' 600' 1200'
Scale 1" = 600 ft



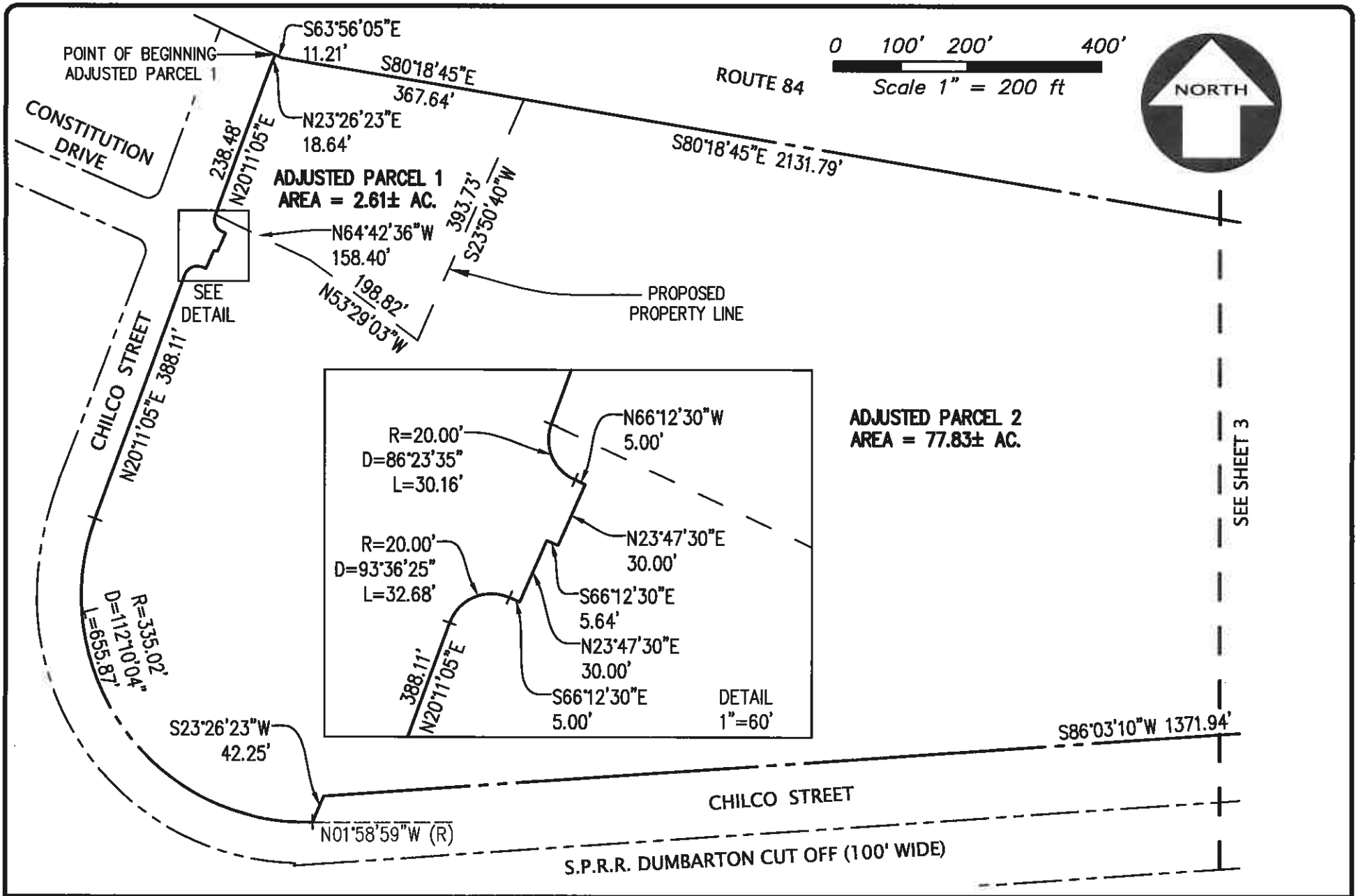
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
 2850 Collier Canyon Road Phone (925) 245-8788
 Livermore, California 94551 Fax (925) 245-8796

EXHIBIT "A"
PLAT TO ACCOMPANY LEGAL DESCRIPTION

MENLO PARK,

CALIFORNIA

DATE	NOVEMBER, 2016
SCALE	1" = 600'
BY	RJH
JOB NO.	A15571-3
SHEET	1 OF 4

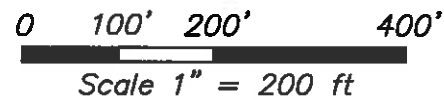


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EXHIBIT "A"
PLAT TO ACCOMPANY LEGAL DESCRIPTION

MENLO PARK, CALIFORNIA

DATE	NOVEMBER, 2016
SCALE	1" = 200'
BY	RJH
JOB NO.	A15571-3
SHEET	2 OF 4



ROUTE 84

S80°18'45"E 2131.79'

N89°38'32"W 823.77'

SEE SHEET 2

ADJUSTED PARCEL 2
AREA = 77.83± AC.

R=231.73'
D=53°54'34"
L=218.04'

S86°03'10"W 1371.94'

S51°25'59"W (R)

S86°03'10"W 3091.29'

S.P.R.R. DUMBARTON CUT OFF (100' WIDE)

SEE SHEET 4



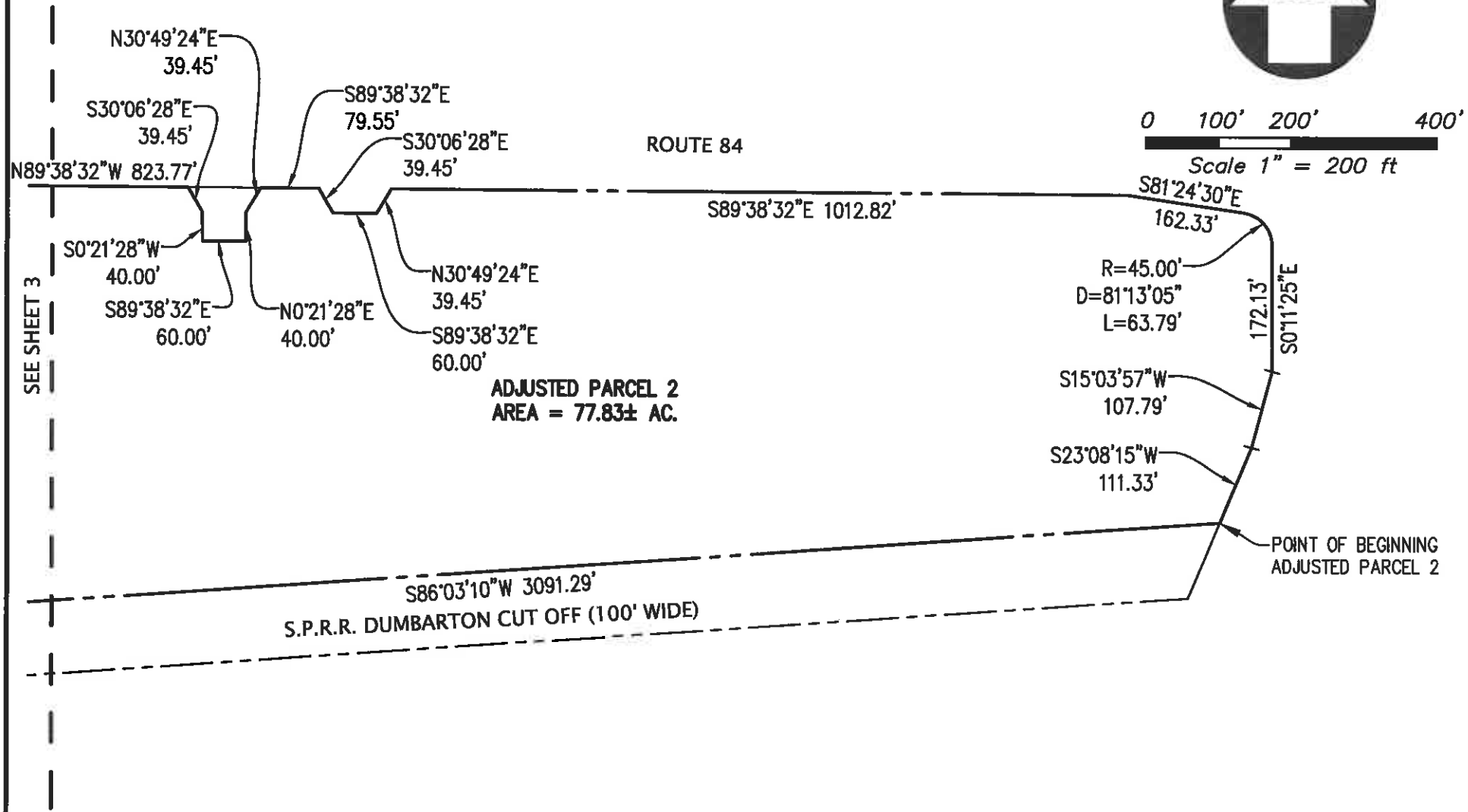
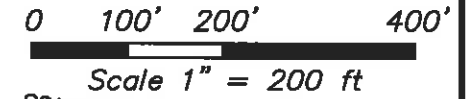
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EXHIBIT "A"
PLAT TO ACCOMPANY LEGAL DESCRIPTION

MENLO PARK,

CALIFORNIA

DATE	NOVEMBER, 2016
SCALE	1" = 200'
BY	RJH
JOB NO.	A15571-3
SHEET	3 OF 4



KIER & WRIGHT
 CIVIL ENGINEERS & SURVEYORS, INC.
 2850 Collier Canyon Road Phone (925) 245-8788
 Livermore, California 94551 Fax (925) 245-8796

EXHIBIT "A"
PLAT TO ACCOMPANY LEGAL DESCRIPTION

MENLO PARK, CALIFORNIA

DATE	NOVEMBER, 2016
SCALE	1" = 200'
BY	RJH
JOB NO.	A15571-3
SHEET	4 OF 4

LEGAL DESCRIPTION

ADJUSTED PARCEL 1

REAL PROPERTY SITUATE IN THE CITY OF MENLO PARK, COUNTY OF SAN MATEO, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING A PORTION OF PARCEL 1, AS SAID PARCEL IS DESCRIBED IN THAT CERTAIN LOT LINE ADJUSTMENT NO. 12-01, RECORDED JANUARY 11, 2013, AS INSTRUMENT NO. 2013-006489, OFFICIAL RECORDS OF SAN MATEO COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY OF ROUTE 84, AS SAID ROUTE IS SHOWN ON THAT CERTAIN CALTRANS RIGHT OF WAY MAP FOR ROUTE 84 IN THE COUNTY OF SAN MATEO ON SHEETS R-105.2 THROUGH R-105.4, WITH THE EAST RIGHT OF WAY LINE OF CHILCO STREET, AS SAID RIGHT OF WAY IS DESCRIBED AS PARCEL 46737-3 IN THAT CERTAIN DOCUMENT RECORDED JULY 27, 1983 AS DOCUMENT NUMBER 83-078012, OFFICIAL RECORDS OF SAN MATEO COUNTY, SAID INTERSECTION ALSO BEING THE NORTHWEST CORNER OF SAID PARCEL 1;

THENCE ALONG SAID SOUTHERLY RIGHT OF WAY, SOUTH 63° 56' 05" EAST, 11.21 FEET;

THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT OF WAY, SOUTH 80° 18' 45" EAST, 367.64 FEET;

THENCE SOUTH 23° 50' 40" WEST, 393.73 FEET;

THENCE NORTH 53° 29' 03" WEST, 198.82 FEET;

THENCE NORTH 64° 42' 36" WEST, 158.40 FEET TO A POINT ON SAID EASTERLY RIGHT OF WAY;

THENCE ALONG SAID EASTERLY RIGHT OF WAY, NORTH 20° 11' 05" EAST, 238.48 FEET;

THENCE CONTINUING ALONG SAID EASTERLY RIGHT OF WAY, NORTH 23° 26' 23" EAST, 18.64 FEET TO THE **POINT OF BEGINNING**.

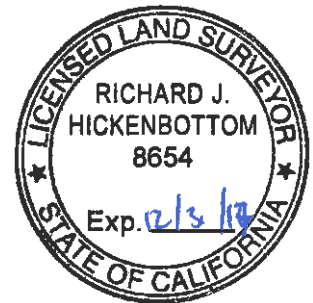
CONTAINING 2.61 ACRES OF LAND, MORE OR LESS.

KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS, INC.



RICHARD J. HICKENBOTTOM, LS 8654
LICENSE EXPIRES: 12/31/17

11/9/16
DATE



LEGAL DESCRIPTION

ADJUSTED PARCEL 2

REAL PROPERTY SITUATE IN THE CITY OF MENLO PARK, COUNTY OF SAN MATEO, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING A PORTION OF PARCEL 1, AS SAID PARCEL 1 IS DESCRIBED IN THAT CERTAIN LOT LINE ADJUSTMENT NO. 12-01, RECORDED JANUARY 11, 2013 AS INSTRUMENT NO. 2013-006489, AND ALL OF PARCEL A, AS SAID PARCEL A IS DESCRIBED IN THAT CERTAIN LOT LINE ADJUSTMENT NO. 13-01, RECORDED MAY 2, 2013 AS INSTRUMENT NO. 2013-066476, OFFICIAL RECORDS OF SAN MATEO COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE 100 FOOT WIDE SOUTHERN PACIFIC RAILROAD DUMBARTON CUT OFF RIGHT OF WAY WITH THE WESTERLY RIGHT OF WAY OF ROUTE 144, AS SAID ROUTE 144 IS SHOWN ON THAT CERTAIN CALTRANS RIGHT OF WAY MAP FOR ROUTE 84 IN THE COUNTY OF SAN MATEO ON SHEETS R-105.2 THROUGH R-105.4;

THENCE ALONG SAID NORTH LINE, SOUTH 86° 03' 10" WEST, 3091.29 FEET TO THE INTERSECTION OF SAID NORTH LINE WITH THE NORTHERLY RIGHT OF WAY LINE FOR CHILCO STREET, AS DESCRIBED AS PARCEL 45831-1 IN THAT CERTAIN DOCUMENT RECORDED JUNE 29, 1982 AS DOCUMENT NUMBER 82-054425, OFFICIAL RECORDS OF SAN MATEO COUNTY;

THENCE ALONG THE SAID NORTHERLY RIGHT OF WAY OF CHILCO STREET THE FOLLOWING THREE (3) COURSES:

- 1) ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 51° 25' 59" WEST, HAVING A RADIUS OF 231.73 FEET, THROUGH A CENTRAL ANGLE OF 53° 54' 34" FOR AN ARC LENGTH OF 218.04 FEET,
- 2) SOUTH 86° 03' 10" WEST, 1371.94 FEET, AND
- 3) SOUTH 23° 26' 23" WEST, 42.25 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY OF CHILCO STREET, AS DESCRIBED AS PARCEL 46737-3 IN THAT CERTAIN DOCUMENT RECORDED JULY 29, 1983 AS DOCUMENT NUMBER 83-078012, OFFICIAL RECORDS OF SAN MATEO COUNTY;

THENCE ALONG SAID EASTERLY RIGHT OF WAY THE FOLLOWING NINE (9) COURSES:

- 1) ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS NORTH 01° 58' 59" WEST, HAVING A RADIUS OF 335.02 FEET, THROUGH A CENTRAL ANGLE OF 112° 10' 04" FOR AN ARC LENGTH OF 655.87 FEET,
- 2) NORTH 20° 11' 05" EAST, 388.11 FEET,
- 3) ALONG THE ARC OF A CURVE THE RIGHT, HAVING A RADIUS OF 20.00 FEET, THROUGH A CENTRAL ANGLE OF 93° 36' 25" FOR AN ARC LENGTH OF 32.68 FEET,
- 4) SOUTH 66° 12' 30" EAST, 5.00 FEET,
- 5) NORTH 23° 47' 30" EAST, 30.00 FEET,
- 6) SOUTH 66° 12' 30" EAST, 5.64 FEET,
- 7) NORTH 23° 47' 30" EAST, 30.00 FEET,
- 8) NORTH 66° 12' 30" WEST, 5.00 FEET, AND
- 9) ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 20.00 FEET, THROUGH A CENTRAL ANGLE OF 86° 23' 35" FOR AN ARC LENGTH OF 30.16 FEET;

THENCE SOUTH 64° 42' 36" EAST, 158.40 FEET;

THENCE SOUTH 53° 29' 03" EAST, 198.82 FEET;

THENCE NORTH 23° 50' 40" EAST, 393.73 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY OF ROUTE 84, AS SAID ROUTE IS SHOWN ON SAID CALTRANS RIGHT OF WAY MAP;

THENCE ALONG SAID SOUTHERLY RIGHT OF WAY OF ROUTE 84 THE FOLLOWING TWO (2) COURSES:

1) SOUTH 80° 18' 45" EAST, 2,131.79 FEET, AND

2) SOUTH 89° 38' 32" EAST, 823.77 FEET TO THE NORTHWEST CORNER OF PARCEL B, AS SAID PARCEL IS DESCRIBED IN SAID LOT LINE ADJUSTMENT NO. 13-01;

THENCE ALONG THE BOUNDARY OF SAID PARCEL B THE FOLLOWING FIVE (5) COURSES:

1) SOUTH 30° 06' 28" EAST, 39.45 FEET,

2) SOUTH 0° 21' 28" WEST, 40.00 FEET,

3) SOUTH 89° 38' 32" EAST, 60.00 FEET,

4) NORTH 0° 21' 28" EAST, 40.00 FEET, AND

5) NORTH 30° 49' 24" EAST, 39.45 FEET TO A POINT ON SAID SOUTHERLY RIGHT OF WAY OF ROUTE 84;

THENCE ALONG SAID SOUTHERLY RIGHT OF WAY OF ROUTE 84 THE FOLLOWING NINE (9) COURSES:

1) SOUTH 89° 38' 32" EAST, 79.55 FEET,

2) SOUTH 30° 06' 28" EAST, 39.45 FEET,

3) SOUTH 89° 38' 32" EAST, 60.00 FEET,

4) NORTH 30° 49' 24" EAST, 39.45 FEET,

5) SOUTH 89° 38' 32" EAST, 1012.82 FEET,

6) SOUTH 81° 24' 30" EAST, 162.33 FEET,

7) ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 45.00 FEET, THROUGH A CENTRAL ANGLE OF 81° 13' 05" FOR AN ARC LENGTH OF 63.79 FEET,


8) SOUTH 0° 11' 25" EAST, 172.13 FEET, AND

9) SOUTH 15° 03' 57" WEST, 107.79 FEET TO SAID WESTERLY RIGHT OF WAY OF ROUTE 114;

THENCE ALONG SAID WESTERLY RIGHT WAY, SOUTH 23° 08' 15" WEST, 111.33 FEET TO THE **POINT OF BEGINNING.**

CONTAINING 77.83 ACRES OF LAND, MORE OR LESS.

KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS, INC.

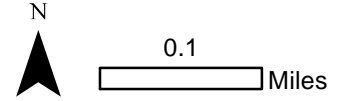

RICHARD J. HICKENBOTTOM, LS 8654
LICENSE EXPIRES: 12/31/17

11/9/16
DATE

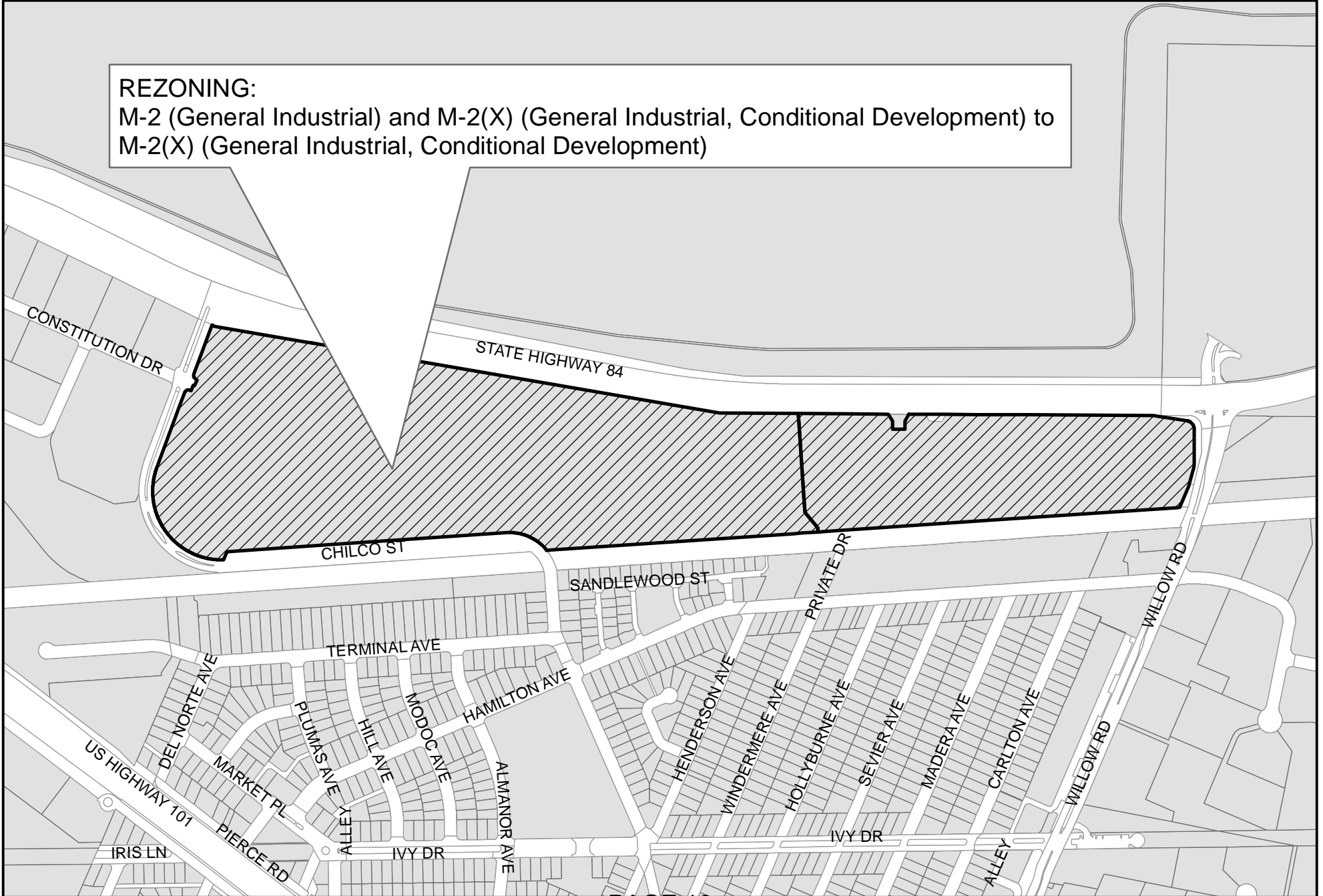


CITY OF MENLO PARK

FACEBOOK CAMPUS EXPANSION PROJECT
300-309 Constitution Drive and 1 Facebook Way



REZONING:
M-2 (General Industrial) and M-2(X) (General Industrial, Conditional Development) to
M-2(X) (General Industrial, Conditional Development)



DRAFT – November 15, 2016

ORDINANCE NO. ____

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MENLO PARK,
AMENDING CHAPTER 16.46, M-2 (GENERAL INDUSTRIAL) ZONING
DISTRICT OF THE MENLO PARK MUNICIPAL CODE**

The City Council of the City of Menlo Park does ordain as follows:

SECTION 1. The City Council of the City of Menlo Park hereby finds and declares as follows:

- A. The City desires to amend Chapter 16.46 [M-2 Zoning District] to implement Policy I-E-2 of the General Plan to conditionally permit hotels in the industrial zoning district.
- B. The Planning Commission held a duly noticed public hearing on September 26, 2016 to review and consider the proposed amendment to Chapter 16.46 of Title 16 of the Menlo Park Municipal Code, whereat all interested persons had the opportunity to appear and comment.
- C. The City Council held a duly noticed public hearing on November 1, 2016 to review and consider the proposed amendment to Chapter 16.46 of Title 16 of the Menlo Park Municipal Code, whereat all interested persons had the opportunity to appear and comment.
- D. After due consideration of the proposed amendment to Title 16, public comments, the Planning Commission recommendation, the City's General Plan, and the staff report, the City Council finds that the proposed amendment to Title 16 is consistent with the General Plan and is appropriate.

SECTION 2. An environmental impact report that analyzed the amendment to the Zoning Ordinance was prepared for the project and certified by the City Council on November 1, 2016, in accordance with the provisions of the California Environmental Quality Act and CEQA Guidelines. Findings and a statement of overriding considerations were adopted by the City Council on November 1, 2016 by Resolution No. 6351; and

SECTION 3. The following section of Title 16, Zoning, Chapter 16.46, *General Industrial*, of the Menlo Park Municipal Code is hereby amended to add hotels, including ancillary facilities, to conditional uses and to read as follows (with added text appearing in underline):

16.20.020 Conditional Uses. Conditional uses allowed in the M-2 district, subject to obtaining a use permit, are as follows:

- (1) All of the uses listed in Section 16.46.010 of this chapter, for which new construction or structural alterations are required, except for the structural alterations permitted therein;
- (2) Activities similar to those listed in Section 16.46.010 of this chapter, but involving the use of hazardous material, provided there are adequate safeguards therefor;
- (3) Cafes, intended to serve the employees of the immediate area;
- (4) Convenience stores to serve the employees of the immediate area and limited to hours of operation between the hours of seven (7) a.m. and seven (7) p.m., Monday through Saturday;
- (5) Personal services such as barber, beauty, launderette, dry cleaning and shoe repair meant to serve the employees of the immediate area and limited to hours of operation between seven (7) a.m. and seven (7) p.m., Monday through Saturday;
- (6) Day care facilities to serve the employees of the immediate area;
- (7) Public utilities in accordance with Chapter 16.76 of this title;
- (8) Hotels, including ancillary facilities;
- (9) Special uses in accordance with Chapter 16.78 of this title.

INTRODUCED on the first day of November, 2016.

PASSED AND ADOPTED as an ordinance of the City of Menlo Park at a regular meeting of the City Council of the City of Menlo Park on the fifteenth day of November, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Richard Cline
Mayor, City of Menlo Park

ATTEST:

Pamela Aguilar, CMC
City Clerk

DRAFT – November 15, 2016

ORDINANCE NO. ____

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
APPROVING THE DEVELOPMENT AGREEMENT WITH HIBISCUS
PROPERTIES, LLC FOR THE PROPERTY LOCATED AT 301-309
CONSTITUTION DRIVE**

The City Council of the City Menlo Park does hereby ORDAIN as follows:

SECTION 1. This Ordinance is adopted under the authority of Government Code Section 65864 *et. seq.* and pursuant to the provisions of City Resolution No. 4159, which establishes procedures and requirements for the consideration of developments within the City of Menlo Park (“City”).

SECTION 2. This Ordinance incorporates by reference that certain property at 301-309 Constitution Drive, Menlo Park, CA [APN 055-260-250] (“Development Agreement”) by and between the City and Hibiscus Properties, LLC (“Applicant”), attached hereto as Exhibit A and incorporated herein by this reference.

SECTION 3. The City, as lead agency, prepared an Environmental Impact Report (“EIR”) pursuant to the California Environmental Quality Act (“CEQA”) that examined the environmental impacts of the redevelopment of the property at 301-309 Constitution Drive (“Property” or “Facebook Campus Expansion Project”). On November 1, 2016, the City Council certified the EIR.

SECTION 4. The City Council finds that the following are the relevant facts concerning the Development Agreement:

1. The General Plan land use designation for the Property is Limited Industry and the Zoning proposed for the Property is M-2(X) (General Industrial, Conditional Development District).
2. Developer proposes a unified development on the Property consisting of approximately 58.4 acres (2,539,928 square feet).
3. Developer proposes to demolish the existing buildings on-site and redevelop the property located at 301-309 Constitution Drive (“Property”) by demolishing the on-site buildings, with the exception of Building 23 (300 Constitution Drive) which is proposed to remain, and the subsequent redevelopment of the Project Site with two office buildings totaling no more than 962,400 square feet of office uses and an up to 200 room hotel of approximately 174,800 square feet. The Project would include 3,533 new parking spaces.

SECTION 5. As required by Section 301 of Resolution No. 4159 and based on an analysis of the facts set forth above, the City Council hereby adopts the following as its findings:

1. The Development Agreement is consistent with the objectives, policies, general land uses and programs specified in the General Plan, as amended by the Project Approvals, as that term is defined in the Development Agreement.
2. The Development Agreement is compatible with the uses authorized in and the regulations prescribed for the land use district in which the Property is located, as amended by the Project Approvals.
3. The Development Agreement is in conformity with public convenience, general welfare and good land use practices.
4. The Development Agreement will not be detrimental to the health, safety and general welfare of the City or the region surrounding the City.
5. The Development Agreement will not adversely affect the orderly development of property or the preservation of property values within the City.
6. The Development Agreement will promote and encourage the development of the Project by providing a greater degree of certainty with respect thereto.
7. The Development Agreement will result in the provision of public benefits by the Applicant, including, but not limited to, financial commitments.

SECTION 6. If any section of this ordinance, or part hereof, is held by a court of competent jurisdiction in a final judicial action to be void, voidable or enforceable, such section, or part hereof, shall be deemed severable from the remaining sections of this ordinance and shall in no way affect the validity of the remaining sections hereof.

SECTION 7. The ordinance shall take effect 30 days after its passage and adoption. Within 15 days of its adoption, the ordinance shall be posted in three public places within the City, and the ordinance, or a summary of the ordinance prepared by the City Attorney, shall be published in a local newspaper used to publish official notices for the City prior to the effective date.

INTRODUCED on the first day of November, 2016.

PASSED AND ADOPTED as an ordinance of the City of Menlo Park at a regular meeting of said Council on the fifteenth day of November, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Richard Cline
Mayor, City of Menlo Park

ATTEST:

Pamela Aguilar, CMC
City Clerk

This document is recorded for the benefit of the City of Menlo Park and is entitled to be recorded free of charge in accordance with Sections 6103 and 27383 of the Government Code.

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Menlo Park
Attn: City Clerk
701 Laurel Street
Menlo Park, CA 94025

DEVELOPMENT AGREEMENT
(301-309 CONSTITUTION DRIVE, MENLO PARK, CA
[APNs _____])

BY AND BETWEEN

CITY OF MENLO PARK,
A CALIFORNIA MUNICIPAL CORPORATION

AND

HIBISCUS PROPERTIES, LLC,
A DELAWARE LIMITED LIABILITY COMPANY

THIS DEVELOPMENT AGREEMENT (“Agreement”) is made and entered into as of this ___ day of _____, 2016, by and between the City of Menlo Park, a municipal corporation of the State of California (“City”) and Hibiscus Properties LLC, a Delaware limited liability company (“Facebook”), pursuant to the authority of California Government Code Sections 65864-65869.5 and City Resolution No. 4159.

RECITALS

This Agreement is entered into on the basis of the following facts, understandings and intentions of the City and Facebook:

A. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Government Code Sections 65864-65869.5 authorizing the City to enter into development agreements in connection with the development of real property within its jurisdiction by qualified applicants with a requisite legal or equitable interest in the real property which is the subject of such development agreements.

B. As authorized by Government Code Section 65865(c), the City has adopted Resolution No. 4159 establishing the procedures and requirements for the consideration of development agreements within the City.

C. Facebook owns those certain parcels of real property collectively and commonly known as 301 thru 309 Constitution Drive in the City of Menlo Park, California (“Property”) as shown on Exhibit A attached hereto and being more particularly described in Exhibit B attached hereto.

D. Facebook intends to develop the Project (as defined in this Agreement) on the Property in accordance with the Project Approvals and any other Approvals.

E. Facebook (and/or its affiliates) intends to occupy the Property in accordance with the Project Approvals and any other Approvals (as such terms are defined in this Agreement), with the exception of the Hotel which Facebook anticipates may be constructed and operated by a third-party.

F. The City examined the environmental effects of the Project in an Environmental Impact Report (“EIR”) prepared pursuant to the California Environmental Quality Act (“CEQA”). On November 1, 2016, the City Council reviewed and certified the EIR.

G. The City has determined that the Project is a development for which a development agreement is appropriate. The City and Facebook each acknowledge that the development and construction of the Project is a large-scale undertaking involving major investments by Facebook, and assurances that the Project can be developed and used in accordance with the terms and conditions set forth in this Agreement and in the Project Approvals governing development of the Project will benefit both Facebook and City. A development agreement will eliminate uncertainty in the City’s land use planning for, and secure orderly development of, the Project and otherwise achieve the goals and purposes for which Resolution No. 4159 was enacted by City. The Project will generate the public benefits described

in this Agreement, along with other fees for the City. Facebook will incur substantial costs in order to comply with the conditions of the Approvals and otherwise in connection with the development of the Project. In exchange for the public benefits and other benefits to the City and the public, Facebook desires to receive vested rights, including, without limitation, legal assurances that the City will grant permits and approvals required for the development, occupancy and use of the Property and the Project in accordance with the Existing City Laws (as defined in this Agreement), subject to the terms and conditions contained in this Agreement. In order to effectuate these purposes, the City and Facebook desire to enter into this Agreement.

H. On September 26, 2016, after conducting a duly noticed public hearing pursuant to Resolution No. 4159, the Planning Commission of the City recommended that the City Council approve this Agreement, based on the following findings and determinations: that this Agreement (1) is consistent with the objectives, policies, general land uses and programs specified in the General Plan (as defined in this Agreement); (2) is compatible with the uses authorized in and the regulations prescribed for the land use district in which the Property is located; (3) conforms with public convenience, general welfare and good land use practices; (4) will not be detrimental to the health, safety and general welfare of the City or the region surrounding the City; (5) will not adversely affect the orderly development of property or the preservation of property values within the City; and (6) will promote and encourage the development of the Project by providing a greater degree of certainty with respect thereto.

I. Thereafter, on November 1, 2016, the City Council held a duly noticed public hearing on this Agreement pursuant to Resolution No. 4159. The City Council made the same findings and determinations as the Planning Commission. On that same date, the City Council made the decision to approve this Agreement by introducing Ordinance No. ____ (“Enacting Ordinance”). A second reading was conducted on the Enacting Ordinance on November __, 2016, at which the City Council adopted the Enacting Ordinance, making the Enacting Ordinance effective on December __, 2016.

J. As part of the Project Approvals, the Conditional Development Permit for the Facebook West Campus Project will be superseded by an Amended and Restated Conditional Development Permit encompassing the Property, the 1 Facebook Way property (formerly known as 312 and 313 Constitution Drive or the West Campus), and Building 23 (formerly known as 300 Constitution Drive). Except where specifically noted in this Agreement, nothing in this Agreement shall be construed as superseding, amending or modifying the Development Agreement for 312-313 Constitution or Facebook’s obligations thereunder.

NOW, THEREFORE, pursuant to the authority contained in Government Code Sections 65864-65869.5 and Resolution No. 4159, and in consideration of the mutual covenants and promises of the City and Facebook herein contained, the City and Facebook agree as follows:

1. Definitions. Each reference in this Agreement to any of the following terms shall have the meaning set forth below for each such term. Certain other terms shall have the meaning set forth for such term in this Agreement.

1.1 Approvals. Any and all permits or approvals of any kind or character required under the City Laws in order to authorize and entitle Facebook to complete the Project

and to develop and occupy the Property in accordance with the terms of the Project including, but not limited to, the items described in the Project Approvals (as defined in this Agreement).

1.2 Bayfront Area. The area in the City comprising the City's existing M-2 Zoning district, as such zoning designation may change from time to time.

1.3 Building 21. The first office building to be developed as part of the Project, as shown on the approved plans and described in the Project Approvals.

1.4 Building 22. The second office building to be developed as part of the Project, as shown on the approved plans and described in the Project Approvals.

1.5 Chilco Streetscape Improvements. Those certain improvements identified on Exhibit C attached hereto, including bicycle lanes, pedestrian and sidewalk improvements, that are to be constructed in six phases (Phases 1 through 6). Phases 1 and 2 have already been completed.

1.6 City Council. The City Council of the City of Menlo Park.

1.7 City Laws. The ordinances, resolutions, codes, rules, regulations and official policies of the City governing the permitted uses of land, density, design, and improvement applicable to the development of the Property. Specifically, but without limiting the generality of the foregoing, the City Laws shall include the City's General Plan and Zoning Ordinance.

1.8 City Manager. The City Manager or his or her designee as designated in writing from time to time. Facebook may rely on the authority of the designee of the City Manager.

1.9 City Wide. Any City Law, Fee or other matter that is generally applicable to one or more kinds or types of development or use of property wherever located in the City.

1.10 Community Development Director. The City's Community Development Director or his or her designee.

1.11 Conditional Development Permit. The Amended and Restated Conditional Development Permit approved by the City Council for the development of the Project, which sets forth the conditions and development standards governing the development and use of the Project. Because the Conditional Development Permit will encompass both the Property and the 1 Facebook Way property (which will be merged as part of the Approvals), it includes provisions and ongoing standards that apply to the Facebook West Campus Project and are being carried forward as part of the Project.

1.12 Conditions. All Fees, conditions, dedications, reservation requirements, obligations for on- or off-site improvements, services, other monetary or non-monetary requirements and other conditions of approval imposed, charged by or called for by the City in connection with the development of or construction on real property under the Existing City Laws, whether such conditions constitute public improvements, mitigation measures in

connection with environmental review of any project or impositions made under applicable City Laws.

1.13 Default. As to Facebook, the failure of Facebook to comply substantially and in good faith with any obligations of Facebook under this Agreement; and as to the City, the failure of the City to comply substantially and in good faith with any obligations of City under this Agreement; any such failure by Facebook or the City shall be subject to cure as provided in this Agreement.

1.14 Effective Date. The effective date of the Enacting Ordinance pursuant to Government Code Section 65867.5, as specified in Recital I of this Agreement.

1.15 Existing City Laws. The City Laws in effect as of the Effective Date.

1.16 Facebook East Campus Project. The use and occupancy of the 1 Hacker Way property (formerly known as 1601 Willow Road) pursuant to the Amended and Restated Conditional Development Permit for 1601 Willow Road, 1601 Willow Road Development Agreement, and other project approvals for 1 Hacker Way (formerly known as 1601 Willow Road) in the City of Menlo Park.

1.17 Facebook West Campus Project. The use and occupancy of the 1 Facebook Way property (formerly known as 312 and 313 Constitution Drive) pursuant to the Conditional Development Permit for 312 and 313 Constitution (and which will be amended and restated as part of the Project Approvals), 312 and 313 Constitution Development Agreement, and other project approvals for 1 Facebook Way (formerly known as 312 and 313 Constitution Drive) in the City of Menlo Park.

1.18 Fees. All exactions, costs, fees, in-lieu fees, payments, charges and other monetary amounts imposed or charged by the City in connection with the development of or construction on real property under Existing City Laws. Fees shall not include Processing Fees.

1.19 General Plan. Collectively, the General Plan for the City adopted by the City Council on November 30 and December 1, 1994, as subsequently amended and in effect as of the Effective Date.

1.20 Hotel. A hotel containing a restaurant and bar to be developed as part of the Project.

1.21 Hotel Revenue. For any year, the sum of (a) the TOT received by the City and attributable to such year, and (b) the City's portion of sales tax revenue generated by the Hotel, received by the City and attributable to such year.

1.22 Laws. The laws and Constitution of the State of California, the laws and Constitution of the United States and any state or federal codes, statutes, executive mandates or court decisions thereunder. The term "Laws" shall exclude City Laws.

1.23 Mitigation Measures. The mitigation measures applicable to the Project, developed as part of the EIR process and required to be implemented through the MMRP and the Conditional Development Permit.

1.24 MMRP. The Mitigation Monitoring and Reporting Plan adopted as part of the Project Approvals and applicable to the Project.

1.25 Mortgage. Any mortgage, deed of trust or similar security instrument encumbering the Property, any portion thereof or any interest therein.

1.26 Mortgagee. With respect to any Mortgage, any mortgagee or beneficiary thereunder.

1.27 Party. Each of the City and Facebook and their respective successors, assigns and transferees (collectively, "Parties").

1.28 Processing Fee. A fee imposed by the City upon the submission of an application or request for a permit or Approval, which is intended to cover only the estimated cost to the City of processing such application or request and/or issuing such permit or Approval and which is applicable to similar projects on a City Wide basis, including but not limited to building permit plan check and inspection fees, public works, engineering and transportation plan check and inspection fees, subdivision map application, review and processing fees, fees related to the review, processing and enforcement of the MMRP, and fees related to other staff time and city attorney's time incurred to review and process applications, permits and/or Approvals; provided such fees are not duplicative of or assessed on the same basis as any Fees.

1.29 Project. The uses of the Property, the site plan for the Property and the Vested Elements (as defined in Section 3.1), as authorized by or embodied within the Project Approvals and the actions that are required pursuant to the Project Approvals.

1.30 Project Approvals. The following approvals for the Project granted, issued and/or enacted by the City as of the date of this Agreement, as amended, modified or updated from time to time: (a) this Agreement; (b) the statement of overriding considerations and adoption of the MMRP and other actions in connection with environmental review of the Project; (c) the ordinance rezoning the Property from M-2 to M-2(x); (d) the Conditional Development Permit; (d) the BMR Agreement; (e) the lot line adjustment; and (f) the heritage tree removal permits.

1.31 Public Works Director. The City's Public Works Director or his or her designee.

1.32 Resolution No. 4159. City Resolution No. 4159 entitled "Resolution of the City Council of the City of Menlo Park Adopting Regulations Establishing Procedures and Requirements for Development Agreements" adopted by the City Council of the City of Menlo Park on January 9, 1990.

1.33 Revenue Benchmark. One Million Two Hundred and Fifty Thousand Dollars (\$1,250,000), which such amount shall be adjusted on the fifth (5th) anniversary of the

Guarantee Commencement Date and on each subsequent fifth (5th) year anniversary during the Guarantee Payment Period (with each such fifth (5th) year anniversary referred to herein as an “Index Date”). The adjustment will be based on the product of the Revenue Benchmark amount in effect prior to the applicable Index Date times a fraction, the numerator of which is the “Index” (defined below) for the third month preceding the applicable Index Date, and the denominator of which is the Index for the third month preceding the last Index Date or, in case of the first Index Date, the Index in effect as of the Guarantee Commencement Date. “Index” means the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for all Urban Consumers (all items for the SF-Oakland-San Jose Metropolitan Area on the basis of 1982 1984 = 100). If the format or components of the Index are materially changed after the execution of this Agreement, the City will reasonably select an index which is published by the Bureau of Labor Statistics or similar agency and which is a reasonable equivalent to the Index in effect on the Effective Date.

1.34 Revenue Shortfall. For each Revenue Calculation Period (as defined in Section 6.3.1 of this Agreement), the amount, if any, by which the Hotel Revenue for such Revenue Calculation Period, is less than the Revenue Benchmark.

1.35 Substantially Consistent Modification. Any changes to or modifications of any portion of the Project which Facebook makes or proposes to make to the Project, provided such changes or modifications are in substantial compliance with and/or substantially consistent with the approved plans and the Project Approvals, as determined by the City Manager. Without limiting the foregoing, minor modifications to the Project which do not affect permitted uses, density or intensity of use, provisions for reservation or dedication of land, restrictions and requirements relating to subsequent discretionary actions, monetary obligations of Facebook, conditions or covenants limiting or restricting the use of the Property, or similar material changes, shall be considered to be Substantially Consistent Modifications.

1.36 Substantially Complete Building Permit Application. Facebook’s completed or substantially completed application for a building permit as reasonably determined by the City’s Building Official applied in a manner consistent with City’s standard practices in effect at the time of building permit submittal, accompanied by (i) payment of all Processing Fees and other fees required to be submitted with such application and (ii) plans/required submittals for all associated on-site and off-site improvements and parking associated with such building, all as described in the Conditional Development Permit.

1.37 TE Vacation Date. The date the lease agreement between Facebook and Tyco Electronics Corporation (“TE”) has been terminated and TE has vacated all buildings leased by TE on the Property.

1.38 TOT. The amount of gross transient occupancy tax received by the City from operation of the Hotel. The TOT is as described in Section 6.3.7 below.

2. Effective Date; Term.

2.1 Effective Date. This Agreement shall be dated and the rights and obligations of the Parties hereunder shall be effective as of the Effective Date. Not later than ten (10) days after the Effective Date, the City and Facebook shall execute and acknowledge this Agreement, and the City shall cause this Agreement to be recorded in the Official Records of the County of San Mateo, State of California as provided for in Government Code Section 65868.5. However, the failure to record this Agreement within the time period provided for in Government Code Section 65868.5 shall not affect its validity or enforceability among the Parties.

2.2 Term. This Agreement shall terminate twenty (20) years from the Effective Date (subject to the provisions of Sections 17 and 22), provided that if Facebook submits a Substantially Complete Building Permit Application for Building 21 prior to such termination and the City subsequently issues final building permit sign off allowing occupancy of Building 21, then the term of this Agreement shall continue until the later of (a) the expiration of the TOT Guarantee Payment Period obligation (as defined in Section 6.3 of this Agreement); or (b) the expiration of the Property Tax Guaranty (as defined in Section 6.4 of this Agreement).

2.3 Expiration of Term. Except as otherwise provided in this Agreement or any of the Approvals, upon the expiration of the term of this Agreement, (a) this Agreement, and the rights and obligations of the Parties under this Agreement, shall terminate; (b) the Property shall remain subject to the Conditional Development Permit; and (c) Facebook shall thereafter comply with the provisions of the City Laws then in effect or thereafter enacted and applicable to the Property and/or the Project, except that the expiration of the term of this Agreement shall not affect any rights of Facebook that are or would be vested under City Laws in the absence of this Agreement or any other rights arising from Approvals granted or issued by the City for the construction or development of all or any portion of the Project.

3. General Development of the Project.

3.1 Project. Facebook shall have the vested right to develop, operate and occupy the Property in accordance with the terms and conditions of this Agreement and the Project Approvals, and any additional Approvals for the Project and/or the Property obtained by Facebook, as the same may be amended from time to time upon application by Facebook; and City shall have the right to control development of the Property in accordance with the provisions of this Agreement, so long as this Agreement remains effective, and the Approvals for the Project and/or the Property. Except as otherwise specified herein, until the expiration or earlier termination of this Agreement, this Agreement, the Approvals and the Existing City Laws shall control the overall development, use and occupancy of the Property, and all improvements and appurtenances in connection therewith, including, without limitation, the density and intensity of use (“Vested Elements”), and all Mitigation Measures and Conditions required or imposed in connection with the Project Approvals in order to minimize or eliminate environmental impacts of the Project.

3.2 Subsequent Projects. The City agrees that as long as Facebook develops and occupies the Project in accordance with the terms of this Agreement, Facebook’s right to develop and occupy the Property shall not be diminished despite the impact of future development in the City on public facilities, including, without limitation, City streets, water

systems, sewer systems, utilities, traffic signals, sidewalks, curbs, gutters, parks and other City owned public facilities that may benefit the Property and other properties in the City.

3.3 Other Governmental Permits. Facebook or City (whichever is appropriate) shall apply for such other permits and approvals from governmental or quasi-governmental agencies other than the City having jurisdiction over the Project (e.g. the California Department of Transportation) as may be required for the development of or provision of services to the Project; provided, however, that City shall not apply for any such permits or approvals without Facebook's prior written approval. The City shall use its best efforts to promptly and diligently cooperate, at no cost to the City, with Facebook in its endeavors to obtain such permits and approvals and, from time to time at the request of Facebook, shall proceed with due diligence and in good faith to negotiate and/or enter into binding agreements with any such entity in order to assure the availability of such permits and approvals or services. All such applications, approvals, agreements, and permits shall be obtained at Facebook's cost and expense, including payment of City staff time in accordance with standard practices, and Facebook shall indemnify City for any liabilities imposed on City arising out of or resulting from such applications, permits, agreements and/or approvals. The indemnifications set forth in this Section 3.3 shall survive the termination or expiration of this Agreement. To the extent allowed by applicable Laws, Facebook shall be a party or third party beneficiary to any such agreement between City and such agencies and shall be entitled to enforce the rights of Facebook or the City thereunder and/or the duties and obligations of the parties thereto.

3.4 Additional Fees. Except as set forth in this Agreement and the Project Approvals, the City shall not impose any further or additional fees (including, without limitation, any fees, taxes or assessments not in existence as of the Effective Date or not applicable to the Project in accordance with the Existing City Laws, the Project Approvals and this Agreement), whether through the exercise of the police power, the taxing power, or any other means, other than those set forth in the Project Approvals, the Existing City Laws and this Agreement. In addition, except as set forth in this Agreement, the base or methodology for calculating all such Fees applicable to the construction and development of the Project shall remain the same for such Fees as in effect as of the Effective Date. Notwithstanding the foregoing, the following provisions shall apply:

3.4.1 If the City forms an assessment district including the Property, and the assessment district is City Wide or applies to all Bayfront Area properties and is not duplicative of or intended to fund any matter that is covered by any Fee payable by Facebook, the Property may be legally assessed through such assessment district based on the benefit to the Property (or the methodology applicable to similarly situated properties), which assessment shall be consistent with the assessments of other properties in the district similarly situated. In no event, however, shall Facebook's obligation to pay such assessment result in a cessation or postponement of development and occupancy of the Property or affect in any way Facebook's development rights for the Project.

3.4.2 The City may charge Processing Fees to Facebook for land use approvals, building permits, encroachment permits, subdivision maps, and other similar permits and approvals which are in force and effect on a City Wide basis or applicable to all Bayfront Area properties at the time Facebook submits an application for those permits.

3.4.3 If the City exercises its taxing power in a manner which will not change any of the Conditions applicable to the Project, and so long as any new taxes or increased taxes are uniformly applied on a City Wide basis or applied uniformly to Bayfront Area properties, the Property may be so taxed, which tax shall be consistent with the taxation of other properties in the City similarly situated.

3.4.4 If, as of the Effective Date, the Existing City Laws under which the Fees applicable to the Project have been imposed provide for automatic increases in Fees based upon the consumer price index or other method, then the Project shall be subject to any such increases in such Fees resulting solely from the application of any such index or method in effect on the Effective Date.

3.4.5 If Laws are adopted by the State of California or the federal government which impose fees on new or existing projects, such fees shall be applicable to the Project.

3.4.6 If the City enacts new impact fees that apply on a City Wide basis or are applied uniformly to Bayfront Area properties and which address matters that are not identified or addressed by the mitigation measures, conditions on the Project, public benefits, or required on- or off-site improvements, then the Project shall be subject to any such impact fees as of the effective date of the City's ordinance. For purposes of this Section, the parties agree that any impact fees addressing transportation, housing, sea level rise, biological resources, utilities including energy and water, and any other impacts identified and mitigated in the Environmental Impact Report for the Project, constitute impact areas that are addressed by the Project and the Project Approvals, and that any new impact fees related to these impact areas shall not apply to the Project. This list is not intended to be exhaustive, but to illustrate some of the areas in which new impact fee programs would not apply to the Project. Notwithstanding the above, if the City adopts a new impact fee related to fire protection services, then the City may enforce such fee; provided, however, that to the extent that Facebook reaches a separate agreement with the Menlo Park Fire Protection District ("Fire District") that requires Facebook to make funding contributions to the Fire District, then Facebook shall be entitled to a credit against any future fire impact fee in the amount of its funding contribution to the Fire District.

3.5 Effect of Agreement. This Agreement, the Project Approvals and all plans and specifications upon which such Project Approvals are based (as the same may be modified from time to time in accordance with the terms of the Project Approvals), including but not limited to the Conditional Development Permit, shall constitute a part of the Enacting Ordinance, as if incorporated by reference therein in full.

3.6 Review and Processing of Approvals; Expedited Construction Permitting. The City shall accept, review and shall use its best efforts to expeditiously process Facebook's applications and requests for Approvals in connection with the Project in good faith and in a manner which complies with and is consistent with the Project Approvals and this Agreement. The City shall approve any application or request for an Approval which substantially complies and is consistent with the Project Approvals. Facebook shall promptly provide the City with the Processing Fees, applications, documents, plans, materials and other information necessary for the City to carry out its review and processing obligations, and shall pay for any costs incurred

by City for third-party or outside building consultants to review plans or otherwise assist City's effort to expedite the City's review and processing obligations. Facebook shall submit all applications and requests for Approvals in the manner required under applicable City Laws in effect as of the time of such submittal. The Parties shall cooperate with each other and the City shall use its best efforts to cause the expeditious review, processing and issuance of the Approvals and permits for the development and occupancy of the Project in accordance with the Project Approvals. To the maximum extent permitted by law, the City further agrees to expedite review, processing and issuance of the Approvals, including reasonable measures to minimize or reduce delays caused by other public agencies or third-parties, and to cooperate with Facebook to develop an expedited permitting plan for the construction phase of the Project. The City's obligations pursuant to this Section 3.6 are expressly conditioned upon the City's prompt reimbursement for any costs borne by the City by Facebook in fulfilling its review and processing obligations.

4. Specific Criteria Applicable to the Project.

4.1 Applicable Laws and Standards. Notwithstanding any change in any Existing City Law, including, but not limited to any change by means of ordinance, resolution, initiative, referendum, policy or moratorium, and except as otherwise expressly provided in this Agreement, the laws and policies applicable to the Property are and shall be as set forth in Existing City Laws (regardless of future changes in Existing City Laws by the City) and the Project Approvals. Facebook shall also have the vested right to develop and occupy or to cause the Property to be developed and occupied in accordance with the Vested Elements; provided that the City may apply and enforce the California Building Code as amended and adopted by the City (including the Mechanical Code, Electrical Code and Plumbing Code) and the California Fire Code as amended and adopted by the City and/or the Menlo Park Fire Protection District, as such codes may be in effect at the time Facebook applies for building permits for any aspect of the Project. Without limiting the generality of the foregoing, except as otherwise expressly provided in this Agreement, during the term of this Agreement, the City shall not, without the prior written consent of Facebook: (a) apply to the Project any new or amended ordinance, resolution, rule, regulation, requirement or official policy that is inconsistent with any Existing City Laws or Approvals and that would have the effect of delaying, preventing, adversely affecting or imposing any new or additional condition with respect to the Project; or (b) apply to the Project or any portion thereof any new or amended ordinance, resolution, rule, regulation, requirement or official policy that requires additional discretionary review or approval for the proposed development, use and/or occupancy of the Project.

4.2 Application of New City Laws. The City may apply to the Property new City Laws that are not inconsistent or in conflict with the Existing City Laws or the intent, purposes or any of the terms, standards or conditions of this Agreement, and which do not affect the Vested Elements, or impose any further or additional fees or impose any other conditions on the Project, including, without limitation, those requiring additional traffic improvements/requirements or additional off-site improvements, or additional dedications or exactions, that are inconsistent with this Agreement or the intent of this Agreement; provided, however, that the City may apply new impact fees pursuant to Section 3.4.6 of this Agreement. Notwithstanding the previous sentence, Facebook may consent in its sole discretion and in writing to any new City Law. Any action or proceeding of the City that has any of the following

effects on the Project shall be considered in conflict with this Agreement and the Existing City Laws:

4.2.1 Limiting or reducing the density or intensity of use of the

Property;

4.2.2 Limiting grading or other improvements on the Property in a manner that is inconsistent with or more restrictive than the limitations included in the Project Approvals;

4.2.3 Applying to the Project or the Property any law, regulation, or rule restricting or affecting a use or activity otherwise allowed by the Project Approvals;

4.2.4 Applying to the Project any City Law otherwise allowed by this Agreement that is not uniformly applied on a City Wide or area wide basis to all substantially similar types of development projects (excluding such impact fees that may be imposed pursuant to Section 3.4.6 of this Agreement); or

4.2.5 Limiting the processing or procuring of any Approvals.

The above list of actions is not intended to be comprehensive, but is illustrative of the types of actions that would conflict with this Agreement and the Existing City Laws.

4.3 Initiatives and Referenda. If any City Law is enacted or imposed by initiative or referendum, or by the City Council directly or indirectly in connection with any initiative or referendum, which City Law would conflict with the Existing City Laws or this Agreement or reduce the development rights provided by this Agreement and the Project Approvals, such City Law shall not apply to the Project. To the maximum extent provided by law, City shall endeavor to prevent any City Law from invalidating or prevailing over all or any part of this Agreement, and City shall cooperate with Facebook, at Facebook's expense, as may be necessary to ensure this Agreement remains in full force and effect. City, except to submit to vote of the electorate initiatives and referendums required by Laws to be placed on a ballot, shall not support, adopt or enact any City law, or take any other action that would violate the express provisions of this Agreement, the Project Approvals, or, when issued, the Approvals.

4.4 Timing. Without limiting the foregoing, no moratorium or other limitation affecting the development and occupancy of the Project or the rate, timing or sequencing thereof shall apply to the Project.

4.5 Subsequent Environmental Review. The Parties acknowledge and agree that the EIR contains a thorough environmental analysis of the Project and the Project alternatives, and specifies the feasible Mitigation Measures available to eliminate or reduce to an acceptable level the environmental impacts of the Project. The Parties further acknowledge and agree that the EIR provides an adequate environmental analysis for the City's decisions to authorize Facebook to proceed with the Project as embodied in the Project Approvals and this Agreement and subsequent development of the Project during the term of this Agreement. The Mitigation Measures imposed are appropriate for the implementation of proper planning goals

and objectives and the formulation of Project conditions of approval. In view of the foregoing, the City agrees that the City will not require another or additional environmental impact report or environmental review for any subsequent Approvals implementing the Project. Facebook shall defend, indemnify and hold the City harmless from any costs or liabilities incurred by the City in connection with any litigation seeking to compel the City to perform additional environmental review of any subsequent Approvals.

4.6 Easements; Improvements. The City shall cooperate with Facebook in connection with any arrangements for abandoning existing easements and facilities and the relocation thereof or creation of any new easements within the Property necessary or appropriate in connection with the development of the Project. If any such easement is owned by the City or an agency of the City, the City or such agency shall, at the request of Facebook, take such action and execute such documents as may be reasonably necessary in order to abandon and relocate such easement(s) as necessary or appropriate in connection with the development of the Project in accordance with the Project Approvals. All on-site and off-site improvements required to be constructed by Facebook pursuant to this Agreement, including those set forth in the Project Approvals, shall be constructed by Facebook.

5. Conditions Precedent. Facebook's obligations under Sections 6 through 13 inclusive are expressly conditioned on the resolution of all legal challenges, if any, to the EIR, the Project Approvals and the Project (the "Legal Challenges Condition"), and the City's issuance of a building permit for the construction of Building 21 to be built as part of the Project. If no litigation or referendum is commenced challenging or seeking to set aside the EIR, the Project Approvals or the Project, then the Legal Challenges Condition will be deemed satisfied 90 days after the Effective Date. If litigation or a referendum is commenced challenging the EIR, the Project Approvals and/or the Project, then the Legal Challenges Condition will be deemed satisfied on the date of final, non-appealable resolution of all litigation in a manner that is reasonably acceptable to Facebook or resolution of the referendum in a manner that is reasonably acceptable to Facebook. The conditions described in this Section 5 shall, collectively, be referred to as the "Conditions Precedent." If litigation or a referendum is commenced challenging the EIR, the Project Approvals or the Project and Facebook elects to terminate this Agreement pursuant to Section 22 of this Agreement, then Facebook shall be relieved of all obligations set forth in Sections 6 through 13 of this Agreement.

6. On-Going Public Benefits, Conditions.

6.1 Recurring Public Benefit Payment. Within 60 days of the later of (a) City sign off on final building permits allowing occupancy of Building 21 by Facebook and (b) Facebook's receipt of City's request for payment, Facebook will commence making an annual payment of Three Hundred Thousand Dollars (\$300,000.00) per year ("Recurring Public Benefit Payment") to the City for twenty (20) years in the manner set forth in this Section 6.1. The first payment of the Recurring Public Benefit Payment will be due and payable on July 1 of the City's fiscal year commencing after City sign off on final building permits allowing occupancy by Facebook of Building 21. Subsequent payments of the Recurring Public Benefit Payment will be due and payable in full to the City on July 1 of each fiscal year thereafter for which the Recurring Public Benefit Payment is payable. The Recurring Public Benefit Payment will be payable for this twenty (20) year period with no proration, reduction or suspension and shall

survive the termination of this Agreement. Every five(5) years following commencement of the Recurring Public Benefit Payment, the amount of the Recurring Public Benefit Payment shall be adjusted to the product of the Recurring Public Benefit Payment amount in effect immediately prior to the applicable Index Date times a fraction, the numerator of which is the “Index” for the third month preceding the applicable Index Date, and the denominator of which is the Index for the third month preceding the last Index Date or, in case of the first Index Date, the Index as of the date the first Recurring Public Benefit Payment is due. If the format or components of the Index are materially changed after the execution of this Agreement, the City will reasonably select an index which is published by the Bureau of Labor Statistics or similar agency and which is a reasonable equivalent to the Index in effect on the Effective Date. The benefit under this Section 6.1 shall not be payable unless the City signs off on building permits allowing occupancy by Facebook of Building 21. Facebook’s obligation to make any Recurring Public Benefit Payment to the City shall terminate if (a) the term of this Agreement expires or this Agreement is earlier terminated; or (b) Facebook delivers to the City written notice that Facebook has relinquished all rights to construct the Project; in either case prior to the issuance of a building permit for Building 21.

6.2 Interim In-Lieu Sales Tax Payment. Within 60 days of the later of (a) City sign off on final building permits allowing occupancy of Building 21 by Facebook and (b) Facebook’s receipt of City’s request for payment, Facebook will commence making an annual payment of Three Hundred and Thirty Six Thousand Dollars (\$336,000.00) per year (“Interim In-Lieu Sales Tax Payment”) to the City. Facebook shall continue to make annual Interim In-Lieu Sales Tax Payment until the Guarantee Commencement Date, defined in Section 6.3.1. If the Hotel commences operation before this payment obligation expires, Facebook will be entitled to a credit for any Hotel Revenue received by the City as a result of the Hotel operations and payable with respect to the period of time that this In-Lieu Sales Tax Payment is payable. The amount of the Interim In-Lieu Sales Tax Payment shall be subject to an adjustment every five (5) years based on the same formula described in in Section 6.1, above. The first payment of the Interim In-Lieu Sales Tax Payment will be due and payable on July 1 of the City’s fiscal year commencing after City sign off on final building permits allowing occupancy by Facebook of Building 21. Subsequent payments of the Interim In-Lieu Sales Tax Payment will be due and payable in full to the City on July 1 of each fiscal year thereafter for which the Interim In-Lieu Sales Tax Payment is payable, subject to adjustments every five (5) years as described above, until the obligation to make such payments is terminated pursuant to this Section. The benefit under this Section 6.2 shall not be payable unless the City signs off on building permits allowing occupancy by Facebook of Building 21. Facebook’s obligation to make any Interim In-Lieu Sales Tax Payment to the City shall terminate if (a) the term of this Agreement expires or this Agreement is earlier terminated; or (b) Facebook delivers to the City written notice that Facebook has relinquished all rights to construct the Project; in either case prior to the issuance of a building permit for Building 21.

6.3 Hotel TOT Guarantee Payments. Beginning on the Guarantee Commencement Date and throughout the Guarantee Payment Period, Facebook shall guarantee TOT payments to the City in the amount of the Revenue Benchmark and shall pay to the City the TOT Guarantee Payments to the extent required under, and on the terms and conditions contained in, this Section 6.3. Facebook shall receive a credit against the Revenue Benchmark for Hotel Revenue received by the City during the Guarantee Payment Period, as defined in Section

6.3.1. The negative difference, if any, between the Revenue Benchmark and the Hotel Revenue is the “TOT Guarantee Payment.”

6.3.1 Facebook’s obligation to make TOT Guarantee Payments, if any, shall commence upon July 1 of the second full City fiscal year following the TE Vacation Date (“Guarantee Commencement Date”). The TOT Guarantee Payments, if any, shall be calculated with respect to each City fiscal year (July 1 through June 30) during the Guarantee Payment Period (“Revenue Calculation Period”), the first such year commencing as of the Guarantee Commencement Date. Facebook’s obligation to make TOT Guarantee Payments shall apply to the period (“Guarantee Payment Period”) commencing on the Guarantee Commencement Date and continuing until thirty nine (39) years after the Guarantee Commencement Date.

6.3.2 Within one hundred twenty(120) days following the end of the calendar quarter after the end of each Revenue Calculation Period during the Guarantee Payment Period (or such later time as determined by the City based on receipt of the City’s sales tax report for the applicable Revenue Calculation Period), the City Manager or his or her designee on behalf of the City, shall calculate the Hotel Revenue for such Revenue Calculation Period and shall determine whether a Revenue Shortfall exists for such year and the amount of any resulting TOT Guarantee Payment payable by Facebook to the City, and shall deliver to Facebook written notice thereof, together with such supporting detail and documentation as Facebook shall reasonably require (but excluding any documentation that City is prohibited by State law from disclosing to Facebook). If there is no Revenue Shortfall for a given year, then Facebook shall have no obligation to make any TOT Guarantee Payment for that year. Except as otherwise provided in this Section 6.3, within thirty (30) days following the date of Facebook’s receipt of such written notice of the TOT Guarantee Payment from the City Manager or his or her designee, Facebook shall pay such TOT Guarantee Payment to the City. Notwithstanding the foregoing, if Facebook disagrees with the City’s determination of any TOT Guarantee Payment, Facebook shall give to the City written notice thereof within such thirty (30) day period. The Parties shall thereafter meet and confer in person or by telephone and shall attempt in good faith to resolve any disagreement concerning such TOT Guarantee Payment within thirty (30) days following the City’s receipt of written notice by Facebook indicating disagreement with the City’s determination. If the Parties are unable to resolve any such disagreement between the Parties within such thirty-day period, the parties shall mediate such disagreement through JAMS/Endispute or other mutually acceptable mediation service. If the parties cannot resolve the disagreement through mediation, the dispute or disagreement shall be resolved through binding arbitration with JAMS/Endispute or other mutually acceptable binding arbitration service.

6.3.3 In the event following any Revenue Calculation Period (a) the City receives additional Hotel Revenue attributable to a prior Revenue Calculation Period and Facebook has already made a TOT Guarantee Payment based on a Revenue Shortfall for such Revenue Calculation Period, or (b) the City is required to refund any Hotel Revenue to the Hotel operator based on overpayment of TOT for a prior Revenue Calculation Period, or (c) the City is notified by the Hotel operator or the State Board of Equalization that there was an overpayment of Hotel Revenue (TOT or sales tax) for a prior Revenue Calculation Period and that a credit or offset has been taken in a subsequent Revenue Calculation Period; then in any such circumstance, the City shall recalculate Hotel Revenue for the applicable Revenue Calculation Period taking into account such additional revenue, refund and/or credit/offset promptly after

receipt of information that a recalculation is required. To the extent there has been an overpayment by Facebook of a TOT Guarantee Payment, City shall refund to the Facebook the overpayment within forty-five(45) days after Facebook receives the notice of recalculation from the City. To the extent there has been an underpayment by Facebook of a TOT Guarantee Payment, Facebook shall pay to City the amount underpaid within forty-five(45) days after Facebook receives the notice of recalculation from the City.

6.3.4 Facebook shall have the right to request that the City audit/inspect the records of the Hotel operator to ensure the City is receiving the proper amount of Hotel Revenue from the Hotel operations but not more frequently than once every three (3) years. It is anticipated that the Hotel will not be owned or operated by Facebook. Any agreement between Facebook transferring ownership or operation of the Hotel to another entity shall include a provision(s) allowing the City the right to audit/inspect the Hotel records. Any such audit or inspection performed at Facebook's request shall be performed at Facebook's cost and expense. Any such audit or inspection performed at the City's request shall be performed at the City's cost and expense. The City may also independently audit/inspect the records of the Hotel operator at its own cost and expense.

6.3.5 Facebook's obligation to make any TOT Guarantee Payment to the City shall terminate if (a) the term of this Agreement expires or this Agreement is earlier terminated; or (b) Facebook delivers to the City written notice that Facebook has relinquished all rights to construct the Project; in either case prior to the issuance of a building permit for Building 21 ("Guarantee Payment Termination"). Any such termination of Facebook's obligation to make TOT Guarantee Payments shall be effective with respect to the Revenue Calculation Period in which the event described in the foregoing clause (a) or clause (b) shall occur and with respect to all subsequent calendar years in the Guarantee Payment Period.

6.3.6 In the event Facebook commences construction of Building 21 and does not terminate this Agreement due to the filing of litigation or a referendum pursuant to Section 22 of this Agreement, the obligation to make TOT Guarantee Payments shall survive the termination or expiration of this Agreement and shall continue for the full term of the Guarantee Payment Period.

6.3.7 TOT Amount. As of the date of this Agreement, the City imposes the TOT on applicable hotel room rents and other receipts at the rate of twelve percent (12%). Facebook hereby agrees that, during the term of this Agreement and for so long as the Hotel is operating, the TOT applicable to the Hotel shall be assessed at one percent (1%) above the Citywide TOT rate in effect from time to time (e.g., if the Citywide TOT rate is 12%, the applicable TOT rate for the Hotel shall be 13%). In the event the City adopts a City Wide increase in the rate of the TOT, Facebook's obligation to collect and pay the one percent (1%) increase in TOT provided for in this Section 6.3.8 shall continue in effect following the City's adoption of a City Wide increase in the rate of the TOT. Facebook's obligation to collect and pay the additional one percent (1%) TOT pursuant to this Section 6.3.7 shall terminate in the event of a Guarantee Payment Termination and effective as of the effective date of such Guarantee Payment Termination. Except as provided in the preceding sentence, the obligations set forth herein to pay the additional one percent (1%) increase in TOT shall survive the expiration of this Agreement and shall continue so long as the Hotel is operating on the Property and shall be

binding on any and all owners and operators of the Hotel. The provisions of this Section 6.3.7 shall be enforceable by a restrictive covenant or similar instrument agreed to by the parties and recorded with the San Mateo County Recorder's Office prior to issuance of building permits for the Hotel.

6.4 Property Tax Guaranty. Facebook agrees to provide an independent property tax guaranty with respect to Building 21, Building 22 and the Hotel such that the value of the Property, improvements only, following completion of the Project will be at least Six Hundred Ninety-Five Million Dollars (\$695,000,000), subject to this Section 6.4.

6.4.1 Building 21 Property Tax Guaranty. Commencing with the first tax fiscal year following the initial reassessment of the Property by the San Mateo County Assessor ("Assessor") following completion of Building 21 and the initial occupancy of Building 21 by Facebook, and for a total period of thirty-nine (39) years following such initial reassessment ("Property Tax Guaranty Period"), Facebook agrees to pay to the City the positive difference, if any, between (a) the real property tax revenues the City would receive for a given tax fiscal year assuming the assessed value of Building 21 (improvements only) is Three Hundred Twenty-Five Million Dollars (\$325,000,000,) and (b) the actual real property tax revenue received by the City for such fiscal year with respect to Building 21 (improvements only) ("Building 21 Property Tax Guaranty"). For purposes of clarification, in any fiscal year during which the Building 21 Property Tax Guaranty applies, no payment will be due to the City pursuant to this section if the assessed value of Building 21 (improvements only) is greater than or equal to Three Hundred Twenty-Five Million Dollars (\$325,000,000).

6.4.2 Building 22 Property Tax Guaranty. Commencing with the first tax fiscal year following the initial reassessment of the Property by the Assessor following completion of Building 22 and the initial occupancy of Building 22 by Facebook, and for a period extending until the expiration of the Property Tax Guaranty Period, Facebook agrees to pay to the City the positive difference, if any, between (a) the real property tax revenues the City would receive for a given tax fiscal year assuming the assessed value of Building 22 (improvements only) is Three Hundred Million Dollars (\$300,000,000), and (b) the actual real property tax revenue received by the City for such fiscal year with respect to Building 22 (improvements only) ("Building 22 Property Tax Guaranty"). For purposes of clarification, in any fiscal year during which the Building 22 Property Tax Guaranty applies, no payment will be due to the City pursuant to this section if the assessed value of Building 22 (improvements only) is greater than or equal to Three Hundred Million Dollars (\$300,000,000).

6.4.3 Hotel Property Tax Guaranty. Commencing with the first tax fiscal year following the initial reassessment of the Property by the Assessor following completion of the Hotel and the initial occupancy of the Hotel, and for a period extending until the expiration of the Property Tax Guaranty Period, Facebook agrees to pay to the City the positive difference (if any) between (a) the real property tax revenues the City would receive for a given tax fiscal year assuming the assessed value of the Hotel (improvements only) is Seventy Million Dollars (\$70,000,000), and (b) the actual real property tax revenue received by the City for such fiscal year with respect to the Hotel (improvements only) ("Hotel Property Tax Guaranty"). For purposes of clarification, in any fiscal year during which the Hotel Property Tax Guaranty

applies, no payment will be due to the City pursuant to this section if the assessed value of the Hotel (improvements only) is greater than or equal to Seventy Million Dollars (\$70,000,000).

6.4.4 As part of the Project, the Property will be merged via a lot line adjustment with an existing parcel that includes Building 20 and Building 23 (“Merged Site”). It is expected that the Merged Site will be assessed as a single tax parcel. Because it is expected that the Merged Site will be assessed as a single tax parcel, the parties expect that Building 21, Building 22 and the Hotel will not be separately assessed from other improvements, and, therefore, it will be necessary for the parties to agree upon a methodology for determining the assessed value of Building 21, Building 22 and the Hotel (as applicable). As Building 21, Building 22 and the Hotel are completed, the parties shall confer in good faith and attempt to develop a means for equitably determining the assessed value of those improvements. If the parties cannot agree on the assessed value for any improvement(s), then either party may submit the dispute to arbitration in accordance with the commercial arbitration rules of the American Arbitration Association or JAMS/Endispute. The decision of the arbitrator(s) shall be final and binding on the parties.

6.4.5 Nothing herein shall limit Facebook's right to challenge or appeal any assessment of the Property, any assessment of personal property situated at the Property, and/or the amount of taxes payable to the San Mateo County Tax Collector in any year. The benefit under this Section 6.4 shall not be payable unless the City signs off on building permits allowing occupancy by Facebook of Building 21.

6.5 Utility User’s Tax Cap. Commencing upon the Guarantee Commencement Date, Facebook agrees that the protections afforded by Section 3.14.120 of the City’s Municipal Code, which establishes a maximum cumulative tax payable for utility services (“Utility User’s Tax Cap”), shall not apply to the Property, and that Facebook shall pay the City all Utility User’s Taxes for the Property notwithstanding the Utility User’s Tax Cap. In addition, and commencing upon the earlier of January 1 or July 1 following the Effective Date of this Agreement, Facebook agrees that the Utility User’s Tax Cap shall not apply to the City’s collection of Utility User’s Taxes for Building 20, located at 1 Facebook Way.

6.6 Sales and Use Taxes.

6.6.1 For all construction work performed as part of the Project, Facebook agrees to make diligent, good faith efforts, with the assistance of City’s designated representative to include a provision in all construction contracts for Five Million Dollars (\$5,000,000) or more with qualifying contractors, subcontractors and material suppliers holding reseller’s permits to obtain a sub-permit from the California State Board of Equalization to book and record construction materials purchases/sales as sales originating within the City. Upon request of the City Manager or the City’s designated representative, Facebook shall make available copies of such contracts or other documentation demonstrating compliance with these requirements. Facebook shall have the right to redact unrelated portions of such contracts. The provisions of this Section 6.6.1 shall not be applicable to any subsequent remodeling or construction on the Property following final building permit sign off for Building 21 and Building 22 and the Hotel to be built as part of the Project.

6.6.2 With respect to the purchase of furnishings, equipment and personal property for the initial occupancy of Building 21 and Building 22 and the Hotel to be constructed as part of the Project, Facebook shall cooperate with the City and its designated representative and, if the City or its designated representative identifies commercially reasonable strategies to maximize use taxes to be received by the City, to then use diligent, good faith efforts to maximize use taxes to be received by the City with respect to the purchase and use of such furnishings, equipment and personal property by acting in accordance with the commercially reasonable strategies identified by the City or its designated representative (and in any case, only to the extent allowed by applicable Laws). Notwithstanding the preceding, Facebook shall not be obligated to establish a California Sales and Use Tax permit and/or a Use Tax Direct Payment Permit identifying the City as the point of sale or the point of use for allocation purposes, but shall be obligated to provide City or its designated representative with such documents as are reasonably necessary to assist City or such representative in ensuring the appropriate allocation of use taxes to the Property.

6.7 To the extent sales and/or use taxes are not separately reported for the Property, the West Campus (i.e., Building 20) and the East Campus (i.e., Buildings 10-19), and provided that Facebook occupies both the West Campus and the East Campus, there shall be an equitable apportionment of the sales and use taxes to each campus based on location of employees, square footage of buildings, point of sale or such other equitable apportionment as the Parties may determine. The sales and/or use taxes referred to in this Section shall not include any sales and/or use taxes generated by the Hotel.

7. Transportation and Infrastructure Public Benefits.

7.1.1 Dumbarton Transportation Corridor Study. Facebook has committed One Million Dollars (\$1,000,000) in funding to SamTrans to conduct the Dumbarton Transportation Corridor Study. The purpose of the study is to evaluate ways to improve the existing rail line as a multi-modal transit corridor. This study is currently scheduled to be completed in April 2017.

7.1.2 Funding Recommendations from Dumbarton Transportation Corridor Study. Facebook agrees to fund future recommendations arising from the Dumbarton Transportation Corridor Study in the amount of up to One Million Dollars (\$1,000,000) (“Dumbarton Corridor Funding”). Within ninety (90) days after SamTrans publishes the final version of Dumbarton Transportation Corridor Study, Facebook shall evaluate the recommendations contained in the Dumbarton Transportation Corridor Study and provide a written proposal identifying recommendations for how the Dumbarton Corridor Funding should be allocated for review by the City Manager or his or her designee. By way of example only, the Dumbarton Corridor Funding could be used to fund recommendations such as providing funding to SamTrans for design and/or environmental clearance for preferred corridor transit improvements, providing resources and funding to extinguish freight trackage rights and re-certification of the corridor with the Federal Transportation Authority to allow multiple modes, or funding other actions that would support the activation of Dumbarton Rail Corridor to support regional mobility options. Within sixty (60) days of receiving Facebook’s written proposal, the City shall confer with Facebook regarding the specific improvements and/or funding initiatives it believes should be made by Facebook to facilitate implementation of the recommendations set

forth in the Dumbarton Corridor Study. Final decisions regarding how the Dumbarton Corridor Funding is allocated shall be made by Facebook in its discretion, subject to the City's approval which shall not be unreasonably withheld or delayed. With input from the City, Facebook shall then make the Dumbarton Corridor Funding available upon the later of (a) occupancy of Building 21 by Facebook or (b) sixty (60) days following Facebook's receipt of City's written response and report back to the City as part of the annual review required by Section 16.1 of this Agreement.

7.1.3 Dumbarton Rail Trail Study. Facebook has committed Seven Hundred Thousand Dollars (\$700,000) in funding to SamTrans for the pre-design and environmental clearance of a pedestrian/bicycle path between East Palo Alto and the Redwood City Caltrain Station. The purpose of this study is to enable the shared path to be environmentally cleared if it is selected as a preferred solution by SamTrans in the Dumbarton Corridor Study.

7.1.4 Transportation Management Association Feasibility and Implementation Strategy. Facebook agrees to make a one-time payment in the amount of One Hundred Thousand Dollars (\$100,000) to the City to be set aside in a special fund and earmarked for the development of a Transportation Management Association Feasibility and Implementation Strategy study ("TMA Study"). Such payment shall be required within sixty (60) days of the City's request for payment indicating the City is prepared to initiate the TMA study. This purpose of the TMA Study will identify potential ways in which a TMA could be formed and evaluate implementation strategies and best practices including providing shuttles open to the public, developing transportation system and demand management strategies, securing funding from private employers, landowners, city, regional, State, and Federal agencies coordinating nonautomotive transportation modes, including bike share and incentive base transportation alternatives, and expanding the transit network in the City. Any additional funds that remain upon completion of the TMA Study shall be used by the City to fund a portion of the TMA's startup costs. Facebook further agrees to cooperate with the City and other landowners and employers in the Bayfront Area in connection with the implementation of a TMA, and to share Facebook's best practices with other members of the TMA upon its formation.

7.1.5 Regional Transportation Forum. In recognition of the fact that regional transportation issues require equitable regional partnerships, Facebook shall sponsor a forum in partnership with officials from the City, East Palo Alto, San Mateo County, and Santa Clara County to consider and evaluate innovative ways that the recommendations of the Dumbarton Transportation Corridor Study may be executed with minimal delays. Facebook envisions that this forum will concentrate on funding, operational and construction strategies as well as innovations intended to facilitate an integrated execution of regional improvements to multi-modal transportation options. Facebook shall commit One Million Dollars (\$1,000,000) in funding to sponsor this forum. Facebook shall commence the process of facilitating this forum within six (6) months of the date SamTrans publishes the final version of Dumbarton Corridor Study, which is anticipated to occur in April 2017, and shall use diligent good faith efforts to convene the forum within two (2) years of starting the process. Facebook shall also use diligent good faith efforts to include representatives from the City, East Palo Alto, San Mateo County, Santa Clara County, and SamTrans in the process. In addition, and following the forum, Facebook agrees to provide assistance and support to develop design, operational and

construction strategies to implement recommendations arising out of the forum, provided that the amount of any financial assistance will be in Facebook's sole and absolute discretion.

7.1.6 Chilco Streetscape Improvements (Phases 1 through 4). Facebook shall complete certain capital improvements associated with Phases 1 through 4 of the Chilco Streetscape Improvements at its sole cost. Facebook shall coordinate the design of the Chilco Streetscape Improvements with the City and shall provide detailed plans and specifications for construction of the improvements to the City for final review and approval of the City Manager or designee. Subject to the City Manager's approval, Facebook shall pay for and cause the construction of the Chilco Streetscape Improvements to be completed in phases: (1) Phases 3a and 3b improvements shall be completed prior to the date of the City's final building inspection of Building 21; and (2) Phase 4A and 4B shall be completed prior to the date of the City's final building inspection of Building 22. If permits or approvals are required from outside agencies and such permits or approvals delay issuance of permits or completion of construction, or if construction is delayed for reasons beyond Facebook's reasonable control, then Facebook shall have such additional time to complete such capital improvements as may be reasonably necessary resulting from such delays beyond Facebook's reasonable control. Facebook shall work diligently and in good faith with the City to obtain the necessary permits or approvals from outside agencies; however, if such permits or approvals from outside agencies are rejected for reasons beyond Facebook's reasonable control, then Facebook shall not be obligated to complete that particular improvement and the parties shall work together to determine alternate or substitute improvements. The approximate location and scope of the improvements described in this Section are identified in Exhibit C, attached hereto.

7.1.7 Chilco Streetscape Improvements (Phases 5 and 6). Facebook shall also complete certain capital improvements associated with Phases 5 and 6 of the Chilco Streetscape Improvements, in the approximate locations shown on Exhibit C, at its sole cost, provided, however, that Facebook shall be entitled to a credit against any construction road impact fees imposed on the Project in an amount equal to the actual costs of constructing Phases 5 through 6. Subject to the City Manager's approval of the design for Phases 5 and 6 of the Chilco Streetscape Improvements, Facebook shall pay for and cause the construction of such improvements to be completed pursuant to a schedule to be reasonably agreed upon by Facebook and the City. If permits or approvals are required from outside agencies and such permits or approvals delay issuance of permits or completion of construction, or if construction is delayed for reasons beyond Facebook's reasonable control, then Facebook shall have such additional time to complete such capital improvements as may be reasonably necessary resulting from such delays beyond Facebook's reasonable control. Facebook shall work diligently and in good faith with the City to obtain the necessary permits or approvals from outside agencies; however, if such permits or approvals from outside agencies are rejected for reasons beyond Facebook's reasonable control, then Facebook shall not be obligated to complete that particular improvement and the parties shall work together to determine alternate or substitute improvements.

8. Housing Public Benefits.

8.1.1 Housing Inventory and Local Supply Study. In order to provide a framework for future, fact-based actions and policy-making related to long-term housing solutions in Belle Haven and East Palo Alto, Facebook agrees to collaborate with officials and

local stakeholders in the City and East Palo Alto to conduct a Housing Inventory and Local Supply Study to assess the conditions, occupancy, and resident profiles of residents living in the immediate vicinity of the Property (including, but not limited to Belle Haven, Fair Oaks and the City of East Palo Alto). The purpose of this study is to establish a baseline understanding of the housing conditions in the area, to facilitate the development of an informed regional housing strategy, and to develop concrete recommendations to help to support the preservation of affordable and workforce housing. Facebook agrees to fund up to Three Hundred and Fifty Thousand Dollars (\$350,000) for the study and shall be responsible for selecting a qualified consultant to undertake the study. Facebook shall make diligent good faith efforts to coordinate with the City Manager of the City of Menlo Park or his or her designee, the City Manager of the City of East Palo Alto, local community organizations, and other regional stakeholders, in the development of the study, and to convene an advisory group comprising Facebook representatives, elected officials from the City of Menlo Park and the City of East Palo Alto, and members of local community organizations to participate in the process. Facebook shall commence the process of initiating the study within 30 days of satisfaction of the Conditions Precedent, and shall use diligent good faith efforts to complete the study within eighteen (18) months from commencement. Within thirty (30) days of completion of the study, Facebook shall provide a copy of the study to the City Manager of the City of Menlo Pak and the City Manager of the City of East Palo Alto.

8.1.2 Housing Innovation Fund. Prior to completion of the Housing Inventory and Local Supply Study described in 8.1.1 above, Facebook shall establish a Housing Innovation Fund to identify near-term actions that may be taken within the local community (including Belle Haven and East Palo Alto) as a direct outcome of the Housing Inventory and Local Supply Study. Facebook shall commit One Million Five Hundred Thousand Dollars (\$1,500,000) to establish the Housing Innovation Fund and provide seed funding for near-term implementation actions. The funding commitment shall be used exclusively for implementation actions and shall not be used for operating expenses associated with administration of the Fund, or expenses associated with formation of the Fund itself (e.g., startup costs). Facebook anticipates that the Housing Innovation Fund would be established as a non-profit organization that would be initially run by members of the advisory group convened to provide oversight over the Housing Inventory and Local Supply Study, including Facebook representatives, local elected officials and members of local community organizations. The board would initially be comprised of eight (8) members, including at least one member selected by the City Manager of the City of Menlo Park and one member selected by the City Manager of the City of East Palo Alto. The remaining members shall be selected by Facebook in its sole and absolute discretion. Facebook's obligation to provide additional assistance and support for the Housing Innovation Fund above and beyond the funding contribution identified above will be in Facebook's sole and absolute discretion.

8.1.3 Affordable Housing Preservation Pilot Program. Facebook shall work in partnership with a reputable non-profit affordable housing partner to create and/or provide funding for a Housing Preservation pilot project. The purpose of the pilot project is to identify and purchase housing in the immediate vicinity of the Property (including but not limited to Belle Haven and East Palo Alto) to protect at-risk populations and serve as part of a regional anti-displacement strategy. Within one year of satisfaction of the Conditions Precedent, Facebook shall identify an appropriate non-profit affordable housing partner and contribute One

Million Dollars (\$1,000,000) towards a suitable Housing Preservation pilot project, to be determined by Facebook at Facebook's sole and absolute discretion. The funding commitment shall be used exclusively for implementation actions and shall not be used for operating expenses associated with administration of the non-profit affordable housing partner, or administrative expenses associated with any particular pilot project. Facebook has already coordinated with non-profit affordable housing partners to identify potential programs that would qualify for funding, which could include programs targeting single-family preservation and/or multi-family preservation, as well as "public-private partnerships" that could involve funding sources from private entities and public agencies. In selecting an appropriate recipient, Facebook shall consider the extent to which its contribution would be leveraged or combined with additional funding sources to ensure the greatest possible impact. Upon written request by the City (to be provided not more than once per year), Facebook shall report out on the status of its funding contribution pursuant to this Section 8.1.3 and provide information regarding how the funding contribution was allocated.

8.1.4 Workforce Housing Fund Pilot Program. Within one year of satisfaction of the Conditions Precedent, Facebook shall initiate a Workforce Housing pilot program in the Belle Haven community. This pilot program will subsidize rents for not less than twenty-two (22) units of workforce housing at the residential development located at 777 Hamilton Avenue, currently under development, for community serving professions such as teachers. Facebook shall select and partner with an appropriate non-profit housing organization (such as Hello Housing) to administer the program; the selection of an appropriate partner shall be at Facebook's sole and absolute discretion. The allocation of the units will be prioritized as follows: (1) first to teachers employed by the Ravenswood City School District or a non-profit school that is located in the area encompassed by the Ravenswood City School District, (2) second to teachers employed by the Menlo Park City School District, the Las Lomas School District or teachers directly employed by Menlo-Atherton High School, (3) third to persons engaged in public safety professions (e.g., police officers, fire fighters, etc.) and employed by the City or the Menlo Park Fire Protection District, and (4) fourth to persons employed by public interest non-profit organizations located in the cities of Menlo Park or East Palo Alto. Facebook agrees to commit up to Four Hundred and Thirty Thousand Dollars (\$430,000) per year for five (5) years (up to Two Million One Hundred and Fifty Thousand Dollars (\$2,150,000) total) for the program, which represents an average subsidy of One Thousand Six Hundred Twenty-Eight Dollars (\$1,628) per unit per month. For purposes of this section, "workforce housing" shall mean housing that is affordable to qualifying households as mutually agreed upon by Facebook and the City. The particular mix of units and levels of subsidy shall be determined by Facebook in consultation with an appropriate non-profit housing organization.

8.1.5 Use of BMR Housing Fees. As part of the Approvals, Facebook will be entering into a Below Market Rate ("BMR") Housing Agreement with the City to satisfy the requirements under Chapter 16.96 of the City's Municipal Code. As part of the implementation of the BMR Housing Agreement, Facebook shall use diligent good faith efforts to identify opportunities to partner with a non-profit housing organization in order to leverage the use of BMR housing fees payable in connection with the Project to develop the maximum number of units that can be procured with those fees.

8.1.6 Commitment to Design Housing Units Pending Completion of General Plan Update. Subject to completion and approval of the pending ConnectMenlo process, which proposes updating the City's General Plan and rezoning portions of the Bayfront Area for mixed-use and residential uses, Facebook shall commit to the planning and design of at least 1,500 housing units on the approximately 56-acre site known as the Menlo Science & Technology Park located in the Bayfront Area. Facebook further agrees that any future application to develop residential units on the Menlo Science & Technology Park site will include a commitment to include no less than fifteen percent (15%) BMR units and/or workforce housing units (regardless of whether the proposed units are for sale or rentals). Facebook shall have no obligation to construct these units or to submitting an application for the future redevelopment of the Menlo Science & Technology Park site. The parties further recognize that any future redevelopment would be subject to a future discretionary review process including environmental review under the California Environmental Quality Act. In addition, this obligation shall only apply so long as the Menlo Science & Technology Park site is owned by Facebook (or an affiliate of Facebook) and shall not run with the land or bind bona-fide third party purchasers of the Menlo Science & Technology Park site in the event of a sale.

9. Local Community Benefits.

9.1.1 Belle Haven Community Pool Maintenance and Operations. Within one year of satisfaction of the Conditions Precedent, Facebook shall contribute an initial Sixty Thousand Dollars (\$60,000) to the City to be applied exclusively for operating and maintenance costs for the community pool at the Onetta Harris Community Center, and shall make an additional contribution of Sixty Thousand Dollars (\$60,000) on July 1 of each of the following four (4) calendar years to the City for the same purpose (for a total of five (5) years). The total amount of Facebook's commitment under this Section 9.1.1 is Three Hundred Thousand Dollars (\$300,000).

9.1.2 Local Scholarship Program. Within one year of satisfaction of the Conditions Precedent, Facebook shall establish, or shall partner with an appropriate organization to establish, an educational scholarship program to provide financial assistance for young residents of the City and East Palo Alto for ten (10) years, and shall contribute One Hundred Thousand Dollars (\$100,000) per year for ten (10) years in scholarship funds. Decisions regarding eligibility criteria and distribution of funding shall be made by Facebook in its sole and absolute discretion. The total amount of Facebook's commitment under this Section 9.1.2 is One Million Dollars (\$1,000,000).

9.1.3 Local Community Fund. Within one year of satisfaction of the Conditions Precedent, Facebook shall contribute an additional One Hundred Thousand Dollars (\$100,000) to the Local Community Fund ("LCF") previously established and funded by Facebook, and shall continue to contribute One Hundred Thousand Dollars (\$100,000) per year to the LCF for a total period of ten (10) years. After the ten (10) year period is complete, Facebook will consider whether to provide additional funding for the LCF. The decision of whether to contribute additional funding shall be in Facebook's sole and absolute discretion. The benefit under this Section 9.1.3 shall not be payable unless the City signs off on building permits allowing occupancy by Facebook of Building 21. The total amount of Facebook's commitment under this Section 9.1.3 is One Million Dollars (\$1,000,000,000).

9.1.4 Bedwell Bayfront Park Maintenance. Within one year of satisfaction of the Conditions Precedent, Facebook shall contribute One Million Dollars (\$1,000,000) to the Bedwell Bayfront Park Maintenance Fund for maintenance and operation. The decision regarding how to spend those funds on maintenance and operation of the park shall be in the sole discretion of the City.

9.1.5 Public Open Space; Multi-Use Bridge Facility; Public Access. Facebook shall construct, operate, and maintain a new two-acre publicly accessible open space and safe multi-use pedestrian/bicyclist bridge across the Bayfront Expressway as shown on the approved plans and in the Project Approvals for public use as provided for in the CDP.

9.2 The obligation to construct, operate and maintain the multi-use pedestrian/bicyclist bridge shall arise upon issuance of building permits for Building 21 and be governed by the Conditional Development Permit. Facebook's obligations to construct the multi-use pedestrian/bicyclist bridge pursuant to this Section 10 is expressly conditioned on Facebook's receipt of such permits and approvals from governmental or quasi-governmental agencies other than the City having jurisdiction over the multi-use bridge and associated improvements as may be required. At the end of the useful life of the multi-use pedestrian/bicyclist bridge, Facebook shall have the right to demolish the bridge improvements and shall have no obligation to replace or reconstruct the improvements. The obligation to construct, operate and maintain the two-acre publicly accessible open space shall arise upon issuance of building permits for Building 22. The open space shall primarily be used as passive open space, but Facebook agrees to make the open space reasonably available from time to time for community programming and events such as farmer's markets, movie-nights and food truck festivals in its sole discretion. Facebook, in Facebook's reasonable discretion, will also install other amenities in this area for the benefit of the public. The public access right to the open space will be a right to pass by permission and Facebook will have the right to implement reasonable rules and regulations governing such access. The City further agrees to cooperate with Facebook to ensure that Facebook has reasonable control over the public open space, and agrees that a public easement is not required in order to maintain the open space as publicly accessible.

Design and Environmental Commitments.

9.3 Facebook has entered into a contract with Gehry Partners LLP for design of the office components of the Project, and Facebook anticipates that Gehry Partners LLP will be the registered architect for office components of the Project. Facebook will cause the design of the buildings located at the Property to perform to LEED Building Design and Construction (BD+C) Gold equivalency, and will commit to installing photovoltaic solar panels at Building 21. Facebook may satisfy this obligation by delivering a report from its LEED consultant to the City demonstrating satisfaction with this condition. That report will be subject to approval by the City (not to be unreasonably withheld or conditioned). Facebook will also commit to enhanced soil remediation and other environmental cleanup measures at the Property, consistent with the Soil Management Plan for the Property and which may require Facebook to conduct additional testing and grid sampling above and beyond what is ordinarily required by the California Department of Toxic Substance Control.

9.4 When performing work that might impact the bay-lands, Facebook will hire an environmental consultant knowledgeable about the San Francisco Bay and associated marsh habitats to ensure that endangered species, particularly the Salt Marsh Harvest Mouse and Clapper Rail, are not harmed.

9.5 Facebook will cooperate with the Don Edwards San Francisco Bay National Wildlife Refuge (“Refuge”) team and consult with related nonprofit groups on habitat protection and restoration adjacent to the Property. Facebook will establish an ongoing, in-house point of contact for the Refuge, nonprofit groups and related agencies to ensure collaborative success.

9.6 Facebook will educate employees and visitors about the unique species next to the Property and their habitat requirements. Such education may be by way of installing appropriate interpretive signage and/or hosting educational programs.

9.7 Facebook will engage in “wildlife-friendly” behavior, such as (a) adopting policies requiring the trapping and removal of feral cats and the leashing of dogs when using trails located on the Property, (b) employing wildlife-safe rodent control measures, (c) encouraging beneficial species (through, for example, the installation of bat houses), and (d) implementing bird-safe design standards into the Project’s office buildings and lighting design.

9.8 Facebook will use (or require use of) available best practices to ensure that new building roofs, window ledges, parking lot light poles and landscaping changes do not create sites for predatory bird species to roost or nest.

Within ninety (90) days of completion of the bridge improvements, Facebook will fund a seasonal docent for two (2) years for the Don Edwards National Wildlife Refuge, a new interpretive display associated with the multi-use bridge, realignment of a portion of the Bay Trail adjacent to the bridge to provide east-west connectivity around the proposed northern ramp of the bridge, and a snowy plover enhancement study to benefit Bedwell Bayfront Park, all as detailed in the Biological Assessment prepared for the United States Fish and Wildlife Service and dated June 7, 2016.

Recycled Water System; Contributions to Future District-Wide Recycled Water Systems.

Facebook agrees to use diligent good faith efforts to install a recycled water system on the Property to serve Buildings 21 and 22 Within sixty (60) days of the City’s sign off on final building permits allowing occupancy of Building 21 by Facebook, Facebook agrees to contribute Twenty Five Thousand Dollars (\$25,000) in seed funding to the City to conduct feasibility studies for a Bayfront Area-wide recycled water system. If Facebook is unable to obtain all permits necessary to construct and operate an on-site recycled water system through no fault or lack of diligence on the part of Facebook, Facebook agrees to (a) connect the office buildings to any future recycled water system developed by a Recycled Water Purveyor recognized by the City of Menlo Park or Menlo Park Municipal Water District (the “Recycled Water Purveyor”) and utilize recycled water for landscaping and non-potable uses for Buildings 21 and 22 at such time as a system to serve the Project and other properties in the vicinity of the Project is constructed, (b) offer to provide the Recycled Water Purveyor with initial funding not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) for the Recycled Water Purveyor to

use in financing the development and construction of a recycled water system capable of serving the Project in exchange for a credit against future capital expense charges that would otherwise be incurred by users participating in the Recycled Water Purveyor's recycled water system, and (c) if the Recycled Water Purveyor's does not accept Facebook's offer to provide initial financing, Facebook shall pay a reasonable proportionate share of the Recycled Water Purveyor's costs of developing and/or implementing the system in a manner consistent with conditions imposed on other similarly situated projects in the Bayfront Area. In addition, if the Recycled Water Purveyor develops an area-wide recycled water system serving multiple properties in the Bayfront Area, Facebook agrees that any applications submitted by Facebook or its affiliates to develop buildings (other than the buildings proposed as part of the Project) in the Bayfront Area will include a commitment to pay a reasonable proportionate share of the Recycled Water Purveyor's costs of developing and/or implementing the system in a manner consistent with conditions imposed on other similarly situated projects in the Bayfront Area.

10. Amendment to Development Agreement for the Facebook East Campus Project. No later than the issuance of occupancy for Building 21, Facebook agrees to record an amendment to the Development Agreement for the East Campus Project ("East Campus DA") that eliminates Facebook's right to reduce the Annual Payment (as defined in the East Campus DA) in exchange for a reduction in the allowed number of trips; provided, however, that Facebook shall retain the right to suspend the Density Increase (as defined in the East Campus DA) and comply with the employee/density cap contained in the original project approvals for the Sun Microsystem project, in which case Facebook's obligations to make Annual Payments (as defined in the East Campus DA) will likewise be suspended in its entirety. In the event that Facebook terminates this Agreement pursuant to Section 22 and the amendment to the East Campus DA has already been recorded, the City agrees that Facebook will have the right to annul the amendment and that the terms of the original East Campus DA will remain in full force and effect.

11. Indemnity. Facebook shall indemnify, defend and hold harmless City, and its elective and appointive boards, commissions, officers, agents, contractors, and employees (collectively, "City Indemnified Parties") from any and all claims, causes of action, damages, costs or expenses (including reasonable attorneys' fees) arising out of or in connection with, or caused on account of, the development and occupancy of the Project, any Approval with respect thereto, or claims for injury or death to persons, or damage to property, as a result of the operations of Facebook or its employees, agents, contractors, representatives or tenants with respect to the Project (collectively, "Facebook Claims"); provided, however, that Facebook shall have no liability under this Section 14 for Facebook Claims arising from the gross negligence or willful misconduct of any City Indemnified Party, or for Claims arising from, or that are alleged to arise from, the repair or maintenance by the City of any improvements that have been offered for dedication by Facebook and accepted by the City. The indemnity provisions in this Section 14 shall survive termination of this Agreement.

12. Periodic Review for Compliance.

12.1 Annual Review. The City shall, at least every twelve (12) months during the term of this Agreement, review the extent of Facebook's good faith compliance with the terms of this Agreement pursuant to Government Code § 65865.1 and Resolution No. 4159.

Such review shall be scheduled to coincide with the City's review of compliance with the Development Agreements for the Facebook East Campus Project and Facebook West Campus Project. Notice of such annual review shall be provided by the City's Community Development Director to Facebook not less than thirty (30) days prior to the date of the hearing by the Planning Commission on Facebook's good faith compliance with this Agreement and shall to the extent required by law include the statement that any review may result in amendment or termination of this Agreement. A finding by the City of good faith compliance with the terms of this Agreement shall conclusively determine the issue up to and including the date of such review.

12.2 Non-Compliance. If the City Council makes a finding that Facebook has not complied in good faith with the terms and conditions of this Agreement, the City shall provide written notice to Facebook describing (a) such failure and that such failure constitutes a Default, (b) the actions, if any, required by Facebook to cure such Default, and (c) the time period within which such Default must be cured. If the Default can be cured, Facebook shall have a minimum of thirty (30) days after the date of such notice to cure such Default, or in the event that such Default cannot be cured within such thirty (30) day period, if Facebook shall commence within such thirty (30) day time period the actions necessary to cure such Default and shall be diligently proceeding to complete such actions necessary to cure such Default, Facebook shall have such additional time period as may be required by Facebook within which to cure such Default.

12.3 Failure to Cure Default. If Facebook fails to cure a Default within the time periods set forth above, the City Council may amend or terminate this Agreement as provided below.

12.4 Proceeding Upon Amendment or Termination. If, upon a finding under Section 15.2 of this Agreement and the expiration of the cure period specified in such Section 15.2, the City determines to proceed with amendment or termination of this Agreement, the City shall give written notice to Facebook of its intention so to do. The notice shall be given at least thirty (30) days before the scheduled hearing and shall contain:

12.4.1 The time and place of the hearing;

12.4.2 A statement that the City proposes to terminate or to amend this Agreement; and

12.4.3 Such other information as is reasonably necessary to inform Facebook of the nature of the proceeding.

12.5 Hearings on Amendment or Termination. At the time and place set for the hearing on amendment or termination, Facebook shall be given an opportunity to be heard, and Facebook shall be required to demonstrate good faith compliance with the terms and conditions of this Agreement. If the City Council finds, based upon substantial evidence, that Facebook has not complied in good faith with the terms or conditions of this Agreement, the City Council may terminate this Agreement or, with Facebook's agreement to amend rather than terminate, amend this Agreement and impose such conditions as are reasonably necessary to protect the interests of

the City. The decision of the City Council shall be final, subject to judicial review pursuant to Section 1094.5 of the California Code of Civil Procedure.

12.6 Effect on Transferees. If Facebook has transferred a partial interest in the Property to another party so that title to the Property is held by Facebook and additional parties or different parties, the City shall conduct one annual review applicable to all parties with a partial interest in the Property and the entirety of the Property.

13. Permitted Delays; Subsequent Laws.

13.1 Extension of Times of Performance. In addition to any specific provisions of this Agreement, (i) the deadline for Facebook to submit a Substantially Complete Building Permit Application under Section 2.2 shall be extended; and (ii) the performance by any Party of its obligations under this Agreement shall not be deemed to be in Default, and the time for performance of such obligation shall be extended; where delays or failures to perform are due to war, insurrection, strikes, lockouts, riots, floods, earthquakes, fire, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, restrictions imposed by governmental or quasi-governmental entities other than the City, unusually severe weather, acts of another Party, acts or the failure to act of any public or governmental agency or entity (except that acts or the failure to act of the City shall not excuse the City's performance) or any other causes beyond the reasonable control, or without the fault, of the Party claiming an extension of time to perform. An extension of time for any such cause shall only be for the period of the enforced delay, which period shall commence to run from the time of the commencement of the cause of the delay. If a delay occurs, the Party asserting the delay shall use reasonable efforts to notify promptly the other Parties of the delay. If, however, notice by the Party claiming such extension is sent to the other Party more than 30 days after the commencement of the cause of the delay, the period shall commence to run as of only 30 days prior to the giving of such notice. The time period for performance under this Agreement may also be extended in writing by the joint agreement of the City and Facebook. Litigation attacking the validity of the EIR, the Project Approvals and/or the Project shall also be deemed to create an excusable delay under this Section 16.1, but only to the extent such litigation causes a delay and the Party asserting the delay complies with the notice and other provisions regarding delay set forth hereinabove. Except as expressly set forth in Section 2.2 and this Section 16.1, in no event shall the term of this Agreement be extended by any such delay without the mutual written agreement of the City and Facebook.

13.2 Superseded by Subsequent Laws. If any Law made or enacted after the date of this Agreement prevents or precludes compliance with one or more provisions of this Agreement, then the provisions of this Agreement shall, to the extent feasible, be modified or suspended as may be necessary to comply with such new Law. Immediately after enactment of any such new Law, the Parties shall meet and confer reasonably and in good faith to determine the feasibility of any such modification or suspension based on the effect such modification or suspension would have on the purposes and intent of this Agreement. If such modification or suspension is infeasible in Facebook's reasonable business judgment, then Facebook shall have the right to terminate this Agreement by written notice to the City. Facebook shall also have the right to challenge the new Law preventing compliance with the terms of this Agreement, and in the event such challenge is successful, this Agreement shall remain unmodified and in full force

and effect. Notwithstanding the preceding, nothing herein shall permit the City to enact Laws that conflict with the terms of this Agreement.

14. Termination.

14.1 City's Right to Terminate. The City shall have the right to terminate this Agreement only under the following circumstances:

14.1.1 The City Council has determined that Facebook is not in good faith compliance with the terms of this Agreement, and this Default remains uncured, all as set forth in Section 15 of this Agreement.

14.2 Facebook's Right to Terminate. Facebook shall have the right to terminate this Agreement only under the following circumstances:

14.2.1 Facebook has determined that the City is in Default, has given the City notice of such Default and the City has not cured such Default within thirty (30) days following receipt of such notice, or if the Default cannot reasonably be cured within such thirty (30) day period, the City has not commenced to cure such Default within thirty (30) days following receipt of such notice and is not diligently proceeding to cure such Default.

14.2.2 Facebook is unable to complete the Project or desires to terminate this Agreement because of supersedure by a subsequent Law or court action, as set forth in Sections 16.2 and 22 of this Agreement.

14.2.3 Facebook determines in the first five years after the Effective Date, in its business judgment, that it does not desire to proceed with the construction of the Project.

14.3 Mutual Agreement. This Agreement may be terminated upon the mutual written agreement of the Parties.

14.4 Effect of Termination. If this Agreement is terminated pursuant to this Section 17, such termination shall not affect (a) any condition or obligation due to the City from Facebook and arising prior to the date of termination and/or (b) the Project Approvals.

14.5 Recordation of Termination. In the event of a termination, the City and Facebook agree to cooperate with each other in executing and acknowledging a Memorandum of Termination to record in the Official Records of San Mateo County within thirty (30) days following the effective date of such termination.

15. Remedies. Any Party may, in addition to any other rights or remedies provided for in this Agreement or otherwise available at law or equity, institute a legal action to cure, correct or remedy any Default by the another Party; enforce any covenant or agreement of a Party under this Agreement; enjoin any threatened or attempted violation of this Agreement; or enforce by specific performance the obligations and rights of the Parties under this Agreement.

16. Waiver; Remedies Cumulative. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by another Party, irrespective of the

length of time for which such failure continues, shall not constitute a waiver of such Party's right to demand strict compliance by such other Party in the future. No waiver by a Party of a Default shall be effective or binding upon such Party unless made in writing by such Party, and no such waiver shall be implied from any omission by a Party to take any action with respect to such Default. No express written waiver of any Default shall affect any other Default, or cover any other period of time, other than any Default and/or period of time specified in such express waiver. All of the remedies permitted or available to a Party under this Agreement, or at law or in equity, shall be cumulative and not alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right or remedy.

17. Attorneys' Fees. If a Party brings an action or proceeding (including, without limitation, any cross-complaint, counterclaim, or third-party claim) against another Party by reason of a Default, or otherwise to enforce rights or obligations arising out of this Agreement, the prevailing Party in such action or proceeding shall be entitled to recover from the other Party its costs and expenses of such action or proceeding, including reasonable attorneys' fees and costs, and costs of such action or proceeding, which shall be payable whether such action or proceeding is prosecuted to judgment. "Prevailing Party" within the meaning of this Section 20 shall include, without limitation, a Party who dismisses an action for recovery hereunder in exchange for payment of the sums allegedly due, performance of the covenants allegedly breached, or consideration substantially equal to the relief sought in the action.

18. Limitations on Actions. The City and Facebook hereby renounce the existence of any third party beneficiary of this Agreement and agree that nothing contained herein shall be construed as giving any other person or entity third party beneficiary status. If any action or proceeding is instituted by any third party challenging the validity of any provisions of this Agreement, or any action or decision taken or made hereunder, the Parties shall cooperate in defending such action or proceeding.

19. Effect of Court Action. If any court action, legal proceeding or referendum is brought by any third party seeking to set aside or challenge the EIR, the Project Approvals and/or the Project, or any portion thereof, and without regard to whether Facebook is a party to or real party in interest in such action or proceeding, then (a) Facebook shall have the right to terminate this Agreement upon thirty (30) days' notice in writing to City, given at any time during the pendency of such action or proceeding, or within ninety (90) days after the final determination therein (including any appeals), irrespective of the nature of such final determination, and (b) any such action or proceeding shall constitute a permitted delay under Section 16.1 of this Agreement. Facebook shall pay the City's cost and expense, including attorneys' fees and staff time incurred by the City in defending any such action or participating in the defense of such action and shall indemnify the City from any award of attorneys' fees awarded to the party challenging this Agreement, the Project Approvals or any other permit or Approval. The defense and indemnity provisions of this Section 22 shall survive Facebook's election to terminate this Agreement. Notwithstanding anything to the contrary herein, Facebook shall retain the right to terminate this Agreement pursuant to this Section 22 even after (a) it has vacated the Property and (b) its other rights and obligations under this Agreement have terminated.

20. Estoppel Certificate. Any Party may, at any time, and from time to time, deliver written notice to the other Party requesting such other Party certify in writing, to the knowledge of the certifying Party, (a) that this Agreement is in full force and effect and a binding obligation of the Parties, (b) that this Agreement has not been amended or modified either orally or in writing, and if so amended, identifying the amendments, (c) that the requesting Party is not in Default in the performance of its obligations under this Agreement, or if the requesting Party is in Default, the nature and amount of any such Defaults, (d) that the requesting Party has been found to be in compliance with this Agreement, and the date of the last determination of such compliance, and (e) as to such other matters concerning this Agreement as the requesting Party shall reasonably request. A Party receiving a request hereunder shall execute and return such certificate within 30 days following the receipt thereof. The City Manager shall have the right to execute any certificate requested by Facebook hereunder. The City acknowledges that a certificate may be relied upon by transferees and Mortgagees.

21. Mortgagee Protection; Certain Rights of Cure.

21.1 Mortgagee Protection. This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, after the date of recordation of this Agreement in the San Mateo County, California Official Records, including the lien of any Mortgage. Notwithstanding the foregoing, no breach hereof shall defeat, render invalid, diminish or impair the lien of any Mortgage, and subject to Section 25.2 of this Agreement, all of the terms and conditions contained in this Agreement shall be binding upon and effective against any person (including any Mortgagee) who acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure or otherwise, and the benefits hereof will inure to the benefit of such party.

21.2 Mortgagee Not Obligated. Notwithstanding the provisions of Section 25.1 above, no Mortgagee or other purchaser in foreclosure or grantee under a deed in lieu of foreclosure, and no transferee of such Mortgagee, purchaser or grantee shall (a) have any obligation or duty under this Agreement to construct, or to complete the construction of, improvements, to guarantee such construction or completion or to perform any other monetary or nonmonetary obligations of Facebook under this Agreement, and (b) be liable for any Default of Facebook under this Agreement; provided, however, that a Mortgagee or any such purchaser, grantee or transferee shall not be entitled to use the Property in the manner permitted by this Agreement and the Project Approvals unless it complies with the terms and provisions of this Agreement applicable to Facebook.

21.3 Notice of Default to Mortgagee; Right to Mortgagee to Cure. If the City receives notice from a Mortgagee requesting a copy of any notice of Default given Facebook hereunder and specifying the address for service thereof, then City shall deliver to such Mortgagee, concurrently with service thereon to Facebook, any notice of a Default or determination of noncompliance given to Facebook. Each Mortgagee shall have the right (but not the obligation) for a period of 90 days after the receipt of such notice from City to cure or remedy, or to commence to cure or remedy, the Default claimed or the areas of noncompliance set forth in the City's notice. If the Default or such noncompliance is of a nature which can only be remedied or cured by such Mortgagee upon obtaining possession of the Property, or any portion thereof, such Mortgagee may seek to obtain possession with diligence and continuity

through a receiver, by foreclosure or otherwise, and may thereafter remedy or cure the Default or noncompliance within 90 days after obtaining possession of the Property or such portion thereof. If any such Default or noncompliance cannot, with reasonable diligence, be remedied or cured within the applicable 90 day period, then such Mortgagee shall have such additional time as may be reasonably necessary to remedy or cure such Default or noncompliance if such Mortgagee commences a cure during the applicable 90 day period, and thereafter diligently pursues such cure to completion.

22. Assignment, Transfer, Financing.

22.1 Facebook's Right to Assign. Subject to the terms of this Agreement, Facebook shall have the right to transfer, sell and/or assign Facebook's rights and obligations under this Agreement in conjunction with the transfer, sale or assignment of all or any portion of the Property (the "Transferred Property"). If the Transferred Property shall consist of a less than the entire Property, or less than Facebook's entire title to or interest in the Property, Facebook shall have the right to transfer, sell and/or assign to the transferee only those of Facebook's rights and obligations under this Agreement that are allocable or attributable to the Transferred Property, subject to the City's consent which shall not be unreasonably withheld, conditioned, or delayed, and provided that any obligations of Facebook that apply on a Property-wide basis (such as compliance with the trip cap imposed as a condition of the Project Approvals) shall not be considered allocable or attributable to a portion of the Property. The form of any partial assignment shall also be subject to the reasonable approval of the City Attorney. Any transferee of a Transferred Property shall assume in writing the obligations of Facebook under this Agreement and the Project Approvals relating to the Transferred Property and arising or accruing from and after the effective date of such transfer, sale or assignment.

22.2 Financing. Mortgages, sales and lease-backs and/or other forms of conveyance required for any reasonable method of financing requiring a security arrangement with respect to the development of the Property are permitted without the need for the lender to assume in writing the obligations of Facebook under this Agreement and the Project Approvals. Further, no foreclosure, conveyance in lieu of foreclosure or other conveyance or transfer in satisfaction of indebtedness made in connection with any such financing shall require any further consent of the City, regardless of when such conveyance is made, and no such transferee will be required to assume any obligations of Facebook under this Agreement.

22.3 Release Upon Transfer of Property.

22.3.1 Upon Facebook's sale, transfer and/or assignment of Facebook's rights and obligations under this Agreement in accordance with this Section 25, Facebook shall be released from any obligations under this Agreement with respect to the Transferred Property which arise or accrue subsequent to the effective date of the transfer, sale and/or assignment and which are expressly assumed in writing by the transferee; provided, however, that in the event of a transfer of only a portion of the Property, Facebook shall not be released of any obligations that apply on a Property-wide basis. If a Default under this Agreement shall occur with respect to Facebook, such Default shall not constitute a Default with respect to the owner of any Transferred Property, and shall not entitle the City to terminate or modify this Agreement as to the Transferred Property; and if a Default under this Agreement shall occur with respect to the

owner of a Transferred Property, such Default shall not constitute a Default with respect to Facebook or with respect to the portion of the Property owned by Facebook, and shall not entitle the City to terminate or modify this Agreement as to the portion of the Property owned by Facebook, unless it occurs with respect to an obligation that applies against the entire Property.

23. Covenants Run With the Land. All of the provisions, agreements, rights, powers, standards, terms, covenants and obligations contained in this Agreement shall constitute covenants that shall run with the land comprising the Property, and the burdens and benefits of this Agreement shall be binding upon, and shall inure to the benefit of, each of the Parties and their respective heirs, successors, assignees, devisees, administrators, representatives and lessees, except as otherwise expressly provided in this Agreement.

24. Amendment.

24.1 Amendment or Cancellation. Except as otherwise provided in this Agreement, this Agreement may be cancelled, modified or amended only by mutual consent of the Parties in writing, and then only in the manner provided for in Government Code Section 65868 and Article 7 of Resolution No. 4159. Any amendment to this Agreement which does not relate to the term of this Agreement, the Vested Elements or the Conditions relating to the Project shall require the giving of notice pursuant to Government Code Section 65867, as specified by Section 65868 thereof, but shall not require a public hearing before the Parties may make such amendment.

24.2 Amendment Exemptions. The following actions shall not require an amendment to this Agreement:

24.2.1 Further architectural or design review of specific aspects of the Project, provided any such architectural modifications are substantially consistent with the Project Approvals.

24.2.2 Any change or modification that Facebook proposes to make to the Project or to this Agreement that constitutes a Substantially Consistent Modification. The City Manager shall have the right to determine and approve any Substantially Consistent Modification.

24.3 Recordation. Any amendment, termination or cancellation of this Agreement shall be recorded by the City Clerk not later than 10 days after the effective date thereof or of the action effecting such amendment, termination or cancellation; provided, however, a failure of the City Clerk to record such amendment, termination or cancellation shall not affect the validity of such matter.

25. Notices. Any notice shall be in writing and given by delivering the notice in person or by sending the notice by registered or certified mail, express mail, return receipt requested, with postage prepaid, or by overnight courier to the Party's mailing address. The respective mailing addresses of the Parties are, until changed as hereinafter provided, the following:

City: City of Menlo Park

701 Laurel Street
Menlo Park, CA 94025
Attention: City Manager

With a copy to: City Attorney
City of Menlo Park
1100 Alma Street, Suite 210
Menlo Park, CA 94025

Facebook: Hibiscus Properties LLC
c/o Facebook, Inc.
1 Hacker Way
Menlo Park, CA 94025
Attention: Director of Facilities

With a copy to: Hibiscus Properties LLC
c/o Facebook, Inc.
1 Hacker Way
Menlo Park, CA 94025
Attention: Real Estate Counsel

A Party may change its mailing address at any time by giving to the other Party ten days' notice of such change in the manner provided for in this Section 28. All notices under this Agreement shall be deemed given, received, made or communicated on the date personal delivery is effected, or if mailed, on the delivery date or attempted delivery date shown on the return receipt.

26. Miscellaneous.

26.1 Negation of Partnership. The Parties specifically acknowledge that the Project is a private development, that no Party is acting as the agent of the other in any respect hereunder and that each Party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the Parties in the businesses of Facebook, the affairs of the City, or otherwise, nor shall it cause them to be considered joint venturers or members of any joint enterprise.

26.2 Consents. Unless otherwise provided herein, whenever approval, consent or satisfaction (herein collectively referred to as an "approval") is required of a Party pursuant to this Agreement, such approval shall not be unreasonably withheld or delayed. If a Party shall not approve, the reasons therefor shall be stated in reasonable detail in writing. The approval by a Party to or of any act or request by the other Party shall not be deemed to waive or render unnecessary approval to or of any similar or subsequent acts or requests.

26.3 Approvals Independent. All Approvals which may be granted pursuant to this Agreement, and all Approvals or other land use approvals which have been or may be issued or granted by the City with respect to the Property, constitute independent actions and approvals by the City. If any provisions of this Agreement or the application of any provision of this Agreement to a particular situation is held by a court of competent jurisdiction to be invalid or unenforceable, or if the City terminates this Agreement for any reason, such invalidity, unenforceability or termination of this Agreement or any part hereof shall not affect the validity or effectiveness of any Approvals or other land use approvals.

26.4 Not A Public Dedication. Nothing herein contained shall be deemed to be a gift or dedication of the Property, the Project, or any portion of either, to the general public, for the general public, or for any public use or purpose whatsoever. Facebook shall have the right to prevent or prohibit the use of the Property or the Project, or any portion thereof, including common areas and buildings and improvements located thereon, by any person for any purposes inimical to the operation of a private, integrated Project as contemplated by this Agreement, except as dedications may otherwise be specifically provided in the Project Approvals.

26.5 Severability. Invalidation of any of the provisions contained in this Agreement, or of the application thereof to any person, by judgment or court order, shall in no way affect any of the other provisions hereof or the application thereof to any other person or circumstance and the same shall remain in full force and effect, unless enforcement of this Agreement as so invalidated would be unreasonable or grossly inequitable under all the circumstances or would frustrate the purposes of this Agreement. Notwithstanding the preceding, this Section 29.5 is subject to the terms of Section 16.2.

26.6 Exhibits. The Exhibits referred to herein are deemed incorporated into this Agreement in their entirety.

26.7 Entire Agreement. This written Agreement and the Project Approvals contain all the representations and the entire agreement between the Parties with respect to the subject matter hereof. Except as otherwise specified in this Agreement and the Project Approvals, any prior correspondence, memoranda, agreements, warranties or representations are superseded in total by this Agreement.

26.8 Construction of Agreement. The provisions of this Agreement shall be construed as a whole according to their common meaning and not strictly for or against any Party in order to achieve the objectives and purpose of the Parties. The captions preceding the text of each Article, Section, and Subsection are included only for convenience of reference and shall be disregarded in the construction and interpretation of this Agreement. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neuter genders, or vice versa. All references to “person” shall include, without limitation, any and all corporations, partnerships, limited liability companies or other legal entities.

26.9 Further Assurances; Covenant to Sign Documents. Each Party covenants, on behalf of itself and its successors, heirs and assigns, to take all actions and do all things, and

to execute, with acknowledgment or affidavit if required, any and all documents and writings that may be necessary or proper to achieve the purposes and objectives of this Agreement.

26.10 Governing Law. This Agreement, and the rights and obligations of the Parties, shall be governed by and interpreted in accordance with the laws of the State of California.

26.11 Construction. This Agreement has been reviewed and revised by legal counsel for Facebook and City, and no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Agreement.

26.12 Time. Time is of the essence of this Agreement and of each and every term and condition hereof. In particular, City agrees to act in a timely fashion in accepting, processing, checking and approving all maps, documents, plans, permit applications and any other matters requiring City's review or approval relating to the Project or Property.

26.13 Counterparts. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all of which when taken together shall constitute but one Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

“City”

CITY OF MENLO PARK, a municipal corporation of the State of California

By: _____
Mayor

Attest:

City Clerk

Approved as to Form:

By: _____
City Attorney

“Facebook”

HIBISCUS PROPERTIES, LLC, a Delaware limited liability company:

By: _____

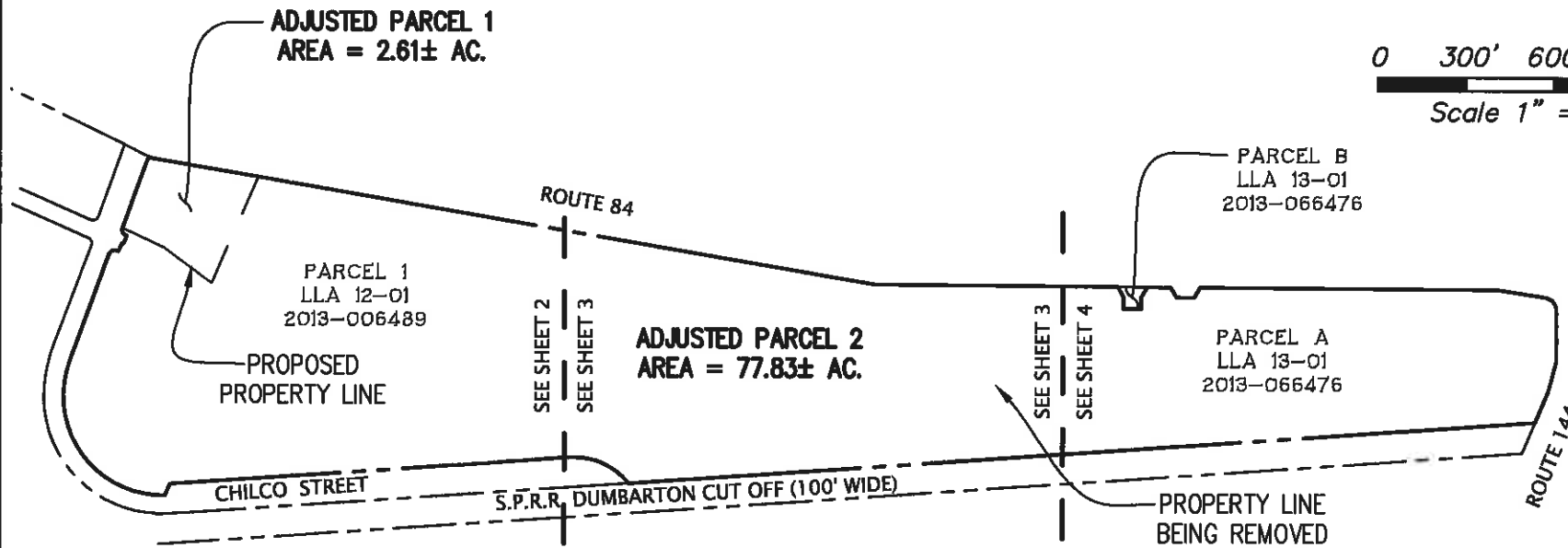
Name: _____

Title: _____

EXHIBIT A



0 300' 600' 1200'
Scale 1" = 600 ft



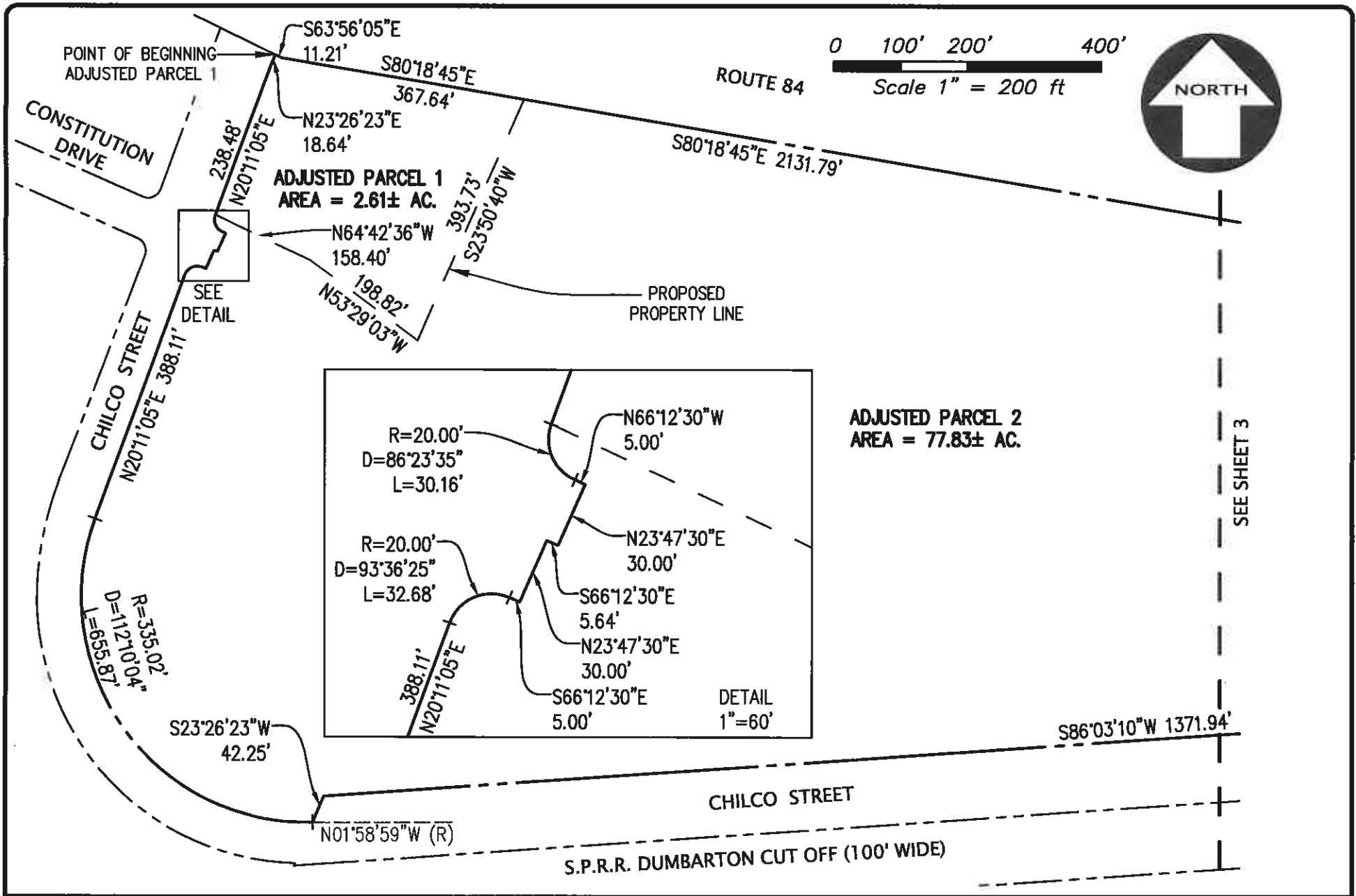
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
 2850 Collier Canyon Road Phone (925) 245-8788
 Livermore, California 94551 Fax (925) 245-8796

EXHIBIT "A"
PLAT TO ACCOMPANY LEGAL DESCRIPTION

MENLO PARK,

CALIFORNIA

DATE	NOVEMBER, 2016
SCALE	1" = 600'
BY	RJH
JOB NO.	A15571-3
SHEET	1 OF 4

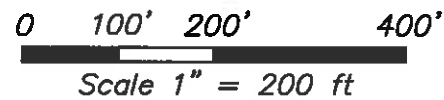


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
 2850 Collier Canyon Road Phone (925) 245-8788
 Livermore, California 94551 Fax (925) 245-8796

EXHIBIT "A"
PLAT TO ACCOMPANY LEGAL DESCRIPTION

MENLO PARK, CALIFORNIA

DATE	NOVEMBER, 2016
SCALE	1" = 200'
BY	RJH
JOB NO.	A15571-3
SHEET	2 OF 4



ROUTE 84

S80°18'45"E 2131.79'

N89°38'32"W 823.77'

SEE SHEET 2

ADJUSTED PARCEL 2
AREA = 77.83± AC.

R=231.73'
D=53°54'34"
L=218.04'

S86°03'10"W 1371.94'

S51°25'59"W (R)

S86°03'10"W 3091.29'

S.P.R.R. DUMBARTON CUT OFF (100' WIDE)

SEE SHEET 4



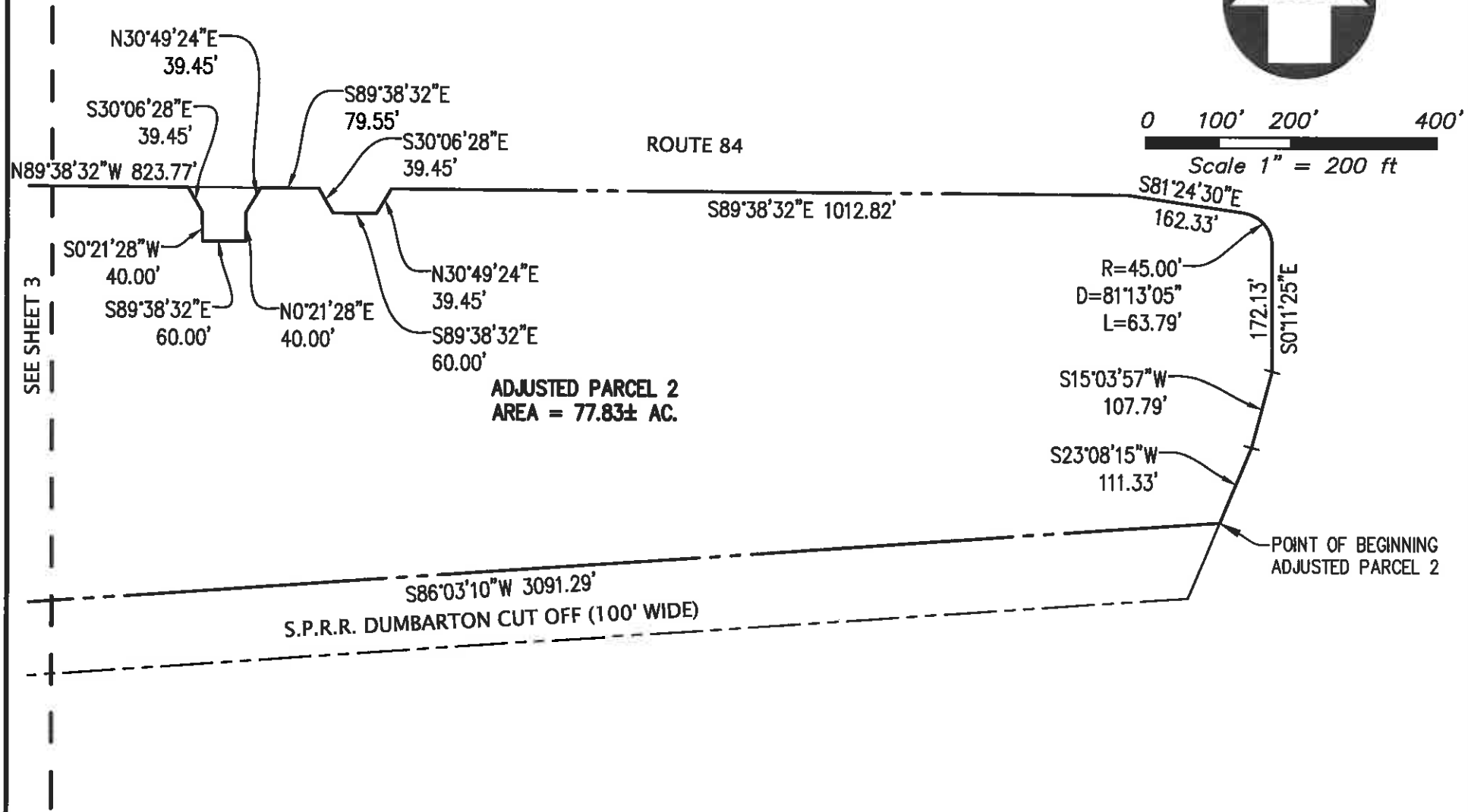
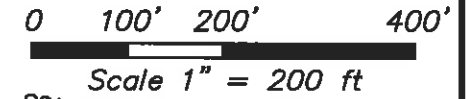
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2850 Collier Canyon Road Phone (925) 245-8788
Livermore, California 94551 Fax (925) 245-8796

EXHIBIT "A"
PLAT TO ACCOMPANY LEGAL DESCRIPTION

MENLO PARK,

CALIFORNIA

DATE	NOVEMBER, 2016
SCALE	1" = 200'
BY	RJH
JOB NO.	A15571-3
SHEET	3 OF 4



KIER & WRIGHT
 CIVIL ENGINEERS & SURVEYORS, INC.
 2850 Collier Canyon Road Phone (925) 245-8788
 Livermore, California 94551 Fax (925) 245-8796

EXHIBIT "A"
PLAT TO ACCOMPANY LEGAL DESCRIPTION

MENLO PARK, CALIFORNIA

DATE	NOVEMBER, 2016
SCALE	1" = 200'
BY	RJH
JOB NO.	A15571-3
SHEET	4 OF 4

EXHIBIT B

EXHIBIT 'B'
LEGAL DESCRIPTION

ADJUSTED PARCEL 1

REAL PROPERTY SITUATE IN THE CITY OF MENLO PARK, COUNTY OF SAN MATEO, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING A PORTION OF PARCEL 1, AS SAID PARCEL IS DESCRIBED IN THAT CERTAIN LOT LINE ADJUSTMENT NO. 12-01, RECORDED JANUARY 11, 2013, AS INSTRUMENT NO. 2013-006489, OFFICIAL RECORDS OF SAN MATEO COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY OF ROUTE 84, AS SAID ROUTE IS SHOWN ON THAT CERTAIN CALTRANS RIGHT OF WAY MAP FOR ROUTE 84 IN THE COUNTY OF SAN MATEO ON SHEETS R-105.2 THROUGH R-105.4, WITH THE EAST RIGHT OF WAY LINE OF CHILCO STREET, AS SAID RIGHT OF WAY IS DESCRIBED AS PARCEL 46737-3 IN THAT CERTAIN DOCUMENT RECORDED JULY 27, 1983 AS DOCUMENT NUMBER 83-078012, OFFICIAL RECORDS OF SAN MATEO COUNTY, SAID INTERSECTION ALSO BEING THE NORTHWEST CORNER OF SAID PARCEL 1;

THENCE ALONG SAID SOUTHERLY RIGHT OF WAY, SOUTH 63° 56' 05" EAST, 11.21 FEET;

THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT OF WAY, SOUTH 80° 18' 45" EAST, 367.64 FEET;

THENCE SOUTH 23° 50' 40" WEST, 393.73 FEET;

THENCE NORTH 53° 29' 03" WEST, 198.82 FEET;

THENCE NORTH 64° 42' 36" WEST, 158.40 FEET TO A POINT ON SAID EASTERLY RIGHT OF WAY;

THENCE ALONG SAID EASTERLY RIGHT OF WAY, NORTH 20° 11' 05" EAST, 238.48 FEET;

THENCE CONTINUING ALONG SAID EASTERLY RIGHT OF WAY, NORTH 23° 26' 23" EAST, 18.64 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 2.61 ACRES OF LAND, MORE OR LESS.

KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS, INC.



RICHARD J. HICKENBOTTOM, LS 8654
LICENSE EXPIRES: 12/31/17

11/9/16

DATE

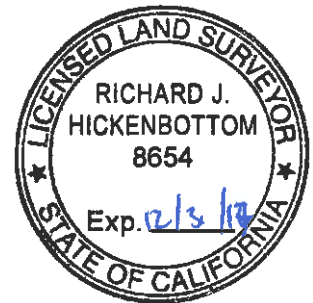


EXHIBIT 'B'
LEGAL DESCRIPTION

ADJUSTED PARCEL 2

REAL PROPERTY SITUATE IN THE CITY OF MENLO PARK, COUNTY OF SAN MATEO, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING A PORTION OF PARCEL 1, AS SAID PARCEL 1 IS DESCRIBED IN THAT CERTAIN LOT LINE ADJUSTMENT NO. 12-01, RECORDED JANUARY 11, 2013 AS INSTRUMENT NO. 2013-006489, AND ALL OF PARCEL A, AS SAID PARCEL A IS DESCRIBED IN THAT CERTAIN LOT LINE ADJUSTMENT NO. 13-01, RECORDED MAY 2, 2013 AS INSTRUMENT NO. 2013-066476, OFFICIAL RECORDS OF SAN MATEO COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE 100 FOOT WIDE SOUTHERN PACIFIC RAILROAD DUMBARTON CUT OFF RIGHT OF WAY WITH THE WESTERLY RIGHT OF WAY OF ROUTE 144, AS SAID ROUTE 144 IS SHOWN ON THAT CERTAIN CALTRANS RIGHT OF WAY MAP FOR ROUTE 84 IN THE COUNTY OF SAN MATEO ON SHEETS R-105.2 THROUGH R-105.4;

THENCE ALONG SAID NORTH LINE, SOUTH 86° 03' 10" WEST, 3091.29 FEET TO THE INTERSECTION OF SAID NORTH LINE WITH THE NORTHERLY RIGHT OF WAY LINE FOR CHILCO STREET, AS DESCRIBED AS PARCEL 45831-1 IN THAT CERTAIN DOCUMENT RECORDED JUNE 29, 1982 AS DOCUMENT NUMBER 82-054425, OFFICIAL RECORDS OF SAN MATEO COUNTY;

THENCE ALONG THE SAID NORTHERLY RIGHT OF WAY OF CHILCO STREET THE FOLLOWING THREE (3) COURSES:

- 1) ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 51° 25' 59" WEST, HAVING A RADIUS OF 231.73 FEET, THROUGH A CENTRAL ANGLE OF 53° 54' 34" FOR AN ARC LENGTH OF 218.04 FEET,
- 2) SOUTH 86° 03' 10" WEST, 1371.94 FEET, AND
- 3) SOUTH 23° 26' 23" WEST, 42.25 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY OF CHILCO STREET, AS DESCRIBED AS PARCEL 46737-3 IN THAT CERTAIN DOCUMENT RECORDED JULY 29, 1983 AS DOCUMENT NUMBER 83-078012, OFFICIAL RECORDS OF SAN MATEO COUNTY;

THENCE ALONG SAID EASTERLY RIGHT OF WAY THE FOLLOWING NINE (9) COURSES:

- 1) ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS NORTH 01° 58' 59" WEST, HAVING A RADIUS OF 335.02 FEET, THROUGH A CENTRAL ANGLE OF 112° 10' 04" FOR AN ARC LENGTH OF 655.87 FEET,
- 2) NORTH 20° 11' 05" EAST, 388.11 FEET,
- 3) ALONG THE ARC OF A CURVE THE RIGHT, HAVING A RADIUS OF 20.00 FEET, THROUGH A CENTRAL ANGLE OF 93° 36' 25" FOR AN ARC LENGTH OF 32.68 FEET,
- 4) SOUTH 66° 12' 30" EAST, 5.00 FEET,
- 5) NORTH 23° 47' 30" EAST, 30.00 FEET,
- 6) SOUTH 66° 12' 30" EAST, 5.64 FEET,
- 7) NORTH 23° 47' 30" EAST, 30.00 FEET,
- 8) NORTH 66° 12' 30" WEST, 5.00 FEET, AND
- 9) ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 20.00 FEET, THROUGH A CENTRAL ANGLE OF 86° 23' 35" FOR AN ARC LENGTH OF 30.16 FEET;

THENCE SOUTH 64° 42' 36" EAST, 158.40 FEET;

THENCE SOUTH 53° 29' 03" EAST, 198.82 FEET;

THENCE NORTH 23° 50' 40" EAST, 393.73 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY OF ROUTE 84, AS SAID ROUTE IS SHOWN ON SAID CALTRANS RIGHT OF WAY MAP;

THENCE ALONG SAID SOUTHERLY RIGHT OF WAY OF ROUTE 84 THE FOLLOWING TWO (2) COURSES:

1) SOUTH 80° 18' 45" EAST, 2,131.79 FEET, AND

2) SOUTH 89° 38' 32" EAST, 823.77 FEET TO THE NORTHWEST CORNER OF PARCEL B, AS SAID PARCEL IS DESCRIBED IN SAID LOT LINE ADJUSTMENT NO. 13-01;

THENCE ALONG THE BOUNDARY OF SAID PARCEL B THE FOLLOWING FIVE (5) COURSES:

1) SOUTH 30° 06' 28" EAST, 39.45 FEET,

2) SOUTH 0° 21' 28" WEST, 40.00 FEET,

3) SOUTH 89° 38' 32" EAST, 60.00 FEET,

4) NORTH 0° 21' 28" EAST, 40.00 FEET, AND

5) NORTH 30° 49' 24" EAST, 39.45 FEET TO A POINT ON SAID SOUTHERLY RIGHT OF WAY OF ROUTE 84;

THENCE ALONG SAID SOUTHERLY RIGHT OF WAY OF ROUTE 84 THE FOLLOWING NINE (9) COURSES:

1) SOUTH 89° 38' 32" EAST, 79.55 FEET,

2) SOUTH 30° 06' 28" EAST, 39.45 FEET,

3) SOUTH 89° 38' 32" EAST, 60.00 FEET,

4) NORTH 30° 49' 24" EAST, 39.45 FEET,

5) SOUTH 89° 38' 32" EAST, 1012.82 FEET,

6) SOUTH 81° 24' 30" EAST, 162.33 FEET,

7) ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 45.00 FEET, THROUGH A CENTRAL ANGLE OF 81° 13' 05" FOR AN ARC LENGTH OF 63.79 FEET,

8) SOUTH 0° 11' 25" EAST, 172.13 FEET, AND

9) SOUTH 15° 03' 57" WEST, 107.79 FEET TO SAID WESTERLY RIGHT OF WAY OF ROUTE 114;

THENCE ALONG SAID WESTERLY RIGHT WAY, SOUTH 23° 08' 15" WEST, 111.33 FEET TO THE **POINT OF BEGINNING.**

CONTAINING 77.83 ACRES OF LAND, MORE OR LESS.

KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS, INC.


RICHARD J. HICKENBOTTOM, LS 8654
LICENSE EXPIRES: 12/31/17

11/9/16
DATE



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EXHIBIT C

Exhibit C
(Chilco Streetscape Improvements)

Facebook will design and complete certain streetscape improvements (Phases 1, 2, 3B & 4) along Chilco Street between the Bayfront Expressway and Hamilton Avenue, at its sole cost (except as otherwise specified below), and in the approximate locations shown on the attached phasing plan. Facebook shall be responsible for the design of the improvements, subject to the City's reasonable approval and permitting process. Facebook will provide design assistance to the City of Menlo Park for Phase 3A, but the City will be responsible for the costs of installing the improvements and for performing the work. Phases 5 and 6 will be designed and constructed by Facebook, subject to a credit against any construction road impact fees assessed against the Project.

As for Phases 1, 2, 3, and 4, the scope of the improvements are as follows:

- 1) Phase 1 improvements have been completed, and include a new two-way bicycle path and pedestrian path along Chilco St., from the South-East corner of Building 23 (300 Constitution Drive) to an area just north of the railroad tracks. Temporary pathway lighting was also installed.
- 2) Phase 2 improvements have been constructed, and include extending the pedestrian and bicycle path improvements from Phase 1, to the north around Building 23, and onto the Chilco Street/Constitution Drive intersection. Phase 2 also includes new landscaping and permanent pathway lighting.
- 3) Phase 3 Chilco improvements are broken down into two sub-phases:
 - a. Phase 3A will include improvements south of the railroad crossing into the Belle Haven neighborhood. Facebook will provide design assistance, including the preparation of bid documents, for this phase, but the City of Menlo Park will be responsible for performing the work. The scope includes the addition of bike, pedestrian, and crossing facilities to provide two-way travel.
 - b. Phase 3B will involve completing striping for the existing bike lanes and a sidewalk on east side of Chilco through the railroad crossing (which will require SamTrans review and approval), as well as constructing the new bicycle/ pedestrian connection near the southwestern corner of Building 21 (as described in the Project Approvals). This new entry is intended as the community's primary access point to the new multi-use bridge which is proposed to be constructed concurrently with Building 21.
- 4) Phase 4 improvements are broken down into two sub-phases:
 - a. Phase 4A improvements will include roadway, intersection, pedestrian, and site landscaping improvements from the Chilco Street/Constitution Drive intersection to Bayfront Expressway. The Environmental Impact Report indicates the need for a signalized intersection at Constitution and two left turn lanes from Chilco into the Facebook campus. Phase 4A improvements are anticipated to be completed prior to the occupancy of Building 22 (as described in the Project Approvals).

- b. Phase 4B improvements will include removal of the temporary bicycle/ pedestrian path installed during Phase 1 and installation of a permanent bicycle/ pedestrian path. This design is ongoing and will evolve with the design of Building 22, which is anticipated to undergo a future design review process with the City.

In addition, Facebook will complete certain additional Chilco streetscape improvements requested by the City (Phases 5 and 6).

- 5) Phase 5 improvements will include design and construction of landscape frontage improvements from the Chilco Street/Constitution Drive intersection south to the new crosswalk being installed as part of the Phase 2. These improvements have not yet been designed, but are intended to include street lighting, a one-way protected bike lane and a sidewalk at a minimum.
- 6) Phase 6 improvements will include design and construction of additional landscape frontage improvements from those installed as part of Phase 5 to the railroad tracks near the Chilco Street curve. These improvements have not yet been designed, but are intended to include street lighting, a one-way protected bike lane and landscaping (including the treatment of stormwater runoff) at a minimum and potentially a sidewalk depending on the final configuration of the Dumbarton Trail.

Chilco Street Improvements Phasing Plan

CMG Landscape Architecture
13-October 2016





STAFF REPORT

City Council

Meeting Date: 11/15/2016

Staff Report Number: 16-193-CC

Public Hearing: Consider and Provide Guidance on the General Plan Land Use and Circulation Elements, Zoning Ordinance Amendments, Rezoning and Environmental Review Associated with the General Plan and M-2 Area Zoning Update In Preparation for Adoption at the City Council Meeting on November 29, 2016

Recommendation

ConnectMenlo has been a multi-year comprehensive process that represents a vision for a live/work/play environment in the M-2 Area while maintaining the character and values that the City has embraced. The proposed project reflects the input received throughout the process and staff's efforts to balance the interests of the various stakeholders, and has been informed by the preparation of an Environmental Impact Report (EIR) and Fiscal Impact Analysis (FIA). Staff recommends that the City Council consider and provide guidance to staff on the following proposed components of the project in preparation of the final documents for action by the Council at its November 29, 2016 meeting. The references to various attachments correspond to attachments that were previously transmitted to the City Council as part of the Planning Commission October 19, 2016 staff report.

1. Environmental Review: Review of the Final Environmental Impact Report (EIR) prepared for the General Plan and M-2 Area Zoning Update, which analyzes the potential environmental impacts of the General Plan and M-2 Area Zoning Update.
2. General Plan Amendments: Incorporate the updated Land Use and Circulation Elements into the General Plan and change the land use designations of properties in the M-2 Area to Light Industrial, Office, Life Sciences, Mixed Use Residential, Baylands, or Public Facilities. No land use designation changes are anticipated outside of the M-2 Area and Baylands Area (Attachment A).
3. Zoning Ordinance Amendments: Create three new zoning districts in the M-2 Area for consistency with the proposed General Plan Land Use Element. The proposed zoning districts include Office (O), Life Science (LS) and Residential-Mixed Use (R-MU). The O district includes overlays to allow hotels (O-H) and corporate housing (O-CH). Overlays for bonus level development are also proposed in the three new zoning districts as indicated by the inclusion of "-Bonus" with the title of each district. In addition, changes to the C-2-B (Neighborhood Commercial District, Restrictive) zoning district to allow residential use, changes to streamline the hazardous materials review process as an administrative permit, and other minor modifications are being proposed (Attachments B, C and D).

4. **Rezoning:** Rezone property in the M-2 Area to one of the following zoning designations for consistency with the proposed General Plan land use designation amendments: O (Office); Office - Hotel (O-H); Office - Corporate Housing (O-CH); Office - Bonus (O-B); Life Science (LS); Life Science - Bonus (LS-B); Residential Mixed Use (R-MU); Residential Mixed Use – Bonus (R-MU-B); Public Facilities (P-F), and Flood Plain (FP) (Attachments E and F).

Following the Council's guidance to the ConnectMenlo team on the components of the project, the team will prepare updated documents that reflect the Council's feedback. The revised documents will be prepared for the Council's review and action on November 29, 2016. A second reading of the proposed ordinances is scheduled for December 6, 2016.

Policy Issues

The proposed project requires the Planning Commission, as a recommending body, and City Council, as the decision-making body, to consider a number of policy issues. The General Plan itself, is a policy document that will serve as the blueprint for future development in the City. The goals, policies and programs established in the Land Use and Circulation Elements are intended to guide appropriate development and infrastructure in the City, and they should also support the aspirations of the Guiding Principles and reinforce the community's values and vision for what the City can be.

As part of the consideration of the General Plan and M-2 Area Zoning Update, the Council will need to consider the types of land uses, the number of jobs, the number of housing units, and the number of hotel units that could result from potential changes to the area. With additional development, there could be impacts, but also greater availability to fund other desired improvements in the community. Future goals, policies and programs for the General Plan Land Use and Circulation Elements and the proposed changes to the Zoning Ordinance development regulations and design standards can help ensure that future development in the area is done in a way that creates a sense of place that is desired by the community.

As part of the process, an EIR was prepared. The EIR helps inform the public and decision-makers of the potential impacts as a result of the proposed changes. The City Council will need to consider whether the proposed changes outweigh the environmental impacts or whether a project alternative, which could result in fewer impacts, but potentially meeting fewer of the objectives, is preferable.

Background

The City Council previously received the October 19, 2016 Planning Commission staff report, which provides greater detail about the components of the proposed project. The October 19 Planning Commission staff report is integral to understanding the context for the discussion in this staff report, and the two reports should be used together.

The completion of the General Plan and M-2 Area Zoning Update has been identified as a top City Council priority in its Work Plan for 2016. The General Plan serves as the City's comprehensive and long range guide to land use and infrastructure development in the City. The October 19, 2016 Planning Commission staff report, which is included as Attachment A and provided to the Council previously, provides more background information about ConnectMenlo's robust outreach effort, summarizes key milestones during the process, and details the components of the project under consideration, and will not be repeated here.

The intent of this staff report is to supplement the Planning Commission staff report with a transmittal of the Planning Commission's discussion from its two meetings on the proposed project conducted on October 19 and 24, 2016, and its recommendations. The Planning Commission's input, along with additional recommendations by staff, should be used to help inform the Council in its recommendations and actions on the proposed project.

Analysis

Planning Commission Review

The Planning Commission conducted meetings on October 19 and 24, 2016 to discuss and provide a recommendation on the proposed General Plan and M-2 Area Zoning Update. Four of the seven-member Commission participated in the discussion. Three members have potential conflicts of interest and therefore, were recused from discussion on the item. Following the release of the staff report, the City received multiple pieces of correspondence for the October 19 and 24 meetings, which are included as Attachment B to this staff report. In addition, staff distributed two errata pertaining to the EIR and a correction to Table 39B in the Fiscal Impact Study (FIA). The corrections to the EIR and FIA do not change the conclusions of the documents. These items are included as Attachment B, H, and I, respectively.

At each meeting, the Commission allowed public comment on the proposed project. The Commission had a number of clarifying questions for staff and requests for additional information, which staff presented at the October 24 meeting. The minutes from the October 19 meeting and the draft minutes from the October 24 meeting are included as Attachments C and D, respectively. A wide range of public comments were provided, from support of the live/work/play concept and the proposed green and sustainable regulations to concerns about the adequacy of the EIR, the need for improved infrastructure, and the desire for greater flexibility on the zoning regulations. Several commenters noted the desire for mixed income housing and more affordable housing, and indicated that retail uses such as restaurants and a pharmacy should be provided first, as they are an important part of fostering the live/work/play environment.

Overall, the Planning Commission was complimentary of the staff/consultant team, the process, and the proposed plan, which was said to respond to the goals set by the community. Commissioners were also supportive of the proposed development regulations and design standards established in the three proposed zoning districts, highlighting that the team worked through a number of issues raised by interested stakeholders and Commissioners. With that said, however, two Commissioners agreed that transportation planning should be addressed more concretely before moving forward with the General Plan and M-2 Area Zoning Update.

The two Commissioners desired to see stronger leadership from the City and certainty for transportation improvements, including identification of specific physical infrastructure improvements, funding sources, and a timeline, given the existing traffic conditions and the potential for increased traffic from approved, but not yet built and occupied projects in the area.

Other Commissioners did not agree with this approach, recognizing that traffic in the area is a regional issue which Menlo Park cannot control alone and the current issues should not stop the project from moving forward. During the meeting, staff highlighted a number of forthcoming transportation-related programs, including the development of a Transportation Master Plan and updates to the Transportation Impact Fee (TIF), which would help address the concern. Staff also responded to Commissioner questions regarding the TIF. Staff explained that the TIF update would include regional projects, and when developments are

approved, the TIF would be collected and the monies would be used towards the identified infrastructure improvements. Staff is continuing to coordinate with regional agencies. Although not confirmed at the meeting of October 24, staff has now been able to confirm that SamTrans will be presenting an update on the Dumbarton Transportation Corridor Study at the City Council's special meeting on November 9.

Planning Commission Recommendations

At the October 24, 2016 meeting, following its deliberations, the Planning Commission made two motions. The first motion was to recommend approval of the proposed General Plan and M-2 Area Zoning Update with an emphasis to influence regional transportation, which did not pass on a 2-2 vote. The second motion was to continue the item in an effort allow time to identify projects and funding for local transportation solutions. This motion also failed 2-2, which is an effective denial of the proposed project.

Absent of a formal recommendation on the full project, the Planning Commission separately made a number of specific recommendations on aspects of the various components of the project. These recommendations were primarily in response to questions raised by staff and/or comments made by the public. Staff has incorporated the proposed revised language in strikeout and underline format as noted in each section below, and will update the proposed ordinances and resolutions accordingly or with modifications deemed appropriate by the Council. The Planning Commission's recommendations are as follows by topic area:

Affordable Housing Mix

The proposed R-MU (Residential Mixed Use) zoning district requires the development of housing prior to any non-residential development in a project. The R-MU district establishes development regulations for both base and bonus level developments, where the latter may receive additional floor area ratio, density, and/or height in exchange for the development of community amenities. In the R-MU district, bonus level developments must include 15% of the total number of residential units in a project for affordable housing for low, very low and extremely low income households.

Throughout the ConnectMenlo process, affordable housing and housing for all income levels has been a common theme. Staff posed several questions to the Planning Commission of whether a minimum amount of housing units should be provided at the various affordability levels and whether the affordability levels should also include moderate income households, which in combination would help the City meet its Regional Housing Need Allocation (RHNA) and address housing needs for all income levels.

The Planning Commission unanimously supported a mix of affordable units, including moderate-income, that aligns with the City's RHNA. Per the 2015-2023 Housing Element, the City's housing allocation is divided by very low- (36%), low- (20%) and moderate-income (22%) households. Although extremely-low income is not a RHNA category, the City should strive to provide affordable housing to address this need. Extremely low income may be used to substitute for units in any income category. Staff recommends the following revised language in the R-MU zoning district (Attachment D of the Planning Commission staff report):

16.XX.060 Bonus level development.

As described in Section 16.XX.070, the community amenity provided in the Residential Mixed Use-Bonus (R-MU-B) zoning district must include the provision of a minimum of fifteen (15) percent of the total units on-site for affordable housing units for moderate, low, very low, and extremely low income households, commensurate to the City's Regional Housing Need Allocation distribution amongst the income categories at the time of a development application.

Staff recommends the proposed language refer generically to the City's RHNA rather than prescribe a percentage for the different income categories since the distribution amongst the income categories is adjusted with each Housing Element cycle.

The Planning Commission also deliberated on whether the affordable housing units should be required to be incorporated with market-rate units or if a stand-alone affordable development is appropriate. The Commission heard public comments supporting both sides of the discussion. The Planning Commission believed providing flexibility was appropriate, and did not want to preclude stand-alone affordable housing developments. Staff noted that the proposed regulations does not prohibit stand-alone affordable housing developments as part of the community amenities requirement, but all community amenities would be subject to review by the Planning Commission. Therefore, the appropriateness of a project would be evaluated on a case-by-case basis and no changes are proposed in the draft zoning ordinances.

Recycled Water

The Planning Commission also discussed whether water recycling should be required for residential developments. The question was raised in response to a comment that the requirement for recycled water systems for buildings 250,000 square feet in gross floor area or more could be a disincentive to housing production. Several Commissioners did not see a reason why housing should be carved out, and voted 3-1 to keep the requirement as proposed. Staff had explained earlier to the Commission that the City is exploring options for a long term strategy as part of the Water System Master Plan. Although applicants do not currently have the option to connect to a municipal recycled water system, staff believes viable alternatives exist to begin reducing potable water demand now, while plans are made for the development of a municipal system. Recent project data from several projects in San Francisco show that the cost of on-site treatment systems amount to approximately one percent of the total construction cost. Further, Staff is proposing additional edits that provide flexibility to applicants on how water conservation can be achieved. The proposed revisions are shown in underline and strikeout in Attachment G.

Naming of the M-2 Area

Throughout the process, the term "Bayfront" has been used interchangeable with "M-2". M-2 refers to the current zoning designation that will become almost obsolete should changes occur per the proposed General Plan and M-2 Area Zoning Update. Bayfront was identified as a potential name given its geographic proximity to the Bay. However, concerns have been raised about the applicability of the name, whether it refers to just the former M-2 Area or a larger area, inclusive of the Belle Haven neighborhood. The intent of the name was not to lose the identity of the Belle Haven neighborhood, but rather make the M-2 name more relevant given the vision for the area and the reduction in M-2 zoned properties as the primary land use district in the area. During several recent community meetings, the team asked the attendees to create a name for the area. We received several ideas ranging from 'Menlo Park Innovation Zone' to 'Uptown' to 'Bayside'. The Planning Commission believed that the City Council would be more appropriate to address the naming issue.

Transportation-related Programs

The topic of transportation has consistently been raised during the ConnectMenlo process. At the October 24, 2016 meeting, the Planning Commission made recommendations on two different transportation-related topics. During the Planning Commission's general discussion, Commissioners asked questions about the Level of Service (LOS) and Vehicle Miles Traveled (VMT) metrics and their applicability to future transportation analyses. As part of the draft Circulation Element discussions, participants expressed interest to retain LOS as a supplement to VMT, and Program Circ-3.A (Transportation Impact Metrics) was included to re-establish the City's LOS standards. In addition, Program Circ-2.L (Transportation Impact Analysis (TIA) Guidelines) complements Program Circ-3.A and supports the review and update of the City's TIA Guidelines, as needed. Prior to or following the state's adoption of revised CEQA guidelines to establish VMT criteria, the City Council can choose to redefine or update the City's TIA to incorporate such new standards. The Commission unanimously believed that work on the TIA guidelines is an important component of transportation review and that it should be prioritized in the Capital Improvement Program (CIP) concurrent with, not following, the preparation of the Transportation Master Plan effort, which was funded in the 2016-17 CIP and is scheduled to begin in 2017.

In addition, in a 3-1 vote, the Commission recommended that a program be added to the Circulation Element that establishes a residential parking permit program in the Belle Haven neighborhood to discourage parking spillover into the neighborhood and minimize impacts from potential new development in the area. Land Use Element Policy-4.3 (Mixed Use and Nonresidential Development) states impacts from parking and traffic from mixed use and nonresidential development should be limited on adjacent uses. Further, Circulation Element Policy-2.14 (Impacts of New Development) states that new development be required to mitigate its impacts on safety and efficiency of the circulation network and Program-2.A (Manage Neighborhood Traffic) requires use of a consensus-oriented approach to develop an appropriate set of modifications to address neighborhood traffic concerns. Any residential parking program should be initiated and requested by a neighborhood and not imposed by the City. Staff recommends a revision to policy CIRC-7.1 and the addition of a new program (CIRC-7.C) in the Circulation Element to complement LU-4.3, as follows:

Policy CIRC-7.1 (Parking and New Development). Ensure new development provides appropriate parking ratios, including application of appropriate minimum and/or maximum ratios, unbundling, shared parking, electric car charging, car sharing, and Green-Trip certified strategies to accommodate residents, employees, customers and visitors to minimize impacts on adjacent residential areas.

Program CIRC-7.C (Residential Parking Program). Based on neighborhood requests, develop and maintain a residential permit parking program to minimize on-street parking spillover from adjacent commercial or mixed-use districts.

Development Regulations for Master Plan Projects

The proposed zoning regulations for the Office (O), Life Sciences (LS) and Residential Mixed Use (R-MU) zoning districts include both development regulations such as floor area ratio (FAR), maximum height and minimum open space requirements, as well as design standards. Based on feedback from members of the public, the General Plan Advisory Committee (GPAC), and Planning Commission, modifications and refinements have been made to provide greater flexibility and a more appropriate set of regulations depending on the type of land use. One public commenter asked the Commission for greater flexibility and to allow developments that are master planned to be able to share FAR, density and/or open space

requirements amongst properties in the O and R-MU zoning districts in close proximity to each other and under the same ownership. The Planning Commission had previously supported the sharing of FAR between properties with the same zoning designation, and unanimously recommended the concept of sharing FAR, density and open space between properties of different zoning. Staff believes that the concept could work through the development of a master plan that links the properties together. The intent of a master planned project is to provide flexibility for creative design, more orderly development, and optimal use of open space, while maintaining and achieving the General Plan vision of residents, workers and visitors. In addition, staff is suggesting that the master plan and flexibility in site planning be accomplished through a conditional development permit and development agreement to clearly establish the development regulations in a comprehensive approach, whether properties share the same zoning or are a mix of districts. Therefore, modifications to the text in the proposed Land Use Element and the proposed O, LS and R-MU zoning districts would be required and are as follows:

Land Use Element (page 41)

BAYFRONT AREA

The purpose of the Bayfront Area designation is to create live/work/play environments. This designation encourages office, research and development, residential, commercial uses, and hotels, all in close proximity or integrated with one another. These designations are intended to foster innovation and emerging technologies; promote the creation of an employment district with travel patterns that are oriented toward pedestrian, transit, and bicycle use; and provide amenities to surrounding neighborhoods and fiscal support to the City leveraged through development intensity bonuses. The Office, and Life Sciences, and Residential Mixed Use designations allow increased development intensities with the provision of community amenities. ~~Parcels in the same designation that are in close proximity may calculate residential density and FAR based on aggregate lot area provided that the maximum overall residential density and/or FAR of the combined parcels is not exceeded.~~ Master planned projects on parcels that are in the same zoning designation that are in close proximity or large contiguous parcels with different zoning designations and that are owned by the same entity may calculate residential density, FAR and open space based on aggregate lot area provided that the underlying development regulations are satisfied and the vision for the Bayfront Area identified in the General Plan is maintained and the maximum overall residential density and/or FAR of the combined parcels is not exceeded.

Section.XX.060 Development Regulations

Maximum floor area ratio (FAR) Notes/Additional Requirements

~~FAR may be calculated across contiguous properties of the same zoning district designation and owned by the same entity or wholly owned affiliated entities.~~

Section 16.XX.055 Master Planned Projects to O, LS and R-MU zoning districts

The purpose of a master planned project is to provide flexibility for creative design, more orderly development, and optimal use of open space, while maintaining and achieving the General Plan vision for the Bayfront Area. Master planned projects for sites with the same zoning designation (O, LS or R-MU) in close proximity or for contiguous sites that have a mix of zoning designations (O or R-MU) that exceed 15 acres in size and that are held in common ownership (or held by wholly

owned affiliated entities) and are proposed for development as a single project or single phased development project are permitted as a conditional use, provided that sites with mixed zoning are required to obtain a conditional development permit and enter into a development agreement. For master planned projects meeting these criteria, residential density, FAR and open space requirements and residential density, FAR and open space requirements at the bonus level, if applicable, may be calculated in the aggregate across the site provided the overall development proposed does not exceed what would be permitted if the site were developed in accordance with the zoning designation applicable to each portion of the site and the proposed project complies with all other design standards identified for the applicable zoning districts.

Phasing of Development

The vision for a live/work/play environment has been the focus of the proposed land use changes in the M-2 Area. The addition of up to 4,500 housing units in the M-2 Area would be transformative and offer an opportunity for people to live in close proximity to areas of employment. During the process, members of the public have commented that the housing needs to be in place before non-residential development can occur if the vision is to be successful, citing that the addition of jobs without housing in the area could potentially worsen traffic, create a greater jobs/housing imbalance, and displacement in the community. Although two Commissioners said phasing was not needed, the Commission supported (3-1) the idea of phasing, but they did not offer further feedback on the triggers, timing or other items for consideration. One Commissioner noted that the idea, in theory, may be a good practice, but the reality is challenging. Property owners would lose control of when they could develop their land and miss potential opportunities to address market demand. Instead of market forces guiding the appropriate timing for development, the ability to develop in the M-2 Area would be dependent upon the will of property owners to construct residential units in the area. The idea of phasing development is a policy question for the Council. If Council supports the concept of phasing non-residential development until residential milestones are met, staff recommends that the Council provide guidance on the indicators or other factors that need to be met before non-residential developments can be built in the M-2 Area. Also, the Council should provide direction on whether non-residential development pertains to all non-residential uses (e.g. office, life sciences, retail, and personal services) or a subset of uses.

Residential Displacement

At the October 24, 2016 meeting, the Commission highlighted that the City Council would be discussing the topic of displacement at its October 25 meeting. As mentioned earlier in this report, housing has been a common theme during the ConnectMenlo process. Members of the public have expressed concern about displacement, particularly how it impacts Belle Haven residents, which is the closest residential neighborhood in Menlo Park to the M-2 Area. The addition of higher density housing in the M-2 Area and the proposed requirement for 15% affordable housing as part of any bonus level development in the R-MU zoning district can be effective ways to address housing supply and housing for all income levels in the City and region. In addition, Commissioners supported (3-1) the Council's further discussion around the topic of displacement, recognizing that there are different strategies to address the issue. Staff suggests adding a Land Use program on the topic of displacement as follows:

Program LU-2.C Address Residential Displacement. Identify, understand and implement best practices, including but not limited to funding mechanisms, affordable housing policies and strategies, anti-displacement policies, and local housing implementation strategies within a regional setting, to address residential displacement from non-residential development.

Staff Recommended Edits Since the Planning Commission Meeting

Since the release of the Planning Commission staff report, the staff and consultant team has identified the need for several revisions to the proposed zoning regulations. The suggested edits are for consistency in language between the three proposed zoning districts for similar regulations and with the intent of the vision, clarity in implementation, to respond to public and Planning Commission comments for greater flexibility and differentiation between zoning districts, and “clean-ups” for grammar, typographical and punctuation errors.

- **Zoning Map** – The rezoning maps for the proposed R-MU district will be updated for accuracy and consistency with previous land use maps. Exhibits D and G of Attachment G of the October 19, 2016 Planning Commission staff report excludes a parcel on Haven Avenue from the R-MU-B district. The parcel is located at the bend of Haven Avenue across from another parcel proposed to be R-MU-B, but is inadvertently shown as R-4-S, which is the zoning district of the adjacent parcels west of the site.
- **Community Amenities** – Since the crafting of the Guiding Principles, the desire for future development to contribute towards community amenities has been a consistent theme. The establishment of a uniform process for consistency and predictability was identified as a preferred approach. Throughout the process, the team has established criterion that provides certainty in the process and also flexibility in offering options for meeting the requirement. As discussed in the October 19 Planning Commission staff report, staff suggested a hybrid approach in the R-MU district for community amenities where the appraisal that sets the community amenity value accounts for the required 15 percent affordable units. In further review of the draft ordinance language, staff recommends the following revisions to the community amenities section of the proposed three new zoning ordinances for clarity and ease of implementation.

Chapter 16.XX.070 Community amenities required for bonus level development (in O and LS districts)

- (2) **Application.** An application for bonus level development is voluntary. In exchange for the voluntary provision of community amenities, an applicant is receiving a benefit in the form of an increased floor area ratio and/or increased height. An applicant requesting bonus level development shall provide the City with a written proposal, which includes but is not limited to the specific amount of bonus development sought, the value of the amenity as calculated pursuant to section (3) below, and adequate information identifying the value of the proposed community amenities. An applicant’s proposal for community amenities shall be subject to review by the Planning Commission in conjunction with a use permit or conditional development permit. Consideration by the Planning Commission shall include differentiation between amenities proposed to be provided on-site and amenities proposed to be provided off-site, which may require a separate discretionary review and environmental review per the California Environmental Quality Act.

Chapter 16.XX.070 Community amenities required for bonus level development (in R-MU district)

- (2) **Application.** An application for bonus level development is voluntary. In exchange for the voluntary provision of community amenities, an applicant is receiving a benefit in the form of an increased floor area ratio, density, and/or increased height. An applicant requesting bonus level development shall provide the City with a written proposal, which includes but is not limited to the

specific amount of bonus development sought, the value of the amenity as calculated pursuant to section (3) below, and adequate information identifying the value of the proposed community amenities. An applicant's proposal for community amenities shall be subject to review by the Planning Commission in conjunction with a use permit or conditional development permit. Consideration by the Planning Commission shall include differentiation between amenities proposed to be provided on-site and amenities proposed to be provided off-site, which may require a separate discretionary review and environmental review per the California Environmental Quality Act.

Chapter 16.XX.070 Community amenities required for bonus level development (in R-MU district)

- (3) **Value of Amenity.** The value of the community amenities to be provided shall equal fifty percent (50%) of the fair market value of the additional gross floor area of the bonus level development. The value shall be calculated as follows: The applicant shall provide, at their expense, an appraisal performed within ninety (90) days of the application date by a licensed appraisal firm that sets a fair market value per square foot in cash of the gross floor area of the bonus level of development ("total bonus" per foot value). The form and content of the appraisal, including any appraisal instructions, must be approved by the Community Development Director. The appraisal shall (i) first determine the total bonus per foot value shall be determined without consideration of the community amenities requirement established under Section 16.XX.070- and (ii) second determine the change in total bonus with consideration of the fifteen percent (15%) affordable housing community amenity requirement ("affordable housing amenity value"). If the affordable housing amenity value is less than fifty percent (50%) of the total bonus value, the value of the community amenities to be provided in addition to the fifteen percent (15%) affordable housing is the difference between those to numbers. The applicant shall provide a calculation of the additional floor area allowed by the bonus level development ("additional footage"). The additional footage shall be multiplied by the per foot value ("total bonus"). Fifty percent (50%) of the total bonus value is the value of the community amenity to be provided.

Chapter 16.XX.070 Community amenities required for bonus level development (in O and LS districts)

- (3) **Value of Amenity.** The value of the community amenities to be provided shall equal fifty percent (50%) of the fair market value of the additional gross floor area of the bonus level development. The value shall be calculated as follows: The applicant shall provide, at their expense, an appraisal performed within ninety (90) days of the application date by a licensed appraisal firm that sets a fair market value per square foot in cash of the gross floor area of the bonus level of development ("bonus value" per square foot value). The form and content of the appraisal, including any appraisal instructions, must be approved by the Community Development Director. The per foot value appraisal shall determine the total bonus value shall be determined without consideration of the community amenities requirement established under Section 16.XX.070. The applicant shall provide a calculation of the additional floor area allowed by the bonus level development ("additional footage"). The additional footage shall be multiplied by the per square foot value ("total bonus"). Fifty percent (50%) of the total bonus value is the value of the community amenity to be provided.

During the Planning Commission meeting, there were questions about the option for payment of an in-lieu fee and the prioritization of the community amenities. As proposed, payment of a fee is one of the three options; however, this option is contingent upon completion of a nexus study and adoption of an impact fee. In the absence of an adopted fee, an applicant may select to enter into a development agreement and contribute money towards community amenities. The development agreement would help ensure enforceability that the money is used for appropriate community amenities in the area rather than added to the City's General Fund. The community amenities list may be updated from time to time by Council resolution in order to reflect community needs and priorities. The identification and prioritization of the community amenities was established through public outreach and input. Staff is proposing to update Exhibit A of Attachment H of the Planning Commission staff report to more clearly show the input that was received on community amenities during the process. The revised table is shown in Attachment E of this report.

- **Land Use Element Goal 4 Business Development and Retention** – During the October 19, 2016 Planning Commission meeting, the Commission discussed whether Goal 4 (Business Development and Retention) of the Land Use Element could be strengthened to better support and align with the Competitive and Innovate Business Destination Guiding Principle. Staff is suggesting the following revisions to highlight the desire to retain and attract successful and competitive businesses in Goal 4, as follows:

“Promote and encourage existing and new businesses to be successful and attract entrepreneurship and emerging technologies for providing goods, services, amenities, local job opportunities and tax revenue for the community while avoiding or minimizing potential environmental and traffic impacts.”
~~the development and retention of business uses that provide goods or services needed by the community, that generate benefits to the City, and avoid or minimize potential environmental and traffic impacts.”~~

- **Average Height**– During the creation of the maximum development potential, the General Plan Advisory Committee and members of the public provided feedback on the appropriate heights for the different parts of the M-2 Area. The feedback translated into maximum heights, average heights and average number of stories in the development regulations of the three proposed zoning districts. The O and LS districts currently include a requirement for average heights, but the R-MU district does not establish a standard. While the maximum height is consistent with the input received during the process, an average height would further create consistency with the maximum development potential map and meet the intent of creating varied building heights, visual interest and appropriate streetscapes. Staff is proposing the average heights in the R-MU district as noted in Attachment F. In addition, staff is proposing to consolidate the maximum and average height regulations into one standard to minimize confusion. Similar changes would be made to the O and LS districts without affecting the development standards, as shown in Attachment F.
- **Minimum Stepback and Building Modulation** – In an effort to create visually attractive buildings, the proposed zoning regulations include design standards. In response to public comments, staff modified regulations to provide more distinction between the three zoning districts, taking into consideration the context of the surrounding area as well as expected land uses for a site. These edits are summarized in the October 19 staff report. Staff is now proposing an additional modification specific to the LS zoning district. One of the design standards is for a ‘minimum stepback’ for bonus level development. The minimum stepback establishes a horizontal distance a building upper story(ies) must be set back above the base height. In response to concerns that the stepback requirement in the LS district would cause offset and challenging layouts for life science users, staff is proposing to delete the stepback requirement. The elimination of the requirement

would allow laboratory and research and development buildings to have open and stacked floorplates, which is a more traditional form for life science uses. Building variation and articulation, however, would still be required with the proposed building modulation requirement. Staff is recommending that the setback and building modulation requirements be amended as follows:

Chapter 16.XX.120

(2) Building mass and scale.

<i>Minimum Setback</i> Figure 3, label B	The horizontal distance a building's upper story(ies) must be set back above the base height.	N/A	10' for a minimum of 75% of the building face along public street(s)	10' for a minimum of 75% of the building face along public street(s)	A maximum of 25% of the building face along public streets may be excepted from this standard in order to provide architectural variation. Exception: hotels shall stop back a minimum of 15 feet above 60 feet and an additional 40 feet for buildings 75 feet.
<i>Building Modulations</i> Figure 3, label C	A building modulation is a break in the building plane from the ground level to the top of the buildings' base height that provides visual variety, reduces large building volumes and provides spaces for entryways and publicly accessible spaces.	<u>Minimum of one recess of 15 feet wide by 10 feet deep per 200 feet of façade length</u>	<u>Minimum of one recess of 15 feet wide by 10 feet deep per 200 feet of façade length</u>	<u>Minimum of one recess of 15 feet wide by 10 feet deep per 200 feet of façade length</u>	Modulation is required on the building façade(s) facing publicly accessible spaces (streets, open space, and paseos). Parking is not allowed in the modulation recess. When more than 50% of façade an existing building facade that faces a publicly accessible space is altered, it must comply with these modulation requirements.

- Required Street Frontage Improvements** – The Commission appreciated staff's efforts in revising the proposed zoning ordinances for greater flexibility, and asked that staff consider potential additional revisions to regulations that could disincentivize building upgrades or overburden smaller projects. One suggestion from the Commission was to look at the triggers for street frontage improvements. While trying to create and maintain a safe and attractive pedestrian network is important, staff also recognizes that street frontage improvements for smaller, conventional tenant improvements could have cost and time implications and is proposing revisions to the triggers. Instead of using the square footage of tenant improvements as a threshold, staff is suggesting a valuation approach, similar to how upgrades for disabled access are evaluated. The valuation would be cumulative over a five year period, so if there are substantial improvements to the building, street frontage improvements could be required. Staff is proposing the following modifications:

Chapter 16.XX.110 Required street improvements.

For new construction, ~~and/or building additions and interior alterations of an existing building, or a combination thereof, affecting of~~ ten thousand (10,000) or more square feet of gross floor area or for tenant improvements on a site where the cumulative construction value exceeds \$500,000 over a five year period, the Public Works Director shall require the project to provide street improvements on public street edges of the property that comply with adopted City of Menlo Park street construction requirements for the adjacent street type. When these are required by the Public Works Director, the improvements do not count as community amenities pursuant to Section 16.XX.070. The threshold for the value of improvements shall be adjusted annually on the first of July, based on the ENR Construction Cost Index.

- (1) Improvements shall include curb, gutter, sidewalk, street trees, and street lights;
 - (2) Overhead electric distribution lines of less than sixty (60) kilovolts and communication lines shall be placed underground along the property frontage;
 - (3) The Public Works Director may allow a Deferred Frontage Improvement Agreement, including a bond to cover the full cost of the improvements and installation to accomplish needed improvements in coordination with other street improvements at a later date.
- **Green and Sustainable Building Regulations** – One of the key components of the proposed zoning regulations are the green and sustainable building regulations, which support the Guiding Principle and goals, policies, and programs to be a leader in addressing climate change and promote sustainable environmental planning.

Energy

Members of the public both praised the steps that Menlo Park is taking towards greenhouse gas reduction and raised concerns about potential unintentional consequences for creating a competitive disadvantage. The proposed regulations require all new construction, and additions and alterations over 1,000 square feet to be designed to meet varying LEED criteria. A few expressed concerns that the proposed LEED requirements for tenant improvements were onerous and could hinder attracting prospective tenants. Staff is proposing edits that would provide flexibility in the regulations while continuing to promote sustainable buildings. The proposed revisions would allow a property owner to upgrade the core and shell of an existing building to current California Energy Code and meet 100 percent energy demand through a combination of measures. If a property owner opts to upgrade the building, then any future addition or alteration of that building would be exempt from the LEED ID+C requirement for three code update cycles.

Since the October 19 Planning Commission meeting, staff has learned that the proposed on-site energy generation requirements trigger approval from the California Energy Commission (CEC), which is a separate review process that is expected to take six months. While the process can be onerous for local jurisdictions and require additional staffing resources and funding to take on the task, staff intends to pursue a local amendment to the Energy Code. The Energy Code is updated every three years, and staff would be required to seek approval each code cycle until such time the City no longer wishes implement the standards or the California Energy Code becomes more stringent. Until the City receives approval from the California Energy Commission, staff suggests edits to the proposed ordinances to establish an interim measure that does not require the State's approval. The interim measure requires projects to meet one hundred percent (100%) of energy demand (electricity and natural gas), where an applicant can meet this requirement through a combination of one or more measures, including on-site energy generation, but does not mandate on-site generation. If the CEC approves the energy regulations as proposed at the October 19

Planning Commission meeting, then on-site energy generation would be required for all new construction in the M-2 Area.

Water Use Efficiency and Recycled Water

Water use efficiency and recycled water is a component of the proposed green and sustainable building regulations. One proposed regulation requires buildings more than 100,000 square feet in gross floor area to prepare and submit a water budget and a separate regulation requires buildings 250,000 square feet or more in gross floor area to use an alternate water source for all City-approved non-potable applications and to prepare an Alternate Water Source Assessment which describes the plan for recycled water use for the applicable building. For these buildings (250,000 square feet and larger), a water budget will also be required. The intent is for the water budget to account for the recycled water offset, thus further reducing the potable water demand and the water budget allowance. The two measures work in tandem to support conservation of our water resources, and staff is suggesting revised language in the ordinances for clarity in implementation. As noted earlier in the report, staff is also proposing revisions to provide greater flexibility in how the requirement for recycled water can be met.

The proposed modifications to the green and sustainable building regulations are included as Attachment G.

Process and Next Steps

The City Council is scheduled to conduct two meetings on the proposed General Plan and M-2 Area Zoning Update (November 15 and 29), with a third meeting (December 6) to conduct the second reading of any ordinances. Staff would recommend that at the meeting of November 15, the Council open the public hearing to receive public testimony on the proposed project, ask clarifying questions of the staff and consultant team, and provide any guidance on topics that the Council may wish to receive feedback from the team or suggest modifications that would be presented at the November 29 meeting. The meeting of November 29 is intended for the Council's deliberations on the components of the project and action on the items.

Impact on City Resources

The General Plan Update scope of services and budget (\$1.5 million) was approved by the City Council on June 7, 2014, and amended in April 2015 to use contingency funds (\$150,000) to accommodate additional outreach. On October 11, 2016, the Council approved a scope of work and budget augmentation for \$87,000, which was appropriated from the General Plan Capital Improvement Fund for additional public outreach and to address comment letters received on the Draft EIR. The total consultant budget approved to date for the project is \$1,737,000. This amount does not include staff's time that has been spent on this project.

A Fiscal Impact Study (FIA) was prepared for the proposed project. On September 12, 2016, the Planning Commission discussed and provided comments on the FIA. The Commission requested additional information that would clarify what impacts were created as a result of the existing remaining development potential versus the proposed changes in the M-2 Area. In addition, following the Planning Commission meeting on the FIA, staff refined the corporate housing regulations for consistency with the EIR. The FIA has since been revised to account for these clarifications, and was attached to the October 19 Planning Commission staff report.

In summary, the revised FIA made a few adjustments, including showing the current General Plan buildout impacts separately from the proposed net new changes in the M-2 area per the request of the Planning Commission, refined the distribution of housing by school district to align with the EIR, and analyzed the potential for 1,500 residential units at the Facebook East Campus as corporate housing rather than multi-family residential dwelling units. The corporate housing land use would presumably result in no revenues from property sales, a less valuable product type, and no student generation since the proposed corporate housing regulations require occupants of the dwelling units to be employees of the site.

General Fund

The following table identifies the net fiscal impacts on the General Fund at buildout.

Potential Fiscal Impacts to Menlo Park General Fund			
	Project	Reduced Non-Residential Intensity Alternative	Reduced Intensity Alternative
Total Revenues	\$19,893,500	\$16,262,700	\$16,181,100
Total Expenditures	\$11,586,600	\$11,075,000	\$9,339,200
Net Fiscal Impact	\$8,306,900	\$5,187,700	\$6,841,900

Special Districts – Menlo Park Fire Protection District and School Districts

In addition to the City’s General Fund, the FIA considers the potential fiscal impacts to various special districts. The FIA analyzes impacts to the Menlo Park Fire Protection District (MPFPD) as well as the five school districts that serve the City.

The MPFPD serves Menlo Park, Atherton, East Palo Alto, portions of unincorporated San Mateo County, and operates three stations in Menlo Park. The primary source of General Fund revenues for MPFPD is property tax revenues, with other revenue sources from licenses and permits, monies from intergovernmental transfers, and service charges. Based on the revenue and expenditure estimates in the FIA, the project and both alternatives would have a positive net fiscal impact on the MPFPD.

The following table summarizes the net fiscal impacts on the MPFPD at buildout.

Potential Fiscal Impacts to the Menlo Park Fire Protection District			
	Project	Reduced Non-Residential Intensity Alternative	Reduced Intensity Alternative
Total Revenues	\$8,084,767	\$6,870,978	\$6,672,964
Total Expenditures	\$5,667,095	\$5,369,396	\$4,579,034
Net Fiscal Impact	\$2,417,700	\$1,501,600	\$2,093,900
*Figures are rounded and do not necessarily add up			

With the adjustments, the proposed project would continue to have a net negative fiscal impact on the Las Lomas and Menlo Park City School Districts, but this would result from the existing General Plan buildout. The proposed project would continue to have no fiscal impacts to the Ravenswood City and Redwood City School Districts since these Districts are Revenue Limit, which receive State funds to supplement local property tax to meet funding levels. Assuming 1,500 corporate housing units instead of multi-family residential units on the Facebook East Campus, the negative fiscal impacts to the Sequoia Union High School District would be reduced to approximately \$1.6 million/year, which is approximately 1.3 percent of the District's 2015/16 budget. At the meeting of October 19, 2016, staff distributed an updated Table 39D of the FIA, which is included as Attachment H. The table in the report does not include the multi-family units in the Ravenswood City School District that are allowed under the current General Plan, which affects the student generation estimates. However, the inadvertent error does not change the outcome because the district is a revenue limit district.

Environmental Review

A Draft Environmental Impact Report (DEIR) was prepared for the project and was circulated for public review and comment between June 1 and August 1, 2016. The Final EIR, which includes the response to comments, was released on October 10, 2016, and was considered by the Planning Commission on October 19 and 24, 2016. A summary of the EIR's impact analysis and the Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program are included in the October 19 Planning Commission staff report.

At the October 19 Planning Commission meeting, several members of the public commented on the need for greater protection of sensitive habitat near the edge of the M-2 Area, adjacent to the Don Edwards National Wildlife Refuge, and had questions about the revised clarifications in the biological resource mitigation measure in the EIR. The staff/consultant team recognized that there could be a potential error in the modified language and subsequently reviewed the proposed mitigation with the EIR consultant and biological consultant. At the October 24 Planning Commission meeting, staff distributed ConnectMenlo EIR Errata #2, which is included in Attachment I, which provides edits that further clarify the requirements of the site-specific Baseline Biological Resources Assessment (BRA) required under Mitigation Measure BIO-1. The updated mitigation measure includes the following items: 1) the BRA shall incorporate a broader study area than a set distance to ensure that sensitive habitat on a site and adjacent sites are evaluated, 2) the BRA shall incorporate guidance from relevant regional conservation plans, and 3) a qualified biologist shall make reasonable efforts to consult with the Refuge management to determine the potential presence or absences of sensitive biological resources and appropriate avoidance or compensatory mitigation measures, if required. None of the revisions constitutes significant new information as defined in CEQA Guidelines Section 15088.5; therefore, the Draft EIR does not need to be re-circulated. The Planning Commission generally believed the revised mitigation measure addressed the biological concerns that were raised at the meeting.

Public Notice

Public Notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting. Public notification also consisted of publishing a notice in the local newspaper, notification by mail of owners and occupants within a 1,250-foot radius of the M-2 Area boundary, and notification by mail or email to interested agencies, jurisdictions and individuals who provided comments on the Draft EIR. In addition, the ConnectMenlo project page is available at www.menlopark.org/connectmenlo. This page provides up-to-date information about the project page, allowing interested parties to stay informed of its progress.

Attachments

- A. Hyperlink to Planning Commission Staff Report from the October 19, 2016 Meeting
(<http://menlopark.org/DocumentCenter/View/12115>)
- B. Correspondence Received Since the Release of the Planning Commission October 19, 2016 Staff Report
- C. Planning Commission Minutes from the October 19, 2016 Meeting
- D. Planning Commission Draft Minutes from the October 24, 2016 Meeting
- E. Draft Revised Community Amenities Table
- F. Draft Revisions to the Definition of Height and Average Height
- G. Draft Revisions to the Green and Sustainable Building Regulations
- H. Revised FIA Table 39D
- I. ConnectMenlo EIR Errata #2

Report prepared by:
Deanna Chow, Principal Planner

Report reviewed by:
Arlinda Heineck, Community Development Director

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MEMORANDUM

DATE October 19, 2016
 TO Deanna Chow, Principal Planner
 FROM Terri McCracken, Senior Planner
 SUBJECT ConnectMenlo EIR Errata

This errata provides typographical corrections to Chapter 3, Revisions to the Draft EIR, of the Response to Comments Document. These changes were correctly described in Master Response 7, Transportation Analysis, under the subheading “Vehicles Miles Traveled” on pages 5-39 through 5-41 in Chapter 5, Comments and Responses, in the Response to Comments Document. The revised page and location on the page is presented, followed by the textual, tabular, or graphical revision. Underline text represents language that has been added to the EIR; text with ~~strike through~~ has been deleted from the EIR. None of the revisions constitutes significant new information as defined in CEQA Guidelines Section 15088.5; therefore, the Draft EIR does not need to be recirculated.

The following text on page 3-36 of Chapter 3, Revisions to the Draft EIR, of the Response to Comments Document is hereby amended as follows:

The text under subheading “Vehicle Miles Traveled,” on page 4.13-33 of the Draft EIR is hereby amended as follows:

The MPM model was utilized to provide an estimate of VMT for vehicle trips beginning and/or ending in Menlo Park. The VMT estimate is based on total vehicle for trips within the city, and one-half of all vehicle miles for trips that begin or end outside the city. Per ~~capita~~ service population VMT is based on VMT divided by the population (both residents and number of jobs within the city). Table 4.13-6 summarizes the estimated daily VMT per ~~capita~~ service population under 2014 Existing conditions. As shown, the VMT per ~~capita~~ service population under 2014 Existing conditions is 15 miles per person. ~~As a comparison to the regional average, VMT per person described in the 2013 Plan Bay Area EIR is 20.8 miles per person.~~

The following text starting on page 3-36 and ending on page 3-37 of Chapter 3, Revisions to the Draft EIR, of the Response to Comments Document is hereby amended as follows:

The text under subheading “Vehicle Miles Traveled Standards,” on page 4.13-56 of the Draft EIR is hereby amended as follows:

For purposes of this analysis, impacts on VMT are considered potentially significant if:

- The proposed project results in citywide VMT per ~~capita~~ service population that would exceed ~~15 percent below the existing~~ VMT per ~~capita~~ service population within the City of Menlo Park for the region. For purposes of this analysis, data from the ~~2013 Plan Bay Area~~ EIR was used to determine the regional average VMT per ~~capita~~ service population at 20.8 miles per person. The threshold is therefore 15 percent of 20.8 miles, or 17.7 miles per person.

Table 39 D: Projected Annual Impacts of the Project to the Ravenswood City Elementary School District at Buildout, 1,500 Units of Employee Housing Omitted from Student Generation Calculations

Project	Existing General Plan Development Potential (a)	Proposed M-2 Area Changes	Total (b)
Net Fiscal Impact to District	\$0	\$0	\$0
Projected Annual Property Tax Revenues	\$3,416,262	\$12,435,415	\$15,851,677
Change in Annual Revenues from ADA (c)	(\$2,373,862)	\$3,903,985	\$1,530,123
Less: Projected Annual Expenditures	(\$1,042,400)	(\$16,339,400)	(\$17,381,800)
Net Increase in Residential Units (d)	142	2,064	2,206
Multifamily	108	2,064	2,172
Single-Family	34	0	34
Net Increase in Students	74	1,156	1,230
Net Increase in Assessed Value (e)	\$1,044,632,935	\$3,802,531,958	\$4,847,164,894
Base 1% Property Tax	\$10,446,329	\$38,025,320	\$48,471,649
Assumptions			
Ravenswood Elementary School District Share of Base 1% Property Tax (f)			32.7%
Student Generation Rate			
Multifamily			0.56
Single-Family			0.39
Expenditures			
FY 15-16 Budget			\$46,522,928
2015-16 Estimated ADA			3,291
Average Cost per Student			\$14,136

Notes:

- (a) Existing General Plan Buildout Potential is the same for the Project and both alternatives.
 - (b) Total = Existing General Plan Development Potential + Proposed M-2 Area Changes.
 - (c) Ravenswood Elementary is a Revenue Limit District, which means that the district receives an allotted amount of State Aid per student and any changes in the amount of property tax revenues per student lead to an adjustment in State aid to maintain the allotted amount of per-student revenue received by the District.
 - (d) Net increase in residential units from the ConnectMenlo DEIR.
 - (e) Net increase in assessed value is based on the total increase in assessed value of each land use from the Project and Alternatives, as shown in Table 14, and the share of development of each land use that is expected to occur in the school district.
 - (f) Figure represents the Ravenswood ESD share of the base 1.0% property tax across all TRAs in Menlo Park that are within the Ravenswood ESD boundaries.
- Sources: Ravenswood Elementary School District, 2015; BAE, 2016.

From: Patti L Fry <pattilfry@gmail.com>
Sent: Friday, October 14, 2016 4:04 PM
To: _Planning Commission
Subject: Fwd: Additional comments General Plan Update
Attachments: Comments GPU ZO DEIR additional 20161006.pdf

Dear Commissioners, I see that the just-released staff report did not include this letter from me. I did not expect a response to it in the FEIR but think it is really important for you to recommend a) inclusion of measurable goals and metrics in the Land Use and Circulation Elements, b) adjustment of allowable non-residential FAR in acknowledgement that business practices regarding worker densities have changed and the General Plan Update and zoning amendments need to take them into account citywide, and c) moving forward with nexus studies so that impact fees are adjusted asap so that large projects will be paying their fair share of needed infrastructure improvements.

I hope you will take the time you need to both read, digest, and discuss each document before proceeding to others. Some have changed from prior versions. Example: the zoning ordinance amendments have changed from the GPAC recommendations to your May meeting, and again from what was published in the FEIR appendices to what is attached to the staff report issued today.

Details matter. This is the first comprehensive update since 1994.
Patti Fry

----- Forwarded message -----

From: **Patti L Fry** <pattilfry@gmail.com>
Date: Fri, Oct 7, 2016 at 10:09 AM
Subject: Additional comments General Plan Update
To: _connectmenlo <connectmenlo@menlopark.org>, City Council <city.council@menlopark.org>

Please for the record the attached comments regarding the General Plan Update.

Patti Fry

October 7, 2016

SUBJECT: General Plan Update and Zoning Ordinance Amendment Update DEIR - Additional Comments

Dear City of Menlo Park,

For the record, below are additional comments related to the General Plan Update (“GPU”) and Zoning Ordinance Amendment (“ZOA”), and related Draft EIR.

General Plan Update – If the city is serious about addressing the local and regional housing shortage, traffic congestion, and climate change, it will put quantifiable objectives and measurable milestones in the Goals, Policies, and Programs (“GPP”). The current General Plan has some metrics (e.g., related to traffic congestion), but the revised GPP’s do not. I do not believe there are ANY metrics. The City and community cannot manage what it does not measure.

If the City is serious about addressing the housing shortage rather than exacerbating it with its land use rules, about promoting alternative means of getting around other than vehicles, and attaining its stated climate change objective, there would be quantified goals (e.g., desired jobs/housing balance, total and average VMT, LOS for specific parts of our town’s roadway system, GHG emissions) related to these that are time-bound, with clear programs with measurable milestones that could realistically achieve the goals over defined timeframes. Such measurable goals and milestones must be identified in the Land Use and Circulation Elements of the updated General Plan.

Zoning Ordinance Amendments – There are several issues regarding the proposed Zoning Ordinance Amendments (“ZOA”). First, the only proposed changes are in the M-2 district whereas the current zoning rules need to be re-examined citywide since that has not been done comprehensively since 1994. It is unfortunate that the City Council directed the GPU/ZOA effort to consider zoning changes only in the M-2 zoning district. This limitation means that current zoning rules will guide future growth citywide through 2040. Most of the rules were put in place in 1994, when Menlo Park and the larger region were quite different in terms of population, jobs, traffic congestion, even roadway configurations (e.g., intersection of Sand Hill Road with El Camino didn’t exist until 2001), and business practices were very different.

Second, the proposed new Office and Life Sciences Districts allow significantly increased worker densities (and related housing demand) but ban housing in those two districts. The M-2 area west of highway 101 is an ideal area in which to allow more housing. It is near a shopping center, and closer to transit and schools. Allowing, even promoting, housing in that area could go a long way towards alleviating the shortage.

Third, both the proposed rules and the current rules would perpetuate, possibly worsen, an imbalance of jobs and housing. They ignore current business practices regarding office worker densities and market preferences for developing offices rather than residential or other commercial

uses desired by residents. An analysis of the rules in the El Camino Real/Downtown Specific Plan (“ECR/D SP”) and the proposed new Residential Mixed Use District (on pages 4 and 5) shows that additional development in these areas is likely to worsen, not alleviate, the housing shortage.

Note that it is very unclear what the proposed zoning rule changes really are. See the attached chart (page 3) that compares various versions from currently available City documents that I could find (not an easy task). The attached analysis evaluates each version; each version allows worsened housing shortage from new development in the proposed Residential Mixed Use District, some more than others. The General Plan Advisory Committee (“GPAC”) reviewed the Land Use Element draft, not the other versions. The EIR must be more clear what it is evaluating, and that should honor the hard work of the GPAC.

Last, the analyses provided herein assume current tech company worker density norms of 150 SF/office worker. The DEIR does not, assuming an average (including life sciences offices) of more than 300 SF/worker. This is not appropriately conservative for analyzing potential impacts of the GPU. We know that some companies are already using worker densities of only 75 SF/worker (see article <http://www.mercurynews.com/2016/08/03/menlo-park-amsterdam-firm-opens-co-working-space-in-belle-haven/>), with 400 desks in a 30,000 SF building.)

If the current and proposed rules that virtually ensure continued, probably worsened, housing shortages are not addressed in this process, the city could be accused of acting irresponsibly and could assume related risks.

EIR - I want re re-emphasize the need for the City to analyze Maximum Allowable Development (“MAD”) with existing and proposed rules citywide, including in the ECR/D SP area (the MAD in this area was never identified when it was adopted). Our community and decisionmakers need to know the results if every property were developed to the maximum it could be. The 1994 General Plan did that; this one should, too.

Thank you for your consideration,

Patti Fry

Menlo Park resident and former Planning Commissioner

Draft Land Use Element Oct. 2015: LU-13 to LU-14 from city website 7/25/16	Draft Zoning Ordinance for Planning Commission 5/23/16	GPU DEIR page 3-26 June 2016
<p>Office. “This designation provides for office and research and development uses, business-oriented community education and training facilities, supportive commercial retail and personal services, residential, and hotel uses. The designation also accommodates existing and new light-industrial uses that are not in conflict with existing or planned commercial or residential uses in the vicinity. Hotels are allowed as options in several locations. The maximum base FAR shall be 45 percent and the maximum bonus FAR with community amenities shall be 100 percent. Maximum FAR for retail and service uses shall be 25 percent and for hotels shall be 175 percent.”</p>	<p>Office (Attachment D pages 2, 4) “Maximum FAR at Base 45% (plus 10% commercial and 175% hotel, if allowed) Maximum Bonus FAR 100% (plus 25% commercial)” Maximum commercial 10% at Base; 25% at Bonus</p> <p>Office a Permitted use up to 250,000 SF. Requires CUP >250,000 SF</p>	<p>Office (O). “This district allows new high-tech office, R&D, and life sciences uses, along with supportive commercial retail and personal services for nearby employment and hotel uses. The district also accommodates existing light-industrial uses and new light-industrial uses that are not in conflict with existing or planned commercial, residential, or O district uses in the vicinity. Hotels are allowed as an option in several locations. The maximum base FAR shall be 45 percent, plus 10 percent for commercial uses. The maximum bonus-level FAR with community amenities shall be 100 percent, plus 25 percent for commercial uses. The maximum FAR for hotels shall be 175 percent.”</p>
<p>Life Sciences. “This designation provides for new life sciences and R&D uses, along with high-tech office and small-scale supportive commercial retail and personal services for nearby employment, residential and hotel uses. The designation also accommodates existing light-industrial uses and new light-industrial uses that are not in conflict with existing or planned commercial or residential uses in the vicinity. The maximum base FAR shall be 55 percent and the maximum bonus FAR with community amenities shall be 125 percent. Maximum FAR for retail uses shall be 25 percent.”</p>	<p>Life Sciences (Attachment E pages 3,4) Maximum Base FAR “55% plus 10% Commercial” Maximum Bonus FAR is “125% plus 10% commercial” Maximum commercial 10% at Base, 10% at Bonus</p> <p>Office a Permitted use up to 20,000 SF. Requires CUP >20,000 SF</p>	<p>Life Sciences (LS). “This district allows new life sciences and R&D uses, along with limited high-tech office and small-scale supportive commercial retail and personal services for nearby employment and hotel uses. The district also accommodates existing light-industrial uses and new light-industrial uses that are not in conflict with existing or planned commercial, residential, or LS District uses in the vicinity. The maximum base FAR shall be 55 percent, plus a maximum 10 percent for commercial uses. The maximum bonus-level FAR with community amenities shall be 125 percent, plus 10 percent for commercial uses.”</p>
<p>Mixed Use Residential. “This designation provides for higher density housing to meet the needs of all income levels. It also allows mixed use developments with integrated or stand-alone retail and services uses, and offices that comply with the purposes of the Office Designation. Retail uses can range from small-scale businesses that serve nearby employment to a large-format grocery that also serves adjacent neighborhoods. The Mixed Use Residential Designation is intended to promote live/work/play environments oriented toward pedestrians, transit, and bicycle use, especially for commuting to nearby jobs. Residential density shall not exceed 50 units per net acre. Maximum FAR shall be 50 percent for office uses, 25 percent for retail and service uses, and 100 percent for residential uses.”</p>	<p>Residential-Mixed Use (Attachment F pages 4, 5) Maximum residential Base “Floor area ratio shall increase on an even gradient from 60% for 20 du/ac to 90% for 30 du/ac.” Maximum residential Bonus FAR 200% with “>30 du/acre to 100 du/acre” Maximum commercial FAR is 15% at Base, 25% at Bonus Bonus FAR requires at least 15% of residential units “affordable housing” Office a Permitted use up to 20,000 SF. Requires CUP >20,000 SF</p>	<p>Residential – Mixed Use (R-MU). “This district allows high-density residential/retail mixed-use development along specific retail corridors. Retail uses can range from small-scale businesses that serve nearby employment to a large-format grocery that also serves adjacent neighborhoods. The district is intended to promote the creation of residential and residential mixed-use neighborhoods oriented toward pedestrians, transit, and bicycle use, especially for commuting to nearby jobs. Residential density shall not exceed 100 dwelling units per net acre at the bonus level. Maximum FAR shall be 25 percent for office, retail, and service uses, and 200 percent for residential uses at the bonus level.”</p>

THE PROPOSED GENERAL PLAN UPDATE AMENDMENT ALLOWS A WORSENERD HOUSING SHORTAGE

ConnectMenlo RESIDENTIAL MIXED USE DISTRICT										
The General Plan Update, draft Land Use element and Draft Zoning Ordinance Amendment seem to allow office to be between 0.25 and 0.50 FAR										
Below is an analysis of the built-in housing shortage perpetuated by the proposed Mixed Use Residential zoning, using a hypothetical 1 acre site.										
The other two, larger, proposed zoning districts (Office and Life Sciences) would increase the allowable square feet, therefore more jobs and housing demand but do not allow any housing.										
This analysis assumes that a developer maximizes the allowable office and maximizes the allowable housing units.										
<i>A housing shortage results with the detailed zoning rules provided in the draft Zoning Ordinance and draft General Plan Land Use Element</i>										
SOURCE DOCUMENTS	MAXIMUM FAR		MINIMUM HOUSING UNITS		MAXIMUM HOUSING UNITS		HOUSING DEMAND OFFICE @ MAXIMUM FAR		HOUSING SHORTAGE IMPACT (WORSENERD)	
	BASE	BONUS	BASE	BONUS	BASE	BONUS	BASE	BONUS	BASE	BONUS
GPU DEIR (3-26)										
Residential		2.00				100				
Office, Retail, service uses		0.25						57		[27, if minimum 30 units]
Draft Zoning Ordinance*										
Residential	0.60 to 0.90	2.00	20	30	20 to 30	30 to 100			4 to 14	27 to 43
Commercial	0.15	0.25					34	57		
Draft Land Use Element										
Residential		1.00				50				63
Retail/Services		0.25								[83, if minimum 30 units]
Office		0.50						113		
Assumptions										
1 acre site or 43,560 SF										
150 SF/office worker (Facebook and tech company norm)										
1.28 employed residents/household (assumption used in ECR/Downtown Specific Plan)										
*Office is a Permitted ("by right") use up to 20,000 SF. To exceed 20,000 SF of office, a project would require a Conditional Use Permit.										
Sources: General Plan Update DEIR June 2016; draft Zoning Ordinance, Planning Commission staff report 5/23/16; draft Land Use Element October 2015 (city website July 2016)										

When a developer wants to maximize office SF in the Residential Mixed Use District, the project would always cause more housing demand than the site could provide because the proposed rules allow so much office FAR.

The other two proposed Districts ban housing, so their upzoning also will add to housing demand and worsen the housing shortage.

THE CURRENT ECR/DOWNTOWN SPECIFIC PLAN ALLOWS A WORSENERD HOUSING SHORTAGE

ECR/D Specific Plan Perpetuates Housing Shortage											
The ECR/D Specific Plan has different maximum FAR (Base and Bonus) for its various zoning districts. It allows office to be up to										50%	of the FAR
Below is an analysis of the built-in housing shortage perpetuated by the current zoning, using a hypothetical 1 acre site.											
This analysis assumes that a developer maximizes the allowable office and maximizes the allowable housing units. In ALL cases, a housing shortage results.											
ZONING DISTRICT	MAXIMUM FAR		MAXIMUM OFFICE SF		MAXIMUM HOUSING UNITS*		HOUSING DEMAND OFFICE @ 50% FAR		HOUSING SHORTAGE EVEN IF HOUSING MAXIMIZED		LARGE SITES IN ZONING DISTRICT
	BASE	BONUS	BASE	BONUS	BASE	BONUS	BASE	BONUS	BASE	BONUS	
ECR NE-Low Density	0.75	1.10	0.38	0.55	20	30	85	125	65	95	
ECR NE	1.10	1.50	0.55	0.75	25	40	125	170	100	130	Greenheart Station 1300
ECR NE-Residential	1.10	1.50	0.55	0.75	32	50	125	170	93	120	
ECR SE	1.25	1.75	0.63	0.88	40	60	142	199	102	139	Stanford Middle Plaza; Big 5 shopping center
ECR NW	1.10	1.50	0.55	0.75	25	40	125	170	100	130	
ECR SW	1.10	1.50	0.55	0.75	25	40	125	170	100	130	Safeway shopping center
Station Area East	1.35	1.75	0.68	0.88	50	60	153	199	103	139	
Station Area West	2.00	2.25	1.00	1.13	50	60	227	255	177	195	
Downtown	2.00	2.25	1.00	1.13	25	40	227	255	202	215	
Downtown Adjacent	0.85	1.00	0.43	0.50	18.5	25	96	113	78	88	Menlo Church
* No minimum number of housing units required											
Assumptions	1 acre site or		43,560 SF								
	150 SF/office worker (Facebook and tech company norm)										
	1.28 employed residents/household (assumption used in ECR/Downtown Specific Plan)										

The housing demand is calculated by dividing the maximum allowed office FAR by the current office worker density to get the number of workers, and then dividing that by the average number of employed residents per household. For example, in the ECR-SE zoning district, the calculation at the Base level would be 1.25 FAR times 43,560 SF, multiplied by 50%, divided by 150 SF/office worker. The result is divided by 1.28 employed residents/household. Once the allowed housing density goes above 40 units/acre, then the average size is smaller than 500 SF when office is 50% FAR.

When a developer wants to maximize office SF, the project would always cause more housing demand than the site could provide because the rules allow so much office FAR.

From: [Patti L Fry](#)
To: [Planning Commission](#)
Cc: [connectmenlo](#); [CCIN](#)
Subject: General Plan Update/Zoning Ordinance Amendment FEIR Comments
Date: Wednesday, October 19, 2016 4:53:04 PM
Attachments: [Comments GPU FEIR Fry 20161019.pdf](#)

Please accept the attached comments on the FEIR for tonight's meeting.

I want to add that holding a meeting about topics so complex and important to our city's future on the same evening as a Presidential debate minimizes the opportunity for community involvement. Despite the many meetings, this is one of few to focus on the IMPACTS of the proposed changes.

Further, it is highly inappropriate to ask the Planning Commission (and the public) to digest thousands of pages in such a short amount of time. The staff report with 13 attachments was published Friday afternoon, the FIA on Saturday but not in track changes mode so it is impossible to see what was changed. Worse, the Commission is being asked to review the FEIR without benefit of reading comments about it, since comments are due at 5:30 the same day as this meeting. The City can do better. I hope the Planning Commission will utilize at least the scheduled 10/24 meeting to allow for more full consideration of all inputs.

Patti Fry

October 19, 2016

Subject: GPU/ZOA FEIR

Dear Planning Commission,

Following are comments about the GPU FEIR. I will be sending, separately, additional comments about other documents referenced in the staff report.

A general comment: the EIR is not just a legal requirement for CEQA. It also should be a useful planning tool. It is disappointing to find that many legitimate concerns about the DEIR were dismissed essentially on the grounds that a) the DEIR met the legal minimum evaluation or b) there wasn't enough "proof" that the concern constituted anything substantial.

A couple areas I would like to highlight, in addition to my prior communications:

Citywide Development must be evaluated distinctly – while it is true that the EIR must compare the Project with No Project (and Alternatives), in this case, both the Project and the No Project include the remaining buildout of the 1994 General Plan, which was not previously evaluated in an EIR.

As pointed out previously in my comments about the DEIR, included by reference, there are places in the EIR where the analysis only focuses on the changes in the Bayfront area. That skews conclusions and removes consideration of possible mitigation for impacts.

For example, in the Master Response about neighborhood cut-through traffic on page 5-42 and response on page 5-47, there is a discussion about traffic to/from employment sites in the Bayfront area to justify why there would not be additional cut-through traffic in the Willows related to the Willow/University intersection. *"Any project trips through this intersection during the PM peak hour would primarily be in the westbound direction, traveling towards downtown Palo Alto, and would thus not contribute to the lengthy delay in the reverse direction."* This totally ignores the fact that 44% of the jobs and non-residential SF are projected (per table 3-2) to occur in other parts of Menlo Park (i.e., west of hwy 101). The EIR must analyze distinctly the impacts of the growth that would be allowed by the existing General Plan. It is a discretionary decision whether to reaffirm that growth, so the impacts of it must be disclosed in the EIR.

It is impossible to tell whether all development has really been evaluated. For example, on page 3-19 the wording implies that only the Bayfront area is being examined: *"New projects within the Bayfront area, which is the only area slated for future development in the ConnectMenlo plan..."* There are numerous similar quotes.

Master Response 3, starting page 5-8 is not responsive to the question (I49-4, page **5-371**) about accuracy of the figures for the remaining buildout of the existing General Plan.

Additionally, there are many areas where the FEIR concludes that the impacts would be Significant and Unavoidable but does not require mitigation in the rest of the city (non-Bayfront Area) where 44% of the non-residential growth is projected, and 18% of the residential growth is projected). Although it is possible that some conclusions of SU impacts may not change, the actual impacts could be further reduced if measures were applied citywide. Examples: TDM, green building standards, parking restrictions (including maximums), bicycle parking. In error, the FEIR claims that it does do this when it does not. On page 5-7, *"The proposed policies of the Land Use and Circulation Elements and the proposed Zoning standards have been carefully prepared to reduce and/or avoid impacts to the environment as a result of future development in the city to the extent feasible."* And on page 5-256 it also claims "all feasible mitigation has been incorporated." It is feasible to reduce impacts by applying mitigation measures citywide.

Zoning Ordinance Amendments – Due to convoluted wording and inconsistencies between several of the proposed Zoning Ordinance Amendments, it is impossible for the public to understand what the FEIR really studied and what this aspect of the Project really is. These were not provided with the DEIR. The Land Use Element represents the “constitution” that the Zoning Ordinance and its amendments must follow. In this case, the Land Use Element represents the work of the GPAC and what was reviewed in the scores of ConnectMenlo public meetings. The inconsistencies of the proposed ZOA exist with both the October 2015 draft (last version from GPAC) and the current version of the Land Use Element. Specific examples:

- **Office District** - the LU Element states “*maximum base FAR shall be 45 percent and the maximum bonus FAR with community amenities shall be 100 percent. Maximum FAR for corporate housing shall be 60 percent, for retail and service uses shall be 25 percent, and for hotels shall be 175 percent.*” But the ZOA would allow a Base FAR of 45% plus 10% commercial, and a Bonus FAR of 100% plus 25% commercial, a total FAR increase of 10%-25% beyond what the LU Element states is the maximum. The LU says there is a maximum overall and limits within it for corporate housing and commercial uses but the ZOA says otherwise. As a contrast, In the C-2-B ZOA, it is clear that the maximum FAR cannot be exceeded even in a mixed use development. Additionally, there is no reference to an Office-H (for hotel) district in the ZOA, so it is very unclear what the allowable FAR is when a hotel is involved. Would a large project with a hotel be allowed 175% FAR even if the hotel portion of the project is relatively small, allowing the non-hotel part to exceed the Base 45% and Bonus 100% FAR? The Office-Corporate Housing provisions in the ZOA do not seem to include the RMU provisions about community amenities. This would be a major change from what was described in the EIR. The new Corporate Housing section states “*Floor Area Ratio. Maximum sixty percent (60%) ratio of residential square footage of the gross floor area of all buildings on a lot to the square footage of the lot*” That is very unclear. Is housing limited to 60% FAR or 60% of the total buildings?
- **Life Sciences District** – the LU Element states “The maximum base FAR shall be 55 percent and the maximum bonus FAR with community amenities shall be 125 percent. Maximum FAR for retail and service uses shall be 10 percent” But the ZOA would allow a Base FAR of 55% plus 10% commercial and Bonus FAR 125% plus 10% commercial.
- **C-2-B District** – the ZOA does not seem to allow housing among its Permitted Uses. What is listed there is “Multiple dwellings” (page E2) 16.40.010 (4)

Clarity and consistency are essential BEFORE the Commission and public can adequately evaluate the FEIR and ZOA.

VMT (Vehicle Miles Traveled) – The FEIR has modified the metric and the standard from what was disclosed in the DEIR. There are two problems with this. First the basis for the change, and second the use of the changed metric.

Basis for the change – In the FEIR the VMT metric is based on service population rather than per capita. This change was justified by incorrect reference (FEIR 5-228) to a “recommendation” of the state Office of Planning & Research. While the FEIR correctly references a checklist where the term “service population” is used as an optional metric along with “per capita”, That was not a recommendation or “preferred metric” (as stated FEIR 3-34), just a sample checklist question. That is the only place in the entire 57-page document (*Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA*, January 2016) where “service population” is used. Further in the document is a discussion of “Considerations of what VMT to count” (starting on page III:13) and recommendations regarding thresholds (starting page III:18). There is a section “Recommendation

regarding land use plans” on page III.25 where it states “As with projects, agencies should analyze VMT outcomes of land use plans over the full area that the plan may substantively affect travel patterns, including beyond the boundary of the plan or jurisdiction geography. Analysis of specific plans may employ the same thresholds described above for projects. The following guidance for significance thresholds applies to General Plans, Area Plans, and Community Plans.

A land use plan may have a significant impact on transportation if it is not consistent with the relevant RTP/SCS. For this purpose, consistency with the SCS means all of the following must be true:

- Development specified in the plan is also specified in the SCS (i.e. the plan does not specify developing in outlying areas specified as open space in the SCS)
- Taken as a whole, development specified in the plan leads to VMT that is equal to or less than the VMT per capita and VMT per employee specified in the SCS”

This OPR recommendation is to evaluate VMT using per capital AND per employee, NOT the combination of service population. And the recommendation is to compare VMT to the Regional Transportation Plan and Sustainable Communities Strategy

Use of the VMT metric – In the FEIR (3-35), there is a comparison of existing VMT per service population (residents plus employees) of 15 VMT against the 2013 Plan Bay Area VMT per person of 20.8. This is an inappropriate comparison. 2013 Plan Bay Area divides vehicle miles by population, not by service population; the latter adds employees to resident population. The comparison should be 28.4 per capita for Menlo Park. San Mateo C/CAG draft 2040 plan uses per capita also (page 39). A similar claim is made in FEIR 3-36- 3-37 incorrectly stating how 2013 Plan Bay Area did its calculation which is shown in its EIR 2.1-13 “The region’s per capita VMT is the total VMT divided by the population of the Bay Area.”

An accurate comparison to the Plan Bay Area per capita VMT of 20.8 and the threshold of 17.7 (15% below 20.8 VMT per capita) would be useful for planning and helpful when evaluating efficacy of mitigation measures. Here is such a comparison:

TABLE 4.13-13 DAILY VEHICLE MILES TRAVELED (VMT) PER SERVICE POPULATION COMPARISON: 2014 EXISTING AND 2040 PLUS PROJECT

Analysis Scenarios	VMT	Residents	Jobs	VMT per service population	VMT Per Capita
2014 Existing	934,722	32,900	30,900	15	28
2040 No Project	1,655,624	38,780	47,750	19	43
2040 Plus Project	1,449,337	50,350	53,250	14	29

Source: TJKM Transportation Consultants, 2016.

FEIR 3-40 Table 4.13-13

On page 5-64 a comment from California State Transportation Agency confirms use of per capita metric in our region: “These targets support the Metropolitan Transportation Commission’s (MTC) Sustainable Communities Strategy, which promotes the increase of non-auto mode shares by ten percentage points and a decrease in automobile VMT per capita by ten percent.”

The comparison with Plan Bay Area’s per capita average and goal should be regarded as a potentially significant impact that needs mitigation measures to reduce it. With Menlo Park’s aggressive climate change goals, improvement in both metrics (per service population or per capita) is critical.

For the future, and because mitigation measures could be different for residential VMT and non-residential VMT, **the Planning Commission should recommend that the City use and monitor separate metrics of VMT per capita, VMT per employee, total VMT, in addition VMT per service population.**

October 19, 2016

Greenhouse Gas Emissions – with a “substantial increase” projected despite aggressive City goals, the FEIR concludes this is a Significant and Unavoidable impact for which THE mitigation is to update the city’s Climate Action Plan by 2020. **The Planning Commission should recommend much more aggressive actions** than that. Example: Apply citywide the types of mitigation measures in the revised zoning for Bayfront Area. After all, 44% of the non-residential growth and 18% of the residential growth is projected to occur in other parts of Menlo Park. Also, move up the due date for revising the Climate Action Plan.

Employment Density - the FEIR fails to provide adequate information about its assumptions of office worker density. It merely provides a overly wide range (155-450 SF/worker, a nearly 3x difference). There IS a mathematical calculation behind what is in the EIR and that should be disclosed so the Planning Commission and public can evaluate whether that assumption is reasonable. The average across all non-residential growth is very high (approximately 414 SF/employee), using data from Table 3-2, when national and regional trends are for far less than that. If the assumptions, such as for office worker density, is “off”, the calculations about traffic, GHG emissions, etc. also could be “off”.

The Planning Commission should ask for more information; it is available and would fit the “good faith effort at full disclosure” goal of an EIR.

Public Services - Concluding that the Fire District does not need new facilities as a result of this growth is inappropriate. While the District has already determined that it needs new facilities, the type and location of such facilities and resulting potential environmental impacts are directly related to the District’s need to provide more services. The FEIR does not demonstrate that the facilities required for this much proposed additional growth are the same as what would be needed for growth without the Project. The Fire District’s opinion should be heeded.

The FEIR still does not address the need for additional park facilities such as sports fields to support a 50% growth in population from now (43% more than existing plus cumulative projects). The Planning Commission should ask for this. The amount of parkland per population is not the same as amount of available facilities. Common sense says more will be needed.

Schools – the EIR should say that there is a significant impact on schools that become LTS with the required mitigation of payment of statutory fees. It is inaccurate to assert that there is LTS impacts when the schools state otherwise and would exceed capacity. The FEIR asserts that the mitigation is the same as LTS impact (example 5-63).

Population and Housing – It defies common sense for the EIR (5-32) to continue to claim that Menlo Park’s massive growth, with a continued imbalance of jobs, would not cause the need for more housing to be built in a region that has a housing shortage: “The long-term policy framework would ensure adequate planning in the city would not necessitate the construction of additional housing elsewhere in the region.” The jobs/housing ratio is portrayed (5-34-5-35) as not becoming worse even though it is 17% worse with the Project than now.

Miscellaneous – The mitigation for Pop-4 page 2-27 makes no sense; it is an incomplete sentence. The VMT threshold on page 3-38 is incorrectly stated as “*The threshold is therefore 15 percent of 20.8 miles, or 17.7 miles per person.*” The threshold is either 15% below, or 85% of, 20.8 miles. As mentioned earlier, this is not “per person” but “per capita” so as to not confuse with “per service population”.

Respectfully submitted, Patti Fry, former Planning Commissioner

From: [Brielle Johnck](#)
To: [Planning Commission](#)
Subject: General Plan Comment Letters due 5 PM today.
Date: Wednesday, October 19, 2016 3:02:21 PM

Planning Commission,

It is a sad commentary on your interest in the public's reaction to the General Plan Update Final EIR that you have not been allowed a full week to read what will have been submitted today. This is the same schedule that was also set for the Final Facebook EIR.

The Final General Plan EIR contains new information that was not included in the Draft EIR. It would take hours to even locate this new information. It ranges from a new zoning designation to a change in the method used to determine the traffic impacts.

In addition your reviewing the Final EIR, you are also charged with the review of the Land use and Circulation Elements plus a revised Financial Analysis, amendments to the Zoning Ordinance. It is a stretch to believe that after completing these reviews, you are then supposed to evaluate the Draft for the Statement of Overriding Considerations! This General Plan will change Menlo Park as we know it today. Your task tonight is a grave one, indeed.

It is unprecedented that the City Administration and Staff has foisted on you this schedule and the Facebook schedule. Had you had time to read and absorb the comment letters filed today, you would be better prepared to do your job. So often residents are told that transparency at the highest government level is a priority in Menlo Park. Listening to the concerns of residents is a virtue repeated often by council candidates.

One of you needs to stand up and speak against this rush to approval.

Brielle Johnck

From: jackie leonard-dimmick <akita550@hotmail.com>
Sent: Saturday, October 15, 2016 3:51 PM
To: _Planning Commission
Subject: Zoning Changes - M-2

Dear Menlo Park Planning Commission:

I read in the October 12, 2016 issue of the "Almanac", 'Final Environmental Report Released on Plan Update," that Menlo Park is considering adding "2.3 million additional square feet of nonresidential buildings, foo hotel rooms and 4,500 residential units." This would result in "1,570 new residents and 5,500 employees to Menlo Park".

Why would Menlo Park even THINK of such a proposal? The city - as others on the Peninsula, continues to destroy the beauty and serenity of the Bay Area. We don't need more jobs, housing and people. We need fewer people! This proposal will not solve the problems we all face from GLOBAL WARMING, CLIMATE CHANGE, and RISING TIDES. In addition we will all be confronted with noise, air, and water pollution, an abundance of cars regularly parked on the street in residential neighborhoods, road rage, car accidents, lack of air flow, resulting in more air conditioners being used, adding more heat - and noise into the atmosphere, more crime, and the miss use of our natural resources, to name just a few. No one wants to live like chickens in a factory farm. This is not healthy financially, physically, emotionally or spiritually.

Most of our environmental problems are due to OVER POPULATION - internal and external. This can be prevented. Why not start hiring locally and encourage small families through education and tax incentives? This would do much to alleviate a lot of the homelessness and lack of affordable housing that is prevalent today, (The Law of "SUPPLY and DEMAND"). Start with the SOURCE, the CAUSE, of the problem, not the RESULT!

Instead of developing every little bit of land with hard rock, it could be converted into community gardens for the homeless. They would run, manage and eat from them. Whatever surplus there was, they could sell, expressing a sense of independence and sustainability.

Thank you for letting me share a different route to a happier and healthier planet along with the people who live on it.

Sincerely,

Jackie Leonard-Dimmick

From: aldeivnian@gmail.com on behalf of Adina Levin <alevin@alevin.com>
Sent: Sunday, October 16, 2016 10:09 PM
To: _Planning Commission
Subject: Review of General Plan and Final EIR

Dear Planning Commissioners and staff,

Thank you for considering the Menlo Park General Plan update and final EIR.

<https://www.menlopark.org/AgendaCenter/ViewFile/Agenda/10192016-2822>

Overall, the plan reflects extensive community input and consideration, and addresses the goals defined by a variety of community and stakeholder groups for a live-work-play environment in the Belle Haven / Bayfront area, providing housing including affordable housing to address the housing shortage, supporting economic growth, and providing services for residents and workers.

I urge you to consider these and other comments, and to affirmatively recommend the plan to City Council.

A few specific comments.

* The final EIR incorporated the recommendation from the Transportation Commission that the plan should consider stronger vehicle trip reduction requirements if and when transportation improvements are conducted. Thank you very much for incorporating this change which will help the city improve quality of life and reduce pollution/greenhouse gas emissions over time.

* The recommendation to phase office and housing development so as not to get extremely out of balance was categorized in the EIR responses as a policy matter. At earlier public meetings, staff and consultants responded that such phasing would be feasible (though not trivially easy). Therefore, I strongly urge the Planning Commission recommend a policy to ensure a level of phasing of housing and office development, so we do not see a situation where most of the office is built out before the housing, greatly increasing in-commuting and traffic impact.

* The staff report notes that based on earlier feedback from the General Plan Advisory Committee, "Level of Service" (vehicle delay at intersections) is planned to be retained as a transportation impact metric, in addition to "Vehicle Miles Travelled" as required by new state law. Menlo Park currently has highly sensitive LOS thresholds - if a new development adds driving and slows down intersections by less than a second, this can trigger a whole new round of transportation studies. This sensitive threshold is the factor that delayed the welcome, long-awaited mixed-use, developments on El Camino Real near downtown and Caltrain for a couple of years.

It is reasonable to keep LOS as an "advisory" metric to make sure that our transportation system is functioning and we don't have 15 minute delays at key intersections for users including car drivers, shuttle/transit passengers, cyclists and pedestrians. But it is unreasonable, contrary to the city's goals for mixed-use infill development to increase vibrancy and support today's preferences, and contrary to new state policy supporting the environmental benefits of infill development to keep hair-trigger thresholds. All this does is bolster efforts to slow development.

A good example is the long-desired grocery store in Belle Haven. Let's say that adding the grocery store adds 5 seconds of additional delay at lights in Belle Haven, but reduces the time for a Belle Haven resident to get groceries from 30 minutes to 5 minutes. Most would agree that this is a net benefit. Belle Haven residents (and workers running errands) will benefit from the improved access to desired services, even if they have to wait a bit longer at a light. Also, the round trip to get groceries is now less than 1 mile instead of 6 miles, reducing pollution and greenhouse gas emissions. These are key reasons why the state law changed - it is a net benefit to have infill development requiring less driving, even if there is some additional intersection delay.

I urge the Planning Commission to recommend a review of the LOS policy and thresholds to effectively complement the new VMT goals and to support the city's overall goals for mixed-use infill development and the environmental benefits of infill, while ensuring that our transportation system remains functional.

Thank you for your consideration,

- Adina

Adina Levin
Menlo Park

October 14, 2016

Deanna Chow
Principal Planner
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025

Re: New Public Street through 111 Independence Drive

Ms. Chow:

As the property owner of 111 Independence Drive in Menlo Park, I am hereby formally providing you with my notice of objection to the proposed "New Public Street" running through my property as part of the new zoning of the "M-2 Area" in Menlo Park. I have previously reached out to you to discuss the matter, but have not yet heard back.

Sincerely,

A handwritten signature in black ink, appearing to read "Massy Mehdipour". The signature is fluid and cursive, with a horizontal line extending from the end of the name.

Massy Mehdipour
SP Menlo LLC
111 Independence Dr.
Menlo Park, CA 94025

From: Mollie Naber <mollienaber@gmail.com>
Sent: Sunday, October 16, 2016 9:35 PM
To: _connectmenlo
Subject: General Plan

Hello Deanna,

Thank you for distributing the proposed update to the general plan by mail. I appreciate the reminder and opportunity to review!

My question is:

What percentage of the proposed 4,500 new residential units will be designated affordable for families/seniors/disabled people earning less than 80% area median income.

Best regards,
Mollie Naber

827 Marsh Road
Menlo Park, CA 94025
802-359-2421

From: Dan Tamada <dan.americanprinting@gmail.com> on behalf of Dan Tamada
<dan@americanprinting.com>
Sent: Monday, October 17, 2016 10:19 AM
To: Chow, Deanna M
Subject: M-2 Area Zoning Question

Hello Deanna,

My boss owns the building at 1100 O'Brien Drive in Menlo Park. We are an offset printing and copying business. It looks like the proposed zoning will be designated as LS Life Sciences. Will the new Zoning designation affect our business?

Thank you,
Dan Tamada
American Printing
1100 O'Brien Drive
Menlo Park, CA. 94025

From: [Leora Tanjuatco](#)
To: [_connectmenlo](#)
Subject: Comments for General Plan update
Date: Wednesday, October 19, 2016 3:49:58 PM

Comments on General Plan Update

We wholeheartedly support the purpose of this General Plan update. Our comments are focused on incentivizing housing production, alleviating the jobs/housing imbalance, and minimizing barriers to multi-family housing. We encourage the City of Menlo Park to allow for enough residential development to maximize the retail and commercial opportunities that are being created.

Draft Land Use Element

- In the Land Use Element Goals, specify how Menlo Park might “minimize potential environmental and traffic impacts” and “create vibrant commercial corridors”: (i.e. create housing close to businesses)
- A potential Land Use Element Goal: Meet the needs of Menlo Park’s current residents and workers by providing housing for all incomes.

Draft Circulation Element:

- In the Circulation Element Goals, include transit-oriented development, development in the downtown, and housing in the business park area to reduce traffic to and from commercial buildings and corporate campuses.
- Given the need in Belle Haven and San Mateo County, we recommend adding affordable housing to the list of corporate contributions and physical benefits.

R-MU Zoning:

Our members have contributed their comments for this section:

We are supportive of the purpose and intent of the Residential Mixed Use district. Our comments are focused on making sure that housing gets built as well as community amenities, focusing on potential impediments within the zoning code and flagging updates at the State level for consideration.

1. 16.xx.020, 16.xx.030, 16.xx.040. It should be clear that any of the proposed community amenities would be allowed as part of the project.
2. 16.xx.080. There is a new State law allowing developments containing affordable housing and located near transit reduced parking requirements. AB 744, an amendment to California’s density bonus law (Government Code Section 65915), was signed into law by Governor Jerry Brown on October 9, 2015. Menlo Park may wish to update the language of the ordinance to reference these updates. Menlo Park may want to consider allowing for lower parking ratios for affordable housing generally, especially as it relates to the new State law.
3. 16.xx.120. 2.B. The minimum setback requirement may add to costs or reduce the number of units that can be built. A huge part of making multi-family buildings cost effective is making everything stackable. A required 10’ horizontal set back above the base level height (40’) likely means that there will either be costly non-stacking conditions or that density would be impacted. 7.G. This requirement will make irrigation and drainage more challenging and will impact density due to parking ratio requirements.
4. 16.xx.130. 3.C. City should issue its proposed methodology in advance; 3.D. important to recognize that dual plumbing will add to the cost of development; 3.G. seems intended for

fountains but please clarify if it includes decorative landscaping; 4.A. the 24" requirement may have density impacts related to height limits and cost impacts on a site by site basis, especially related to ADA requirements; 4.B. this requirement is very vague as written; will there be a not to exceed amount set that developers can plan around?; 6.D and G. The bird-friendly design criteria are pretty strict and may require studies, which is a cost impact.

--

Leora Tanjuatco

Policy Director

Housing Leadership Council of San Mateo County

(650) 201-9889

2905 S El Camino Real

San Mateo, CA 94403

www.hlcsmc.org

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From: [Patricia Larkin](#)
To: [_Planning Commission; _connectmenlo](#)
Cc: [PlanningDept; CCIN; Ellison Folk](#)
Subject: ConnectMenlo General Plan Land Use and Circulation Elements and M-2 Zoning Update
Date: Wednesday, October 19, 2016 3:11:11 PM
Attachments: [image001.png](#)
[image003.jpg](#)
[LTR to Menlo Park Planning Commission re GPU 10.19.2016.PDF](#)

Dear Members of the Planning Commission:

Attached is a letter from Ellison Folk of this office regarding the ConnectMenlo General Plan Land Use and Circulation Elements and M-2 Zoning Update. Please contact me should you have any difficulty accessing the pdf.

Best regards,

Patricia Larkin

Legal Secretary

Shute, Mihaly & Weinberger LLP

396 Hayes Street

San Francisco, CA 94102-4421

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ELLISON FOLK
Attorney
folk@smwlaw.com

October 19, 2016

Via Electronic Mail Only

Planning Commission
City of Menlo Park
701 Laurel Street
Menlo Park, California 94025
E-Mail: connectmenlo@menlopark.org

Re: ConnectMenlo General Plan Land Use and Circulation Elements and M-2 Zoning Update

Dear Members of the Planning Commission:

The City of East Palo Alto submitted extensive comments documenting the inadequacies of the environmental impact report for the Menlo Park General Plan update. A copy of these comments is attached to this letter for your reference. East Palo Alto is disappointed that the final EIR does not address critical deficiencies in the environmental review for its General Plan update.

The General Plan EIR continues to underestimate the population growth that will result from the substantial increase in jobs associated with the update and their attendant impacts on housing and traffic in the region. East Palo Alto, in particular, has experienced substantial pressure on its housing market and transportation infrastructure while Menlo Park has reaped the benefit of job growth. The jobs-housing imbalance created by the General Plan update will only exacerbate these impacts.

Rather than downplay these impacts or assume they cannot be mitigated, Menlo Park should work with East Palo Alto to ensure that the costs and benefits of increased job growth are more equitably shared. Among other measures, Menlo Park should require new development pay its fair share of the cost of transportation infrastructure improvements in East Palo Alto that are necessitated by the new development. Menlo Park should also require new development to offset its impacts on population displacement and housing through a housing linkage fee that benefits not just Menlo

Park, but also East Palo Alto which currently provides much of the affordable housing in the region.

East Palo Alto is committed to working with Menlo Park to address the impacts of new development in the region. However, that work requires an adequate assessment of the impacts of the General Plan Update and potential mitigation measures. Therefore, East Palo Alto requests that Menlo Park reconsider the impacts of the General Plan update and make a concerted effort to address them before the project is approved.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP



Ellison Folk

Attachment

829054.1



RICHARDS | WATSON | GERSHON

ATTORNEYS AT LAW – A PROFESSIONAL CORPORATION

355 South Grand Avenue, 40th Floor, Los Angeles, California 90071-3101
Telephone 213.626.8484 Facsimile 213.626.0078

July 28, 2016

David M. Snow
dsnow@rwglaw.com

VIA U.S. MAIL AND ELECTRONIC MAIL

Sean Charpentier, Assistant City Manager
Guido Persicone, AICP, Planning Manager
City of East Palo Alto
1960 Tate Street
East Palo Alto, CA 94303

Re: Review of City of Menlo Park Environmental Impact Report for General Plan
Land Use and Circulation Element Updates (ConnectMenlo)

Dear Mr. Charpentier and Mr. Persicone,

Richards, Watson & Gershon (“RWG”) is pleased to assist the City of East Palo Alto in reviewing the Environmental Impact Report for City of Menlo Park’s proposed updates to the Land Use and Circulation Elements of the General Plan, also referred to as ConnectMenlo.

In reviewing the EIR, we have a number of concerns regarding the document’s accuracy and adequacy, which are set forth in the table attached to this letter. We believe that before the City of Menlo Park could certify the EIR substantial revisions are necessary and recirculation of a revised Draft EIR for further public review and comment is required.

Should you have any questions, please do not hesitate to contact me.

Very truly yours,

David M. Snow

cc: Valerie Armento, Interim City Attorney

City of East Palo Alto

Comments on Menlo Park General Plan Draft EIR

Draft EIR Section	Page Number	Comment
Project Description	3-30	<p>The Project Description states that the DEIR is analyzing the impact of the “full” development potential of the proposed Bayfront Area and the existing General Plan potential, but also states that it excludes the Facebook Campus Expansion and other cumulative projects.</p> <p>Given the geographic overlap between the Facebook Campus Expansion project and the Bayfront Area being analyzed in the General Plan update, the decision to <i>not include</i> the Facebook Campus Expansion project in the project creates the potential to underestimate the impacts of the General Plan update. The DEIR fails to adequately explain why the project does not include the Facebook Expansion project, as well as other projects that are within the geographic area covered by this General Plan update. This decision makes the DEIR confusing to decipher because it is not clear to a layperson whether the cumulative project impacts are already incorporated into the project impacts based on the planning for those sites. The DEIR needs to include a more expansive discussion of the overlap between the cumulative projects and the General Plan update. In addition, the DEIR should include substantial evidence to support these decisions.</p>
Environmental Evaluation	4-3	<p>The 2040 Horizon Development Potential states that the EIR is calculating population by applying the 2.57 persons per household generation rate. Why is this different from the 2.61 persons per household rate used in the Facebook DEIR?</p> <p>The City cannot choose to use different assumptions in two different EIRs that are being prepared simultaneously without providing substantial evidence to support that decision. The DEIR currently fails to include substantial evidence to support this distinction.</p>
	4-3	<p>In this section, the DEIR provides that employment is calculated based on certain employment generation factors. The DEIR does not, however, provide substantial evidence as to why those assumptions are reasonable. The DEIR should support the use of these employment generation figures with substantial evidence.</p>
	4-4	<p>The “Baseline” section provides a number of figures regarding existing conditions, but the remainder of the DEIR often fails to compare project build-out under the proposed General Plan updates to these existing conditions. This is a fundamental flaw in the current analysis in the DEIR. The DEIR seeks to compare the proposed General Plan build-out to ABAG projections and/or existing General Plan projections. The appropriate baseline, as stated here however, must represent the existing conditions on the ground at the time of the NOP. All potential</p>

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		project impacts and potential project plus cumulative project impacts should be compared to these baseline figures. In failing to include this comparison, the DEIR does not adequately analyze the project's impacts under CEQA.
	4-12	With respect to "Population and Housing," this section regarding cumulative impacts states that "impacts from cumulative growth are considered in the context of consistency with regional planning efforts." The cumulative population and housing impacts also must consider the impacts from the project plus cumulative projects as compared to existing conditions. As stated in our specific comments regarding the Population and Housing section, the DEIR's analysis cannot ignore the comparison between the actual cumulative plus project impacts and the existing conditions. Mere "consistency with regional planning efforts" does not adequately disclose the true project impacts and deprives the public of a meaningful opportunity to comment on the proposed project's true impacts.
Air Quality	4.2-21	The failure to analyze the Facebook expansion as part of the General Plan may result in the understating of air quality impacts, given the large impact that project will have on the number of employees in the City and vehicle trips. It seems less likely that the General Plan would be found consistent with existing air quality plans if the Facebook project was included in the General Plan as a reasonably foreseeable project.
	4.2-25	The analysis of consistency with existing air quality plans should focus less on the general policies of the proposed general plan update, and more on the proposed revisions to land use designations and possible increase in population, density, and vehicle trips. This section does not adequately explain whether the proposed general plan amendment would allow for higher densities that might conflict with the growth projections that are the basis of the Bay Area Clean Air Plan. It is not adequate to say that new development will comply with green building requirements – a lack of consistency could arise if the GP contemplates development that would exceed the population/employment projections in the Bay Area Clean Air Plan.
	4.2-33-34	As described above, the Facebook expansion project does not appear to be calculated as part of the projected population under the General Plan. This could result in the impacts of the general plan update with foreseeable projects being understated.
	4.2-34	See above. The finding of less-than-significant impacts does not take into account the Facebook expansion project being considered simultaneously with this General Plan amendment.
	4.2-39	This analysis should include projected changes in land use designation that would result in population growth, vehicle trips, and other factors that would result in air quality impacts in excess of the BAAQMD

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		regional thresholds.
	4.2-43-45	It is unclear how these general policies will result in a less than significant impact on CO hotspots. Development under the GP will result in more vehicle trips and more service vehicles that may idle. These general policies are not enforceable enough to reduce impacts to a less than significant level.
Biology	4.3-19 to 4.3-23	<p>Impact BIO-1: The EIR does not examine how increased activity in the project area and accompanying noise, light and runoff could cause direct or indirect impacts to special status species located at the adjacent Don Edwards National Wildlife Refuge.</p> <p>Although identified in the Facebook EIR, the General Plan EIR fails to address increased predation that may occur due to development adjacent to the Refuge.</p> <p>The EIR does not address the loss of special status species' nesting foraging habitat on remaining undeveloped lands in the Bayfront Area. The EIR does not describe any temporary impacts to special status species' habitat due to the removal of trees and/or vegetation until replacement landscaping is matured.</p> <p>The EIR does not identify which special status species in particular could be impacted by the Life Sciences designation of areas of marshland near University Avenue.</p>
	4.3-28	Impact BIO-7: The EIR states that potential impacts on proposed development on biological resources are site specific and fails to identify the scope of cumulative impacts. By contrast, the Facebook EIR identifies the geographic context for analysis of cumulative biological impacts as including the nine counties within the Bay Area. Thus, the EIR fails to identify and describe how development under the proposed General Plan in combination with other development in neighboring communities could impact the Don Edwards National Wildlife Refuge and the San Francisco Bay.
Greenhouse Gas Emissions	4.6-34	The Facebook Campus Expansion project should be analyzed as part of the General Plan for purposes of determining greenhouse gas emissions.
Hydrology	4.8-30	HYDRO-2: The discussion in the 2 nd paragraph compares the proposed project to the current General Plan. The DEIR needs to analyze the proposed project to <i>existing conditions</i> on the ground, as well as to the existing General Plan. The analysis should include a more robust discussion of the potential increase in impervious surfaces between the proposed project and existing conditions.
	4.8-31	The sentence that states "Under the Zoning update, no potable water..." includes a double negative that appears to be unintentional. I believe it should state that potable water shall not be used for

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		decorative features.
	4.8-32	A more robust discussion of the City's program to monitor the pumping of groundwater is required to disclose to the public and decision-makers how the monitoring would reduce impacts to groundwater.
	4.8-33	On this page, the DEIR should state "...the City of Menlo Park has adopted more stringent requirements <u>than</u> the C.3 provisions..." Also, for the purpose of disclosing information to the public, the DEIR should identify the specific C.3 provisions that are applicable in each instance.
	4.8-41	The section regarding Sea Level Rise should more directly address the fact that the proposed project encourages development in an area prone to sea level rise. The analysis should detail the number of new residential units and the amount of non-residential square footage that would be added in areas prone to sea level rise under the proposed project.
	4.8-44	The cumulative impacts analysis should discuss the connection between the proposed developments with respect to sea level rise. The discussion should explain how much development is being proposed in areas subject to sea level rise, and how Menlo Park plans to mitigate the risks of adding such development in those areas. In addition, the DEIR should discuss how Menlo Park will require that those projects contribute their fair share to projects intended to protect coastal developments from sea level rise.
Noise	4.10-30, 4.10-34	<p>Impact NOISE-3: On page 30, the EIR states that increases to ambient noise from car traffic would result in a substantial permanent increase in ambient noise levels. On page 34, the EIR states that there would be no roadway segments experiencing a substantial permanent increase in ambient noise levels. These conflicting statements should be reconciled.</p> <p>The EIR does not give a clear picture of how noise is expected to increase both with and without the project. It is unclear whether Table 4.10-10 includes the 2040 forecast conditions with the proposed project.</p> <p>It is unclear whether the increases at roadway segment #42 (O'Brien Drive at Kavanaugh Drive to Willow Road) and #72 (Chilco Street at Ivy Dive to Terminal Avenue) will be substantial. Table 4.10-10 indicates that there will be 3-5 dB increases at these points, but it is unclear what the normally acceptable standards are for each of these study points.</p>
Population and Housing	4.11-4	Given how drastically the Bay Area's housing market and population have changed since 2010, as highlighted in the Facebook Campus Expansion DEIR also prepared by Menlo Park, it is not appropriate to use statistics regarding the City's housing market from 2010.

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		<p>Moreover, it seems less appropriate to compare the figures for 2000 and 2010, as opposed to comparing figures from 2010 to 2015.</p> <p>The DEIR should provide the most recent available Census or American Community Survey (ACS) information and/or provide substantial evidence to support the use of the 2010 Census numbers as an appropriate way to analyze population and housing at this point. At the moment, the DEIR fails to provide substantial evidence to support the use of 2010 statistics given that ACS data is available for at least some of these figures from 2015, which is the appropriate baseline given the NOP date.</p>
	4.11-4	<p>The “Future Housing Needs” discussion (see footnote 10) appears to rely on the 2009 ABAG Projections, but the Facebook Campus Expansion DEIR and other portions of this DEIR rely on the 2013 ABAG projections. The DEIR must be consistent with respect to its sources regarding population and housing statistics and support the choice of sources with substantial evidence, especially if the DEIR is not relying on the most recent projections.</p>
	4.11-4	<p>Table 4.11-1 seems to rely on the 2013 ABAG projections, which do not take into account the Facebook Campus Expansion. That project is proposed to add 6,550 jobs to the City of Menlo Park. In light of that fact, how can the City rely on the ABAG projections with respect to anticipated growth in population, housing, and employment? The decision to rely on ABAG projections that do not take into account the Facebook Campus Expansion is not supported by substantial evidence. The General Plan DEIR cannot ignore a project that adds 6,550 jobs to the City, especially given that this figure represents more than a fifth of the City’s current jobs.</p>
	4.11-5	<p>POP-1: The title of the impact discussion phrases “POP-1” correctly that the threshold is whether the project will induce substantial population growth, either directly or indirectly. The analysis, however, fails to adequately compare the population, employment, and housing growth to existing conditions. The DEIR does not analyze the impact appropriately but instead of focusing on the threshold above, focuses on the following: “The proposed project would result in a significant impact related to population growth if it would lead to substantial unplanned growth either directly or indirectly.” This statement, and the analysis in this section, mischaracterizes the threshold of significance, and fails to adequately analyze the true impact of the proposed project as compared to existing conditions.</p> <p>Page 3-27 of the DEIR states that under the proposed project the changes in the Bayfront Area could result (directly) in new development potential as follows:</p>

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		<ul style="list-style-type: none"> • 2.3 million square feet of non-residential space • 400 hotel rooms • 4,500 residential units • 11,570 residents; and • 5,500 employees <p>The DEIR needs to analyze how allowing for all of this development induces population growth – <i>not</i> whether the General Plan <i>plans</i> for this growth.</p>
	4.11-16	<p>Again, in the conclusion for POP-1, the DEIR fails to analyze the allowable growth under the revised General Plan update as compared to <i>existing conditions</i>. The DEIR cannot simply conclude that implementation of the proposed project would not induce substantial population growth because the General Plan includes a planning framework for that growth. If that were the case, no planning document would ever induce population growth, which surely cannot be the case. The DEIR must disclose to the public the change in population growth and housing demands between <u>existing conditions</u> and the <u>build-out of the General Plan update</u>.</p> <p>While Table 4.11-2 appears to provide these figures for project plus cumulative and existing, it does <i>not</i> compare project (without cumulative) to existing conditions. The DEIR must include that comparison. Such a comparison likely would show that the proposed General Plan updates would induce substantial population growth from existing conditions.</p> <p>In addition, the analysis fails to adequately analyze the <u>housing demand</u> created by the employment positions generated by the full build-out of the General Plan update.</p>
	4.11-17	<p>Table 4.11-2 does not explain how 22,350 new employees would lead to only 17,450 new residents and 6,780 new households. The DEIR needs to include substantial evidence to support these calculations and explain the assumptions behind these figures. Otherwise, the public and decisionmakers are being deprived of a meaningful opportunity to comment on potential impacts.</p> <p>Also, 6,550 of these new 22,350 jobs presumably result from the new Facebook Campus Expansion. The DEIR for that project, however, drastically understates the potential growth in City population because of faulty assumptions regarding workers per household.</p> <p>This DEIR fails to explain how the new employees projected for the City by 2040 results in such a low number of new households. The DEIR must provide substantial evidence for the assumptions underlying these</p>

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	4.11-17 & 4.11-18	<p>calculations and more explicitly explain the origin of these figures.</p> <p>The DEIR calculates the new development potential under the Land Use and Circulation updates plus the existing General Plan’s development potential and then states that new growth under the proposed project would occur incrementally over a period of approximately 24 years. The DEIR then compares this growth to the ABAG 2013 regional growth projections.</p> <p>In large part, the use of those figures is irrelevant given that the “new development potential” does not include the Facebook Campus Expansion, which is anticipated to be completed by 2018 (or possibly 2022). The DEIR does not justify comparing only the project plus existing General Plan potential without including the cumulative projects to ABAG projections. Choosing to ignore the cumulative projects, especially the Facebook Campus Expansion, drastically understates the true effect of the project build-out, and confuses the timeline.</p> <p>This is especially true given that the timeframe for full build-out extends until 2040, but in actuality <u>over half</u> of the anticipated job growth from cumulative projects will be in place by 2018 or 2022 (depending on when the Facebook Campus Expansion is completed).</p> <p>Without comparing when the <i>job growth</i> will occur as compared to when the <i>residential growth</i> will occur between now and 2040, the cumulative impacts analysis fails to address all possible impacts. For example, if all of the job growth occurs at the beginning of the planning period, then a failure to discuss the timing issue would drastically understate the impacts to the housing market and the need to construct additional housing.</p>
	4.11-17	<p>The DEIR seeks to rely on certain policies in <i>Plan Bay Area</i> including transit-oriented and infill development policies to find that the project build-out would be consistent with <i>Plan Bay Area</i>. The DEIR fails to acknowledge, however, that project build-out (including cumulative projects, as is appropriate) would drastically worsen the jobs/housing balance in the City. The DEIR chooses to address only those portions of <i>Plan Bay Area</i> that are consistent with the General Plan, but fails to discuss the issue of jobs/housing balance, which makes the General Plan update <i>inconsistent</i> with <i>Plan Bay Area</i>.</p>
	4.11-18	<p>The DEIR fails to demonstrate the extent to which the proposed General Plan update would change the growth rates of population, households, and employment growth as compared to ABAG’s prior projections, and more importantly, as compared to existing conditions.</p> <p>According to Table 4.11-1 on page 4.11-4, Menlo Park’s population previously was expected to grow by 15 % between 2015 and 2040. The</p>

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		<p>number of households and employees was expected to grow by 13 % between 2015 and 2040.</p> <p>On page 4.11-17, Table 4.11-2 indicates that with the proposed project <i>plus cumulative projects</i>, the growth rate would actually be 53 % in terms of population, 52 % in terms of households, and 72 % in terms of employees. Regardless of whether ABAG is in the process of updating its projections, the project plus cumulative growth rates <u>drastically</u> exceed the ABAG projections from only <u>three years ago</u>.</p> <p>In order to fully understand the project's impact, this table <u>also</u> should include the percentage increase resulting from the project <i>without</i> the cumulative projects. Otherwise, the DEIR fails to disclose the project's impacts with respect to population growth.</p>
	4.11-18	<p>As stated above, the analysis regarding POP-1 fails to accurately apply the threshold of significance. The DEIR states that: "The General Plan serves as the City's constitution for the physical development of the city and is implemented by the Zoning Ordinance; thus, the aforementioned existing and proposed goals, policies, and programs, and zoning regulations would provide the long-term planning framework for orderly development under the proposed project through the 2040 horizon year."</p> <p>Relying on this general statement about the purpose of a General Plan, the DEIR concludes that therefore, "implementation of the proposed project would not induce substantial population growth, or growth for which inadequate planning has occurred, either directly or indirectly, and impacts would be <i>less than significant</i>." This conclusion misunderstands the threshold of significance.</p> <p>The DEIR fails to analyze the population growth that will be generated by the proposed General Plan update. The DEIR must compare the build-out of the plan <u>with existing conditions</u> in order to fully disclose the impacts with respect to population growth. At present, the analysis of POP-1 is inadequate to disclose the true impacts of the project to the public and the decisionmakers.</p>
	4.11-20	<p>POP-3: The analysis of the project's potential to displace substantial numbers of <u>people</u>, necessitating the construction of replacement housing elsewhere, is inadequate. Even without the cumulative projects, the General Plan update apparently allows for the construction of 5,500 new units, while allowing for almost twice that number of jobs (9,900). The DEIR currently states simply: "There are no plans for removal of existing housing under the proposed project, thus displacement of people would not occur." This statement misunderstands the threshold of significance for POP-3. In fact, that statement addresses POP-2, <i>not</i> POP-3.</p>

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		<p>The DEIR analysis of the displacement of <u>people</u> needs to discuss whether implementation of the project will result in the displacement of people – not just the actual removal of existing housing. In this instance, the DEIR must analyze how implementation of the project will create market pressures that might displace people and thereby necessitate replacement housing elsewhere. Specifically, this analysis should include a discussion of the project’s impact on the availability of affordable housing as compared to the jobs created by the project. In addition, this will require a discussion of the proposed timeline with respect to anticipated job growth and residential growth.</p> <p>Essentially, the DEIR needs to analyze how the proposed build-out of the General Plan update would affect the housing market, especially the availability of affordable housing units, specifically including impacts in the City of East Palo Alto. A potential lack of affordable housing could very well necessitate the construction of additional affordable housing and/or have impacts on commuting patterns and subsequently air quality impacts. At present, the analysis of this impact is grossly inadequate.</p>
	4.11-20	<p>POP-4: The second paragraph of this section again concludes that implementation of the proposed project would not necessitate the construction of replacement housing elsewhere. The DEIR fails to include any analysis of the project’s impact on housing needs and thereby fails to support the prior conclusion with substantial evidence. Without a discussion of the housing demand created by the expected population growth, and specifically a discussion of the housing demand at various income levels, the DEIR cannot conclude that the project implementation will not impact population and housing.</p> <p>The DEIR’s subsequent conclusion – that the impacts of the project plus cumulative conditions <i>also</i> would not displace housing or substantial numbers of people – is similarly unsupported by substantial evidence. The DEIR does not analyze the cumulative projects at all – entirely failing to explain whether any of the projects would displace housing units or have impacts on the housing market that would affect the availability of affordable housing and thereby necessitate the construction of additional housing elsewhere.</p>
	4.11-21	<p>The DEIR inappropriately compares the anticipated growth under the General Plan’s build-out to ABAG’s regional projections. The analysis concludes that the implementation of the project plus cumulative projects would result in a significant cumulative impact only because ABAG has not updated its projections. This fails to analyze the necessary impact, which is the anticipated growth of the project plus cumulative projects as compared to <u>existing conditions</u>.</p>

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		<p>Although it is sometimes useful to compare a revised planning document with regional projections or with a prior planning document, the analysis in an EIR must compare the build-out of a planning document with the existing conditions in order to fully disclose the impacts of the proposed project. The DEIR currently fails to analyze the project's cumulative impacts by ignoring the existing conditions in its analysis.</p>
	4.11-21	<p>Displacement Impacts: In connection with the Facebook Campus Expansion project, the City conducted an "Evaluation of Potential Displacements Impacts in East Palo Alto and Menlo Park's Belle Haven Neighborhood." With respect to the Facebook DEIR, the City of East Palo Alto commented that the Evaluation should have been updated in certain ways and included as part of the DEIR in order to demonstrate and support the potentially significant impacts to population growth and housing demand.</p> <p>Similarly here, the City of Menlo Park should conduct an evaluation of the proposed General Plan update's potential displacement impacts in the City itself, and in surrounding jurisdictions. Specifically, the evaluation must study the project's impacts on affordable housing demand in both the City of Menlo Park and surrounding jurisdictions. This evaluation is necessary to fully disclose the project's impacts to population growth and housing demand, and to disclose the potential to require the construction of new housing due to the displacement of people and households of different income levels.</p> <p>This analysis should be included in the DEIR's discussion of POP-1, POP-3, and POP-4 in order to fully analyze the project's impacts on inducing population growth, on the need for construction of new housing due to the displacement of people, and on cumulative impacts to population and housing.</p>
Public Services and Recreation	4.12-3	<p>The Existing Conditions states that the MPFPD serves approximately 90,000 people, and that there is a service ratio of .85 firefighters per 1,000 service populations. Why is this baseline different from the Facebook DEIR, which states that the MPFPD serves approximately 111,850 people and has a service ratio of .86 firefighters per 1,000 per service population?</p> <p>The City cannot choose to use different baselines in two different EIRs that are being prepared simultaneously without providing substantial evidence to explain that decision. The DEIR currently fails to include substantial evidence to support this distinction.</p>
	4.12-9	<p>The discussion of impacts to fire services states that there will be a less than significant impact because future project applicants will be</p>

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		required to pay all applicable fees as set forth on the City's Fee Schedule. It is not clear how the timing will work such that a potential future applicant pays its fair share of fees for necessary capital improvements, and how it will be determined when the "tipping point" has occurred such that new facilities are necessary. The DEIR should include further information to ensure that the GP update does not result in unmitigated future impacts.
	4.12-18	PS-4: This impact states the project, in combination with cumulative projects, "would not result in less-than-significant cumulative impacts with respect to police services." This appears to be a typo as it is essentially a double negative.
	4.12-20 and 4.12-23 through 4.12-24	<p>The Existing Conditions states (p. 4.12-20) that the City provides 244.96 acres of parkland for residents, with a ratio of 7.44 acres/1,000 residents. But, the Facebook DEIR states that the City only provides 221 acres of parks, for a ratio of 6.64 acres/1,000 residents. There is no explanation provided for these differing baselines.</p> <p>Furthermore, this difference becomes especially significant in terms of the impact conclusion. This GP DEIR states that upon buildout at Horizon Year 2040, there would still be 5.2 acres of parkland per 1,000 residents. But, if the parkland figure of 221 acres as stated in the Facebook DEIR is used instead, that ratio drops to 4.69 (221 acres divided by 47.1 [(32,900 + 14,150)/1000], the formula stated in footnote 45). This ratio is then <u>below</u> the goal of 5 acres/1,000 residents, and there is a significant impact to parks and recreational facilities. Accordingly, the DEIR understates an adverse impact caused by the project and should be revised and recirculated to address this deficiency.</p>
	4.12-26	<p>The discussion and conclusion in impact PS-6 states that the Menlo Park Community Services Department "has indicated the proposed project could require the construction of new or expanded recreation facilities" but then states that because it is not certain when the need for new or expanded facilities will arise, there is no adverse impact. This conclusion improperly conflates an adverse impact with the timing of mitigation. Because the DEIR acknowledges that new or expanded facilities will need to be constructed as a result of the population increase caused by this project, the project has an adverse impact which should be stated as such and mitigated as appropriate and feasible.</p> <p>Because the DEIR currently understates an adverse impact caused by the project, the DEIR should be revised to reflect the project's actual impact and should be recirculated for further public review and comment.</p>
	4.12-30	Table 4.12-3: This table contains information on existing capacity at

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		certain schools that is inconsistent with the information provided in the Facebook EIR. For example, the Facebook EIR states that Laurel Elementary had a 2014/2015 enrollment of 630, which means that there is less capacity than stated in this project's EIR. In addition, the Facebook EIR states that Hillview Middle School had a 2014/2015 enrollment of 833 (not 881). The baseline numbers for prior school year enrollment should be accurate and consistent across EIRs.
	4.12-45	The third paragraph on this page states that the project would result "in an incremental increase in demand for fire protection services to be accommodated by the Menlo Park Library." This appears to be a typo, otherwise the meaning of this sentence is unclear.
Transportation & Circulation	4.13-4, 5	The City of Menlo Park has one Priority Development Area (PDA) identified in the Plan Bay Area, however the location of the main land use intensification contemplated in the General Plan Update is outside of this PDA. Focusing new development in the Bayfront area calls into question consistency with the regional plan, and in particular the eligibility for transportation funding to support the various infrastructure improvements necessitated by the contemplated land use intensifications. This consistency issues is not adequately considered or analyzed in the Transportation and Circulation analysis.
	4.13-10, and generally for Section 4.13	The DEIR relies heavily on transportation demand management guidelines to address traffic impacts of new development contemplated by the General Plan Update. The DEIR must explain how the contemplated management guidelines are consistent with all local, State, and Federal statutes, and how they will be enforceable in the context of plan amendments. Further, because many of the impacted intersections are in the City of East Palo Alto, East Palo Alto must have a role in the monitoring that should include at a minimum, receiving all monitoring reports to verify compliance, and to receive a portion of any penalty fees assessed for non-compliance. Without inclusion of substantially more detail to ensure implementation of the TDM Guidelines will actually occur, this mitigation is not enforceable and cannot be relied upon to reduce the project's traffic impacts, including but not limited to the impacts in East Palo Alto.
	Figure 4.13-3	This figure does not include any information regarding bicycle or pedestrian facilities in East Palo Alto, which will be heavily impacted by traffic generated by the proposed land use intensification. The Figure, and existing conditions information must be augmented to include this information so that the Project's impacts can be adequately assessed.
	4.13-21	The discussion of other transit services needs to be expanded to include and address transit options in and through East Palo Alto that will be impacted by the land use intensification in the Bayfront Area. Specific consideration of SAMTRANS routes 397, 296, 297 and 281 must be considered and analyzed.

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	4.13-22	The analysis scenarios studied in the transportation and circulation section reflect cumulative impact analyses and none of them disclose the specific project impacts. A proper "project" level analysis would compare the 2040 buildout scenario with the 2014 existing conditions. However, the only analysis provided layers into the analysis the cumulative projects, like the hugely impactful Facebook Campus Expansion project. In so doing, the analysis hides the impacts of the general plan update project. CEQA requires both a project level analysis and a cumulative project analysis, and this EIR conflates the two. The DEIR admits this defect at page 4.13-89, where it states that "[t]he analysis of the proposed project, above, addresses cumulative impacts to the transportation network in the city and its surroundings; accordingly, cumulative impacts would be the same as those identified above." The DEIR must be revised to provide a meaningful project level analysis of the transportation and circulation impacts.
	4.13-22	Under discussion of the Travel Demand Modeling Methodology, the DEIR states that the Menlo Park City Model utilizes the same land use data categories, modeling assumptions, etc., as in the current C/CAG Model, but for model years 2013, 2020 and 2040. Using information for a model year 2013, however, would not capture significant changes that occurred after 2013, including but not limited to the various Facebook Campus projects that have been entitled and implemented during that time. Therefore, reliance on the out of date data and information calls into question the sufficiency and adequacy of the model and its results.
	4.13-23	The transportation and circulation analysis applies Dynamic Traffic Assignment to address what are referred to as unrealistic volume-to-capacity ratios. The analysis reroutes vehicles when congestion occurs, however, there is no clear explanation of how rerouting occurs. For example, to avoid congested areas, were the vehicles rerouted onto local streets as cut-through traffic? If so, these assignments are inconsistent with the various policies referenced in the analysis that discourage cut-through traffic on local streets. Further, to the extent that traffic is assigned to these other streets that are not analyzed in the DEIR, the potential impacts on those streets must be disclosed. Without disclosing how the DTA was implemented, the validity of the various assignments cannot be verified.
Transportation and Circulation	General Comment	Section 4.13 does not properly identify the study area intersections that are within the City of East Palo Alto's jurisdiction. These include: All major intersections along University Avenue; All major intersections along Bay from Willow to Pulgas; University and Woodland. Newbridge and Willow Avenue, Capitol and Donohoe Street, Cooley Avenue and Donohoe, East Bayshore Road and Donohoe, Euclid Avenue and East Bayshore Road/Donohoe Street, and US 101 Northbound and Donohoe Street.
	Table	The study area roadway segments and 2014 Existing ADT Volumes do

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	4.13-5	not reflect additional significant developments, including but not limited to the recent Facebook Campus projects. The ADT volumes should be updated accordingly to reflect 2015 baseline conditions. Further, this does not address or acknowledge any roadway segments in East Palo Alto.
	4.13-33	As noted above, the 2014 Existing Conditions does not capture significant projects, including the recently entitled and implemented Facebook Campus projects, which could account for a significant change in the existing conditions from those assumed in 2014. The existing conditions need to be updated accordingly.
	4.13-33	The DEIR states that the regional average VMT was determined by including the entire nine-county Bay Area region. A more refined analysis is necessary in this regard because of the unreasonable expansion to the entire nine county region for this project has the effect of inflating the average VMT, and thus hiding the true VMT impacts of the project. This analysis must be redone with the average VMT calculated using only the more proximate counties San Mateo, Santa Clara, Alameda, and San Francisco. Including the current analysis is misleading and fails to adequately disclose potential impacts.
	4.13-33	The roadway segment daily traffic volumes do not include critical street segments in East Palo Alto. At a minimum the segments studied must include those segments along University Avenue between Bayfront Expressway to the north and Woodland Avenue to the south, and the segments along the full length of Bay Road from Pulgas on the east to the transition to Newbridge Street continuing along Newbridge to Willow Road. Failure to include University Avenue results in a fundamental defect in the EIR that fails to disclose the potential impacts of the project.
	4-13-34	The concept of “unserved demand” is not adequately explained. Further, how this concept was applied in the traffic analysis is unclear and not adequately described in the study. CEQA requires disclosure of the analytical process to allow for meaningful public review. Failure to show the work related to the “unserved demand” factoring that went into the study makes it impossible for interested parties and the public to provide meaningful comment. A revised DEIR explaining this issue is required along with recirculation to allow for public review and comment regarding the new information.
	Table 4.13-7	The PM LOS of F for University Avenue and Woodland Avenue is not consistent with the Facebook Expansion EIR, Figure 3.3-9, which shows existing conditions as LOS E. This inconsistency must be reconciled.
	4.13-43	The 2040 No Project Conditions assumes certain “cumulative projects”, and yet it excludes the Facebook Campus Expansion Project. This inconsistency is problematic. Cumulative projects include those that are reasonably foreseeable, and typically include projects for which applications are pending.

Draft EIR Section	Page Number	Comment
	Table 4.13-8	This table states that there would be 47,750 jobs under 2040 no project conditions. This, however, is inconsistent with the Facebook EIR analysis of VMT, which states that there would be 41,200 jobs in the cumulative 2040 existing general plan. See Facebook EIR table 3.3-11 at page 3.3-47. This discrepancy of over 6,000 jobs undermines the accuracy of both analyses and must be corrected in both EIRs.
	4.13-44	The DEIR states that “by using the MPM model, [the peak hour traffic operations] forecast also incorporates anticipated changes to the jobs/housing balance in adjacent cities and throughout the region by 2040 that will affect peak-hour traffic patterns.” A further explanation of how this model reflects changes in East Palo Alto and other cities so that East Palo Alto (and others) can verify that the appropriate forecasts have been incorporated.
	4-13-44	The comment above regarding page 4.13-34 and the “unserved demand” concept apply here as well.
	Table 4.13-9	This table does not include any East Palo Alto segments. As noted above, at a minimum the segments studied must include those segments along University Avenue between Bayfront Expressway to the north and Woodland Avenue to the south, and the segments along the full length of Bay Road from Pulgas on the east to the transition to Newbridge Street continuing along Newbridge to Willow Road.
	Figure 4.13-9	<p>The 2040 No Project Intersection LOS is not consistent with the Facebook Campus Expansion EIR that was circulated concurrently with the General Plan Update EIR. Specifically, the LOS levels at University Avenue and O’Brien Drive (Intersection 39, AM peak); University and US 101 SB Ramps (Intersection 56; AM and PM peak); University and Woodland Avenue (Intersection 57; AM and PM Peak); and Willow Road and Gilbert Ave (Intersection 18; AM and PM Peak) are not consistent with those shown in Figure 3.3-21 of the Facebook EIR. Figure 3.3-21 is the cumulative 2040 existing general plan conditions, and thus should match Figure 4.13-9 of the General Plan EIR. Further, the PM peak LOS at the intersection of University Avenue and O’Brien Drive (Intersection 39) is inconsistent with Figure 4.13-9 in that an improved LOS A is shown in 2040 No Project, whereas existing conditions show an LOS B.</p> <p>These inconsistencies call into question the accuracy and adequacy of not only the General Plan traffic analysis, but also the Facebook Campus Expansion EIR’s analysis.</p>
	4.13-55	The discussion of impacts to pedestrian and bicycle facilities does not take into account East Palo Alto’s standards. Specifically, the East Palo Alto General Plan identifies University Avenue, Pulgas Avenue, and Bay Road as major bike routes. The analysis must take into account these major routes, the potential impacts that project may have on these routes, and the improvements that may be needed as a result of the proposed project.

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	4.13-56	The VMT standard utilized inflates the current conditions and thus hides the true impact of the proposed Project. Specifically, the EIR relies on a nine-county average VMT of 20.8 miles per person rather than the 15 miles per person document in the EIR as the current conditions in Menlo Park. By starting with the inflated VMT, the analysis hides the true impact of the land use intensification envisioned by the Plan, and leads to a less than significant conclusion when in fact land use mix will drastically increase the VMT above that existing. The VMT analysis must be redone with a more appropriate baseline VMT tailored to Menlo Park and adjacent areas.
	4.13-57	The study states that the 2040 No Project scenario includes shifts in background traffic pursuant to the Dynamic Traffic Assignment (DTA), but does not disclose how these shifts were done. The acknowledged outcome of this is the “apparent decrease in traffic” in certain locations, however there is no explanation or disclosure of the basis for these shifts. Further, to the extent that any of these shifts moved traffic to local streets as cut-through traffic, those assumptions conflict with the various policies that discourage cut through traffic on local streets. Specifically, how does this DTA process conform to various policies under Goal CIRC-2 related to neighborhood streets and minimizing cut-through traffic, and discouraging use of city streets as alternatives to or connectors of State and federal highways. See policies on DEIR p. ,13-60. Further disclosure of the application and implications of the DTA assumptions must be included in the DEIR, and recirculated for public review and comment.
	4.13-60	The City of Menlo Park will need to coordinate with East Palo Alto regarding implementation of various circulation policies, including updates to travel pattern data per Program CIRC-1.D, and Regional Transportation Improvements per Policy CIRC-2.15.
	4.13-62, 63	The DEIR concludes that there will be significant unmitigable impacts on various roadway segments. Prior to overriding these significant and unmitigable impacts, all feasible mitigation must be adopted, including mitigation that may require implementation in the City of East Palo Alto. Specifically, mitigation must be considered for University Avenue in East Palo Alto, including improvements for pedestrian and bicycle users. In addition to specific mitigation measures, and funding, impacts could be addressed by changing the mix of uses to include additional residential opportunities in the Bayfront Area.
	4.13-63	The comments above regarding page 4.13-34 and 4.13-44 and the “unserved demand” concept apply here as well.
	Figure 4.13-11	The 2040 plus Project Intersection LOS levels on this figure are not consistent with those in the Facebook EIR, Figure 3.3-25. Specifically, the LOS on Figure 4.13-11 is worse than that shown in the Facebook EIR for the intersections of University and Obrien (Intersection 39, AM and PM peak); University and Runnymede (Intersection 52, PM peak);

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		University and Bell Street (Intersection 53; PM peak); Willow and Newbridge (Intersection 33; PM peak); Willow and Coleman (Intersection 19; AM peak); University and 101 SB Ramps (Intersection 56; PM peak); and University and Woodland Ave (intersection 57; PM peak). These inconsistencies call into question the accuracy of both the General Plan Update traffic study and the Facebook Expansion Project EIR, and must be addressed in both documents.
	4.13-70	Mitigation Measure TRANS-1b. must take into account the infrastructure needs that the intensified land uses enabled by the General Plan Update will necessitate not only in Menlo Park, but also East Palo Alto. The mitigation measure must be modified to specifically acknowledge that the TIF program will account for and collect funds for improvements needed in East Palo Alto and a mechanism to transfer those funds to East Palo Alto to pay for the needed improvements. The funding should take into account pedestrian, bicycle, transit and vehicular improvements necessitated by the land use intensification in the General Plan Update.
	4.13-71	The discussion of Willow Road and Hamilton Avenue (intersection 36) states that improvements are not recommended because of the potential to encourage cut-through traffic, and yet, the discussion concludes that the improvement should be incorporated into the updated free program. The inconsistency should be reconciled.
	4.13-71	Mitigations for Bayfront Expressway and Willow Road (intersection 37) and Bayfront Expressway and University Avenue (intersection 38) defer determinations as to feasibility to some unknown point in the future. The feasibility of these measures must be determined now, and if feasible must be incorporated as binding and required mitigation measures.
	4.13-72	Mitigation for University Avenue and Bay Road (intersection 51), University Avenue and Donohoe Street (intersection 54), and University Avenue and US 101 Southbound Ramps (intersection 56) call for various intersection modifications and improvements. Any such improvements must be reviewed by and, if acceptable, coordinated with the City of East Palo Alto. Further, the proposed TIF program must include a specific mechanism for transferring funds to East Palo Alto for any such improvements. The process for determining an individual project's fair share must be clearly set forth and ensure that impacts in East Palo Alto are fully mitigated.
	4.13-73	The EIR states that the existing VMT in Menlo Park is 15 miles per person, and yet the nine-county average is used for determining whether the project would reduce VMT. The analysis should be redone with a more appropriate baseline VMT that reflects only those areas more proximate to Menlo Park rather than the inflated nine-county VMT.

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	4.13-75	The EIR states that there are 3 CMP intersections studied, however, those intersections are not clearly identified. Further, the EIR states that not a single CMP roadway segment was analyzed. These defects call into question the adequacy of the CMP analysis, and further study and disclosure is required. AS presently drafted there is not sufficient evidence to support the conclusion that CMP impacts would be less than significant.
	4.13-80-81	University Avenue is a critical street for emergency responders in East Palo Alto, and as such the substantial increases in traffic on this roadway have the potential to impact the ability to timely respond to emergency situations and transport patients to medical facilities. This impact must be more fully analyzed and disclosed in a revised and recirculated EIR.
	4.13-82	The EIR (and General Plan Update) must specifically consider how policies CIRC-2.4 (Equity) and CIRC-2.6 (Local Streets as Alternative Routes) will be coordinated with the City of East Palo Alto. Specifically, the needs of transit dependent areas of East Palo Alto will require additional pedestrian, bicycle, and transit enhancements as a result of the Project's land use intensification. Further, the increased traffic caused by the Project will result in inevitable impacts to local streets in East Palo Alto, and Menlo Park must assist East Palo Alto in addressing those impacts.
	4.13-86-87	Mitigation Measure TRANS-6a calls for an update of the Menlo Park Transportation Impact Fee (TIF) program. Part of the program involves undertaking a nexus study. Any such nexus study must include not only improvements in Menlo Park, but also all improvements in East Palo Alto to determine what components will be funded through the TIF program, and the appropriate percentage of contribution from Menlo Park projects. We request that Mitigation Measure Trans-6a be modified to specifically require inclusion of East Palo Alto improvements, and involvement of the City of East Palo Alto in the development of the scope of and methodologies for the nexus study.
	4.13-87	Pedestrian improvements are called out for University Avenue, however, there is no discussion of needed bicycle improvements. The analysis and discussion of needed improvements must be expanded to address bicycle needs.
	4.13-88	Mitigation Measure TRANS-6b must also account for shuttle service in East Palo Alto, including in the Shuttle Fee program component of Menlo Park's nexus study.
	4.13-88	Impact TRANS-6c states that it would result in traffic delays at University Avenue, thus adversely impacting the performance of transit services and increases in transit costs. Mitigation measure TRANS-6c makes no reference to mitigating impacts along University Avenue. The mitigation measure must be modified to address the identified impacts.
Utilities and	4.14-17	The DEIR's discussion of future water demand is inaccurate and fails to

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Service Systems	through 4.14-19	<p>sufficiently state the extent of the future demand. First, despite the significant population increases caused by the Facebook Expansion Project, the GP DEIR fails to include the Facebook project as part of the project's future water demand, instead simply calling it a currently planned but separate project (p. 4.14-19, Table 4.14-2, note b; WSE, Table 7). There is no explanation as to why this significant project is not analyzed as part of the GP project.</p> <p>Furthermore, the analysis of the Facebook project's water demand is incomplete because it fails to account for the proposed hotel use on the site. The analysis accounts only for new workers in the office buildings (6,400) and new workers in the hotel (150) but fails to account for any guests in the hotel. As stated in the Project Description for the Facebook EIR, the hotel would include a 200-room, limited service hotel with office space, food and beverage areas, a fitness room, pool, and deck areas. Plainly, hotel guests will use water over and above that used by hotel workers, yet the Facebook DEIR fails to account for any such use. As a result, that Project's water demand is understated.</p> <p>Moreover, the Facebook DEIR cherry-picks when it assumes that no employees currently work at the site and, in the case of water supplies, takes credit for existing uses in order to understate the Project's water demands. For example, in discussing solid waste, the Facebook DEIR states that it "assumes that no employees currently work at the Project site; therefore, it is assumed that no solid waste is currently generated at the Project site." (Facebook DEIR, p. 3.14-28.) Yet, in discussing water demand, the Facebook DEIR states that the total existing annual water use is 58 mg, and therefore essentially takes credit for that use in concluding there will be a net annual water demand of only 30 mg (rather than the Project's stated demand of 88 mg).</p> <p>Because the annual water demand for the Facebook project is 88 mg and not 30 mg, the GP EIR understates future water demand by claiming that "other planned projects," which includes the Facebook project, will have a future water demand of only 31 mg combined. The total water demand will, in fact, be significantly greater. The GP DEIR should be revised and recirculated with a proper statement of the project's water demand.</p>
	4.14-24 through 4.14-25, 4.14-27; 4.14-29 through 4.14-30	<p>The DEIR's analysis of impacts to water supplies is significantly flawed and fails to acknowledge or attempt to mitigate the Project's adverse impacts. The DEIR acknowledges that the proposed project creates an incremental water shortfall of approximately 21 percent in 2040 during single dry years and between 17 and 31 percent during multiple dry years between 2020 and 2040. Thus, the Project will have a significant, adverse impact on water resources.</p>

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		<p>Despite this, the DEIR states that MPMWD has developed a Water Shortage Contingency Plan which will “manage” shortages by reducing water demand up to 50%. The DEIR then assumes, without any basis, that unstated measures from this Plan will reduce the total future potable water demand within the MPMWD service area, and therefore the Project will not create any impacts. There is simply no support for this conclusion. The DEIR fails to discuss any of the measures or explain how they will achieve a 50% reduction in water demand. Accordingly, the conclusion of a less than significant impact is wholly unsupported.</p> <p>The DEIR’s analysis of cumulative impacts is similarly flawed, and is based on the same deficient analysis which assumes, without support, that unspecified measures would reduce demand so greatly that the acknowledged water supply shortages would cease to exist. There is no support for this conclusion.</p>
	4.14-56	<p>MM UTIL-10: This mitigation measure purports to address the acknowledged cumulative impact to solid waste facilities, but it is an illusory mitigation measure that does not sufficiently reduce impacts. Specifically, the measure only states that the City shall “continue its reduction programs and diversion requirements” and “monitor solid waste generation volumes in relation to capacities at receiving landfill sites to ensure that sufficient capacity exists....” Neither of these activities addresses the prospect of what happens if sufficient waste is not diverted or if landfill capacities reach their maximum prior to the horizon year for the GP project. Accordingly, this mitigation measure does not actually demonstrate that impacts will be reduced to less than significant.</p>
	4.14-80 through 4.14-81	<p>The DEIR fails to adequately discuss transportation-related energy impacts. The DEIR assumes, without support, that future technology will further the goal of conserving energy and thus the project will have less than significant energy impacts. There is no support for this conclusion.</p>
	4.14-81	<p>The DEIR fails to include any analysis of <u>cumulative</u> transportation-related energy impacts. The single sentence analysis states only that the discussion in the preceding section (UTIL-13) describes the project’s impacts “in relationship to the PG&E service territory and therefore, includes a discussion of cumulative impacts.” The analysis of energy impacts related to PG&E does not include any analysis of transportation-related energy impacts, including depletion of fuel resources. These impacts are likely to be significant given the cumulative increases in population through the horizon year of 2040. The DEIR must be revised and recirculated to include this analysis.</p>
Alternatives	5-3	<p>The alternatives section considers only two alternatives, in addition to the No Project alternative required by CEQA. This number of alternatives does not reflect an adequate range of reasonable</p>

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		<p>alternatives to the Project.</p> <p>The Analysis must be expanded to include, at a minimum, an alternative that would include additional residential land uses while reducing other land uses or allowed intensities of non-residential land uses in order to further the objectives of improving mobility for all travel modes and preserving neighborhood character. An alternative that would incorporate additional residential land uses would also further the other objectives of establishing and achieving the community's vision, realizing economic and revenue potential by helping to meet the pent up demand for housing in the project area and neighboring communities. Further, an expanded residential component could still directly involve Bayfront Area property owners and streamline development review. Therefore, failure to meet objectives is no basis for rejecting this alternative, and in fact, the EIR provides no evidence for why such an alternative was not considered. Including additional residential development opportunities while reducing other land uses (or intensities of such land uses) could reduce or eliminate significant and unavoidable air quality, greenhouse gas, housing, and transportation/circulation impacts. As such, the alternatives analysis and the EIR are inadequate without consideration of this type of alternative. A revised EIR must be prepared, including the additional alternatives analysis, and must be recirculated for review pursuant to CEQA Guidelines Section 15088.5 (a)(3). Finally, the narrow selection of the alternatives serves to unduly limit the policy choices available to the decision makers by failing to disclose the availability of an enhanced residential alternative and the potential environmental benefits of such an alternative.</p>
Alternatives	5-11	<p>The analysis of the land use impacts of the No Project alternative, states that "the enhanced General Plan Land Use and Circulation Elements [sic] goals and policies that better promote sustainability and circulation improvements would not be adopted." However, in the very next paragraph the analysis concludes with an inconsistent statement that "because the No Project Alternative would result in development in the same setting and would be subject to the same existing land use regulations, including Mitigation Measure LU-2, which would ensure future projects in Menlo Park are consistent with the City's General Plan policies, land use impacts when compared to the proposed project, would be similar." The discussion and analysis of the land use impacts of the No Project alternative needs to be revised and made internally consistent.</p>
Alternatives	5-11; 5-12	<p>The noise analysis of the No Project Alternative fails to take into account the impact of noise resulting from increases in traffic. Both the Project and the No Project Alternative will result in increases in traffic levels, and thus increased in traffic related noise. The discussion of the No Project Alternative noise impacts not only ignores this source of impact, but provides no comparison to the increased traffic noise</p>

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		associated with the Project. This analysis, when provided, must include analysis and disclosure of the potential noise impacts that will accompany the many significant and unavoidable traffic impacts, including those in the City of East Palo Alto.
Alternatives	5-12	The discussion of housing impacts of the No Project Alternative concludes that the impacts would be less than that of the proposed project. This, however, is not supported by the fact that the Project provides more housing than would the existing General Plan, and thus would have fewer impacts on housing demand in light of the increase in housing opportunities.
Alternatives	5-23	The noise analysis of the Reduced Non Residential Intensity Alternative fails to take into account the impact of noise resulting from increases in traffic. Both the Project and the Reduced Non Residential Intensity Alternative will result in increases in traffic levels, and thus increased in traffic related noise. The discussion of the Reduced Non Residential Intensity Alternative noise impacts not only ignores this source of impact, but provides no comparison to the increased traffic noise associated with the Project. This analysis, when provided, must include analysis and disclosure of the potential noise impacts that will accompany the many significant and unavoidable traffic impacts, including those in the City of East Palo Alto.
	5-24	The population and housing discussion of the Reduced Non Residential Intensity Alternative concludes that the impacts of this alternative would be similar to the proposed Project. This, however, does not seem to take into account the reduction in the housing demand that would accompany the reduction in the amount of job producing development. As such, it appears that the impacts on housing demand would be reduced, and that there may also be a reduction, when compared to the existing Project, because of the reduction in the employment contemplated by the Project and thus a reduced impact with respect to the new employees and their demand for housing. The analysis should be revised to reflect this type of analysis.
	5-26	In discussion of the Reduced Non-Residential Intensity Alternative, the EIR acknowledges that no traffic model run was completed. We request that model runs be undertaken for this and the Reduced Intensity alternative in order to provide meaningful information with which to compare the alternatives to the Project. The model should also be run for the Reduced non-residential, increased residential alternative suggested above.
	5-29	The discussion of the Air Quality impacts concludes that impacts will be less than the project, but does not disclose whether the residual impacts would be significant and unmitigable or not. The analysis must be revised to include this additional information.
	5-34	The noise analysis of the Reduced Intensity Alternative fails to take into account the impact of noise resulting from increases in traffic. Both the

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		Project and the Reduced Intensity Alternative will result in increases in traffic levels, and thus increased in traffic related noise. The discussion of the Reduced Intensity Alternative noise impacts not only ignores this source of impact, but provides no comparison to the increased traffic noise associated with the Project. This analysis, when provided, must include analysis and disclosure of the potential noise impacts that will accompany the many significant and unavoidable traffic impacts, including those in the City of East Palo Alto.
	5-35	The population and housing discussion of the Reduced Intensity Alternative concludes that the impacts of this alternative would be less than the proposed Project. This, however, does not explain the increased housing impacts associated with additional jobs and the offset of the additional housing units contemplated in the Alternative. The analysis should be revised to reflect this type of analysis.



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RE: Final Comments on Transportation and Circulation Section of Menlo Park
General Plan Draft Environmental Impact Report (DEIR) (June 1, 2016)

Dear Guido:

This letter presents my comments on the Section 4.13 Transportation and Circulation of the DEIR for ConnectMenlo: General Plan Land Use & Circulation Elements and M-2 Area Zoning Update (City of Menlo Park, June 1, 2016). It was prepared in accordance with my Agreement with the City of East Palo Alto dated June 20, 2016. This version incorporates changes to reflect feedback from you and David Snow during our telephone discussion on July 21, 2016.

I used the prefix "TC" for my numbered comments.

TC 1 - Page 4.13-1, second paragraph states "...information in this chapter is based **in part** on travel demand....analysis...conducted by TJKM Transportation Consultants." Please identify what other information is based on.

TC 2 - Page 4.13-1, same paragraph notes the "analyses were conducted in accordance with the standards...(City)...(C/CAG)." Other agencies' standards are noted in the body of this section and should be so stated.

TC 3 - Page 4.13-1, same paragraph references "...technical appendices...in Appendix K...", but does not state what is included in the technical appendices. Please clarify.

TC 4 - Page 4.13-2, first complete sentence on page: "The California...State highways" is relevant to the next subsection "California Department of Transportation", not CTC, correct? Please clarify.

TC 5 - Page 4.13-12, text reference to Figure 4.13-2 states "City's existing bicycle facilities in the study area..."; given the noted figure shows bicycle facilities in the study area, it appears "City's" is not needed. Please clarify.

TC 6 - Figure 4.13-2: Class I path adjacent to Bayfront Expressway appears to be ON the expressway and it is not. Please clarify.

TC 7 - Figure 4.13-2: The key lists "Study Intersections" and they do not appear to be shown on this figure. Please clarify.

TC 8 - Page 4.13-15, second paragraph, second sentence states "Existing pedestrian facilities within the study area are shown on Figure 4.13-3." However, the noted figure shows only City of Menlo Park pedestrian facilities. Please clarify.

TC 9 - Page 4.13-15, last sentence: the sentence is awkward with "description" at the beginning and "described" at the end. Please clarify.

TC 10 - Page 4.13-18: a column between "Service Provider" and "Peak Headway" called "Description" (or similar) would be very helpful to the reader. Please clarify.

TC 11 - Page 4.13-19, under SamTrans: a map showing these routes serving the Bayfront Area would be very helpful to the reader. Also, in the discussion of Route 276, are Redwood City Transit Center and Redwood City Caltrain Station the same thing? Please clarify.

TC 12 - Page 4.13-20, first paragraph, second to last sentence: to be consistent, please cite the number of Baby Bullet trains that operate in each direction/peak period (the sentence only cites a number for northbound service). Please clarify.

TC 13 - Page 4.13-20, under Caltrain Short-Range Transit Plan: this section is apparently based on the 2008 version of the referenced plan. Given the 2015 version was adopted in October 2015, it seems this section should be updated to reflect the latest version. Please clarify.

TC 14 - Page 4.13-20, under City of Menlo Park Shuttles, please clarify whether the noted shuttles are open to all riders, who operates them, and when they operate.

TC 15 - Page 4.13-21, are there any other transit shuttles serving the study area, perhaps operated by East Palo Alto? Please clarify.

TC 16 - Page 4.13-21, first sentence under Airport Land Use Comprehensive Plans states "Moffet Federal Airfield." The correct spelling is Moffett.

TC 17 - Page 4.13-22, under Menlo Park City Model (MPM): 1) this section provides some information about the model and how it was refined for this study; however, it does not provide any actual data reflecting the model structure, which is essential for the reader to interpret the project population and employment by TAZ; furthermore, this section does not provide sufficient descriptive discussion of how the MPM addresses and integrates, for example: a) projects that were occupied after the base year (2013), like Facebook West (Building 20); and b) cumulative projects discussed

and enumerated in Table 4-1 and pages preceding at the beginning of Chapter 4; 2) please clarify whether the MPM used the “most current version of the C/CAG Model, received on July 19, 2015...”; 3) in paragraph three of this sub-section there is reference to “...VMT information for the entire trip length required by SB 743 guidelines...”; please clarify whether this is “required” in SB 743 law or is a proposed procedure in the OPR Guidelines issued in January 2016 and referenced on page 4.13-3.

TC 18 - Page 4.13-23, under Dynamic Traffic Assignment (DTA): 1) Although the issue of “...overestimation of link volumes because physical congestion was not represented in vehicle rerouting.” is well known, and it is commendable to introduce a new procedure called DTA, this document provides no apparent descriptions and details of the procedure to allow the reader to understand and interpret its implications; please expand and clarify, with suitable details; 2) please document the “base” C/CAG trip tables and the “revised” trip tables that were used in the DTA; also, the last paragraph in this subsection is repeated from page 4.13-22 (paragraph 3 under Menlo Park City Model).

TC 19 - Page 4.13-23, under Intersection Level-of-Service Analysis Methodology: please clarify whether planning or operations procedures in HCM 2010 were used.

TC 20 - Page 4.13-25, under Vehicle Miles Traveled: please expand the discussion in paragraph three to clarify why the sum of population and jobs is used in the denominator of the VMT per capita calculation (e.g. would this double count intra-area trips?). Page 4.13-33, under Vehicle Miles Traveled, a related issue is the matter of fact introduction of the regional average VMT per person (20.8 miles per person) from the 2013 Plan Bay Area EIR as an appropriate threshold without any justification or explanation. It is noted the proposed guidelines for implementing SB 743 indicate a metric of VMT per employee (not person) as the appropriate regional threshold to consider, but also states it us up to lead agencies to consider data aggregations more proximate to a project under study (e.g. subregional) (State of California, Governor’s Office of Planning and Research, January 20, 2016). Also, the use of a metric documented in 2013 may simply be inappropriate or out of date. Please explain and provide suitable details.

TC 21 - Page 4.13-26, under Study Intersections: first sentence is missing “and” between “control type” and “jurisdiction.”

TC 22 - Page 4.13-29, Table 4.13-5: 1) This table appears to show only Menlo Park roadway segments, whereas the study area intersections table (Table 4.13-4) shows all study intersections in the study area, including ones in other cities. Please clarify and provide rationale. 2) There is no explanation of the connection between existing traffic counts and recently occupied developments (like Facebook West (Building 20)). Please explain whether recently occupied developments are captured in these 2014 counts and, if they are not, how their traffic impacts are captured in the analysis.

TC 23 - Page 4.13-33, first paragraph: The word “buildout” in the last sentence is not relevant to 2014 Existing Conditions. Please clarify.

TC 24 - Page 4.13-33, first sentence under Roadway Segments Daily Traffic Volumes" indicates 2014 Existing daily traffic volumes on all study segments are shown in Table 4.13-5, but they are not. See comment TC 22 above. Please clarify and provide rationale.

TC 25 - Page 4.13-34, fourth paragraph under Peak Hour Traffic Operations: please document sources of signal timing for non-Menlo Park intersections.

TC 26 - Page 4.13-34, sixth paragraph under Peak Hour Traffic Operations: Please explain what "Vistro" is. More importantly, this document does not provide any explanation of procedures and details used to determine "...level of service results... based on level of service as identified by the City to reflect 'unserved demand.'" Therefore, the reader has little or no information to develop an informed understanding of what this really means. This is related to the insufficient documentation for DTA cited in comment TC 18 above. Please explain and provide suitable details.

TC 27 - Page 4.13-42, Table 4.13-7: 1) notes for Willow Road interactions reference "...southbound" approaches..." whereas this roadway is designated as East-West. Please clarify. 2) Why are there just "n/a" designations under "Notes" for the last four University Avenue intersections on the list? The poor LOS and delay volumes would suggest some explanation would be helpful. Please clarify.

TC 28 - Page 4.13-44, under Roadway Segment Daily Traffic Volumes: Please explain why Standards of Significance are not presented **before** the discussion of 2040 No Project conditions. This is inconsistent with the discussion of Format of the Environmental Analysis on page 4-1 and is confusing to the reader.

TC 29 - Page 4.13-45, Table 4.13-9: This table presents Menlo Park intersections only. See comment TC 22 above. Please clarify and provide rationale.

TC 30 - Page 4.13-51, Table 4.13-10: 1) note for number 33 uses "southbound" reference. See Comment TC 27 above. Please clarify. 2) Why is the >35 designator used for numbers 34 and 35? 3) Why is there a "n/a" designation for number 37?

TC 31 - Page 4.13-53, Section 4.13.2 STANDARDS OF SIGNIFICANCE: This section appears out of place and inconsistent with the discussion of Format of the Environmental Analysis on page 4-1. It should be **before** the discussion of 2040 No Project. This introduces confusion. Please explain.

TC 32 - Page 4.13-53, first sentence: the phrase "significant impact" refers to "significant transportation impact" correct? Please clarify.

TC 33 - Page 4.13-55, Roadway Segment Daily Traffic Volume Standards subsection refers to City of Menlo Park standards only, correct? Why are other standards not presented? Please clarify.

TC 34 - Page 4.13-55, Pedestrian and Bicycle Standards: what is the source of these standards? Please clarify.

TC 35 - Page 4.13-56, Vehicle Miles Traveled Standards: what is the source of this standard?

TC 36 - Page 4.13-56, Section 4.13.3 IMPACT DISCUSSION: This section appears out of place and inconsistent with the discussion of Format of the Environmental Analysis on page 4-1. It should be after the discussion of 2040 Plus Project. This introduces confusion. Please explain.

TC 37 - Page 4.13-57, top of page: It appears that a sub-section side title is missing (i.e. 2040 PROJECT CONDITIONS). Please clarify.

TC 38 - Page 4.13.59, Table 4.13-11: This table presents Menlo Park intersections only. See comment TC 22 above. Please clarify and provide rationale.

TC 39 - Page 4.13-62, under Impact TRANS-1a: What is the justification for introducing Mitigation Measure TRANS-1a given the result is "Significant and Unavoidable"? Is this not saying the Circulation Element is insufficient?

TC 40 - Page 4.13.63, discussion indicates "... proposed Zoning regulations...anticipated to eliminate impacts on eight roadway segments,...". There does not appear to be any analysis or documentation of this finding. Please clarify. Similarly, the discussion states "...[street] reclassifications would...eliminate or reduce impacts...". There does not appear to be any analysis or documentation of this finding. Please clarify.

TC 41 - Page 4.13-70, discussion of Impact TRANS 1b and Mitigation TRANS 1b: Please explain whether it is feasible for the TIF program to "guarantee funding for roadway and infrastructure improvements...".

TC 42 - Page 4.13.72, discussion of potential improvements to University Avenue at Bay Road, Donohoe Street and US 101 Southbound Ramps: please clarify whether any analysis, investigation, or communication with Caltrans or East Palo Alto staff was undertaken for this study.

TC 43 - Page 4.13-73, under Mitigation TRANS 1b: What is the justification for introducing Mitigation Measure TRANS-1b given the result is "Significant and Unavoidable"? Is this not saying this mitigation measure is not feasible? Please explain.

TC 44 - Page 4.13-76, discussion of Impact TRANS-2 and Mitigation TRANS-2: See comment TC 39 above.

TC 45 - Page 4.13-79, TRANS-5 states "...project would not result in inadequate emergency access." This seems unrealistic given the predominance of poor (LOS F) conditions at many study intersections on major emergency access roadways. The first full paragraph on page 4.13-80 includes this questionable statement: "However, future development permitted under the proposed project would be concentrated on sites that are already developed where impacts relatives to inadequate emergency access would not likely occur." Are there not LOS F conditions near "sites that are already developed..."? Please explain why there would be "less than significant impacts" under TRANS-5.

TC 46 - Page 4.13-86, under Impact TRANS-6a: What is the justification for introducing Mitigation Measure TRANS-6a (update the TIF) given the result is "Significant and Unavoidable"? Is this not saying this mitigation measure is not feasible? Is this not saying the Circulation Element is insufficient? Please explain.

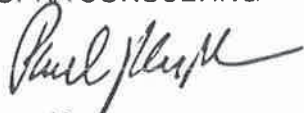
TC 47 - Page 4.13-88, under Impact TRANS-6b: What is the justification for introducing Mitigation Measure TRANS-6b (update the Shuttle Fee Program) given the result is "Significant and Unavoidable"? Is this not saying this mitigation measure is not feasible? Is this not saying the Circulation Element is insufficient? Please explain.

TC 48 - Page 4.13-88 and 89, under Impact TRANS-6c: What is the justification for introducing Mitigation Measure TRANS-6c (support the Dumbarton Corridor Study) given the result is "Significant and Unavoidable"? Is this not saying this mitigation measure is not feasible? Is this not saying the Circulation Element is insufficient? Please explain.

I suggest we discuss these and other comments as needed so you have ample information to write the City's formal comments.

Please call me if you have any questions or other requests.

Sincerely,
KRUPKA CONSULTING



Paul J. Krupka, P.E.
Owner

cc (by email only):
Sean Charpentier, City of East Palo Alto
David Snow, Richards|Watson|Gershon



CITY OF EAST PALO ALTO
Community and Economic Development Department
Planning and Housing Division
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August 1, 2016

Kyle Perata, Senior Planner
Community Development Department
City of Menlo Park
701 Laurel Street
Menlo Park, California 94025

Re: Inconsistencies between City of Menlo Park Environmental Impact Reports for General Plan Land Use and Circulation Element Updates (ConnectMenlo) and Facebook Campus Expansion Project

Dear Mr. Perata:

The City of East Palo Alto previously submitted detailed comments on the draft environmental impact report for the Facebook Campus Expansion Project (the "Facebook EIR"). Given that Menlo Park circulated both the Facebook EIR and the EIR for its General Plan Land Use and Circulation Element Update (the "ConnectMenlo EIR"), East Palo Alto requested reasonable extensions of the time to comment on both EIRs. While, very shortly before the end of the comment period for the ConnectMenlo EIR, a 15-day extension was granted for comments on that EIR, no such extension was granted as to the Facebook EIR.

In completing its review of the ConnectMenlo EIR, for which comments are submitted separately, numerous inconsistencies between the Facebook EIR and the ConnectMenlo EIR were identified. This letter is intended to supplement the comments East Palo Alto previously provided on the Facebook EIR, and we respectfully request that each of these comments be considered and addressed as Menlo Park proceeds with CEQA compliance for the Facebook Campus Expansion Project.

1. The 2040 Horizon Development Potential in the ConnectMenlo EIR calculates population by applying the 2.57 persons per household generation rate. This is, however, different from the 2.61 persons per household rate used in the Facebook DEIR. The City cannot choose to use different assumptions in two different EIRs that are being prepared simultaneously without providing substantial evidence to support that decision. The Facebook DEIR, like the ConnectMenlo DEIR, fails to include substantial evidence to support this distinction.
2. The "Future Housing Needs" discussion (see footnote 10 on page 4.11-4 of the ConnectMenlo EIR) appears to rely on the 2009 ABAG Projections, but the Facebook Campus Expansion DEIR relies on the 2013 ABAG projections. The DEIRs must be consistent with respect to the sources regarding population and housing statistics and the choice among various sources must be supported with substantial evidence.
3. The analysis of the future projected employees, and the number of new housing units needed to accommodate the employees, must use consistent assumptions in both the ConnectMenlo EIR and the Facebook EIR. Further, any assumptions utilized must be supported by substantial evidence. As noted previously, the Facebook EIR includes faulty assumption regarding the

number or workers per household, and must be consistent with the assumptions in the ConnectMenlo EIR.

4. East Palo Alto previously commented on the displacement study completed in conjunction with the Facebook Expansion Project, and has requested that further displacement analysis of the ConnectMenlo project be undertaken. The revised and updated Facebook Project study must be consistent in methodology and assumptions with the necessary ConnectMenlo displacement study.
5. The existing conditions for public services and recreation in the Connect Menlo EIR (at p. 4.12-3) states that the MPFPD serves approximately 90,000 people, and that there is a service ratio of .85 firefighters per 1,000 service populations. This baseline, however, is inconsistent with the Facebook DEIR, which states that the MPFPD serves approximately 111,850 people and has a service ratio of .86 firefighters per 1,000 per service population. The City cannot choose to use different baselines in two different EIRs that are being prepared simultaneously without providing substantial evidence to explain that decision. The DEIR currently fails to include substantial evidence to support this distinction.
6. The existing conditions for public services and recreation in the ConnectMenlo EIR (at p. 4.12-20) states that the City provides 244.96 acres of parkland for residents, with a ratio of 7.44 acres/1,000 residents. But, the Facebook DEIR states that the City only provides 221 acres of parks, for a ratio of 6.64 acres/1,000 residents. There is no explanation provided for these differing baselines. Furthermore, this difference becomes especially significant in terms of the impact conclusion. This ConnectMenlo states that upon buildout at Horizon Year 2040, there would still be 5.2 acres of parkland per 1,000 residents. But, if the parkland figure of 221 acres as stated in the Facebook EIR is used instead, that ratio drops to 4.69 (221 acres divided by 47.1 [(32,900 + 14,150)/1000], the formula stated in footnote 45). This ratio is then below the goal of 5 acres/1,000 residents, and there is a significant impact to parks and recreational facilities as to the ConnectMenlo project. This inconsistency between the two EIRs must be resolved, and the resolution must be based on substantial evidence.
7. Table 4.12-3 of the ConnectMenlo EIR contains information on existing capacity at certain schools that is inconsistent with the information provided in the Facebook EIR. For example, the Facebook EIR states that Laurel Elementary had a 2014/2015 enrollment of 630, which means that there is less capacity than stated in the ConnectMenlo EIR. In addition, the Facebook EIR states that Hillview Middle School had a 2014/2015 enrollment of 833 (not 881). The baseline numbers for prior school year enrollment should be accurate and consistent across the EIRs.
8. In table 4.13-7 of the ConnectMenlo EIR, the PM LOS is F for University Avenue and Woodland Avenue, whereas in the Facebook Expansion EIR, Figure 3.3-9, this is shown as an existing condition of LOS E. This inconsistency must be reconciled.
9. Table 4.13-8 of the ConnectMenlo EIR states that there would be 47,750 jobs under 2040 no project conditions. This, however, is inconsistent with the Facebook EIR analysis of VMT, which states that there would be 41,200 jobs in the cumulative 2040 existing general plan. See Facebook EIR table 3.3-11 at page 3.3-47. This discrepancy of over 6,000 jobs undermines the accuracy of both analyses and must be corrected in both EIRs, based on substantial evidence.
10. The 2040 No Project Intersection LOS in ConnectMenlo EIR Figure 4.13-9 is not consistent with the Facebook Campus Expansion EIR that was circulated concurrently with the General Plan Update EIR. Specifically, the LOS levels at University Avenue and O'Brien Drive (Intersection 39, AM peak); University and US 101 SB Ramps (Intersection 56; AM and PM peak); University

and Woodland Avenue (Intersection 57; AM and PM Peak); and Willow Road and Gilbert Ave (Intersection 18; AM and PM Peak) are not consistent with those shown in Figure 3.3-21 of the Facebook EIR. Figure 3.3-21 is the cumulative 2040 existing general plan conditions, and thus should match Figure 4.13-9 of the General Plan EIR. Further, the PM peak LOS at the intersection of University Avenue and O'Brien Drive (Intersection 39) is inconsistent with Figure 4.13-9 in that an improved LOS A is shown in 2040 No Project, whereas existing conditions show an LOS B. These inconsistencies call into question the accuracy and adequacy of not only the General Plan traffic analysis, but also the Facebook Campus Expansion EIR's analysis.

11. The 2040 plus Project Intersection LOS levels on Figure 4.13-11 in the ConnectMenlo EIR are not consistent with those in the Facebook EIR, Figure 3.3-25. Specifically, the LOS on Figure 4.13-11 is worse than that shown in the Facebook EIR for the intersections of University and Obrien (Intersection 39, AM and PM peak); University and Runnymede (Intersection 52, PM peak); University and Bell Street (Intersection 53; PM peak); Willow and Newbridge (Intersection 33; PM peak); Willow and Coleman (Intersection 19; AM peak); University and 101 SB Ramps (Intersection 56; PM peak); and University and Woodland Ave (intersection 57; PM peak). These inconsistencies call into question the accuracy of both the General Plan Update traffic study and the Facebook Expansion Project EIR, and must be addressed in both documents.

In conclusion, we request that Menlo Park specifically address each of these additional comments in Facebook EIR process. We continue to believe that before the City of Menlo Park could certify the Facebook EIR substantial revisions are necessary and recirculation of a revised Draft EIR for further public review and comment is required.

We appreciate your comments and open communication throughout the process. If you have any questions, comments please call Guido F. Persicone, Planning Manager at (650) 853-3195 or email him at gpersicone@cityofepa.org. We look forward to hearing from you.

Yours truly,



Donna Rutherford,
East Palo Alto Mayor
drutherford@cityofepa.org

From: [Schapelhouman, Harold](#)
To: [Planning Commission](#)
Cc: [Schapelhouman, Harold](#); "[Cremin, Tim](#)"
Subject: Menlo Park Fire Protection District Response to the updated General Plan Update EIR/FIA - Planning Commission Meeting - 10-18-2016
Date: Wednesday, October 19, 2016 6:49:42 PM
Attachments: [Menlo Park General Plan Update - Fire District Comments - August 1 2016 - Final.pdf](#)
[Menlo Park - General Plan EIR- FIA - Fire District Comments - Planning Commission Meeting - October 19 2016.pdf](#)

Commissioners and City Staff

My apologies for the last minute Submittal of our comments.

I will be in attendance at tonight's meeting with hard copies for distribution and plan to speak under public comment.

Thank you

Harold Schapelhouman, Fire Chief



100 Years of Service

Menlo Park Fire Protection District

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Fire Chief

Harold Schapelhouman

Board of Directors

Robert J. Silano

Peter Carpenter

Chuck Bernstein

Rex Ianson

Virginia Chang Kiraly

October 19, 2016

Menlo Park Planning Commission Members General Plan Update and EIR/FIA Comments

Honorable Chair and Members of the Planning Commission:

The Menlo Park Fire Protection District is the fire and emergency services provider to the City of Menlo Park and other local communities. The Fire District's mission is to protect and preserve life and property from the impact of fire, disaster, injury and illness. These are the most critical and essential services that a public agency can provide.

The Fire District is shocked and dismayed by the City's response to its comment letter on the City General Plan Update and its EIR. The City's response is completely inadequate and does not come close to satisfying CEQA standards. Even more insulting, the City is dismissive of the Fire District's expertise on fire services and operations, and the needs of the District. The City rejects the Fire District's expertise as "opinion." The City disregards the substantial evidence that the Fire District presented in its comment letter showing that the General Plan will have substantial adverse effects on the provision of fire and emergency services. The City's responses simply ignore the Fire District's expertise and reports. The City presents no contrary evidence.

The City and the Fire District are fellow public agencies who serve City residents. The City's treatment of and lack of respect for the Fire District is alarming. The Fire District is not a rival or competitor. The City and Fire District should be working together to ensure the highest level of emergency services to our residents. The Fire District simply does not understand the City's actions and believes they constitute a great disservice to the community.

The Fire District stands behind its comments on the impacts of the General Plan on the Fire District and the inadequacy of the analysis in the EIR. A copy of the Fire District EIR Comment Letter is attached to this letter. Below is a summary of the Fire District's comments on the General Plan, its EIR and the Fiscal Impact Analysis (FIA). The Fire District also objects to the scheduling of the Planning Commission meeting just 9 days after the release of the Final EIR and 2 business days after the release of the Revised FIA. It is an inadequate amount of time to review these documents. We simply don't understand why the City rushing through this process now while other items involving the District can take months or years to resolve? The Fire District reserves the right to supplement the comments contained in this letter prior to the City Council hearing due to this consolidated timeline.

A. GENERAL PLAN EIR COMMENTS

1. Substantial increase in development and service population will impact Fire District

There is no dispute about the facts regarding the substantial increase in development and service population under the EIR. The General Plan will result in an increase in service population of at least 11,570 residents and 5,500 employees. Those 17,000 people would increase the service population of the Fire District by almost 20% and the service population of the area served by Fire Station 77 by almost 100%. The Fire District's comment letter provided substantial evidence of why this significant increase will cause adverse impacts on the District. The City's response does not present evidence to dispute this impact. Rather, the City's response simply states the increase will not result in any impact. This is despite the fact that the increase in service population will result in the need for 12 new fire safety personnel to maintain the current Fire District standard of .87 fire safety personnel per 1,000 service population. The City simply acknowledges this information and continues to stand by its conclusion of no significant impact despite the overwhelming evidence to the contrary. Simply stating that "this impact is less than significant" is fiction and does not make it so.

2. Growth under General Plan causes need to expand Station 77

The Fire District's comment letter explains why the expansion of Station 77 is caused by the Project and is not already planned, as claimed by the City. In the District comment letter, evidence is presented to show that the Station 77 expansion is clearly caused by growth under the General Plan. The City's only response is to repeat its statement in the Draft EIR that the District's Capital Improvement Program (CIP) shows a future planned replacement of Station 77. The CIP cannot be used to show that the rebuild and expansion of Station 77 caused by the General Plan was "already planned." Conversely, the General Plan will cause Station 77 to be expanded in a different form, and in a much sooner timeframe, than the current projected replacement based on the typical 50 year normal life of fire stations.

The City's claim that the need pre-dates the General Plan Update is ridiculous. Station 77 is only 21 years old and was built to meet the projected demand under the existing General Plan for the M2 which allowed for a much lower development density, a maximum building height of three stories and primarily daytime service population. The Fire District has other fire stations that are over 60 and 70 years old in need of immediate replacement in other parts of the City and District that are being disadvantaged by this process, excessive staff time demands and agency focus.

The Fire District's comment letter, Impact Fee Nexus Study adopted by the Fire District Board on February 16, 2106 (Nexus Study); and the Standards of Coverage Assessment Report for the Fire District dated June 16, 2015 (Standards of Coverage Report), all provide evidentiary support that the need to expand and rebuild Station 77 is caused by the General Plan. In particular, the Nexus Study incorporated the growth projections under the General Plan in its analysis. The City's perfunctory dismissal of this evidence is improper. The EIR did not even analyze the impacts of the service population increase on the District. The City's response that this information does not change the Draft EIR's conclusion without any analysis to support this statement is grossly inadequate and unacceptable.

(a) *There are potential significant impacts from rebuilding of Station 77*

The City tries to finesse the issue of impacts on the Fire District by arguing the following - even if the Station 77 rebuild is caused by Project, the impact is "less than significant" because the Fire

Station rebuild is categorically exempt from CEQA. The City is being disingenuous. The City required the Fire District to prepare a Mitigated Negative Declaration for the Fire Station 6 rebuild in downtown Menlo Park which cost the District \$75,000 and further delayed the project. Why is the City now applying this categorically exempt rule to Station 77 when it did not apply it to Station 6? In any event, the Fire District is currently preparing a Mitigated Negative Declaration under CEQA for the Station 77 rebuild project which shows the impact is not less than significant. So, the conclusion in the General Plan EIR is not supported by any evidence. It is an unsubstantiated opinion that conveniently serves the City's interests.

3. Mitigation must be adopted to address adverse impact of General Plan on Fire District

The Draft EIR recognized that payment of an impact fee would mitigate the impact of the General Plan on the Fire District. The Fire District comment letter requested that the adoption of the impact fee be required as a mitigation measure or policy in the General Plan. In response to the District letter, the Final EIR reverses field and simply crosses out the impact fee language in the Draft EIR. The fee language is deleted and replaced by a reference to property tax revenue in certain places. The City does not present any evidence to support this change. It appears to be driven by the political reality that the City staff has decided not to consider adoption of the impact fee approved by the Fire District Board. The Draft EIR properly envisioned that this fee would be adopted. Political positions cannot and should not be the basis for substantial evidence to support impact analysis in an EIR.

The District's Impact Fee realistically only applies to commercial development and offers a credit for existing square footage so that fees only apply to new additional square footage, changes in use or increases in service population. The Fire Board recently created a dedicated impact fee fund which can only be used for equipment, apparatus and fire stations. Impact fees cannot be used for employee costs.

The conclusion that an impact fee is needed to address impacts is supported by substantial evidence presented in the Fire District comment letter. The letter contains both expert opinion of District staff supported by studies and analysis. The Nexus Study establishes the need for the fee. The fact that the City staff is refusing to bring the impact fee to the City Council (who are decision-makers) for consideration does not refute the evidentiary basis presented in the fee study.

The City's position that property tax revenue is a substitute for impact fees for the Fire District is inconsistent with the City's own policies on the need for City impact fees. The City has adopted numerous impact fees for new development to address traffic, parks, affordable housing, and other areas. The FIA states that total impact fee revenue that the City would receive from new development under the General Plan is \$187.3 Million. In contrast, the total amount of impact fees that the Fire District would receive is ZERO. In fact, as shown in the FIA, the Fire District is the only special district serving the City which does NOT receive revenue from impact fees.

The City argument that the Fire District can use property tax revenue to address the costs of new development is specious. The fact that new development results in increased property tax does not negate the need for an impact fee. Property tax revenue goes to ongoing operations expense including, wages, fire helmets, SCBA gear, turnouts, tools, training, contract services, supplies, utilities, maintenance, etc. In contrast, impact fee revenue would fund District facilities, apparatus and equipment that are needed to serve new development. Ironically, the same property tax revenue argument that the City uses against the Fire District could be used against the City's imposition of impact fees. According to the FIA, the City will receive an increase of \$20.4 million annually in various taxes, including property tax, from

new development under the General Plan. Why doesn't this large annual increase in property tax revenue support an argument for NO City impact fees – the exact argument the City is making against the District impact fee? Instead, the City argues that it is OK for it to receive both increased property tax revenue and increased impact fee revenue, but not so for the Fire District. This double-standard shows the City's argument is false and disingenuous.

4. Cumulative Impact of Project is significant and must be mitigated

The Fire District's comment letter presents substantial evidence that the General Plan in combination with other planned development within the District's jurisdiction will result in a "significant cumulative impact". This cumulative impact is caused by the projects and plans being proposed in the other jurisdictions including the East Palo Alto General Plan Update, the Facebook Campus Expansion and Downtown Specific Plan in Menlo Park, and the North Fair Oaks Plan in the County of San Mateo.

This significant impact is supported by the Nexus Study and the Standards of Coverage Report. The City's response to this impact is very weak. The City simply summarily dismisses the Fire District's evidence. The City does not provide contrary evidence. So, the City loses this argument on evidentiary basis. For these reasons, the City must adopt a mitigation measure to address this impact. As stated above, the adoption of the Impact Fee approved by the Fire Board would mitigate this impact.

5. Adverse Effects of Traffic Congestion on Emergency Vehicle Access Not Adequately Mitigated

The EIR makes it clear that development under the General Plan will have significant adverse impacts on City roadways, especially emergency access routes. These roadways include Willow Road, University Avenue, Marsh Road, Bayfront Expressway and Chilco Road. The fact that traffic congestion will get considerably worse under the General Plan is not disputed. Therefore, the Fire District requested that the City impose mitigation measures to address these impacts.

The City's response to the Fire District comments are wholly inadequate. The response generally refers to Fire District and State Building Code standards to address these impacts. However, those Codes do not address roadway impacts. They address, in part, on-site emergency access. But that is not the issue. The issue is roadway congestion. The Fire District proposed specific measures to deal with roadway congestion, such as consideration of alternative emergency access routes or modifications of roadways to enhance emergency access. The City has not given these District proposals serious consideration. Although there are some limited references to these measures in the General Plan, they do not commit to implementing specific measures to address the impacts. As discussed below in Section B, the Fire District requests specific changes to policies in the General Plan Circulation Element to address roadway congestion. In addition, the City should consider imposing mitigation measures under CEQA to reduce vehicle trips from new development or require roadway improvements to reduce congestion.

B. GENERAL PLAN POLICY COMMENTS

The Fire District has worked with City staff to incorporate goals, programs and policies into the General Plan Update to address life safety and emergency services issues. The General Plan is an important document which establishes key policies for the City. Therefore, we ask that the City Council address the impacts of new development on the Fire District through the adoption of General Plan policies. The City Council has broad discretion to adopt policies in the General Plan to address City goals

and values. The provision of a superior level of essential fire and emergency services in the City and the protection of life and property are goals and values that the City and Fire District should share. Therefore, the Fire District requests the following modifications to draft General Plan policies that are critical to the provision of critical fire and emergency services within the City and District.

1. Program LU-I.E. – Revise Program to require adoption of fire services impact fee approved by the Fire District Board (see italicized addition). The reason for the revision is to have the General Plan treat the fire services impact fee the same as it treats the City transportation impact fee. The Circulation Element has a policy requiring new development to pay a transportation impact fee – Program CIRC-6.C. The District’s modification to the policy is consistent with this transportation fee policy. It requires the imposition of an impact fee. It also is consistent with the general policy that new development should pay fees to fund improvements needed to address new development. Certainty, essential emergency services should be treated as importantly as traffic in the City.

New policy to read as follows:

Assessment Districts and Impact Fees. Pursue the creation of assessment districts and/or the adoption of development impact fees (e.g., fire impact fee) to address infrastructure and service needs in the community. *Adopt fire services impact fee approved by MPFPD Board of Directors in compliance with Nexus Study.*

2. Program LU-4.c – Community Amenity Requirements – Add specific reference to Fire District facilities as an example of public safety facilities (see italicized addition). New program to read as follows:

Community Amenity Requirements. Establish Zoning Ordinance requirements for new mixed-use, commercial, and industrial development to support and contribute to programs that benefit the community and City, including public or private education, transit, transportation infrastructure, public safety facilities (*including MPFPD facilities and equipment*), sustainability, neighborhood serving amenities, child care, housing for all income levels, job training, parks and meaningful employment for Menlo Park youth and adults (e.g. first source hiring).

3. Policy LU 7.3 Supplemental Water Supply – Revise Policy to add reference to Fire District (see italicized addition). New policy to read as follows:

Supplemental Water Supply. Explore and evaluate development of supplemental water sources and storage systems, such as wells and cisterns, for use during both normal and dry years, in collaboration with water providers, users *and the MPFPD.*

4. Policy Circ 2.14 – Impact of New Development. Revise Policy to require that new development not adversely affect emergency response times and emergency vehicle access. New policy to read as follows:

Impacts of New Development. Require new development to mitigate its impacts on the safety (e.g., collision rates) and efficiency (e.g., vehicle miles traveled (VMT) per capita) of the circulation system. New development should minimize cut-through and high-speed vehicle traffic on residential streets; minimize the number of vehicle trips; provide

appropriate bicycle, pedestrian, and transit connections, amenities and improvements in proportion with the scale of proposed projects; *and not adversely affect response times and access for emergency response vehicles as established in standards adopted by MPFPD.*

5. Program Circ -3.B – Revise Program to require other options for relieving traffic congestion that adversely affects emergency vehicle response time (See italicized language).

Emergency Response Coordination. Equip all new traffic signals with pre-emptive traffic signal devices for emergency services. Existing traffic signals without existing pre-emptive devices will be upgraded as major signal modifications are completed. *Consider other modifications to roadways to reduce the impact of traffic congestion on emergency vehicle response.*

We ask the City Council to modify these policies as requested by the Fire District to ensure that the District's concerns about life safety and emergency services are adequately addressed in the General Plan Update.

C. GENERAL PLAN FIA COMMENTS

As stated above, the Revised FIA was released two (2) business days before the Planning Commission meeting. This is inadequate time to review and comment on the document. Therefore, the Fire District will be submitting its detailed comments on the FIA at a future date. This letter contains the Fire District's preliminary comments. Overall, the District believes that development under the General Plan will place demands on the District that will exceed the revenue generated by the development.

1. The FIA counts employees as one-third (1/3) of a resident for estimating service population. The Nexus Study counts employees as 58% of a resident. The 1/3 number underestimates the demands of employees on District. Employees present significant demands on District, especially when many companies in the City basically operate 24/7. The FIA should be revised to count employees as 58% of a resident when calculating service population.

2. The Fire District does not agree with the estimate of property tax revenue under the General Plan. The District does not agree with the assessed value assumptions and methodology. The Fire District also does not agree with the projected assessed value for new development, the calculation of the District's tax revenue from the increased assessed value, and the overall FIA methodology for calculating property tax revenue to District.

3. The FIA's methodology for calculating Fire District expenses from new development is incorrect. The FIA estimates expenses by dividing annual District General Fund expenditures by current service population to establish a cost per service population of \$325 annually. This underestimates the District costs of providing services to protect both persons and property.

4. The FIA underestimates District expenses from new development. The FIA does not include the costs of the 15 additional FTEs to serve project, at \$290,000 per FTE, in the calculation of District expenses (FIA, p. 67). This cost would be \$4,350,000 annually. This personnel cost is not included in the District annual expense calculation (FIA, p. 67-69, Table 36). This cost alone would cause the Fire District to operate at an annual deficit. The FIA also does not include as expenditures the costs of additional capital improvement projects needed to serve new development, such as the rebuild of

Station 77 and other expenses shown in Nexus Study. These additional capital costs would be in addition to the General Fund expenses included in the FIA. The combination of the additional personnel and capital improvement costs due to General Plan development would create millions of dollars in deficit for the Fire District annually.

5. The FIA does not include any revenue from a fire services impact fee. However, as shown above in Item 4, the General Plan would result in a significant annual deficit for the Fire District. This deficit shows the need for an impact fee to address the impacts of the General Plan on the District. The District strongly objects to the statement on page 66 of the FIA that: "If the City Council does not adopt the fee, the MPFPD may be able to rely on other revenue sources, such as the net increase in annual operating revenues identified below, to fund the District's capital improvement plan as needed to serve new development." This statement is unsubstantiated opinion and is contradicted by facts in the FIA, the Nexus Study and this letter. In particular, the Nexus Study clearly shows that the Fire District has a shortfall of revenue to fund needed capital improvements, especially reconstruction of Fire Station 77.

6. The FIA overestimates the annual revenue to District from licenses, permits and charges. The \$985,800 estimate is high.

7. The FIA estimates 14,150 net new residents and 9,900 net new employees resulting from the General Plan. This estimate is higher than the estimated growth in the EIR. Therefore, the EIR underestimated the impacts from new population and employee growth. The impact analysis in the EIR needs to be revised based on the FIA projections before the City can approve the General Plan and EIR.

D. CONCLUSION

The Fire District provides critical services within the City to protect life and property. The importance of these essential services cannot be debated. Therefore, the impacts of the General Plan on the Fire District must be addressed, so it can continue to provide these services. The City should respect the Fire District as the expert on the provisions of fire and emergency services and the needs created by new development. As a fellow public agency, the Fire District asks the City Council to address the concerns raised in this letter by taking the specific actions requested.

Thank you

Harold Schapelhouman, Fire Chief

Cc: Fire Board



100 Years of Service

Menlo Park Fire Protection District

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August 1, 2016

Deanna Chow
Planning Division
City of Menlo Park
701 Laurel Street
Menlo Park CA 94025
(dmchow@menlopark.org)

Re: Comments on ConnectMenlo General Plan Update and M-2 Rezoning EIR

Dear Ms. Chow:

We appreciate the opportunity to provide comments on the Environmental Impact Report (EIR) for the ConnectMenlo General Plan Update and M-2 Rezoning Project ("General Plan"). As the fire and emergency services provider in the City of Menlo Park ("City"), it is critical that the impacts of the General Plan and M-2 Rezoning on the Menlo Park Fire Protection District ("Fire District") be properly analyzed and mitigated.

The General Plan and M-2 Rezoning includes a significant increase in the amount and density of development in the City. The proposed Plan will lead to a substantial increase in the number of structures, building height and service population that the Fire District serves. The increased development and service population will be concentrated in the East of 101 area.

"The proposed project includes a net increase in new development east of Highway 101 within the Bayfront Area of approximately:

- 1. This maximum potential development would consist of approximately 2.1 million additional square feet of nonresidential building space and 4,500 additional multifamily dwelling units beyond what is already realistically achievable under the current Menlo Park General Plan Land Use Element. About 1.4 million square feet of the added nonresidential development would be concentrated in the area between Willow Road and University Avenue (primarily for new and expanded life sciences uses). About 2,000 of the additional dwelling units would be located in that same area, with another 1,000 units in the Jefferson Drive area, and 1,500 units on the Facebook East campus.*

The nonresidential development would also include ground floor retail in a number of locations and roughly 500,000 square feet for three hotels with 200 rooms each, one in the Haven area, one in the Jefferson Drive area, and one on the Facebook West campus. In addition to the potential buildout of the Project, development capacity currently exists in the M-2 Area based on the current 1994 General Plan Land Use Element and existing zoning. This current buildout potential, estimated at 1.8 million square feet of nonresidential uses, will be included in the No Project Alternative required to be characterized in conjunction with analysis of the Project. Therefore, the theoretical potential maximum buildout in the M-2 Area, combining development capacities under the No Project condition plus the Project, would be about 3.9 million square feet of nonresidential development beyond what currently exists on the ground.

As discussed in the Fire District Standards of Coverage Assessment completed last year, the Fire District faces significant challenges for providing services East of 101 due to congestion and limited access on three critical primary emergency access routes that cross Highway 101 to this area, (Marsh Road, Willow Road and University Avenue in East Palo Alto) as well as other primary response routes within Belle Haven, M2 and adjacent East Palo Alto.

The additional development in the M-2 area authorized under the General Plan will cause significant impacts on the Fire District that will require additional apparatus and personnel be added to Fire Station 77 located in Belle Haven on the edge of M-2 on Chilco Street. The Fire Station is 20 years old and in excellent condition but it cannot accommodate additional personnel or equipment. The District recently determined the location was strategic but the Station will need to be completely replaced to serve new development.

Many of these concerns were described in the Fire District's letter to the City on the Notice of Preparation dated July 20, 2015 ("District NOP letter"). For the most part, the EIR does not address the issues and concerns raised in the District NOP letter.

Under section 2.5 - Areas of Concern:

The City issued an NOP on June 18, 2015. The scoping period for this EIR was between June 18 and July 20, 2015, during which interested agencies and the public could submit comments about the proposed project. The City also held a public scoping meeting on September 21, 2015. During this time the City received 22 comment letters from ten agencies and service providers, and eight organizations and members of the public, which are included as Appendix A of this Draft EIR.

The following is a discussion of issues that are likely to be of particular concern to agencies and interested members of the public during the environmental review process. While every concern applicable to the CEQA process is addressed in this Draft EIR, this list is not necessarily exhaustive, but rather attempts to capture those concerns that are likely to generate the greatest interest based on the input received during the scoping process.

- *Aesthetic: impacts from increased height, sources of light and glare*
- *Affordable Housing: availability of affordable housing stock*
- *Air Quality: operational and construction, health risk due to close proximity to major roadways*
- *Approved Projects: cumulative impacts from Facebook Campus Expansion Project*
- *Biological Resources: wetlands, human-wildlife interface*
- *Climate Adaptation: flood risk along Bayfront due to projected future sea level rise*
- **Public Services: impacts from population growth on schools and fire services**
- *Utilities and Service Systems: Water quality, hydrology, storm water runoff*
- *Vehicular Circulation: traffic impact, parking demand, safe pedestrian access, bicycle safety connections*

The EIR does properly and adequately perform the analysis for impacts to the Fire District and require mitigation measures as mandated under CEQA. But the EIR analysis also misstates critical facts about the Fire District's existing conditions and future plans. As a result, the EIR improperly finds the impacts on the Fire District are less than significant and no mitigation is required.

However, the impacts of the General Plan itself and its cumulative impact will be significant and require mitigation, including the payment of impact fees. The cumulative impact is due to the combination of the General Plan and other proposed increased development under the East Palo Alto General Plan Update, the Facebook Campus Expansion and Downtown Specific Plan in Menlo Park, and the North Fair Oaks Community Plan in the County of San Mateo. The main comments of the Fire District are: (1) the EIR concludes that the impacts on the Fire District will be less than significant due to the adoption of a fire and emergency services impact fee.

The adoption of the impact fee must be required as an adopted program or a mitigation measure in order to support the conclusion that the impact on District capital improvement projects is less than significant. If not, the impact to the Fire District will have to be identified as significant and unavoidable in the EIR; (2) the significant and unavoidable traffic impacts identified in the EIR will have a significant adverse impact on emergency access routes which need to be properly analyzed and mitigated; and (3) the General Plan should require that water storage, not wells, be a high priority in order to ensure adequate emergency fire flow..

1. Impact on Emergency and Fire Services Requires Adoption of Impact Fee

The EIR concludes that the General Plan's project and cumulative impact to emergency and fire services will be less than significant based on the imposition of an emergency and fire services impact fee. However, there is no General Plan policy or mitigation measure that requires the City to adopt a fire services impact fee to be imposed on new development. The only policy cited by the EIR is Program LU-1.E which only requires that the City "pursue" adoption of development impact fees.

This program does not require the City to adopt an emergency and fire services impact fee. Therefore, the General Plan policies and programs as currently written should be revised to require the City to adopt the emergency and fire services impact fee approved by the Fire District Board. Alternatively, the adoption of the impact fee should be required as a mitigation measure in the EIR. This is critically important due to recent developments regarding the Fire District's fee.

The impact fee has been adopted by the Fire District Board and submitted to all cities and the County of San Mateo for adoption. Communications from Menlo Park to the Fire District have indicated that the impact fee may not be adopted. Therefore, the conclusion in the EIR that the impact on Fire District capital improvement projects is less than significant cannot be assured. So, either the adoption of the impact fee must be mandated, or the EIR should be revised and recirculated to identify the impact on fire services as significant and unavoidable.

2. Impacts on Emergency Access Routes are Significant and Require Mitigation

The EIR does not properly analyze and mitigate the significant impacts on emergency access routes from the severe traffic impacts that will result from the General Plan. The EIR identifies numerous significant and unavoidable impacts on roadways that are critical emergency service routes for the Fire District. The EIR concludes that these impacts cannot be mitigated.

Yet, despite these significant and unavoidable roadway impacts, the EIR concludes that the effect of the General Plan on emergency access routes is less than significant. These conclusions are contradictory and dangerous.. Therefore, the less than significant conclusion regarding emergency access routes is incorrect and is not supported by substantial evidence.

The EIR cites some proposed policies which may address impacts on emergency access routes. These include equipping signals with preemptive devices and providing "additional funding to support adequate emergency services" through impact fees (pp. 4.13-80 – 4.13-81). However, preemptive devices, while helpful, do not address gridlock situations where emergency vehicles have no passable route and the District already updated its pre-emption system and all traffic signals in this area. As stated above, additional funding to address this problem is not available due to the uncertainty of the City's adoption of the fire services impact fee.

Overall, increased congestion on critical primary emergency access routes will adversely affect response times for emergency vehicles placing life and property in danger. The EIR must identify this impact as significant and it should acknowledge that only two fire Stations are located on the east side of Highway 101, one in East Palo Alto and one in east Menlo Park (Belle Haven and M2). Each Fire Station contains a fire engine and is staffed by three fire personnel.

The City should consider and consult with the Fire District on feasible mitigation measures to address the impacts of development under the General Plan on primary emergency access routes. For example, changes in street design and potential new alternative emergency response routes are mitigation measures that the City should consider.

3. Significant Impacts of Water Supply on Fire Services

The EIR does not properly disclose or analyze the impacts of inadequate water storage on emergency fire flow needs. The municipal water supply augments fire hydrants used by the Fire District during emergencies. The greatest weakness of the water system is adequate storage and a modern infrastructure needed to support the planned growth.

The General Plan says “A Water Supply Assessment will be developed as part of the EIR to determine which, if any, strategies may be needed to ensure adequate water supply for anticipated development.” The Fire District would be happy to assist in this process.

4. Hazardous Materials.

Page 4.7-3

California ~~Uniform~~ Fire Code: Hazardous Material Management Plans and Inventory Statements.

Page 4.7-5

California Fire Code

Part 9 of the ~~CBC~~ CCR Title 24 contains the California Fire Code (CFC). The CFC adopts by reference the 2012 International Fire Code (ICF) with necessary State amendments. Updated every three years, the CFC includes provisions and standards for emergency planning and preparedness, fire service features, fire protection systems, hazardous materials, fire flow requirements, and fire hydrant locations and distribution. Similar to the CBC, the CFC is generally adopted on a jurisdiction-by-jurisdiction basis, subject to further modification based on local conditions.

Typical fire safety requirements include: installation of sprinklers in all high-rise buildings; the establishment of fire resistance standards and general safety practices, building materials, and particular types of construction; and the clearance of debris and vegetation within a prescribed distance from occupied structures in wildlife hazard areas. Operational permits are issued for the storage, use and handling of hazardous materials within the Menlo Park Fire Protection District.

Part 9 of the ~~CBC~~ CCR Title 24 contains the California Fire Code (CFC). The CFC adopts by reference the 2012 International Fire Code (ICF) with necessary State amendments. Updated every three years, the CFC includes provisions and standards for emergency planning and preparedness, fire service features, fire protection systems, hazardous materials, fire flow requirements, and fire hydrant locations and distribution. Similar to the CBC, the CFC is generally adopted on a jurisdiction-by-jurisdiction basis, subject to further modification based on local conditions. Typical fire safety requirements include: installation of sprinklers in all high-rise buildings; the establishment of fire resistance standards and general safety practices, building materials, and particular types of construction; and the clearance of debris and vegetation within a prescribed distance from occupied structures in wildlife hazard areas. Operational permits are issued for the storage, use and handling of hazardous materials within the Menlo Park Fire Protection District.

Menlo Park Fire Protection District Operations

In 2015, the Fire District responded to 8547 emergency incidents, up 4%, or 324 calls for service from 2014 and up 15%, or 1272 calls for service from 2010. Of those 8547 calls for service, 5532, or 64% were for emergency medical incidents and 2%, or 187 were for fire responses.

In 2015, a total of 3334 calls for service or 39% of the Fire District's emergency activity occurred (See attachment) on the eastern side of Highway 101. Collectively, both Fire Stations 77 and 2, which daily cover and back each other up, responded to 77 fires and 2430 emergency medical incidents, essentially 41 – 44% of these types of emergency incidents occurred in the much smaller and denser eastern side of the Fire District that is now proposed for additional and substantial growth.

As stated in the Fire Districts Standards of Cover Report (SOC), but unfortunately not reported in the General Plan EIR, the Fire District's ability to provide essential emergency services to the eastern side of Highway 101 will be "strained" by the proposed additional development which will create a "tipping point" for our agency to adequately protect what essentially is a service island, or more clearly put, an already hard to serve area that is currently the busiest in the Fire District.

The Fire District uses a move and cover deployment model which simply means that if both Station 77 and 2 are on an emergency incident, or out of their response area for training or other reasons, another fire unit is dispatched to move and cover the eastern side of Highway 101 from the western side of the Highway. Depending upon the time of day, other activity and day of the week, coverage and response can be both extended and significantly delayed. Additional impacts from more development will only further exacerbate this unacceptable condition.

While emergency medical incidents typically only require one unit (fire engine), expanded incidents like vehicle accidents and fires can require from 4 to 7 emergency apparatus. Automatic aid from neighboring agencies can be helpful for expanded incidents, or move and cover, but those agencies have their own residents to serve and emergencies. They will provide resources as able, but with even longer response times from further away depending upon location, available units, activity and other events. Automatic aid cannot be relied upon to provide needed fire services for new increased development within the Fire District's jurisdiction.

That also includes different types of equipment like an aerial ladder truck, a rescue squad and a heavy rescue based upon an increased floor area ratio (FAR) and building height of over three stories. Additional personnel and apparatus are needed to create an "effective fire force" to meet the future demands for service based upon the proposed growth in the updated Menlo Park General Plan update, Facebook proposals and East Palo Alto's recently drafted General Plan.

4.12.1.1 – Environmental Setting – Existing Conditions

The EIR tries to distort that the "proposed project" has limited, or no financial responsibility for a fire facility because it attempts to use the Fire District's own visionary methodology and budget practices against it. *"As stated in the FY 2015/16 MPFPD Budget, the MPFPD has capital improvement plans in place to expand its facilities to accommodate future demand, including Fire Station 77, which pre-dates the proposed project. Therefore, the proposed project does not in and of itself require this expansion".*

This statement is incorrect. The budget does not address the specific improvements and expansion needed to address the impacts of the General Plan and other proposed new development in the Fire District's jurisdiction. The growth projections in the District-adopted Impact Fee Nexus Study ("Nexus Study") include the projections under the General Plan. The Nexus Study allocated 50% of the Fire Station 77 expansion costs and 100% of the

new ladder truck and apparatus and equipment needed for a new squad to the improvements needed to service new development (See Tables 1 and 3 of Nexus Study). The EIR needs to be revised to reflect the correct information contained in the Nexus Study.

Not mentioned in the EIR is the important fact that the Fire District has a land lease with the City for Station 77 for 55 years, of which 20 has already gone by. The District has offered to purchase the property at market value every year for the last three years. The District has offered to include a right of first refusal clause in the agreement. Despite the City agreement to sell the adjacent property to a school, the District has not been successful in getting the City to agree to sell the Station property to the District.

The District has simultaneously attempted to extend the land lease for over two years. With 35 years remaining on the land lease the District is requesting an extension in line with the life span of a new facility, or for 70 years.

These issues are relevant to our response based upon how the General Plan attempts to frame the Fire District's intentions and plans. The Fire District has made its primary commitment to serving the residents of Belle Haven and we believe we can adequately serve the proposed project (Belle Haven and M2) from this strategic location.

That said, the Fire District has Fire Stations that are over 60 years old and in need of replacement. We would not propose enlarging, or a new facility, in a 20 year old building if it wasn't for the significant impacts being proposed under the General Plan update and other proposed development, including the Facebook West Campus expansion plans. Nor would we look at other locations if we had received a different reception from the City.

4.12.1.2 – Impact Discussion

PS-1 "Implementation of the proposed project would not result in the need for new or physically altered fire protection facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives".

This statement is incorrect. The City of Menlo Park increased the FAR and lifted the building height cap from three stories starting with the Gateway project. The General Plan update only further increases that growth, density and height. This area is already currently in the middle of a building boom with project after project involving roadwork, underground work, demolition and significant amounts of re-construction and new more dense development.

The Fire District's need to enlarge, rebuild or even build a new facility should not be dictated by an EIR which has erroneous and incomplete information and appears to be attempting to put narrow environmental issues ahead of our ability to provide adequate public safety services for this project and the community..

The conclusion that the impact of the General Plan on fire services is less than significant is wrong because it is based on incomplete and inaccurate information and analysis. As stated above in Section 1, the conclusion is based on the payment of the fire services impact fee - "payment of impact fees would ensure that the adoption of the proposed project would result in *less-than-significant* impacts" (p. 4.12-12).

The assumed payment of the fee cannot be supported without a General Plan policy or mitigation measure requiring the fee payment. The analysis is incomplete because it fails to address impacts due to increased service population and building heights resulting from development allowed under the General Plan. The General Plan will result in an increase in service population of at least 11,570 residents and 5,500 employees due to changes in the M-2 zoning (EIR, Project Description, Section 3.7.2.2). The EIR fails to analyze the impacts on fire services of this large increase in service population.

*PS-2” Implementation of the proposed project, in combination with past, present and reasonably foreseeable projects, **would result** in less-than- significant cumulative impacts with respect to **fire protection services”.***

*PS-4” Implementation of the proposed project, in combination with past, present and reasonably foreseeable projects, **would not result** in less- than-significant cumulative impacts with respect to **police services”.***

There seems to be some disparity between the Cities Police Department and the Fire District according to the report. The Fire District, like the Cities Police Department, has identified that it would need more personnel and apparatus to adequately serve the eastern side, or hard to serve portion of the District based upon the growth proposed in the General Plan update. We completely agree with the City and Police Department on this point and would expect to not be treated differently.

The EIR should identify the number of additional fire safety personnel needed to serve this new population and maintain the current Fire District standard of .87 fire safety personnel per 1,000 service. The increase in number of fire safety personnel due to the Project is at least 12. The impacts of this increase in fire safety personnel will include expansion of Fire Stations to house new crews, which would likely occur at Station 77. The increase in permitted building height will require the addition of an aerial ladder truck east of 101 which cannot be accommodated in Station 77 as currently configured. So, the Project causes all of these impacts, including the need to rebuild and expand Fire Station 77, which must be mitigated. The EIR fails to analyze these impacts and require mitigation.

4.12-7 – Capital Improvements:

The EIR states that the Fire District has an unfunded amount for capital improvement projects of \$29 Million which will be met, in part, by the imposition of a fire services impact fee on new development. The EIR states the City adoption of the impact fee under the Fire District Board approved Fee Study “is anticipated prior to the approval of the proposed project [and] all new development applicants in the MPFPD service area will be required to pay applicable impact fees.” However, per the Fire District Board approved 2016 Fee Study the Fire District has \$82,089,500 of capital purchases over the next 20 years*, not \$29 million. As of June 30, 2016 the Fire District’s reserve balance available to fund these capital expenditures is only \$26,085,000.

The assumption that the impact fee will be adopted and paid is unfounded given the lack of a mandatory General Plan policy or mitigation measure (see discussion above in Section 1).

*Per table 2 and 3 of the 2016 Fee Study. Costs are based on 2016 dollars and exclude annual inflation, escalation costs and amounts paid after February 2016.

Table 3
Capital Improvements Needed to Service New Development and Cost Allocations
2016 Fire Protection Fee Nexus Study - MPFPD

Facilities	Net Cost to District	Percent of Cost Allocated to New Development	Cost Allocated to New Development	Remaining Portion to be Offset by Other Funding Sources
Admin. & Fire Prevention	\$0	0%	\$0	\$0
Station 1 & Training Facility	\$13,003,500	0%	\$0	\$13,003,500
Station 2	\$4,363,400	0%	\$0	\$4,363,400
Station 3	\$6,292,800	0%	\$0	\$6,292,800
Station 4	\$10,068,500	50%	\$5,034,250	\$5,034,250
Station 5	\$6,292,800	0%	\$0	\$6,292,800
Station 6	\$9,600,000	0%	\$0	\$9,600,000
Station 77	\$10,068,500	50%	\$5,034,250	\$5,034,250
Station 77 Ancillary Bldgs	\$1,000,000	0%	\$0	\$1,000,000
Subtotal	\$60,689,500	17%	\$10,068,500	\$50,621,000

Apparatus & Equipment (# of items)

Fire Engine (14)	\$8,330,000	0%	\$0	\$8,330,000
Ladder Truck (3)	\$5,100,000	0%	\$0	\$5,100,000
Ladder Truck (1)	\$1,700,000	100%	\$1,700,000	\$0
Squad (1)	\$300,000	100%	\$300,000	\$0
Patrol Pumper (4)	\$780,000	0%	\$0	\$780,000
BC Command Vehicle (3)	\$330,000	0%	\$0	\$330,000
Airboat (2)	\$160,000	0%	\$0	\$160,000
Other Vehicles and Equipment	\$4,700,000	0%	\$0	\$4,700,000
Subtotal	\$21,400,000	9%	\$2,000,000	\$19,400,000

Grand Total **\$82,089,500** **15%** **\$12,068,500** **\$70,021,000**

(#) Indicates the quantity to be purchased over the next 20 years which includes replacement per the District's replacement schedule.

Source: Menlo Park Fire Protection District

Table 2
2015-2035 Capital Improvement Plan Summary - 2015 Dollars
2016 Fire Protection Fee Nexus Study - MPFPD

Capital Improvement Plan Summary- 2015 Forecasted Expenditures									
Facility	2015-16	2016-17	2017-18	2018-19	2019-20	2020-25	2025-30	2030-35	Total
Buildings									
Admin. & Fire Prevention	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Station 1 & Training Facility	\$0	\$75,000	\$250,000	\$3,000,000	\$5,000,000	\$4,678,472	\$0	\$0	\$13,003,500
Station 2	\$4,363,422	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,363,400
Station 3	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$5,292,842	\$6,292,800
Station 4	\$0	\$0	\$0	\$0	\$75,000	\$9,993,548	\$0	\$0	\$10,068,500
Station 5	\$0	\$0	\$0	\$0	\$0	\$0	\$6,292,842	\$0	\$6,292,800
Station 6	\$1,500,000	\$3,300,000	\$3,300,000	\$1,500,000	\$0	\$0	\$0	\$0	\$9,600,000
Station 77	\$0	\$0	\$0	\$0	\$0	\$0	\$10,068,548	\$0	\$10,068,500
Station 77 Ancillary Bldgs	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$0	\$1,000,000
Subtotal	\$5,863,422	\$3,375,000	\$3,550,000	\$4,500,000	\$5,075,000	\$14,672,020	\$12,068,548	\$11,585,684	\$60,689,500
Apparatus									
Fire Engine	\$595,000	\$0	\$1,190,000	\$1,190,000	\$0	\$1,190,000	\$2,975,000	\$1,190,000	\$8,330,000
Ladder Truck	\$0	\$0	\$0	\$1,700,000	\$0	\$0	\$0	\$3,400,000	\$5,100,000
Ladder Truck (New)	\$0	\$0	\$0	\$1,700,000	\$0	\$0	\$0	\$0	\$1,700,000
Squad (New)	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000	\$0	\$300,000
Patrol Pumper	\$190,000	\$0	\$0	\$200,000	\$0	\$0	\$0	\$390,000	\$780,000
BC Command Vehicle	\$0	\$0	\$0	\$110,000	\$0	\$0	\$110,000	\$110,000	\$330,000
Airboat	\$0	\$0	\$0	\$0	\$80,000	\$0	\$0	\$80,000	\$160,000
Other Vehicles and Equip.	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000	\$1,400,000	\$1,300,000	\$4,700,000
Subtotal	\$985,000	\$200,000	\$1,390,000	\$5,100,000	\$280,000	\$2,190,000	\$4,785,000	\$6,470,000	\$21,400,000
Grand Total	\$6,848,422	\$3,575,000	\$4,940,000	\$9,600,000	\$5,355,000	\$16,862,020	\$16,853,548	\$18,055,684	\$82,089,500

Source: Menlo Park Fire Protection District.

4.12-8 - Impact Discussion.

The impact also includes more operational permits, hazardous materials permits and management, annual inspections, construction permits and inspections. The fee schedule is primarily for the cost recovery of the construction services only, of which higher demand requires staff, equipment and facilities. Therefore impact fees are needed for the impact to general Fire District operations.

The EIR improperly analyzes the cumulative impact of the Project. The conclusion that the cumulative impact is less than significant is wrong because it is based on incomplete and inaccurate information and analysis. The cumulative analysis is incorrect because it does not include all the proposed future development within the Fire District's jurisdiction outside the City. In particular, the EIR does not consider the significant future development planned under the General Plan Update and Ravenswood and 4 Corners Project in the City of East Palo Alto, and the North Fair Oaks Community Plan in the County of San Mateo.

The EIR fails to consider the substantial increase in service population within the District's jurisdiction caused by the combination of development within the City and these other jurisdictions. In order to properly analyze the cumulative impacts, the EIR must calculate the increase in service population and identify the number of additional fire safety personnel needed to serve this new population and maintain the current Fire District standard of .87 fire safety personnel per 1,000 service population.

The substantial increase in service population will result in the need to hire new fire safety personnel, which, in turn, will create the need to expand Fire Stations to house new crews, and other impacts. The cumulative development is also defective because it contains the same flaw of relying on the payment of fire services impact fees to support the less than significant conclusion. As discussed in detail above, the payment of the fee cannot be supported without a General Plan policy or mitigation measure requiring the fee payment. Therefore, the EIR needs to be revised to properly analyze the significant cumulative impacts and include mitigation measures to address those impacts.

5. General Comments on EIR

The Fire District has the following general comments on the EIR:

Policy CIRC-1.6: Emergency Response Routes:

These routes have already been adopted by the Fire Board. We would be happy to discuss them with our law enforcement partners but our deployment models, unit configurations and staffing models are dramatically different. There is a significant difference between a police vehicle and a ladder truck when it comes to size, weight, maneuverability, strategic positioning and purpose. The EIR should properly address this.

Policy CIRC-2.14: Impacts of New Development::

The Fire District should be consulted on any roadway modifications, specifically if it slows or impacts response times. Fire Engines are 9.5 ft. wide from mirror to mirror and the Ladder Truck is 10 ft. wide from mirror to mirror. Roadways should not be smaller than 10 ft. per lane and fire equipment can be damaged by certain control devices.

Policy CIRC-3.3: Emerging Transportation Technology:

The Fire District is already using traffic pre-emption technology. It is helpful unless traffic congestion is at grid-lock conditions. We support any new traffic signals being paid for by the project or General Plan update..

The Fire District recently received authorization from the Federal Aviation Administration (FAA) to fly Drones and is planning to use them operating out of a proposed Aerial Port from Fire Station 77. They will travel over the Dumbarton Rail Line and major roadways for primary and first response within three years to gain situational awareness over certain types of emergencies.

Policy S-1.38: Fire Resistant Design:

The Fire District supports fire resistant design including early detection and suppression using sprinkler systems.

6. Comments on General Plan Goals, Policies and Programs

The Fire District staff has worked with the City staff on goals, policies and programs in the General Plan to address impacts on emergency and fire services. However, some of these policies and programs still need to be revised to address Fire District concerns. The Fire District asks that the Council direct City staff to work with the Fire District to address these issues. Revisions to General Plan policies may address some of the EIR issues raised in this letter. Policies with enforceable mandates may be the basis for finding an impact less than significant in lieu of adopting a mitigation measure.

HAZ-2 Implementation of the proposed project would not create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment.

HYDRO-9 Implementation of the proposed project would not expose people or structures to a significant risk of loss, injury, or death involving flooding, including flooding as a result of a levee or dam break or flooding as a result of sea level rise

The Fire District is not the development and planning arm of the City but it is responsible for emergency response and consequence management. The decision to re-zone areas to combine high density residential occupancies is of significant concern to the Fire District, especially in a flood inundation zone and on Haven Avenue where one side of the street is actually in Redwood City.

7. Conclusion

The continued provision of a high level of fire and emergency services for the new development proposed under the General Plan is a goal that the Fire District and the City should share. Therefore, the impacts of new development on the Fire District must be completely addressed. The Fire District appreciates the City's consideration of these EIR comments on this important project. The Fire District, as a fellow public agency and a responsible agency under CEQA, looks forward to working with the City to ensure that the impacts on the Fire District are fully addressed and mitigated in the EIR.

Sincerely,

Harold Schapelhouman, Fire Chief

cc: Mayor and Honorable Member of City Council, Fire Board, Staff and file

From: Diane Bailey <diane@menlospark.org>
Sent: Tuesday, October 18, 2016 9:33 AM
To: _Planning Commission
Subject: Support for ConnectMenlo - a smart plan for our city's future
Attachments: Menlo Spark Comments on Draft EIR for ConnectMenlo.pdf

Dear Planning Commissioners and staff,

We have followed the ConnectMenlo General Plan and Zoning update (the Plan) process for many months, and strongly support this Plan as an important means to further the sustainability, livability and economic vitality of Menlo Park. As an independent nonprofit organization, Menlo Spark is working with businesses, residents, and government partners towards a climate neutral Menlo Park by 2025. We strongly support the City of Menlo Park's Climate Action Plan Goals, as well as the substantial growth and sustainability improvements envisioned by this Plan.

We have recommended a number of mitigations and modifications in previous comments to help the City of Menlo Park grow in a healthy, responsible manner that preserves our environmental values, character and vibrancy. Many of the ideas we propose are simply extensions of existing policy that require only moderate effort, yet would yield substantial benefits throughout the community of Belle Haven and city-wide. Please find those recommendations attached in an August 1, 2016 comment letter. In addition to these comments, we also support the recommendations and comments of Adina Levin, submitted on October 16, 2016.

The social and economic vitality of Menlo Park and the region as a whole are inextricably linked to a healthy environment. The proposed Plan and updated Zoning present extraordinary vision, measures, and standards to create more sustainable buildings, mobility and land use patterns. These will result in much lower carbon (or GHG) intensities than the status quo. The green building and clean energy standards combined with a concerted shift from driving alone to walking, biking and public transit, will reduce GHG emissions per "service unit" by more than 20 percent.

ConnectMenlo can be a win-win for the environment, livability, convenience, transit, and our economy. With some adjustments to sustainable development strategies Menlo Park can transform over the next 25 years into a model city full of life, community, vitality, and character. Thank you for considering our comments.

Sincerely,
Diane Bailey

Diane Bailey | Executive Director
MENLO SPARK
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Visit us: www.MenloSpark.org
Find us on [Facebook](#)
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EV, PV & Fossil Free: *Guides for Electric Cars, solar & Fossil Free Homes at: <http://menlospark.org/what-we-do/>*



Climate Neutral for a Healthy, Prosperous Menlo Park

Ms. Deanna Chow, Principal Planner
Planning Division
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025

Re: Draft Environmental Impact Report on the ConnectMenlo General Plan and M-2 Area Zoning Update, Comments and Recommendations

Dear Ms. Chow,

We are writing to comment on and propose strengthening improvements to the Draft Environmental Impact Report (DEIR) for the ConnectMenlo General Plan and Zoning update (the Plan), which would further the sustainability, livability and economic vitality of Menlo Park. As an independent nonprofit organization, Menlo Spark is working with businesses, residents, and government partners towards a climate neutral Menlo Park by 2025. We strongly support the City of Menlo Park's Climate Action Plan Goals, as well as the substantial growth and sustainability improvements envisioned by this Plan. However, without significant additional mitigations to what has been proposed in this DEIR, Menlo Park will experience an increase in carbon emissions, putting the 2020 Carbon goals out of reach and thwarting our long-term sustainability. We propose a suite of mitigations to help the City of Menlo Park grow in a healthy, responsible manner that preserves our environmental values, character and vibrancy.

Menlo Park has made many substantial steps towards becoming more sustainable. For example, the decision earlier this year to join the County's Peninsula Clean Energy Program, with bold support for 100% renewable power will go a long way towards meeting our 2020 carbon targets. Further, the proposed Plan includes many important clean energy and green building standards in the new zoning regulations that we have strongly supported in previous comments. We commend the City for a commitment to clean energy and green buildings.

The social and economic vitality of Menlo Park and the region as a whole are inextricably linked to a healthy environment. Our comments focus on the environmental mitigation necessary to preserve the health and high quality of life of our communities as the development envisioned in the Plan proceeds. We support the following mitigations for Greenhouse Gases (GHG), Transportation, and Air Quality, and recommend several additional measures.

1. Greenhouse gases

The proposed Plan and updated Zoning present extraordinary vision, measures, and standards to create more sustainable building, mobility and land use patterns. These will result in much lower carbon (or GHG) intensities than the status quo. The green building and clean energy standards combined with a concerted shift from driving alone to walking, biking and public transit, will reduce GHG emissions per “service unit” by more than 20 percent.¹

The sustainability improvements and carbon intensity reductions in the Plan and accompanying Zoning must be lauded. We strongly support the intent of the single greenhouse gas mitigation strategy, GHG-1, that directs the City to update its Climate Action Plan (CAP) to address the GHG reductions needed by 2020; identify a GHG emissions reduction target for 2030 and 2040 consistent with state goals; and update the CAP to include measures to ensure the city is on a trajectory that aligns with the state’s 2030 GHG emissions reduction target. However, the DEIR is unable to articulate specifically how Menlo Park will achieve its 2020 Climate Action Plan targets for the various scenarios. The Final EIR should evaluate the reductions needed to meet these goals and contemplate them as mitigation measures. We recommend the following improvements to the GHG analysis and additional mitigations.

In order to more accurately project the GHG emissions and compare alternatives, the FEIR should:

- Consider all of the provisions of the updated Plan and Zoning that impact carbon intensity and incorporate them into the GHG forecasting and modeling, including:
 - Green and sustainable building regulations;
 - Creation of a live/work/play environment with travel patterns that are oriented toward pedestrian, transit, and bicycle use;
 - Bicycle parking standards and other measures supporting alternatives to driving; and
 - Transportation Demand Management (TDM) Plans to reduce trip generation by 20 percent below standard use rates.
- Utilize more up to date energy data and base projected carbon intensity of electricity on expected Peninsula Clean Energy portfolio trajectories rather than PG&E.²
- Forecasts based on housing and employee growth should also consider upcoming regulations, conservation measures and external factors.
- The GHG emissions analysis of vehicles should be adjusted to account for higher rates of electric, hybrid and other clean vehicles in Menlo Park.³
- The FEIR should present a clear comparison of GHG emissions from the baseline conditions and each of the alternatives.

¹ See Appendix E, GHG Emissions Inventory & Forecast: Existing MTCO₂e/SP is 4.3 compared to 240 maximum citywide buildout MTCO₂e/SP of 3.3. Note however a discrepancy in 2040 thresholds between Table 4.6-7 lists a 2040 Plan-Level Efficiency Target of 2.5 MTCO₂e/SP compared to Appendix E listing a BAAQMD GHG GP threshold of 3.2 MTCO₂e/SP in 2040.

² Note that this more accurate portrayal of future energy supply will result in a lower carbon intensity per kWh as PCE is launching with a 75% carbon free portfolio that will increase carbon free power over time.

³ Note that the DEIR vehicle emission modeling was based on statewide average data from EMFAC, instead of incorporating local fleet data, a necessary step since Menlo Park has some of highest electric car ownership rates in the nation.

In order to ensure that Menlo Park stays on track to meet its climate goals in 2020 and beyond, additional specific mitigation measures should be evaluated in the FEIR. All of the near-term Climate Action Plan strategies listed in Table 4.6-8 should be analyzed and GHG reduction potential reported in the FEIR, whether they apply to new development or not, because measures for existing transportation and land uses can constitute mitigation.⁴ In addition to the list of measures in Table 4.6-8, we recommend that the following mitigations be included and thoroughly analyzed in the FEIR:

- Enhanced energy efficiency programs, such as Rising Sun Energy and Green @Home;⁵
- Incentives and technical support for replacing natural gas heating and water heating in existing buildings, such as Palo Alto's electric water heater rebates;⁶
- High efficiency Co-Gen, similar to Stanford University's Energy Plant;⁷
- Incentives and increased infrastructure for carbon-free vehicles;⁸ and
- Community projects including waste digesters, net positive micro-grids, and enhanced tree canopy management.⁹

The City should make a strong commitment to reduce GHG emissions, to ensure that we will stay on track in the future.

2. Transportation

With regard to transportation impacts from the Plan, we laud Menlo Park's commitment to alternative transportation as a means of reducing congestion and lessening the environmental impact of the Plan. However, because current traffic congestion is already acute and because the DEIR shows many intersections worsening, the City should more aggressively support alternatives to single occupancy vehicles through additional mitigations and TDM requirements.

First, the DEIR demonstrates remarkable benefits of building substantial housing near job centers that results in much slower growth in traffic (as measured by vehicle miles traveled or VMT), since the additional housing allows more people to access local jobs without driving.¹⁰ The benefits from this additional housing will be greatest if the housing is built *before* the commercial development. For that reason, we recommend phased development that emphasizes new housing before or in tandem with commercial development to minimize growth in traffic.

⁴ Although the Plan cannot apply new requirements to existing land uses, it can envision fees that can be used to fund improvements to existing properties, as offsets and where such property owners agree.

⁵ The Rising Sun Energy Center provides both job training and employment, and direct energy and water efficiency services free to residents in disadvantaged communities. See: <http://risingsunenergy.org>

The Green @Home Aprogram, run by non-profit Acterra, helps residents make energy efficiency improvements. See: <http://www.acterra.org/programs/greenathome/>

⁶ Although this program is run by the City of Palo Alto Utility, a similar program could be run independently by the City of Menlo Park, or partnering with Peninsula Clean Energy or the Bay Area Air Quality Management District, which envisions these types of incentive programs in its Climate Plan. See:

http://www.cityofpaloalto.org/gov/depts/utl/residents/resrebate/smartenergy/heat_pump_water_heaters/default.asp

<http://www.baaqmd.gov/~media/files/planning-and-research/plans/clean-air-plan-update/building-fact-sheet-pdf.pdf?la=en>

⁷ <http://news.stanford.edu/features/2015/sesi/>

⁸ See for example: <http://www.theicct.org/leading-us-city-electric-vehicle-activities>

⁹ See for example: <http://www.sustainia.me/cities/>

¹⁰ See for example, Table 4.13-13, showing VMT per capita in 2014 equal to 15, while VMT per capita would go down to 14 in 2040 if the Plan was fully built out.

We strongly support many of the transportation mitigations included in the DEIR:

- Updating the Transportation Impact Fee program to bolster funding of both infrastructure and roadway improvements (TR-1b), as well as bicycle and pedestrian facilities (TR-6a).
- Updating the existing shuttle fee program to guarantee funding of city-sponsored shuttle services (TR-6b). This will not only improve vital public transit services in areas that are currently underserved, it will help students and commuters reduce reliance on single-occupancy vehicles and cut traffic.
- Continuing support for the Dumbarton Corridor Study (TR-6c). The City should strongly advocate for as swift a reuse of this important transportation corridor as possible.

The final EIR should increase mitigation related to the proposed Zoning trip reduction requirement of 20%. Although this is a reasonable requirement at the current level of transit and alternatives to driving available, we recommend a stronger goal approaching 40% or higher when major transit improvements are complete. The Plan envisions significantly improved additional options to driving alone, including redevelopment of the Dumbarton transit corridor, which would facilitate enhanced trip reduction. For example, the San Mateo Rail Corridor Plan set up tiered trip reduction goals beginning with 25% in the short term, and including a long-term trip generation threshold of 40% once a major new transit oriented development was completed.¹¹ The North Bayshore Precise Plan in Mountain View recently established a trip cap based on a single occupancy vehicle (SOV) mode share target of 45%.¹²

3. Air quality

We applaud the many policies and requirements that address air quality in the Plan and associated proposed zoning. The DEIR also includes several air quality mitigation measures that we support, including AQ2a (development of specific mitigation plans where necessary), and AQ3a and AQ3b (diesel pollution and sensitive land uses). However, additional mitigation is called for because the area of Menlo Park facing the most impacts from future development is not only a part of the regional nonattainment area for state and federal smog and soot standards, it is also downwind of the busy 101 freeway, and Belle Haven residents are therefore exposed to serious health hazards from Toxic Air Contaminants such as diesel soot.¹³ The City must ensure that there is ample site specific mitigation required for individual new developments as they move forward, such as enhanced measures to reduce drive-alone rates, elimination of fossil fuel use in buildings, and attentive application of measure AQ3a to ensure clean delivery and service trucks. In addition, the City should explore providing free air filters

¹¹ These trip reduction goals are tied to the Bay Meadows development in San Mateo.
<http://www.cityofsanmateo.org/DocumentCenter/Home/View/11019>

¹² See the Precise Plan here: <http://www.mountainview.gov/civicax/filebank/blobdload.aspx?BlobID=15164>

¹³ Note that Table 4.2-8 incorrectly states that additional projected PM2.5 emissions do not exceed the daily threshold. This is important because health impacts related to fine particulate matter exposure are the most serious of the air pollutant triggers, contributing to premature deaths among many other impacts.

to all Belle Haven residents living near the freeway, any congested areas, or major new construction sites.¹⁴

Menlo Park has in many cases been a leader in requiring green development that minimizes environmental impacts. The proposed Plan has incorporated many goals and policies that ensure Menlo Park can continue to thrive and modernize while maintaining its charm and sustainable quality of life. The improvements recommended here can help ensure that the ConnectMenlo General Plan fully preserves the environment and allows Menlo Park to stay on track to its environmental and climate goals. Many of the ideas we propose are simply extensions of existing policy that require only moderate effort, yet would yield substantial benefits throughout the community of Belle Haven and city-wide.

This DEIR shows that ConnectMenlo can be a win-win for the environment, livability, convenience, transit, and our economy. With some adjustments to sustainable development strategies Menlo Park can transform over the next 25 years into a model city full of life, community, vitality, and character. Thank you for considering our comments.

Sincerely,



Diane Bailey, Executive Director, Menlo Spark

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Natalie Baker, Menlo Spark Intern

nmbaker@stanford.edu

Clara Dewey, Menlo Spark Intern

c1q2d3@gmail.com

¹⁴ We recommend a program providing High Efficiency or “HEPA” filters, such has been done in other freeway-impacted communities. See: <https://www.epa.gov/indoor-air-quality-iaq/guide-air-cleaners-home>
Note that air filters have been requested by at least one Belle Haven resident at a public meeting related to ConnectMenlo.

From: [Rosa Miralles](#)
To: [_connectmenlo](#)
Subject: Connect Menlo EIR Response Letter
Date: Wednesday, October 19, 2016 4:37:18 PM
Attachments: [10-19-16 Response letter- connect menlo EIR.pdf](#)

Good Afternoon Ms. Chow,

Attached please find the response letter for the Connect Menlo EIR from the Sequoia Union High School District and the Ravenswood City School District.

The original was sent via USPS.

Best Regards,
Rosa Miralles
Assistant to Matthew Zito
Chief Facilities Officer
Sequoia Union High School District
(650) 369-1411 Ext. 22356

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OUR CHILDREN – OUR FUTURE™

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Dr. Charlie M. Knight, Member
Marcelino López, Member

Dr. Gloria M. Hernández-Goff
Superintendent

*Ravenswood City School
District*

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October 19, 2016

By U.S. Mail & E-Mail: connectmenlo@menlopark.org

Deanna Chow
Principal Planner
City of Menlo Park
Community Development Department
701 Laurel Street
Menlo Park, CA

Re: Environmental Impact Report for General Plan and M-2 Area Zoning Update

Dear Ms. Chow:

The Sequoia Union High School District (“High School District”) and Ravenswood City School District (“Ravenswood District”) submit this letter with regard to the Environmental Impact Report (“EIR”) for the ConnectMenlo General Plan Land Use & Circulation Elements and M-2 Area Zoning Update (“Project”). We are concerned that the Project has the potential to create significant impacts on the student populations we serve, their families, staff and teachers, and the school facilities in which they are housed. As public agencies serving the population of Menlo Park along with the City, the Districts wish to foster cooperation and communication with the City on this and other projects. It is the Districts’ collective hope that collaboration between the Districts and the City can occur to avoid negative effects that the Project may otherwise have on the community that our Districts serve.

1. **The EIR Contains an Inadequate Discussion of the Impacts on Schools**

The Project area is currently served by the High School District’s Menlo-Atherton High School. The EIR acknowledges at page 4.12-34 that enrollment rates for the 2014/2015 school year at that high school were above the current capacity. There is no discussion of capacity or enrollment for the 2015/2016 school year, or the current year. We invite the City to contact the High School District’s staff to obtain more recent data. The EIR also acknowledges that the High School District projects an increase of 2,796 students by the year 2020, and these projections do not include any students that would be generated by the Project. Per the EIR, the

Project is anticipated to generate 1,100 new students by the year 2040. [EIR, pg. 4.12-39.] The High School District does not have capacity to accommodate such an inundation of new students and developer fees will not sufficiently fund the necessary new facilities to accommodate these students.

As stated in the EIR, the Ravenswood District current operates two elementary schools that would serve the Project, Belle Haven Elementary School and Willow Oaks Elementary School. Enrollment in both schools was almost at capacity for the 2014-2015 school year, and the Ravenswood District projects an increase of students by the year 2020. [EIR, p. 4.12-33.] Thus, even without the Project, the Ravenswood District will soon be faced with a shortage of space. On top of that shortage, the EIR indicates that the Project will generate an additional 2,070 students by the year 2040. There is no capacity in the Ravenswood District for these students, and the District does not have funding to acquire land or build new facilities to house them.

These significant impacts on the Districts are not identified or addressed in the EIR. Instead, the EIR dismisses the significant impacts on schools by repeatedly citing Senate Bill (“SB”) 50 and stating that the California Legislature has determined that payment of school impact fees shall be deemed to provide full and complete school facilities mitigation. The EIR describes SB 50 as limiting “the power of cities and counties to require mitigation of school facilities impacts as a condition of approving new development.” [EIR, p. 4.12-27.] This analysis is based on a misconception and falls short of providing a full and accurate picture of the school-related impacts that will necessarily result from the Project.

The developer fees created by SB 50 were never intended to prohibit other mitigation, nor will they adequately mitigate all impacts of this Project. The EIR fails to explore other measures that would alleviate the impact of the increases in student enrollment. Alternative means of addressing the impacts of new development on schools still allowed under SB 50, and not acknowledged in the EIR, include the following:

a. Coordinated Planning for School Sites

Government Code sections 65352 and 65352.2 require local cities to coordinate planning of school facilities with school districts. The Legislature confirmed in this statutory scheme that the parties are meant to coordinate options “for the siting of new schools and whether or not the local city or counties existing land use element appropriately reflects the demand for public school facilities, and ensures that new planned development reserves location for public schools in the most appropriate locations.” (Gov. Code 65352.2(d)(2).) No such coordination has occurred in relation to the Project, and the EIR does not analyze the City’s failure to comply with these coordination requirements.

The Legislature recognized that new planned development should take into consideration and even “reserve” locations for schools to serve development because schools are as integral a part of planning for new development as is any other public service, such as fire, police, water and sewer. As it relates to this instance, the intent behind sections 65350, *et seq.*, supports the Districts’ position that the City must analyze whether the current size of the Districts’ schools is adequate to accommodate both their existing population and the new development. The City can help the Districts provide adequate facilities resulting from the impacts of the Project, which are not addressed by developer fees, by acknowledging the significant impact on schools, and

requiring alternative mitigation measures to assure that there are adequate sites to accommodate school facilities.

b. Land Dedication

One feasible mitigation measure not addressed by the City would be for the City to adopt findings requiring any developer building as part of the development allowed by the Project to dedicate land and/or funding pursuant to Government Code sections 65970, *et seq.*, which permit the City to require a developer to dedicate land to a school district. Section 65974 specifically states that “for the purpose of establishing an interim method of providing classroom facilities where overcrowded conditions exist, . . . a city, county, or city and county may, by ordinance, require the dedication of land, the payment of fees in lieu thereof, or a combination of both, for classroom and related facilities for elementary or high schools as a condition to the approval of a residential development.” Nothing in SB 50 precludes this approach.

A land dedication requirement would be good public planning benefiting all residents of the community, including future residents of the Project. Land suitable for a new school site in the vicinity of the Project is already scarce; it will only become more so if the Project is implemented and further development occurs. Under Government Code sections 65352 and 65352.2, the City has a duty to help plan for adequate services to its residents by ensuring that future sites are set aside for schools. Failure to do so leads to inadequate services, future controversies, and the potential need for a school district to exercise its rights under eminent domain, displacing future residents.

All of these are impacts potentially stemming from the Project that are not considered in the EIR, and for which mitigation is and can be made available under existing law. Land dedication is a permissible mitigation measure under Government Code sections 65995, *et seq.*, as well as section 66478 of the Subdivision Map Act.

c. Phasing

Another method by which the City can work cooperatively with the Districts within all legal constraints to ensure adequate school facilities with regard to new development allowed by the Project is by requiring future development to be phased and not permitted prior to availability of school facilities. Timing development so as to balance the availability of school facilities with new development can significantly aid the Districts in their attempts to provide for the additional students who will be generated as a result of the Project and development following approval of the Project. The Districts must plan in advance for the arrival of the new students generated by the Project. The City could mitigate the impacts of the Project and allow for available school facilities when needed by requiring phasing of this Project. This phasing could require that the timing of the development of the Project be coordinated with the availability of school facilities.

2. The EIR Fails to Analyze Other School-Related Impacts

In addition to the above discussion of the inadequacy of school impact fees to mitigate the Project's significant impact on schools, the EIR fails to address other types of impacts related to the Districts' schools that will be caused by the Project.

A fairly recent court case addresses the extent to which a city or county must consider school related impacts in an environmental impact report for new development. The case determined that SB 50 does **not** excuse a lead agency from conducting environmental review of school impacts other than an impact "on school facilities." The case indicated that SB 50 does not cover all possible environmental impacts that have any type of connection or relationship to schools. As a result, the court concluded that the County would have to set aside the certification of the EIR at issue in that case and approvals of the project and take action necessary to bring the EIR into compliance with CEQA regarding its analysis of traffic from private and school bus trips to existing schools outside the project area and the potential environmental effects from the construction of additions, either temporary or permanent, to existing schools. (*Chawanakee Unified School District v. County of Madera, et al.* (2011) 196 Cal.App.4th 1016.)

The school impact analysis for the Project is inconsistent with this approach as it does not analyze any of the school-related impacts. There is no analysis whatsoever in the EIR of the impact on school children and surrounding neighborhoods as portable classrooms or permanent construction are added to existing schools, or new schools are built, to accommodate development flowing from the approval of the Project.

Also, the *Chawanakee* case supports the conclusion that greater traffic analysis that **specifically takes the District and its students into consideration** is required. Additional students traveling to existing schools will impact the roadways and traffic before they set foot on the schools grounds.

The EIR also fails to take into account other school-related impacts, such as teacher/staffing requirements based on anticipated population growth and existing State and District policies, and impacts on curriculum. Construction of new or expanded school facilities necessitated by the Project may also have traffic, air quality, and aesthetic impacts that are not discussed in the EIR. In these regards, the EIR is deficient.

3. The EIR and Related Fiscal Impact Analysis Contain Outdated and Incorrect Data

The Districts have also reviewed the Fiscal Impact Analysis prepared by BAE Urban Economics for the Project. That Analysis is misleading as it understates the financial hardship that the Project will create for each District. Regarding the High School District, the Analysis accurately states on page 70 that the District's student generation rate ("SGR") is 0.2 students per residential unit. This figure results in an estimated net increase of 1,100 students from the Project at Project buildout, resulting in a net deficit to the High School District of approximately \$5.5 million per year. The Analysis then undermines this very significant effect on the High School District by recalculating the deficit using an SGR of 0.13, with no citation to any source for that figure. Using an SGR of 0.13 results in a much lower annual deficit of \$60,400. There is no support in the Fiscal Impact Analysis or the EIR for this lower number. The High School District uses the State SGR figure of 0.2 students per residential unit in all of its facilities

the EIR uses the higher SGR of 0.20 for single- and multi-family dwelling units. [Final EIR, pg. 4.12-39.] The analysis in the Fiscal Impact Analysis is thus inconsistent with the analysis in the EIR, creating an administrative record that lacks clarity on these issues.

The Fiscal Impact Analysis also erroneously concludes that the Project will have no net fiscal surplus or deficit to the Ravenswood District. It does not take into account the cost of acquiring land to build new schools, the cost to construct new schools or expand existing campuses, or other factors that contribute to the Project's fiscal impact on the Ravenswood District. It also bases its conclusion of no net impact on the fact that the Ravenswood District is a Revenue Limit District, failing to recognize that the changing landscape of the area could cause Ravenswood to become a Basic Aid District.

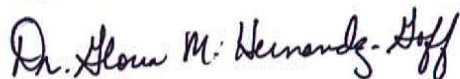
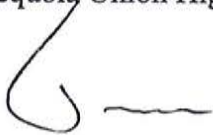
Also, page 4.12-27 of the EIR contains outdated analysis, stating that on January 22, 2014, the State Allocation Board (SAB) approved increasing the allowable amount of statutory school facilities fees (Level I School Fees) from \$3.20 to \$3.36 per square foot for residential development, and from \$0.51 to \$0.54 per square foot for commercial development. In 2016, the SAB took further action to increase the allowable amount of school facilities fees to \$3.48 for residential development and \$0.56 for commercial, and the EIR should be updated to reflect that.

Conclusion

The Districts recommend that the City revise the EIR to address the issues discussed above and recirculate for further public comment. The Districts also encourage the City and any Project proponents to work cooperatively with the Districts, and all other impacted school districts, and consider alternative mitigation measures that can assist in adequately mitigating the impacts on schools and the affected surrounding environment. The Districts are ready and willing to meet and work with the City to address these vital issues.

Sincerely,

James Lianides
Superintendent
Sequoia Union High School District



Gloria Hernandez
Superintendent
Ravenswood City School District

From: Rich Truempler <rtruempler@sobrato.com>
Sent: Tuesday, October 18, 2016 11:18 PM
To: Chow, Deanna M; PlanningDept
Subject: [Sent to Planning]M-2 Planning Commission Meeting

October 18, 2016

City of Menlo Park

Attn: Planning Commission

701 Laurel Street

Menlo Park, CA 94025

Re: M-2 General Plan Update

Dear Members of the Planning Commission:

The Sobrato Organization supports the General Plan Update, and in particular the effort to encourage more housing to address the growing lack of affordability in the area. The development of housing in the M-2 will help reduce stress on the existing housing stock and the aging transportation infrastructure, while supporting economic growth that will help maintain an equitable level of municipal services for the entire community. We are encouraged to see Menlo Park take a leadership role in addressing this critical issue.

As presently conceived we believe the plan will for allow balanced growth while achieving the goals outlined in the guiding principals. However, edits to the draft zoning regulations are required so that the City may achieve those goals.

In addition to our philanthropic involvement in the Belle Haven community, The Sobrato Organization owns just over 20 acres in the M-2 Area that will be affected by this General Plan Update. Just over eight of the 20 acres will have the proposed R-MU (Residential-Mixed Use) zoning designation. Based on the proposed design guidelines, we hope to construct 600 apartment units and 90,000 square feet of office space. This could be the single biggest residential development in Menlo Park in the last 20 years, and would have a meaningful impact supplying housing now.

Within the design guidelines proposed 15% of the 600 apartments would be set-aside for those with Extremely Low, Very Low, and Low Incomes, as defined by the Income Guidelines for the County of San Mateo. This would make a significant contribution to the City meeting its regional housing need allocation (RHNA.)

However, we can only achieve this level of affordability through a partnership with a non-profit organization such as Mid-Peninsula Housing. The affordable apartments would be produced by us deeding land to the non-profit, adjacent to and as part of our larger project. This is essential to secure the specialized efficient financing required to maximize the number of affordable units at the desired affordability level from the project total. The dedication of a portion of our land for affordable housing is far more effective in producing such housing than alternatives such as in-lieu fees or strictly onsite requirements (which are far more expensive to finance.)

Depending on the final language that is adopted by the City of Menlo Park, we intend to prepare a planning application to start the entitlement process for our project so that we can build the residential units as quickly as possible to help address the present housing shortage.

The following suggested edits to the zoning regulations would allow us to redevelop our site in the manner described above, and help the City realize its vision for balanced growth in the M-2:

Affordable Housing

In return for greater density, residential projects should provide affordable housing that is equivalent to a total of 15% of the bonus density either on-site or immediately adjacent to the market rate component of the project. This onsite or adjacent requirement will create a vibrant, mixed-income neighborhood while allowing alternative financing structures to make the affordable units feasible.

When contemplating community benefit and mitigation measure expenses that residential projects are asked to bear, it is important to understand how these costs affect both housing production and affordability for those that do not qualify for below market units. The inclusion of affordable housing inevitably imposes a cost on the renters of market rate units. In simple terms each affordable unit costs approximately \$400,000 to construct, not including the cost of land. When this cost is spread across the units that are market rate, it increases the costs of those units by \$70,000. This is on top of the approximately \$20,000 in other fees currently required in Menlo Park. Altogether, these fees add approximately \$650 per month to the rent needed to finance a market rate unit. Given the need to increase affordability for residents at all income levels, including critical members of the community such as teachers and first responders who generally do not qualify for below market rate units, it is imperative not to impose further burdens on the development of housing. For example, a regulation that requires greater than 15%, and without an off-site but adjacent component, would not only result in fewer rental-housing units being built, it would also increase the rent on the most affordable form of market rate housing available in the City.

If the City wishes to increase the number of legally affordable units produced, we suggest rather than increase the burden on market rate housing, the City could double the number of parcels with an R-MU designation. This will result in more production of both affordable and market rate units.

Water and Energy

New housing construction that meets the State of California's stringent Title 24 and CALGreen requirements is inherently more sustainable than existing housing. Furthermore, mid and high density multi-family housing is the most water and energy efficient form of housing. As a result, the new housing proposed for the M2 district will typically be 60% more energy efficient and 30% more water efficient than the majority of the existing housing stock in Menlo Park, without any further requirements. This resource efficient housing should be encouraged, not made more expensive through additional requirements that will have little marginal benefit to Menlo Park's water and energy usage.

The proposed zoning language requires that projects greater than 250,000 square feet provide their own source of non-potable water for City approved uses. This policy would be detrimental to the City's goal to help provide affordable housing, as it would result in lower density and fewer affordable units as developers strive to stay under the 250,000 square foot threshold.

We request this policy be eliminated for residential developments. However we do support a policy to require residential developments to be dual plumbed and tie into a municipal recycled water system once available.

Community Amenity/Public Benefits

The goal of zoning the M2 district to allow housing is to address the current housing crisis in Menlo Park through the production of more units at all income levels. Given this goal of encouraging housing production and the cost to develop affordable housing, no further community amenity or community benefit fee should be assessed to a residential project.

A *reasonable* per square foot community amenity fee for the office component in R-MU and O zoning districts could be supported, if applied to community amenities/benefits that have a cogent relationship between the new development and our Belle Haven impacted neighbors. We are also willing to explore a CFD or CID to help fund needed infrastructure in lieu of an upfront payment of a fee at building permit issuance, if it enables the realization of community amenities sooner.

We respectfully request that the City incorporate our recommendations, as they are fair suggestions that would help incentivize redevelopment at the bonus level thereby helping the City achieve its stated goals of the M-2 General Plan Update through the development of residential units in a growing employment center.

Best Regards

Richard Truempler
Vice President, Real Estate Development

rtruempler@sobrato.com

The **Sobrato** Organization • 10600 N. De Anza Blvd., Suite 200 • Cupertino, CA 95014
(408) 446-0700 office • (408) 796-6505 direct

From: Ruth Farrell <rfarrell@tarlton.com>
Sent: Wednesday, October 19, 2016 11:34 AM
To: Chow, Deanna M; To;; Drew Combs; Susan Goodhue; Larry Kahle; John Onken; Riggs, Henry; katherine_strehl@yahoo.co; cknox@placeworks.com
Cc: John Tarlton; Ruth Farrell
Subject: Update: Letter - ConnectMenlo - Remaining Open Items on LS District Regulations
Attachments: Letter - ConnectMenlo - Remaining Open Items on LS District Regulations 101916.pdf

To the Chair and Planning Commissioners:

In conjunction with tonight's meeting for ConnectMenlo's – Planning Commission, attached is a letter from John Tarlton/Tarlton Properties, Inc. addressed to the Chair and Planning Commissioners.

Kind Regards,

Ruth Farrell
Tarlton Properties, Inc.
1530 O'Brien Drive, Suite C
Menlo Park, CA 94025
E: rfarrell@tarlton.com
650.330.3600 - Office
650.330.3636 - FAX





October 19, 2016

Deanna Chow
Planning Division
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025

RE: ConnectMenlo - Remaining Open Items on LS District Regulations

Deanna,

Thank you again for all of your hard work and that of your team of consultants on this significant project. While many of the concerns we previously expressed have been addressed, there are six remaining unresolved issues. For your convenience, we have provided the attached list of those items.

Each of these items was presented in greater detail, including diagrams, in our previous letters submitted on May 23, 2016 and June 23, 2016, respectively, and at other meetings. That package also included what we believe to be a compelling rationale for the proposed changes, consistent with the goals of Belle Haven neighborhood and the ConnetMenlo process.

As you know, the May 23rd meeting was cut short and several members of the Planning Commission stated their concerns regarding the insufficient time to adequately address the items on our attached list. We want to make sure that these items are addressed prior to the final adoption of Life Science District zoning regulations. Please provide adequate time at tonight's Planning Commission meeting to address these items.

Thank you!

John C. Tarlton
President & CEO
Tarlton Properties, Inc.

cc: Planning Commissioners
Charlie Knox, PlaceWorks

October 19, 2016

Unresolved Issues with the Draft Ordinance for the LS Zoning District

1. *"Base Level Requirements"* In Tables of Chapter 16, there are additional requirements put on the life science properties that would not be designed for a bonus level but want to build to the current level of the M2 zone. This is unacceptable as it erodes the property rights already in place and is counter to the directive of the City Council. New requirements should apply to the Bonus Level only.
2. *"Base Height and Minimum Stepback"* We request the elimination of the requirement for a 10' stepback so that the floorplates of the laboratory buildings can stack. Creating the offset causes issues with the laboratory bench layout, the stacking of vertical ducts and plumbing chases, and adds expensive roofing and flashing requirements around the perimeter of the building.
3. *"Community Amenities"* The program as described is still unclear and we would like staff to present examples of how this will work. We recommend that the City should establish a rate/SF which approximates the 50% level and should update it periodically. The applicant should then be able to elect to appraise the value as a substitute. This would allow for a smaller life science project to avoid the expense and complexity of the appraisal process and it would also allow for a fast track project to proceed without delay. It is important that this be as clear as possible for all property owners so they can plan accordingly.
4. *"Average Building Height"* We believe the original intent was to create a variety of heights within the district. The average building height requirement should be eliminated or should be taken as an average of all buildings within the Life Science District, not a single life science building on a single lot, or even multiple buildings within a single lot.
5. *"Green and Sustainable Building"*. We observe that paragraph 2 "Energy" on page 24 should be revised to agree with Table 16 requiring a minimum of 30% renewable energy on-site for new building construction. Table 16 should be revised to eliminate requirement for Life Science Addition and Alterations to comply with anything more than Cal-Green (no LEED ID+C). This is too onerous a process for tenant improvements which need a quick permitting process to keep life science tenants in Menlo Park. We also note that EPA Energy Star is not set up for Life Science laboratory projects.
6. *"Maximum Open Space Requirement"* We previously requested that the amount of required open space be reduced to 20% from 30%, and that the requirement for "publicly accessible open space" be deleted. At the rate cited in the draft zoning code, for a 10 acre site, 3 acres would have to be open space and 1.5 acres of that would have to be publicly accessible. This is not acceptable because it encourages members of the public to access the life science properties and violates their security.

From: David H. Weibel <Weibel@smwlaw.com>
Sent: Wednesday, October 19, 2016 12:36 PM
To: _Planning Commission; _connectmenlo
Cc: PlanningDept; _CCIN; Laura D. Beaton; Carmen J. Borg
Subject: Comment letter re ConnectMenlo
Attachments: Comment letter to MP Planning Comm-Div - 10-19-16.PDF

Dear Ms. Chow and Members of the Planning Commission:

Attached is a letter from Laura Beaton and Carmen Borg of this office regarding the ConnectMenlo General Plan Land Use and Circulation Elements and M-2 Zoning Update FEIR. Please include this letter in the record for the ConnectMenlo EIR. Please let me know if you have any difficulty accessing the attached file, and please send me an acknowledgment of receipt of this e-mail and the attached letter.

Thank you,

David Weibel
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Please consider the environment before printing this e-mail or attachments.

October 19, 2016

Via Electronic Mail Only

Planning Commission
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025
E-Mail: planning.commission@menlopark.org

Ms. Deanna Chow
Planning Division
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025
E-Mail: connectmenlo@menlopark.org

Re: ConnectMenlo General Plan Land Use and Circulation Elements and M-2 Zoning Update

Dear Members of the Planning Commission:

As we explained in our previous comments on the ConnectMenlo DEIR, Voters for Equitable and Responsible Growth (“VERG”) has serious concerns about the environmental and community impacts of the proposed Project and about the adequacy of the environmental review prepared for it. We submit these comments on behalf of VERG to ensure that the City’s consideration of the Project fully complies with the California Environmental Quality Act (“CEQA”), Public Resources Code section 21000 et seq., and its Guidelines, California Code of Regulations, title 14, section 15000 et seq. (“CEQA Guidelines”).

As an initial matter, the Staff Report includes a proposed rezoning that would rezone the Facebook East Campus at the intersection of Bayfront Expressway and Willow Road from the currently zoned Residential – Mixed Use (R-MU) to the proposed Corporate Housing (O-CH). Staff Report at 12. This rezoning was not a part of the Project Description and was not included in the EIR’s analysis. Moreover, the public has not had the opportunity to review the proposed rezoning or any related analysis to evaluate potential implications of the rezone. For example, the Community Amenities Program requirements include provisions for affordable housing units within the R-MU zoning. Staff Report at 13. But the O-CH zone does not appear to include a similar provision. Therefore, the rezone may lead to a loss of affordable housing units in the

City in the area to be rezoned. This and other unintended consequences should be analyzed prior to Project approval.

Further, after reviewing the FEIR, we have concluded that it fails to remedy the deficiencies in we identified in the DEIR in our August 1, 2016 comment letter. We address the most serious of these problems here.

Specifically, the ConnectMenlo EIR is deficient for the following reasons, which we explain in more detail below:

- The EIR does not analyze all possible environmental impacts of the Project, instead improperly restricting its analysis only to construction foreseeable in a 24-year period.
- The EIR lacks an adequate range of alternatives by ignoring alternatives that would address development levels in the City outside of the Bayfront Area.
- The EIR fails to provide critical information supporting the job-creation assumptions underlying its population and housing analysis, denying the public and decision-makers the ability to check the EIR's conclusions on job generation.
- The EIR avoids estimating induced job growth (the "multiplier effect") from the Project, despite the feasibility of doing so—and thereby grossly underestimates the Project's population by as much as a factor of four.
- The EIR's traffic impacts analysis compares apples and oranges, rendering the analysis unreliable: the threshold of significance is based on per capita VMT, while the Project's impacts are measured using service population VMT.
- The EIR dismisses the need to analyze neighborhood cut-through traffic, without citing a shred of evidence to support its position that such traffic is not a problem (and despite evidence provided by VERG to the contrary).
- The EIR fails to analyze the Project's impacts on Caltrain.

I. The EIR Must Analyze All Impacts Possible Under the *Full Project*, Not Just Estimated Buildout for a 24-Year Window.

A major problem with the EIR—one that places it in stark violation of CEQA—that has not been corrected is that the EIR does not analyze the full amount of development allowed by the Project. As we explained in our comments on the DEIR, CEQA requires the EIR to consider *all* development potential under the Project, not just development up to a “horizon year.” See FEIR at 5-190 – 5-193 (VERG DEIR Comments O10-2, O10-3, O10-4). The fact that the EIR discloses the maximum buildout potential does not alone suffice. To disclose all potential environmental impacts of the project as planned, not some hypothetical smaller version of it, the EIR must use maximum buildout potential as the basis for its impacts analyses. *Stanislaus Natural Heritage Project v. County of Stanislaus* (1996) 48 Cal.App.4th 182, 205-06.

Nonetheless, the EIR relies on horizon-year projections of development through 2040, instead of the full amount of development possible under the Project, when analyzing the impacts on such important issues as traffic, air pollution and greenhouse gas emissions, noise, population, and public services, utilities, and recreation. See FEIR at 5-13. In so doing, the EIR avoids disclosing the full impacts of the Project beyond 2040, or if development occurs faster than projected—which is entirely probable in the currently booming Bay Area economy. Without impacts analyses that consider the full potential buildout of the Project, the EIR obscures the Project’s true impacts and fails its core purpose as an informational document. See *San Joaquin Raptor Rescue Center v. County of Merced* (2007) 149 Cal.App.4th 645, 674.

II. Ignoring Feasible Alternatives to Land Use Designations Citywide Violates CEQA.

The FEIR also failed to correct perhaps the most glaring of the DEIR’s deficiencies: its lack of a reasonable range of alternatives. The EIR currently offers alternatives only to land-use designations in the Bayfront Area. This ignores land use designations throughout the rest of Menlo Park, which are also part of this Project. As we explained in our comment on the DEIR, failing to consider alternatives that consider changes in development levels *citywide* renders the EIR fatally flawed. See FEIR at 5-193 – 5-195 (VERG DEIR Comments O10-5, O10-6, O10-7).

The FEIR claims that the Bayfront Area is the “focus of the proposed project,” and thus it is appropriate to consider alternatives only for that area. FEIR at 5-17. However, this ignores the fact that the Project involves “reaffirming” land-use

designations throughout all of Menlo Park. Indeed, the FEIR itself recognizes that the Project impacts all of the City—not just the Bayfront Area—noting, for example, that “[t]he proposed project includes ongoing growth potential the Plan Bay Area’s El Camino Real and Downtown Priority Development Area.” FEIR at 5-33. That one of the Project Objectives notes that “land use changes are *expected* only in [the Bayfront] area” does not mean the City can ignore feasible alternatives that contemplate land-use changes elsewhere in the City, especially when those changes could meet other Project Objectives.

Indeed, changing land-use designations elsewhere in Menlo Park would likely help fulfill other Project Objectives, including “establish[ing] and achiev[ing] the community’s vision,” “realiz[ing] economic and revenue potential,” and “preserv[ing] neighborhood character.” See FEIR at 5-16. For example, an alternative that reduced allowed commercial growth citywide would help meet the Project Objective of preserving neighborhood character, through a potential reduction in housing demand and traffic increases.

The Project here involves updating the General Plan Land Use Element, which includes land-use designations for *all of Menlo Park*. As such, the EIR must provide alternatives that reach *citywide*, unless the EIR contains evidence that such alternatives are infeasible. As it stands, the EIR contains no such evidence.

III. The EIR Still Fails to Adequately Analyze and Mitigate for the Project’s Significant Impacts.

A. The EIR’s Analysis of Population and Housing Impacts Remains Flawed.

Menlo Park’s General Plan Update comes at a time when the Bay Area is facing unprecedented economic and population growth, which brings with it associated housing shortages, impacts to public services, and traffic. In light of these issues, it is more important now than ever that ConnectMenlo’s environmental review contain a thorough disclosure of and evaluation of the Project’s impacts related to population growth. Unfortunately, despite our detailed comments on this topic, the FEIR has failed to correct the DEIR’s inadequate analyses. We highlight the most significant shortcomings here, but do not repeat numerous other of the remaining problems with the population and housing analysis that we noted in our comments on the DEIR, because we addressed those issues in detail in those comments.

In our comment on the DEIR, we warned that the EIR's assumptions regarding employee density for the proposed Bayfront Area commercial development were too generous, and thus underestimated the number of employees that the Project would draw to the area. *See* FEIR at 5-211 – 5-212 (VERG DEIR Comments O10-30, O10-31). Specifically, the EIR estimates one new employee for every 414 square feet of office space, despite the trend toward much higher office density (150 square feet per employee is typical), especially among high-tech companies that the Bayfront Area will almost certainly attract. *See id.*; *see also* As Office Space Shrinks, So Does Privacy for Workers, N.Y. Times (Feb. 22, 2015), *available at* <http://www.nytimes.com/2015/02/23/nyregion/as-office-space-shrinks-so-does-privacy-for-workers.html>.

In response, the FEIR states that the EIR calculated employment generation for each land use type based on “a range of factors for each land use type [that] was developed in collaboration between City staff and PlaceWorks utilizing their knowledge of the city.” FEIR at 5-22. The EIR does not explain what these factors are, nor how City staff and PlaceWorks decided they were relevant here. Without this information, the public and decision-makers cannot evaluate the EIR's claims and conclusions. CEQA requires an agency to “show its work,” and the EIR has failed to meet this key requirement of the law. *See, e.g., Preservation Action Council v. City of San Jose* (2006) 141 Cal.App.4th 1336, 1351 (“To facilitate CEQA's informational role, the EIR must contain facts and analysis, not just the agency's bare conclusions or opinions.”).

The EIR also underestimates the Project's population impacts by failing to consider indirect job creation from the Project. Estimating the growth indirectly caused by the Project—the “multiplier effect”—is not speculative, as the FEIR claims. While there is no expectation that the EIR could provide, exactly, the number of additional jobs indirectly created by the Project, an estimate is possible. Notably, in its comments on the DEIR, Community Legal Services of East Palo Alto supplied studies that indicate that approximately four service-sector jobs are created for every higher-paying high-tech job. *See* FEIR at 5-250.

In response, the FEIR claims that it cannot predict what businesses will occupy future commercial development, and so attempting to determine whether future business growth would have a “multiplier effect” is speculative. FEIR at 5-28. This strains credulity, as the EIR specifically describes the kind of businesses allowed by the new office-commercial land-use designations for the Bayfront Area: Office (allowing “new high-tech office, R&D, and life sciences uses”) and Life Sciences (allowing “new life sciences and R&D uses, along with limited high-tech office”). DEIR at 3-26. These land-use designations specifically are limited to uses that provide skilled, higher-paying

jobs, like high-tech offices and research and development. While the analysis may not be—and need not be—perfectly exact, the City has enough information to make an informed estimate of indirect growth caused by bringing more higher-paying jobs to the area. To adequately disclose the Project’s impacts, the EIR must make this analysis.

B. The EIR’s Analysis of and Mitigation for the Project’s Traffic Impacts Remain Inadequate.

The EIR’s analysis of traffic impacts achieves a result exactly opposite from what CEQA requires. Under CEQA, decision-makers and the public are to be given sufficient information about impacts and mitigation to come to their own judgments and decisions. *See* Pub. Res. Code § 21061 (“The purpose of an environmental impact report is to provide public agencies and the public in general with detailed information about the effect that a proposed project is likely to have on the environment; to list ways in which the significant effects of such a project might be minimized; and to indicate alternatives to such a project.”). Where, as here, the environmental review document fails to fully and accurately inform decision-makers and the public of the environmental consequences of proposed actions, it undermines the statute’s fundamental goals.

Under CEQA, the Project’s discussion of traffic impacts must explain exactly what will happen to the County’s transportation system if the Project goes forward. *See Citizens of Goleta Valley v. Board of Supervisors* (1990) 52 Cal.3d 553, 568 (“[T]he EIR must contain facts and analysis, not the agency’s bare conclusions”). Importantly, it must offer specific information about the consequences of this Project. Rather than comply with this core requirement, the EIR’s traffic analysis relies on questionable methodology, presents an incomplete evaluation of the Project’s impacts to area roadways and intersections, and continues to pose unmitigated, significant traffic and safety impacts and hazards to the community.

As with the population and housing analysis, the FEIR is dismissive of a majority of the comments submitted by this firm and by MRO Engineers on the DEIR. Because we have commented on the adequacy of the EIR’s traffic analysis in great detail previously (see VERG comments on the DEIR dated August 1, 2016), we will not repeat those comments here. Instead, we highlight the most critical issues of concern.

First, the EIR continues to fail to disclose the data relied upon in the analysis and fails to provide the daily trip distribution of Project-related traffic. Project trip generation is a fundamental, critical first step in any transportation impact analysis. Such an omission leaves decision-makers and the public in the dark about the Project’s

traffic impacts. Similarly, the EIR's analysis of vehicle miles travelled (VMT) remains incomplete and fails to disclose significant impacts resulting from the Project. As we explained in our previous comments, the EIR's use of service population (instead of per capita figures) skews the results and yields an artificially low outcome. FEIR at 5-218 – 5-220 (VERG DEIR Comment O10-43).

But rather than correcting the analysis, the FEIR defends its flawed approach. The FEIR claims that the 2013 Plan Bay Area was used to determine the regional average VMT per service population and calculate a threshold of significance based on that figure. FEIR at 3-36 & 3-37 (stating that 2013 Plan Bay Area EIR was used to determine the regional average VMT per *service population* at 20.8 miles per person (emphasis added)). But this statement too is incorrect. The 2013 Plan Bay Area provides a Daily VMT *per capita* of 20.8. 2013 Plan Bay Area DEIR at 2.1-10 (Table 2.1-3). These two types of calculations are different. The per capita calculation used in the Plan Bay Area analysis is calculated by dividing the total annual VMT by the total population of the Bay Area. The service population approach used in this EIR divides the total VMT by the population of the city plus employees. Thus, the EIR's threshold of significance for VMT is based on a per capita calculation, but the Project's impact is measured using a service population calculation. This results in an apples and oranges comparison, rendering the significance analysis meaningless.

Second, the FEIR dismisses comments related to the issue of neighborhood cut-through traffic. *See* FEIR at 5-220 – 5-221 (VERG DEIR Comment O10-46). As described in our previous comments, substantial amounts of traffic already use routes through neighborhood streets in Menlo Park, Palo Alto, and East Palo Alto to bypass heavy traffic on main routes. The FEIR responds that the analysis of impacts to the streets identified in our comments is unnecessary because those streets “are not anticipated to experience further cut-through traffic as a result of the proposed project.” FEIR at 5-42. The FEIR explains that trips to and from the Bayfront Area will primarily occur in the reverse direction so that drivers will experience “much less delay at most intersections than peak-direction traffic.” *Id.* Notably, this does not take into account increased traffic from citywide development.

However, the EIR indicates that intersections along main routes will suffer delays during *both* peak periods. DEIR at Table 4.13-12. For example, the Bayfront Expressway/Willow Road intersection will experience delays of 2.6 minutes per vehicle in the AM peak hour and 1.9 minutes per vehicle in the PM peak hour. *Id.* The Bayfront Expressway/University Avenue intersection is expected to have PM peak hour delays of 3.3 minutes per vehicle. *Id.*

Similarly, traffic during the PM peak hour on University Avenue will experience long delays. *Id.* Many of the intersections along University already exceed level of service (LOS) standards (e.g., intersection of University and Woodland Avenue currently operates at LOS E). FEIR at 3-36. Frustrated drivers experiencing delays are likely to take alternative routes, exacerbating congestion and safety issues in area neighborhoods. Residents of the Menlo Park Willows neighborhood and Palo Alto Crescent Park neighborhood already experience massive back-ups from cut-through traffic. Implementation of the Project will only worsen the effects of cut-through traffic. Yet, the EIR fails to perform the required analysis to evaluate the extent and severity of this impact. Moreover, the EIR provides no evidence to substantiate its conclusion that neighborhood streets would not suffer additional cut-through traffic—this, in spite of the fact that VERG provided video evidence of the extreme impact of cut-through traffic is already having on neighborhoods. *See* FEIR at 5-42.

In addition, in commenting on the DEIR, we informed the City that the DEIR inappropriately omitted analysis of the Project's impacts on regional transportation. *See* FEIR at 5-223 (VERG DEIR Comment O10-50). We explained that if most employees drawn to the area by the Project live outside Menlo Park, then the impacts to services like Caltrain are likely to be considerable. *Id.* Rather than conduct the necessary impact analysis for Caltrain, though, the FEIR instead summarily states that the Project is not anticipated to result in significant impacts to Caltrain in part because of the General Plan's allowance for additional housing, which will reduce the volume of daily commuters. *Id.* The EIR provides no evidence that the additional housing allowed under the Project (up to 5,500 units), if it were to be built, would reduce Caltrain commuter use to Menlo Park or to what degree. Further, there is absolutely no guarantee housing allowed by the Project would actually be built, and so this is a shaky foundation indeed for the EIR's conclusion that there will not be impacts to Caltrain. Finally, as we have explained in our earlier comments, even if all housing allowed under the Project is built, the amount of commercial development allowed under the Project would still create more demand for housing than the new housing would accommodate. For these reasons, the EIR should be revised to analyze the Project's contribution to increased ridership of regional transportation and to provide evidence that the amount of housing provided locally will sufficiently offset the demand.

In sum, the EIR provides insufficient data and its analysis fails to provide evidentiary support for the conclusion that the impacts related to neighborhood cut-through traffic and impacts to regional transportation providers would be less than

significant. Without more detailed analysis, the public and decision-makers cannot rely on this EIR to disclose the true impacts of the Project.

IV. Conclusion

For all of the above reasons, and the reasons explained in our comments on the DEIR, the ConnectMenlo EIR is inadequate and fails to comply with CEQA. In the face of these myriad inadequacies, the City cannot make a responsible decision about this Project without further environmental review. And here, a well-informed, thoughtful decision by City officials is especially important because the General Plan is the “constitution” for all development in Menlo Park for the foreseeable future. The wrong decision here could have disastrous impacts for residents of the City and surrounding areas—interminable traffic jams, skyrocketing housing costs, and displacement of long-time residents—and so this General Plan Update must be made with the utmost of care. The Planning Commission and City Council simply do not have the information necessary to make a truly informed decision at this time, as we have explained above. We urge the City to rethink this Project and its environmental review, and to take no action on the Project until the EIR is revised and recirculated to meet CEQA’s mandates and the community’s needs.

Best regards,

SHUTE, MIHALY & WEINBERGER LLP



Laura D. Beaton



Carmen J. Borg, AICP
Urban Planner

cc: Jim Wiley, The Willows, Menlo Park
Neilson Buchanan, Downtown North, Palo Alto
Martin Lamarque, Belle Haven, Menlo Park
Steve Schmidt, Former Mayor, Menlo Park

MEMORANDUM

DATE October 24, 2016
TO Deanna Chow, Principal Planner
FROM Terri McCracken, Senior Associate
SUBJECT ConnectMenlo EIR Errata #2

This errata provides edits that further clarify the requirements of the site-specific Baseline Biological Resources Assessment (BRA) required under Mitigation Measure BIO-1 as shown in Chapter 2, Executive Summary, and Chapter 3, Revisions to the Draft EIR, of the Response to Comments Document. The primary confusion over revisions to Mitigation Measure BIO-1 stem from the specified distance (10 feet) applied from a site proposed for development when it is “adjacent” to undeveloped natural habitat, which would trigger the required preparation of a BRA. The intent of the recommendation was to ensure that a detailed specific baseline assessment would be required whenever sensitive biological resources could be directly or indirectly affected by proposed development. The distance for when a sensitive biological resource could be substantially affected varies based on a number of factors, including the nature of the proposed development and particular biological resource. These would be considered by the qualified biologist during preparation of the BRA, and appropriate recommendations made based on their professional judgment. As called for in Mitigation Measure BIO-1, an independent peer review of the BRA could be required to confirm its adequacy. Removing the specified distance for triggering a BRA and utilizing the term “adjacent” as is current practice in the City’s Municipal Code would better implement the recommended mitigation and ensure that assessments would be prepared any time sensitive biological resources could be affected.

To indicate when revisions have been made to Mitigation Measure BIO-1, underline text represents language that was added to the Response to Comments Chapter; text with ~~striketrough~~ has been deleted from the Response to Comments Chapter. As shown below **bold** text represents text that has been added to the EIR; and text with ~~striketrough~~ has been deleted from the EIR. None of the revisions constitutes significant new information as defined in CEQA Guidelines Section 15088.5; therefore, the Draft EIR does not need to be recirculated.

The following text on pages 2-12 through 2-14 of Chapter 2, Executive Summary, and pages 3-8 and 3-9 of Chapter 3, Revisions to the Draft EIR, of the Response to Comments Document is hereby amended as follows:

The following text starting on page 3-36 and ending on page 3-37 of Chapter 3, Revisions to the Draft EIR, of the Response to Comments Document is hereby amended as follows:

Mitigation Measure BIO-1: ~~Prior to individual project approval, the City shall require project applicants to prepare and submit project-specific baseline biological resources assessments on sites containing natural habitat with features such as mature and native trees or unused structures that could support special status species and other sensitive biological resources, and common birds protected under Migratory Bird Treaty Act (MBTA). The baseline biological resources assessment shall be prepared by a qualified biologist. The biological resource assessment shall provide a determination on whether any sensitive biological resources are present on the property, including jurisdictional wetlands and waters, essential habitat for special status species, and sensitive natural communities. If sensitive biological resources are determined to be present, appropriate measures, such as preconstruction surveys, establishing no-disturbance zones during construction, and applying bird safe building design practices and materials, shall be developed by the qualified biologist to provide adequate avoidance or compensatory mitigation if avoidance is infeasible. Where jurisdictional waters or federally and/or State listed special status species would be affected, appropriate authorizations shall be obtained by the project applicant, and evidence of such authorization provided to the City prior to issuance of grading or other construction permits. An independent peer review of the adequacy of the biological resource assessment may be required as part of the CEQA review of the project, if necessary, to confirm its adequacy. As part of the discretionary review process for development projects on sites in the M-2 Area, the City shall require all project applicants to prepare and submit project-specific baseline biological resources assessments (BRA) if the project would occur on or within 10 feet of a site(s) or adjacent to a parcel containing natural habitat with features such as mature and native trees, or unused structures that could support special status bat species, and other sensitive biological resources, and/or active nests of common birds protected under the Migratory Bird Treaty Act (MBTA). Sensitive biological resources triggering the need for the baseline BRA may include: wetlands, occurrences or suitable habitat for special status species, sensitive natural communities, and important movement corridors for wildlife such as creek corridors and shorelines. The baseline BRA shall be prepared by a qualified biologist. The baseline BRA shall provide a determination on whether any sensitive biological resources are present on the site or within 10 feet of the property, including jurisdictional wetlands and waters, essential habitat for special status species, and sensitive natural communities. The baseline BRA shall include consideration of possible sensitive biological resources on any adjacent undeveloped lands that could be affected by the project within 10 feet of the property as well, particularly lands of the Don Edwards San Francisco Bay National Wildlife Refuge (Refuge). The baseline BRA shall incorporate guidance from relevant regional conservation plans, including, but not limited to, the then current *Don Edwards San Francisco Bay Northwest Regional Comprehensive Plan, South Bay Salt Pond Restoration Project, Tidal Marsh Recovery Plan*, for determining the potential presence or~~

absence of sensitive biological resources. If sensitive biological resources are determined to be present on the site or may be present on any adjacent parcel containing natural habitat, appropriate measures, such as preconstruction surveys, establishing no-disturbance zones during construction, **development setbacks and restrictions**, and applying bird-safe building design practices and materials, shall be developed by the qualified biologist to provide adequate avoidance or compensatory mitigation if avoidance is infeasible. **The qualified biologist shall make reasonable efforts to consult with the Refuge management for determining the potential presence or absence of sensitive biological resources and appropriate avoidance or compensatory mitigation measures, if required.** Where jurisdictional waters or federally and/or State-listed special-status species would be affected, appropriate authorizations shall be obtained by the project applicant, and evidence of such authorization provided to the City prior to issuance of grading or other construction permits. For ~~sites properties~~ that are **adjacent to** ~~within 10 feet of undeveloped lands, particularly permanent open space lands~~ of the Refuge, this shall include consideration of the potential effects of additional light, glare, and noise generated by the project, as well as the possibility for increased activity from humans and/or domesticated pets and their effects on the nearby natural habitats. The City of Menlo Park Planning Division may require an independent peer review of the adequacy of the baseline BRA as part of the review of the project to confirm its adequacy. Mitigation measures identified in the project-specific BRA shall be incorporated as a component of a proposed project and subsequent building permit, subject to the review and approval of the Community Development Department.

From: [George Fisher](#)
To: [Planning Commission](#)
Cc: [Ohtaki, Peter I](#); [Peter Ohtaki](#); [Ray Mueller](#); [Ray Mueller](#); rmueller@menlopark.org; [Nagaya, Nicole H](#); [Andrew Barnes](#)
Subject: Re: Commissioner Barnes Oct. 19th comments on possible removal of LOS metrics from Revised General Plan and prior history and decisions on the topic.
Date: Thursday, October 20, 2016 4:57:11 PM

During the Planning commission meeting yesterday, October 19, 2016, Commissioner Barnes raised deleting LOS metrics in favor of only VMT in The General Plan Circulation Element, Program 3.A. (Video 3..35). Nikki Nagaya's comments included LOS value in Planning purposes, but did not specifically explain how. One major reason is so that those metrics can be used as stated in other Circulation Element provisions to protect cut through traffic in our neighborhoods and neighborhood quality of life.

No question VMT, a relative general comparison of over all traffic generated, is becoming the vogue for environmental sustainability and valuable information. However traffic volume, specific routes, and even delay, all considered in Menlo Park current Transportation Impact Guidelines, caused are important metrics in examining neighborhood cut through traffic and neighborhood quality of life. A recent example is the Stanford Project traffic study showing significant impacts allied arts side streets off El Camino. This was valuable information in Stanford's subsequent reduction of amount of office space in project.

Further, this specific topic was addressed in the General Plan Advisory committee and had specific input from Council members Ohtaki and Mueller. My letter below to planning commission in September 2015, which again reconsidered the issue is self explanatory. No further reconsideration is needed or helpful now, particularly considering all the other issues presented by the 1300 pages of documents. I will be happy to discuss this further, if you would kindly contact me.

Thank You, George C. Fisher

On Fri, Sep 18, 2015 at 1:54 PM, George Fisher <georgecfisher@gmail.com> wrote:

Dear Planning Commission Member:

Change to Circulation Program 3.A should be limited to the change agreed to at the at the General Plan Advisory Committee ("GPAC") meeting on August 24, 2015 (D2) pursuant to Council Member Peter Ohtaki's motion, with Council Member Ray Mueller's support, to insert the word "Supplement" in lieu of "Replace" to provide:

“Transportation Impact Metrics. Supplemental Level of Service (LOS) metrics with Vehicle Miles Traveled (VMT) per capita and greenhouse gas emissions per capita metrics in the transportation impact and environmental review process.”

Justin Murphy cautioned that the state might limit state environmental review in the future to VMT, and preempt LOS by law in EIRs. LOS would remain in Menlo Park transportation impact review other than state EIR, including as a quality of life standard, particularly for additional development and congestion cut through traffic in Residential neighborhoods.

The only purpose of a VMT test is to derive a number of per capita daily vehicle miles traveled so it can be compared with another number such as standard, region or neighborhood to see if the average miles traveled is more or less. No question the fewer vehicle miles traveled means less consumption of gasoline and generation of greenhouse gas emissions. However other than such absolute terms, no helpful information is generated on Neighborhood traffic, such as street or route volume, necessary to review changes in Neighborhood quality of life for protection.

The current General Plan and Transportation Impact Analysis Guidelines (TIA) require volume predictions of new development on specific routes through neighborhoods prescribed by the Circulation System Assessment (CSA) document including LOS, and if necessary, reduction of traffic by reduction in size of development. Reduction in size of development would also reduce VMT. These standards raised issues with respect to the quantity of traffic through the Allied Arts Neighborhood from the proposed Stanford ECR project traffic, resulting in further traffic studies. A revised Stanford proposal is expected.

Neither the Complete Streets Policy nor the revised proposed Street Classification Plan provides the necessary protections included in the current general plan, TIA or CSA. The Complete Streets Policy Principle 1 only deals with serving users of the transportation system, not residents. Principle 2 does require “in planning and implementing street projects”, working with residents and others “to ensure that a strong sense of place ensue.” That sense of place is needed not just in connection with street projects, but for any development projects generating automobile trips. The Revised Circulation Element description of street classifications does not list volumes, daily or AM or PM peak, traffic design speeds trip caps or any other protections to neighborhood quality of life or character.

There is no need to limit LOS use by adding the words suggested in the staff recommended change (L3) to Circulation Program 3.A: “and utilize LOS for identification of potential operational improvements, such as traffic signal upgrades and coordination, as part of the Transportation Master Plan.”

LOS use by the city Transportation Impact review, including Quality of Life issues, such as traffic through residential Neighborhoods should not be so limited. The change to Circulation Program 3.A agreed to by GPAC stated above should be adopted.

Thank You, George C. Fisher

|

From: [George Fisher](#)
To: [Planning Commission](#); [CCIN](#); [Nagaya, Nicole H](#)
Subject: Traffic Impacts of proposed revision of General Plan
Date: Sunday, October 23, 2016 2:26:39 PM

I want to follow up on the question of VMT vs LOS raised in the last planning meeting. I believe a few points are crucial and critical.

1. Total VMT only measures the total # of projected trips of development. Per capita VMT by dividing the total by Menlo Park residents or workers only hides the significance by comparing relative numbers, not additional total miles traveled. The EIR shows the total Vehicle Miles Traveled projected from new development increases from the current 934,722 to between 1,655,624 and 1,449,338 certainly a substantial, if not monumental (50% or 500,000 miles), increase on our local streets.

2. VMT does not determine which local streets or neighborhoods those additional annual miles added by new development impact. LOS impacts including specific street volume and delays projected by the current Transportation Impact Analysis (TIA) Guidelines including it required Circulation System Assessment (CSA) document based upon surveys and interviews of Menlo Park residents and Customers would do so. The Menlo Park CSA was not used in the EIR. New models, MPM, TAZ and DTA, not included in Menlo Park TIA, nor approved by City Council, were developed and used by consultants for this EIR and Facebook EIR.

3. Note, after the proposed Stanford project traffic studies concluded neighborhood local streets were significantly impacted under the TIA and CSA, Stanford reduced the size of its proposed office space 25%.

3. Proposed circulation element Circ-3-A, transportation impact metrics, provides only the requirement to “**supplement Vehicle Miles Traveled (VMT) . . . with level of Service (LOS) in the transportation impact review process, . . .**” The Staff report erroneously states the reverse: supplementing LOS with VMT analysis.

4. LOS projections, including street volumes, particularly on formerly little used local streets, is valuable if not essential in looking at other proposed Circulation Element provisions such as Policy Circ-2-14: “**New**

development should minimize cut-through and high-speed vehicle traffic on residential streets"; Program Circ 2I: "Consider factors such as preserving residential quality of life" in reviewing the City's Transportation Impact Analysis (TIA) Guidelines; Goal Circ-1 provide a . . . circulation system that promotes a healthy, safe, and active community and quality of life throughout Menlo Park; and Policy circ-2.5 " . . . minimizes cut-through and high speed traffic that diminishes the quality of life in Menlo Park's residential neighborhoods."

Nowhere do the general plan revisions state that infill development is more important than neighborhood safety or neighborhood quality of life. Metrics in addition to VMT are essential to manage our neighborhood safety and quality of life and to provide a valid basis for the City's transportation impact fees.

Thank you for considering, George Fisher

From: [Patti L Fry](#)
To: [Planning Commission](#)
Cc: [connectmenlo](#); [CCIN](#)
Subject: suggestions related to General Plan update
Date: Monday, October 24, 2016 10:20:47 AM
Attachments: [Comments GPU ZOA to PC 20161023.pdf](#)

Please accept these additional comments for your continued discussion of the General Plan Update/ZOA and related other actions.

Patti

October 22, 2016

Subject: GPU big picture comments

Dear Planning Commission

This letter expands upon my written and oral comments at the October 19th Commission meeting.

The last speaker during public comment, Tim Tosta (attorney for Bohannon, Greenheart Land Co, Facebook), made a frightening statement: He described Menlo Park's updated General Plan as "an experiment", and said that it should be expected to be "tuned" more frequently than normal. Given that context, wouldn't the prudent path be to take a conservative approach by making limited changes initially rather than make untested changes that allow massive growth of our town over the next 25 years? It is extremely difficult to modify zoning (especially in ways that are perceived as downzoning) once it has been allowed. Why would we experiment with the 25-year future of our community?

The enormous negative impacts of the Plan are described as "unavoidable", meaning that Menlo Park will continue to miss achieving its climate change goals, traffic congestion will get significantly worse, and the housing shortage will continue to plague our community. But the extent of these impacts is not "unavoidable". For example, the mitigation measures of the Plan apply only to the M-2/Bayfront area, even though nearly half the new non-residential growth would occur elsewhere in Menlo Park. As shown in the EIR, a better balance of jobs and housing can be expected to reduce commuting and Vehicle Miles Traveled, improve air quality, GHG emissions, traffic congestion.

The EIR process has revealed a number of alarming impacts to our community and some deficiencies of the planning process that need attention - immediate attention. Those deficiencies are the primary focus of this letter so that the Planning Commission can consider them in its recommendations to the City Council.

1. Identify phases for the Plan - Numerous members of the public have asked that development under the new plan focus first on more housing and community amenities (e.g., grocery store, pharmacy). Others expressed concerns about the capacity of the current infrastructure to support this much growth and recommend that attention to infrastructure occur first.

Given the "experimental" nature of the Plan, the Zoning changes should be approved in phases, with good/bad impacts evaluated and adjustments made to the Plan before approving more.

As shown in the EIR, a better balance of jobs and housing would be "environmentally superior". So a suggested phasing could be along the lines of:

- a. Step 1: identify needed infrastructure improvements so that funding for these could be incorporated into negotiated agreements that may occur prior to nexus studies and adjustments to impact fees
- b. Step 2: Allow growth no greater than ABAG's projections of 15%. Priority order:
 - i. Amend the ZO citywide to incorporate mitigation measures citywide (e.g., parking maximums, TDM measures, green building requirements). Changes to zoning in the rest of the City would allow mitigation measures to lessen adverse impacts citywide.
 - ii. R-MU districts (subject to reduction to allowed amount of Office. See #3 below)
 - iii. Life Sciences
 - iv. Base level zoning for Office

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- c. Step 3: Re-evaluate impacts and community preferences, incorporate needed adjustments, potentially allow additional development at a Bonus level
2. Make the ZOA more clear, and match the above phasing – As pointed out previously, there are discrepancies between the LU Element and the draft ZOA about maximum FAR and there is some very unclear wording in the proposed ZOA's, particularly for Office and its variants. Greater clarity is essential for property owners, developers, decision-makers, and the public for projects and before decisions can even be made about the Plan.
3. Modify allowed Office – Given modern business practices, it is totally inappropriate for the Plan to assume that the space for new jobs is greater than the 400 SF/office worker assumed in the 1994 General Plan. The FEIR response to comments has been singularly unresponsive as to what actual average was used to calculate the jobs generated from Offices; instead it presents a range from 155-450 SF/Office worker. What was used as the average is an arithmetic calculation that should be disclosed for the Commission, Council, and public to validate its reasonableness.

That said, the amount of allowed Office space needs to be ratcheted down, especially in areas expected to be primarily Residential, because the new housing demand from the number of Office jobs exceeds the number of Residential Units whenever a project maximizes allowable Office. Menlo Park is not doing its part to address the local and regional housing crisis even in the mixed use zones of the General Plan in either the Bayfront Area or ECR/D Specific Plan area. For reference, detailed calculations are shown in my 10/7/16 letter to ConnectMenlo.

4. The planning process needs to be broadened. It has been too limited. – as lengthy and extensive as the ConnectMenlo process has been, its focus has been almost exclusively on the M-2 area of Menlo Park. The current General Plan's provisions for the rest of the city was a small sidebar, limited merely to its "reaffirmation". Thus, the Zoning Ordinance Amendments are more like an M-2 Specific Plan rather than a General Plan blueprint for citywide development through 2040. Particularly missing is adequate attention to infrastructure citywide and to fulfillment of the Live/Work/Play goal.
 - a. The Plan has the lofty goal of creating a Live/Work/Play environment, but the updated Plan has zero new public or private places to Play (e.g., sports fields, entertainment), and not enough places to Live for the new people who would Work here.
 - b. The proposed Plan perpetuates current General Plan provisions in the rest of Menlo Park that allow nearly ten times the number of Workers as places in which to Live (see Attachment A graphic of jobs/housing ratios comparing what the current General Plan is allowing and what the Bayfront Area changes assume)
 - c. The proposed Plan perpetuates current General Plan provisions that allow VMT to increase dramatically (see Attachment B where it shows an increase of 54% VMT that the Bayfront area changes cannot totally reverse).
 - d. The EIR reveals the lack of well-integrated, safe ways to get around Menlo Park by bicycle and walking. It even shows that the projected growth is expected to surpass available transit options. Attention needs to be placed on what the City can do to put into place more comprehensive plans - and funding - for these, probably in partnerships with other agencies.
5. The EIR states there would be Less Than Significant impacts on public facilities such as libraries, fire services, schools, parks. But the agencies representing these vital public services point to serious impacts. These vital community services require focused attention and planning, rather than being swept under the rug because CEQA allows this.

October 22, 2016

Put funding mechanisms in place NOW, before projects are approved. – A number of major public improvements were identified as mitigation measures in the FEIR for the GPU, and as benefits for the ECR/D Specific Plan previously. The City has not conducted the necessary studies to identify the cost of these mitigation measures and public benefits (e.g., to intersections and roadways), which is required before impact fees can be set to recoup the costs from projects. Until that happens, large projects may continue to be approved without the requirement to pay their fair share of the costs. Who will be left holding the bag? Taxpayers?

6. Set measurable goals and standards and thresholds of significance into the Land Use and Circulation Elements. These should be utilitarian. For example, VMT should be monitored and managed at both the per capita and per employee levels since the mitigation measures would be different for each of these. Level of Service (LOS) measures should be monitored to help detect and manage potential neighborhood cut-through traffic and related safety concerns.

The FEIR says numerous times *“The City of Menlo Park has not adopted their own thresholds for such impacts, as might be allowed under current CEQA regulations.”* Why not do it now? This will help focus mitigation measures, city programs, and allow monitoring of progress over time towards important goals. The City cannot manage what it does not measure. It is no excuse that certain guidelines, e.g., for VMT, are not set yet. The City could set a standard by reference, such as “the ABAG VMT standard for VMT reduction”.

Bottom line: Work is needed NOW. The Planning Commission should recommend action steps.

The General Plan Update process “ConnectMenlo” has resulted in some positive, thoughtful, and long-overdue, proposed changes to the 1994 General Plan. Those who were involved in the process are to be applauded for their vision for Belle Haven. Now that we can see the magnitude of potential change and the likely impacts of implementing that vision, however, more work is needed.

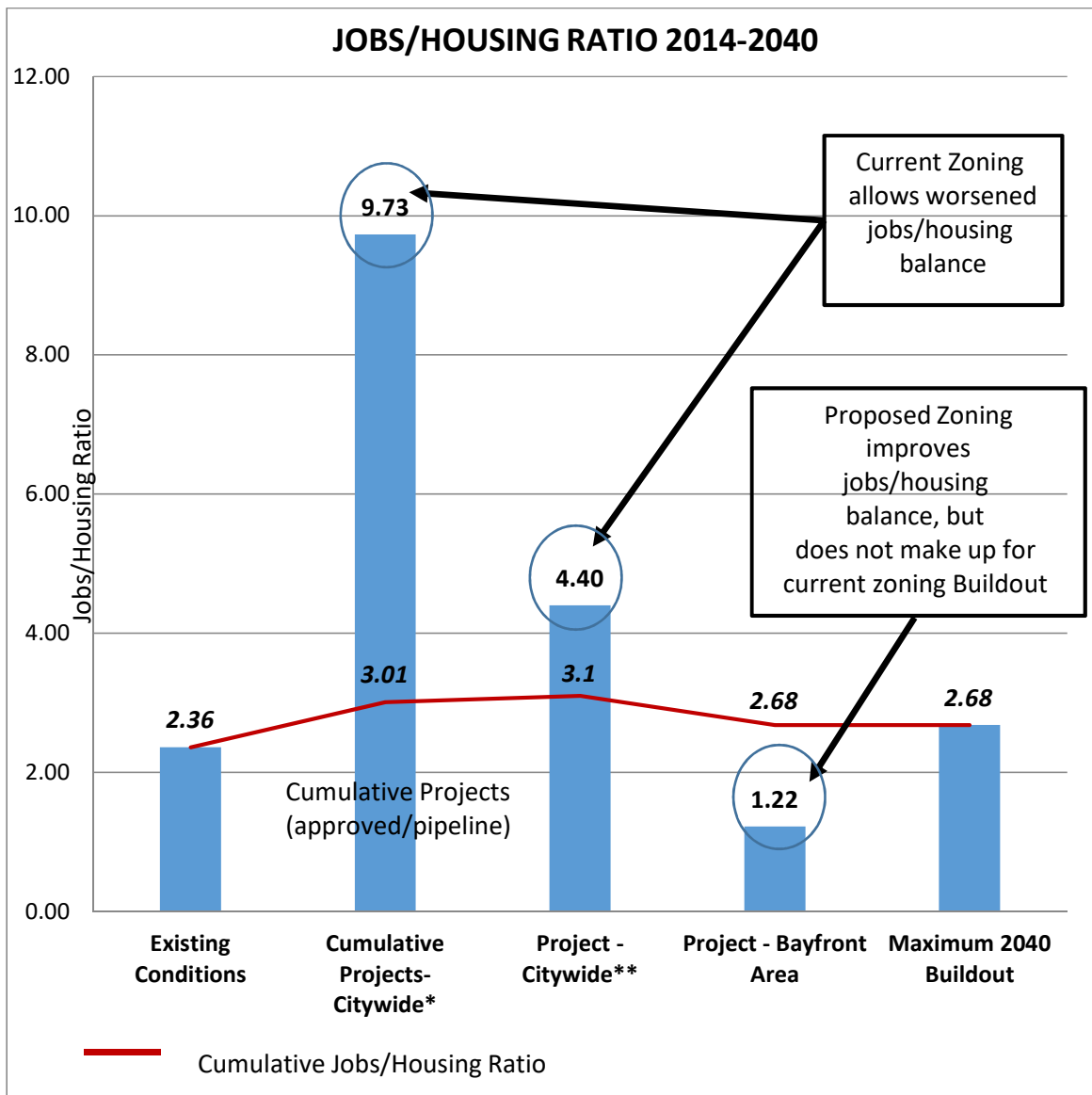
The green building, and traffic (TDM, parking) mitigation measures need to apply to development citywide, both in additional ZO Amendments and in negotiated agreements with major projects in the pipeline until those ZOA are in place.

The City needs to identify needed and desired public improvements and do a nexus study NOW so that this information can be addressed in any negotiated agreements that occur before funding mechanisms are put in place ASAP. Huge projects are about to be approved. Facebook's Expansion is on the City Council docket November 1st. Greenheart's El Camino project is coming back soon. Stanford's project is in the wings. Developers for Belle Haven offices and life sciences are eager to move forward. The City would miss huge opportunities to secure needed funding and desired public amenities if these action do not occur immediately.

The Planning Commission should recommend the above actions.

Respectfully submitted,

Patti Fry, former Planning Commissioner



Source: Table 3-2, DEIR

Notes:

* "Cumulative Projects – Citywide" comprises approved/pending Projects and includes Facebook Expansion Project

** "Project-Citywide" is projected citywide buildout using Current Zoning

ABAG has assumed Menlo Park’s ratio to be 2.2, which is 18% lower than Menlo Park’s projected 2040 ratio.

TABLE 4.13-13 DAILY VEHICLE MILES TRAVELED (VMT) PER SERVICE POPULATION COMPARISON: 2014 EXISTING AND 2040 PLUS PROJECT

Analysis Scenarios	VMT	Residents	Jobs	VMT per service population	VMT Per Capita
2014 Existing	934,722	32,900	30,900	15	28
2040 No Project	1,655,624	38,780	47,750	19	43
2040 Plus Project	1,449,337	50,350	53,250	14	29

54% increase

Source: TJKM Transportation Consultants, 2016.
FEIR 3-40 Table 4.13-13

An accurate comparison to the Plan Bay Area per capita VMT of 20.8 and the threshold of 17.7 (15% below 20.8 VMT per capita) would be useful for planning and helpful when evaluating efficacy of mitigation measures. The table above provides such a comparison. The approved/pending projects and continued citywide development under the existing General Plan allow a huge, 54% increase, in VMT per capita. The Project also increases the per capita VMT.

Menlo Park’s VMT per capita for 2040 would be 63% greater than ABAG’s threshold of 17.7 VMT per capita.

From: aldeivnian@gmail.com on behalf of [Adina Levin](#)
To: [Planning Commission](#)
Cc: [Nagaya, Nicole H](#); [Diane Bailey](#)
Subject: Transportation goals for the future or the past?
Date: Monday, October 24, 2016 1:02:48 PM

Dear Planning Commissioners,

At last week's meeting one of the commissioners expressed concern about the proposed General Plan policies to support increased use of more space-efficient and sustainable transportation.

Because a substantial majority of travel in Menlo Park has been via solo driving in the past, the General Plan should therefore ensure that the future transportation pattern is the same as the past. This perspective is skeptical about the possibility of change, because it is different from the past.

Here are several examples of successful change:

* The City of San Mateo included in its Rail Corridor Plan a 25% vehicle trip reduction goal, with requirements for measurement and public reporting to commissions and city council, and to create a Transportation Management Association to administer benefits for the whole area, including shuttles, transit pass discounts, carshare, etc to help workers and residents drive less. The Rail Corridor Plan covers the area from Hillsdale to Hayward Park, including the former Bay Meadows racetrack.

In the three years since developments in the plan area have been open, all of the developments in the plan area have been in compliance. The innovation for our area is that these mandated transportation goals were required, not just for a single employer, but for a substantial area targeted for infill development, with a mix of uses including office, residential, and retail/services. These goals and requirements have not hampered the area's development - developers have built, businesses and residents have been moving in, including SurveyMonkey which was attracted away from downtown Palo Alto.

* Facebook itself promised, when they moved into the old Sun campus, to restrict parking so that only about half of their employees could drive. If Facebook exceeded their parking cap, they would owe substantial penalties to the city. Facebook has kept its commitments, as shown in public reporting.

* When the County of Santa Clara imposed a trip cap on Stanford, the university continued to grow and add employees without adding more car trips. The drivealone rate declined from over 70% to under 50%.

* Numerous cities around the US have seen bicycle mode share grow rapidly after implementing protected bike lanes that are safer and more comfortable for people with a wide range of ages and abilities
<http://www.peopleforbikes.org/blog/entry/everywhere-they-appear-protected-bike-lanes-seem-to-attract-riders>

* Google has reported that 20% of its employees who live within a 5 mile radius of campus already get to work by bicycle (using great local infrastructure added by Mountain View, such

as the Stevens Creek Trail). Google has goals to increase this to 40%, with detailed plans to create a safer, connected bicycle network in partnership with Mountain View and neighboring cities. This is not marginal, it is a major travel mode for people within a moderate distance.

The City Council and community have set goals with the ConnectMenlo Plan to have infill development, and create a "live/work/play" environment in the area formerly known as M2. This means bringing more people together in the area to live, work, dine and shop. In order for this plan to be successful, we need transportation to be more space-efficient.

This will take continued effort to improve transit options (for example as being pursued with the Dumbarton corridor study), a safe bicycle network turning bicycling from a small minority into a mainstream options, appealing pedestrian connections so people can take short local trips without driving, and housing and services near jobs, to reduce the need for car trips.

Solo driving is the least space-efficient means of travel. In our area, we are not going to see driving rates of 10-15%, like downtown San Francisco, but we can successfully reduce the driving rate and increase the use of space-efficient modes, as in the examples above.

Thank you for your consideration,

- Adina

Adina Levin
650-646-4344

From: [Janelle London](#)
To: [Planning Commission](#)
Subject: Please support the ConnectMenlo green and sustainable building provisions
Date: Saturday, October 22, 2016 5:27:02 PM

Dear Menlo Park Planning Commission and Staff,

As a longtime resident of Menlo Park and Vice Chair of the Environmental Quality Commission, I want to thank you for working so hard to bring vibrancy and economic vitality to Menlo Park while also establishing it as a leader in sustainability and healthy living. Please continue your good work by upholding the Green and Sustainable Building section of the ConnectMenlo General Plan and Zoning update (the Plan) as currently drafted.

The Plan calls for new construction to meet certain standards for clean, renewable energy and generate a certain amount of on-site energy where feasible. The green and sustainable building provisions are more flexible than Zero Net Energy standards, but achieve similar objectives.

The green building provisions are critical to help Menlo Park achieve greenhouse gas emission reduction goals, and lead the way on sustainability. Our city is committed to reducing greenhouse gas emissions by 27% over 2005 levels by 2020. And we want new development for vibrancy. We can have both, but we all have to do our fair share to bring emissions levels down. It is reasonable and fair to require that new construction in the Plan not add to our city's emissions levels.

And developers should be embracing this opportunity. Zero Net Energy (ZNE) standards more stringent than the Plan requires are already proving economically feasible. There are numerous examples of ZNE buildings around the country, across many different residential and commercial building types. The New Buildings Institute just came out with the 2016 list, and the number of ZNE projects has grown 74% just since 2015. See http://newbuildings.org/wp-content/uploads/2016/10/GTZ_2016_List.pdf.

For instance, [this ZNE building in Sunnyvale](#) realized the following benefits:

“Utility bills are eliminated, and the building’s HVAC system is about a quarter of the size of one on a similarly sized conventional building. Andary added that the HVAC system only needs to run about 15 percent as often as that of a conventional building’s system. With negligible utility bills and lower repair and maintenance obligations, Bates estimated that the renovation strategy added about \$56 a square foot to the building’s value, making such green renovations a cash-flow-positive proposition.”

And there are [soft benefits](#):

“Although he expected to find that tenants might be willing to pay more to lease a sustainable building, Bates didn’t include this expectation in his initial business case. In fact, he has found that the “soft benefits” of a ZNE building are significant. Brokers and potential tenants were drawn to the project because it was different. With 100% natural daylight and 100% natural ventilation, ZNE buildings have a healthy, lively “feel” to them, because they

aren't sealed off from the environment like a traditional office space. Bates found that this especially appealed to tech tenants, who spend so much time indoors. The building leased in three months, compared to a market average of 18 months, and there was a backlog of possible tenants ready to sign should the lease fall through."

These buildings perform better, are more resilient to the impacts of climate change, and create a hedge against the instability of energy prices. They're more desirable to tenants. **They help homeowners of all income levels as well as businesses pay less for energy.** And, investment in ZNE-type practices and technologies creates local jobs.

California is a clean energy leader. Menlo Park is well positioned to stand out as a role model clean energy city. Our community, the state, and the whole planet are depending on us to lead the way. Please uphold the Plan's green and sustainable building requirements as drafted.

Thank you for your dedication to our wonderful city.

Sincerely,

Janelle London
Sharon Court
Menlo Park

From: [Julie Shanson](#)
To: [Planning Commission](#)
Subject: Support for ConnectMenlo Green and Sustainable Building provisions
Date: Sunday, October 23, 2016 3:08:27 PM

Dear Menlo Park Planning Commission and Staff,

Please support of the Green and Sustainable Building provisions of the ConnectMenlo General Plan and Zoning Update (“the Plan”)]

Reducing greenhouse gas emissions/moving to clean, renewable energy is important to me because I have kids who breathe air and I care about the planet.

I believe that to achieve Menlo Park’s greenhouse gas emissions reduction goal of 27% by 2020, everyone must do their fair share.

The green building requirements of the Plan are a reasonable, fair way for new development to do its part to help achieve emissions reductions and keep energy bills low, while improving our city’s vibrancy.

Please help Menlo Park become a clean energy leader.

Sincerely,

Julie Shanson
Oak Court

--

Julie Shanson
650 918 0749

From: [noopur.pandey](#)
To: [Planning Commission](#)
Subject: Support for ConnectMenlo Green and Sustainable Building provisions
Date: Sunday, October 23, 2016 2:30:01 PM

Dear Menlo Park Planning Commission and Staff,

- I ask for support of the Green and Sustainable Building provisions of the ConnectMenlo General Plan and Zoning Update
- Reducing greenhouse gas emissions/moving to clean, renewable energy is important to me because it makes sense for us a community and as a city
- To achieve Menlo Park's greenhouse gas emissions reduction goal of 27% by 2020, everyone must do their fair share.
- The green building requirements of the Plan are a reasonable, fair way for new development to do its part to help achieve emissions reductions and keep energy bills low, while improving our city's vibrancy.
- Please help Menlo Park become a clean energy leader.

Thanks
Noopur Pandey
MP resident since 1998

From: [Eileen McLaughlin](#)
To: [Andrew Barnes](#); [Drew Combs](#); [Susan Goodhue](#); larry@metropolisarchitecture.com; [John Onken](#); [Riggs, Henry](#); [Katherine Strehl](#); [_Planning Commission](#)
Cc: [Chow, Deanna M](#); [Heineck, Arlinda A](#); [Aguilar, Pamela I](#); [Cline, Richard A](#); [Keith, Kirsten](#); [Carlton, M.Catherine](#); [Mueller, Raymond](#); [Ohtaki, Peter I](#); [_CCIN](#)
Subject: Comments: Planning Commission Item F1, 10/24/16, General Plan Update FEIR
Date: Friday, October 21, 2016 5:01:20 PM
Attachments: [CCGR SCLP to MPPC re GP Update 102116.pdf](#)

Chair Strehl, Co-Chair Combs and Members of the Planning Commission:

The Citizens Committee to Complete the Refuge and the Sierra Club Loma Prieta Chapter jointly submit the attached letter and ask that you consider its comments in regard to the City of Menlo Park's General Plan and M-2 Area Update Final Environmental Review Document.

City Clerk Aguilar: Please include the attached letter in the record.

Thank you.

Eileen McLaughlin
Board Member, Citizens Committee to Complete the Refuge
408-257-7599
408-230-0054 cell
wildlifestewards@aol.com
www.bayrefuge.org



October 21, 2016

Via email

Planning Commission
City of Menlo Park
planning.commission@menlopark.org

RE: Item F1, City of Menlo Park General Plan and M-2 Area Zoning Update Final EIR

Dear Chair Strehl, Vice Chair Combs and Members of the Commission:

The Citizens Committee to Complete the Refuge and the Sierra Club Loma Prieta Chapter urge you to continue the item of review of the General Plan and M-2 Area Zoning Update Final EIR (Update FEIR) to a future date for further consideration and revision.

In its current form and the responses to comments to the DEIR, the Update FEIR includes significant errors and is substantively inadequate in the responsibility of the document to inform decision makers and the public. This is inconsistent with a basic purpose of CEQA, Section 15002(a)(1):
Inform governmental decision makers and the public about the potential, significant environmental effects on proposed activities.
The outcome is a document that fails to meet defined City objectives including streamlining of both the CEQA and Infill-exemption planning processes for tiered projects in the M-2 Area.

Our organizations submitted multiple letters and provided verbal comments to the Draft EIR, providing information that would have substantially improved the document and addressed deficiencies. As much of that information was not used, with this letter we resubmit those letters, now as comments to the Final EIR to reiterate inadequacies of the document. These are letters of record, included by reference and found in Appendix A of the Update FEIR, specifically:

Citizens Committee to Complete the Refuge: August 1, 2016
Loma Prieta Chapter, Sierra Club: July 7, 2016, July 18, 2016 and August 1, 2016.

Continuance of the item can provide the additional time needed to ensure the City produces a sound CEQA document that it can depend on for the decades ahead. Again we urge you to take that action.

Sincerely,

Eileen McLaughlin
Board Member
Citizens Committee to Complete the Refuge

Gita Dev
Co-Chair, Sustainable Land Use Committee
Sierra Club Loma Prieta Chapter

Gail Raabe
Board Co-Chair
Citizens Committee to Complete the Refuge

Michael J. Ferreira
Executive Committee Chair
Sierra Club Loma Prieta Chapter

From: [Diane Bailey](#)
To: [Planning Commission](#)
Cc: [Abrams, Heather](#); [Chow, Deanna M](#)
Subject: Support for Preserving Key Clean Energy Standards in Proposed Zoning Regulations
Date: Monday, October 24, 2016 4:24:35 PM
Attachments: [Support for Renewable Energy Standards in Menlo Park Zoning.pdf](#)

Dear Planning Commissioners and staff,

Please accept these comments in support of the proposed zoning regulations, and in particular the renewable energy requirements. The Clean Energy standards are a critical element to meeting our city's committed climate action plan goals in 2020. Renewable energy can be obtained at no additional cost to developers when new sites are planned carefully. Please see the attached comments for more information.

The strong environmental standards in the proposed zoning update ensure that the City of Menlo Park will continue to thrive as a healthy, sustainable and vibrant community.

Warm regards,

Diane

Thomas Rogers, Principal Planner
Planning Division
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025

Re: Support for Preserving the Clean Energy Standards in the Proposed M-2 Area Zoning Update

Dear Planning Commissioners,

We are writing to support the clean energy provisions in the proposed Zoning update, as a priority for a healthy and sustainable future in Menlo Park. Menlo Spark is an independent nonprofit organization working with businesses, residents, and government partners towards a climate neutral Menlo Park by 2025. We strongly support the City of Menlo Park's Climate Action Plan Goals, as well as the substantial growth and sustainability improvements envisioned in the ConnectMenlo General Plan update. However, without the renewable energy standards in the proposed zoning regulation, as they are carefully crafted by staff, future development will make it virtually impossible for Menlo Park to meet its carbon and sustainability goals.

We applaud the City for supporting numerous sustainability policies in the General Plan and Zoning update; these will create a model city full of life, community, vitality, and character. We also commend the City for its strong support of the County's Peninsula Clean Energy Program, opting to enroll municipal power in the "ECO100" 100 percent renewable program and in doing so, setting a good example.

The 100 Percent renewable energy requirement in the proposed zoning regulations is critical to the long-term sustainability, and social and economic vitality of Menlo Park for the following reasons (elaborated on more fully below).

- The Clean Energy standards in the Proposed Zoning Regulations are **essential for maintaining the city's climate, sustainability and healthy community commitments.**
- The proposed clean energy policy is a **reasonable compromise with stakeholders**, having started with a requirement for 80% of energy use to be generated *on-site*.
- Many **Businesses are recognizing the need to transition from fossil fuels** with commitments to 100% Renewable Energy.
- **Developers can meet the 100% Renewable Energy provision without spending more money.**
- The proposed 100% Renewable Energy Provisions are a **smart step towards the upcoming state Zero Net Energy standards.**

Maintaining the city's climate, sustainability and healthy community commitments

The zoning regulations are an important tool for cities to use to meet sustainability, climate and healthy community goals. Clean energy provisions within the new zoning regulations are key to achieving Menlo Park's Climate Action Plan goals for 2020, which require a 27 percent reduction in Greenhouse Gas (GHG) emissions. This will be virtually impossible to achieve with an additional 2 million square feet of commercial development using conventional high carbon energy. Commercial energy use is already the second largest emissions sources (behind transportation), accounting for 30% of total GHG emissions in Menlo Park. As Menlo Park considers substantial new development and considering that new building typically last 50 years, it is important to ensure that these developments do not lock the City into a high carbon future.

A reasonable compromise with stakeholders

The initial draft updated zoning regulations in January 2016 contained a requirement for 80% of energy use for new developments to be generated on-site. This was similar to some of the "solar rooftop" requirements adopted by other cities for new buildings, including Santa Monica, San Francisco, and Lancaster. The City of San Mateo is likely to adopt a similar solar rooftop policy soon.¹ In Menlo Park, there was substantial pushback against this approach, leading staff to amend the clean energy requirement in May 2016 to its current form offering significant flexibility. The current proposed renewable energy standard has multiple pathways to achieve clean energy, including green grid-power options (such as PG&E's Green Option and Peninsula Clean Energy's ECO100) or offsets, in addition to or in place of on- or near-site renewables. Many developers expressed a desire for flexibility in how they procure clean energy and the current requirements, as drafted, *maximize* that flexibility.

The Tarlton Properties Inc. comment letter, dated May 23, 2016, incorrectly states that the clean energy requirements in the proposed zoning standards will be, "Requiring tenants to pay a significant premium on their utility bill (under the currently available PG&E program²), [which] would put the Menlo Park Life Sciences District at a competitive disadvantage" to other areas with biotech industries. First, we have reached out several times to explain and provide data on several much cheaper compliance pathways. Second, other biotech leaders support 100 percent renewable power. Examples are provided below.

Businesses are recognizing the need to transition from fossil fuels.

The RE100 group lists 81 companies that have made a commitment to go 100% renewable, including among high tech and other companies, notably, biotech leaders such as AstraZeneca, Biogen, Johnson & Johnson, Novo Nordisk.³ Biotech companies have increasingly been making commitments to sustainability and renewable energy. For example, in November 2015, Patheon, Biogen, Johnson & Johnson, Genentech, and Novartis, signed the American Business Act on Climate Pledge and declared

¹ <http://www.smdailyjournal.com/articles/lnews/2016-09-26/san-mateo-seeks-greener-new-buildings-city-to-include-electric-vehicle-charging-and-solar-requirements-in-new-developments/1776425168860.html>

² PG&E's Green Option charges roughly a \$0.03 per kWh premium for 100 percent solar power, compared to a \$0.01 per kWh premium for Peninsula Clean Energy's ECO100 program offering 100 percent renewable power. By comparison, offsets would be even cheaper, while on- or near-site solar or renewable power would cost nothing or yield a net savings.

³ <http://there100.org/companies>

their goals, which include reducing carbon or greenhouse gas emissions, water use, and waste to landfill, and increasing the use of renewable energy.⁴

Genentech has sustainability goals to reduce carbon and energy, committing to 100% renewable energy through the Corporate Renewable Buyers Principles (as does Facebook); their South San Francisco facility has reduced energy use by more than 10% in the past five years.⁵ The U.S. Green Building Council even lauded Genentech for its green building leadership at a recent panel highlighting sustainable building efforts in the Bay Area.⁶ Amgen, one of the largest bioscience firms, located in South San Francisco, also makes sustainability a priority.⁷ Even local bioscience leaders like Pac Bio have well known leadership in sustainability.⁸

As individual companies commit to renewable energy, vaunted design, architecture and planning groups are embracing and supporting goals of Zero Carbon for new buildings. Architecture 2030 has public-private partnerships in 15 cities comprising over 294 million square feet of commercial building space, called 2030 districts, promoting renewable energy among a range of sustainability.⁹ Earlier this year Architecture 2030, the U.S. Green Building Council (GBC) and GBCs around the world came together to advance Zero Net Carbon standards for buildings.¹⁰

Developers can meet the 100% Renewable Energy provision without spending more money.

The key to renewable energy at no additional cost is incorporating the goal into initial building designs. There are numerous ways to do this beginning with beginning with maximizing energy conservation and minimizing fossil fuels like natural gas. All electric zero energy buildings are growing in popularity. For example, the Oak Ridge National Laboratory installed electric heat pumps in one large building to become zero gas and Zero Net Energy (ZNE).¹¹

We agree with and support the Tarlton Properties Inc recommendation, in the May 23rd, 2016 comment letter, to exempt on-site renewables from the height restrictions and allow them to be visible if they rise above the roof screen, for example, on top of HVAC equipment. This type of flexibility to add solar panels raised above equipment on the roof could make it easier for some developers to provide more on-site renewable energy and is not expected to impact aesthetics appreciably at the street level.

When solar panels on the rooftop are not ideal or cannot generate sufficient power, solar shades can be installed over parking areas. Many other clean energy technologies are now cost-competitive with fossil fuels. Renewable energy generation can also be installed at nearby sites, such as schools, libraries, civic and nonprofit buildings to generate ample energy to offset a development. Whether on- or off-site, special financing, commonly called Power Purchase Agreements (PPAs), these can be used to ensure

⁴ Pharma Companies Join the American Business Act on Climate Pledge," Dec. 3, 2015, www.pharmtech.com/pharma-companies-join-american-business-act-climate-pledge

⁵ <https://www.gene.com/good/sustainability>

⁶ <http://www.usgbc.org/articles/market-signals-bay-area-usgbc-northern-california>

⁷ <http://environment.amgen.com>

⁸ <http://inmenlo.com/2013/03/26/2012-winners-of-menlo-park-environmental-quality-awards-announced/>

⁹ <http://www.2030districts.org>

¹⁰ http://architecture2030.org/wgbc_zerocarbon/

¹¹ <http://www.2030districts.org/case-study/oak-ridge-national-laboratory-office-building> See more info at District 30, www.2030districts.org

that the renewable energy will not cost anything. In fact, no-money-down PPAs save building occupants a significant amount in reduced utility bills, such that these properties can command higher rental or lease rates.

It is also probable, though not certain, that the default grid electricity in Menlo Park will soon be carbon free. Peninsula Clean Energy recently launched serving all customers in Menlo Park (and throughout the County) with power that is 75 percent carbon free and is widely expected to increase carbon free and renewable power in its portfolio over time.¹² The City of Palo Alto utility provides 100% carbon free power at a cost significantly cheaper than the regional utility (PG&E). They also offer a Green Gas program to offset the carbon emissions of natural gas. Most of Santa Clara County will soon have 100% carbon free power at no additional cost through Silicon Valley Clean Energy.

If a developer does not want to use renewable or carbon-free energy, offsets can be obtained cheaply. A worst case example would be ~\$3,000 per year in offset costs for an energy intense 60,000 sq. foot Bioscience business.¹³

A smart step towards the upcoming state Zero Net Energy standards

Though new homes will need to be Zero Net Energy (ZNE, e.g. create as much energy as they use through solar panels and/or clean technology) by 2020, the ZNE standards will not apply to commercial development until 2030. That means that most of the new development in Menlo Park, which is expected before then, potentially could lock in conventional energy-intensive buildings that contribute high GHG emissions, if renewable energy standards were lifted.

Thoughtful initial designs for new developments that incorporate 100% renewable energy can ensure that upcoming ZNE standards can be easily met. Many commercial buildings have reached ZNE - or near ZNE - at little or no additional cost through integrated design that emphasizes building efficiency. Out of over 50 ZNE buildings in California, 15 are office buildings, 3 are warehouses, one is a laboratory, and many others uses are represented.¹⁴ Building to ZNE standards represents another sustainable and potentially cost-free strategy to meet the proposed clean energy standards. Further, ZNE buildings are known to have a significant positive payback over time.¹⁵

We strongly urge you to preserve the clean energy policy in Menlo Park's Proposed General Plan and Zoning Update. The flexible renewable energy policy ensures that new development will not saddle the community with even more carbon pollution to mitigate. City staff and consultants have demonstrated

¹² http://www.peninsulacleanenergy.com/wp-content/uploads/2016/10/PCE_LaunchPressRelease.pdf

¹³ The following source provides estimates for energy use of existing Laboratories in the U.S. These are energy-intensive facilities that use 30 to 100 kilowatt-hours (kWh) of electricity and 75,000 to 800,000 Btu of natural gas per square foot annually. Note that 70% of natural gas is for heating. We assume that in Menlo Park's warm climate and for new buildings built to modern CA Energy Code standards, it's appropriate to use the low end of the estimates.

<https://bizenergyadvisor.com/laboratories>

Carbon offsets generally cost: \$10.00 per metric ton (2,205 pounds); see: <http://store.b-e-f.org/make-a-purchase>

¹⁴ NBI has a comprehensive and up to date database: http://newbuildings.org/wp-content/uploads/2015/11/CA_ZNE_Watchlist_2015091.pdf We found some ZNE buildings that aren't listed in NBI's database; those other sources are noted where applicable.

¹⁵ See for example, the economic analysis done for this ZNE office building in Sunnyvale.

http://www.smcenergywatch.com/sites/default/files/ZE_2015.05.28_435Indio.pdf

substantial expertise in sustainable building and smart growth planning, and have paid great attention to community needs as expressed during the stakeholder process, the pedestrian experience, the comfort of building occupants and the values of the City.

We look forward to working with you to guide future development to make Menlo Park a sustainable, healthy, and vibrant community, staying on track with our climate goals. Thank you for considering our comments.

Sincerely,

A handwritten signature in cursive script that reads "Diane Bailey".

Diane Bailey, Executive Director, Menlo Spark

diane@menlospark.org

From: [Lily Gray](#)
To: [connectmenlo](#); [Chow, Deanna M](#)
Subject: Comments on C-2-B Zoning
Date: Monday, October 24, 2016 10:22:39 AM

Hi Deanna,

I hope you're doing well. I'm resending our comments on the C-2-B zoning. Please confirm that you have received.

We are supportive of the modifications proposed to the C-2-B zoning district to allow for multifamily residential. Our comments are focused on encouraging successful mixed-use development to make sure that housing gets built as well as community amenities envisioned in the General Plan update.

1. 16.40.010. Proposed community amenities as part of the General Plan update should be allowed in this zoning district, as applicable.
2. 16.40.030. (1). Please clarify that the existing C-2-B exceeds the minimum district size.
3. 16.40.030. (4). We recommend that the required front and corner side setbacks be reduced to match the intent of the new R-MU zoning district. 0' preferred but 5' could be workable.
4. 16.40.030. (7). The heights as specified would limit buildings to 3 stories. Given the surrounding zoning districts to C-2-B, we would recommend the ability to go up to 4 stories. For a mixed use building with ground floor commercial use, the height limit would need to be 45' minimum (ideally 48') in order to get a 14' clear ground floor plus 3 floors of housing plus parapet.
5. 16.40.030. (13). We recommend that parking standards include parking requirements for the potential community amenity uses envisioned in the General Plan update, if they don't fit into the land use categories already specified.

One other item we'd like to reference is a new State law allowing developments containing affordable housing and located near transit reduced parking requirements. AB 744, an amendment to California's density bonus law (Government Code Section 65915), was signed into law by Governor Jerry Brown on October 9, 2015. Menlo Park may wish to update the language of the ordinances in the General Plan update to reference these updates.

Thanks for the opportunity to comment and please reach out with any questions.

Best,
Lily

Lily Gray | Sr. Business Development Manager
MidPen Housing Corporation
303 Vintage Park Drive, Suite 250, Foster City, CA 94404
lgray@midpen-housing.org
t. 650.356.2963 c. 650.477.9705



From: [Gita Dev, FAIA](#)
To: [Chow, Deanna M](#); [_Planning Commission](#); [_CCIN](#); [Larry Kahle](#)
Cc: [Barbara Kelsey](#); [Mike Ferreira](#); [James Eggers](#); [Gladwyn d'Souza](#)
Subject: Menlo Park General Plan Update- Sierra Club Comments for Monday 10/24/16 meeting
Date: Monday, October 24, 2016 10:07:28 AM
Attachments: [Sierra Club Gen Plan comments to Planning Comm 10-23-16.pdf](#)

Good Morning Chair Strehl and Menlo Park Planning Commissioners,

We are forwarding a few comments on the General Plan and FEIR, as they stand now

- **We hope can be considered at tonight's Planning Commission** special meeting
- **If this is possible, it would be appreciated.**

Thank you for your commitment to creating the best M2 area plan for Menlo Park.

Gita Dev

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Gita Dev FAIA
Sierra Club Loma Prieta,
Sustainable Land Use Committee Co-Chair
415-722-3355



This email has been checked for viruses by Avast antivirus software.

www.avast.com



Loma Prieta Chapter serving San Mateo, Santa Clara & San Benito Counties

October 23, 2016

Chair Strehl and Members of the Planning Commission
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025

**RE: Comments on Final EIR for ConnectMenlo
General Plan Land Use & Circulation Elements and M-2 Area Zoning Update**

Dear Chair Strehl and Members of the Planning Commission,

Thank you for providing the opportunity for the Sierra Club Loma Prieta Chapter to comment on the Connect Menlo Project and the Final EIR.

We are pleased to see the progress in the General Plan Update and in the EIR and we wish to thank staff for responsiveness to several of our comments. We note that several important changes have been incorporated.

However, it is clear that not all the issues raised nor the changes being incorporated have had the opportunity to be vetted or thought through adequately. Leaving these unresolved will not be advisable. **Therefore we hope that the Planning Commission will defer final approvals till these can be resolved.**

Below we give a sample of some of the issues that need your and staff attention.

A. Need to define O-CH zoning "Corporate Housing" on Facebook East more clearly.

While "Corporate Housing" more closely adheres to what we have heard from Facebook than the R-MU zoning, "Corporate Housing", in the O-CH zoning, needs to be defined more carefully. In common parlance, corporate housing often houses two or more people. Is it the plan for each O-CH unit to accommodate a single individual?

Does "1,500 CH units", in the O-CH zoning section mean 1,500 dwelling units or 1,500 resident employees? And if it is 1,500 employees, can spouses come too? Will the stays be for more than one month?

- Corporate Housing units, on the peninsula, are usually 1 to 3-bedroom apartments and families stay for 3-6 months while they look for housing.
- A "Dormitory Unit", mentioned at the last planning commission meeting, is usually either a single room for 2 students or a shared unit with 4 to 6 students in a 2 or 3 bedroom dorm unit with shared living room and kitchen.
- By either definition, the O-CH leaves open the interpretation of Corporate Housing, on Facebook East, of anywhere from 1,500 residents to 3,000 to possibly as much as 6,000 residents. Belle Haven has a population of 5,500.

We recommend clarification of the new O-CH zoning designation.

We are strong proponents of more housing in the M2 area however, Facebook East island is not the best location. It is important to define how many people are allowed/planned/expected to be resident 24/7 on the sensitive habitat proximity of Facebook East island.

B. Habitat Protection Overlay:

The most unique characteristic of the M2 area is that it is a long narrow strip of land that lies along the largest and most unique urban Wildlife Refuge in the United States. The Don Edwards SF Bay Wildlife Refuge is also the largest, most ambitious and painstaking federal restoration effort being undertaken in the United States, after the restoration of the Everglades in Florida.

- Therefore it is logical that the adjacency to the Refuge be acknowledged and protections for the Refuge be located clearly within the General Plan.

To attempt to address such a central and major issue using, possibly, an errata- an errata to a revision, which is a revision to a mitigation item, which is in the Biological section of an EIR of the Update of the General Plan is not a really effective approach to focus attention on an important issue.

- **As we laid out in our DEIR comment letter, the way to protect and secure the edges of the Refuge is to create a Habitat Overlay, in the Land Use section of the General Plan and the Zoning Map¹ and place all the elements that are being attempted to be included in BIO-1 in this Habitat Overlay.**
- As pointed out in our DEIR letter, this was done in Mountain View in the North Bayshore Precise Plan.

We also point out that the main biological mitigation, BIO-1 is inadequate and has significant omissions. It needs further work and review. Since many or most of the biological impacts identified in the EIR refer back to BIO-1 for the mitigation, this creates a serious inadequacy in the biological impacts section and EIR.

C. R-MU-B Bonus Zoning allows office space to displace residential units:

There has been much discussion about the shortage of housing being provided in the M2 rezoning in Menlo Park. Given the already serious jobs/ housing imbalance, the R-MU zones should not be allowed to include larger office spaces or R&D, at Bonus level, with a Conditional Use². Large office spaces and R&D belong in the O or LS zoning and should not adversely impact the number of housing units that can be accommodated in R zones. Housing is desperately in short supply here and MUST be prioritized.

At bonus level, non-residential uses are being allowed 25% FAR. Inserting large office spaces into the R zoning can seriously impact housing,³ by prioritizing office space to use up the allowable volume, to the detriment of housing, which is left with not enough volume for the expected maximum number of units.

¹ **The Habitat Overlay** should be in the Land Use Section, and the zoning map, and, with a reference to the issues raised in our DEIR letter, and provide the analysis of the reasons for the overlay - noise, lights, reflections, disturbance, nesting, etc.

² **Conditional Uses for R-MU-B:**

-Administrative and professional offices and accessory uses, greater than twenty thousand (20,000) square feet of gross floor area

-Research and development uses excluding uses involving hazardous material

- **Non -residential uses on R-MU-B sites should exclude commercial office greater than 20,000sf and R&D as there is space for these in the O and LS zoning.**
- **In addition, Non-Residential uses should be restricted to ground floor.** Otherwise, the way R-MU is currently written, we could end up with office space on upper levels in R-MU zones and possibly even stand alone commercial buildings on the large combined R-MU sites.

Given the jobs housing imbalance, we should not permit office space to encroach into and take up the precious volume zoned for a relatively very limited amount of new housing⁴.

D. Residential Permit Parking Program (RPPP) to go along with unbundled parking

- **With unbundled and reduced parking, we strongly recommend instituting a RPPP for the Belle Haven neighborhood to avoid the overflow parking that they will be sure to experience if an RPPP is not in place.**

This is a universal complaint of residential neighborhoods, on the peninsula, when free parking in neighborhoods is usurped by nearby office workers or apartment dwellers with restricted parking.

An RPPP would be worked out with the involvement of residents. Usually 1 or 2 parking permits are issued free to residents and more are available at a small monthly fee. The curbside parking is usually restricted to 2 hour parking, with no permit, and it is policed for compliance. This program is a community impact mitigation that is paid for by fees paid by the developers. The cost of these programs is not high and the RPPP for Belle Haven should be integrated into the M2 plan.

In Summary, as is obvious from these few selected items, that there are some really critical issues that need to be clarified before the General Plan Update can be finalized.

- **We suggest that the Planning Commission defer a final decision on the General Plan Update to a later date to allow time for these issues to be studied and resolved.**

³ **An example of office taking up space in the R zoning, to the detriment/reduction of housing,** is the current proposal by Greenhart in downtown Menlo Park. While not quite the same, in this development, the housing allowed (and expected in the EIR) by the zoning **could not be attained** because the office space used up 50% of the allowable volume, leaving not enough for the expected number of units. On R-MU sites, volume is limited by height and setbacks, and the allowable housing FAR will probably not fit if office space takes up volume.

⁴ (Keep in mind that each job takes only 150sf-300sf, while each dwelling space takes about 4 times as much space. (600 gross sf to 1,200 gsf for small units). It takes more space to live than to work. Inserting office into the R zoning can seriously impact the housing adversely.

Other Issues to consider to improve the General Plan

There are some other issues that we believe should be considered before the General Plan Update is finalized and recommended for approval to City Council:

1. Phased Development:

While acknowledging the importance of housing construction keeping up with Office development, the EIR does not address this issue.

Given the seriousness of the housing problem being created by upzoning areas in cities, many cities are taking the responsible step of capping development permits annually or periodically to ensure that runaway office development is balanced by housing growth.

All Bay area cities have gone through the crash of 2000 when office space was overbuilt and sat vacant for many years. We suggest that a more balanced growth is healthier for Menlo Park and that the City use a phased development for both office and housing to achieve balanced growth.

2. Consider flexible zoning to allow micro units and add more housing:

Consider allowing flexibility - allow Housing in the O zoning, especially adjacent to the Life Sciences zoning and the "Village Center" east of Willow. If one allows the housing in O-zoning to be only Micro units, without added parking (or only a few car-share spaces) it would not generate significant new auto trips and therefore not require further traffic studies. Presently, housing is an attractive investment and small units are in high demand both for affordability and to provide a more diverse housing product for current lifestyles.

Consider this also for the O-zoning area along Marsh Road south of the railroad right of way. Currently it is all office, with some new construction. However, as the market swings between favoring office and favoring housing, cities have seen office buildings being converted to housing. This is an area where housing would be well supported by all the amenities of daily living.

3. Transportation:

We are very glad to note that robust TDM, including monitoring and reporting, and other transportation improvements are being included in the General Plan. There is one area where we continue to be concerned.

- Willow Road needs to change considerably to allow increased pedestrian traffic across it.
- Presently, there is little reason for residents of Belle Haven to cross to the East side of Willow. However, it is the VISION that the R-MU area will become a sort-of "Village Center", a magnet for residents, with grocery store, drug store and various other retail amenities, including outdoor space, outdoor eating, plazas, possibly outdoor entertainment. Many more pedestrians, children and seniors will be attracted to and attempt to cross Willow, at all times.
- It is NOT envisioned that local residents should drive to get across Willow, comfortably and safely to retail on the east side.
- In addition, retail and restaurants are envisioned along the west side of Willow and pedestrians from the East side should walk safely across Willow.

This vision will only work if people can walk comfortably and safely across Willow, at several places. Therefore, planning to allow for more thru traffic on Willow, as the EIR mitigations propose to do, is obviously going to create an increasing safety hazard as more pedestrians are attracted across Willow and is a danger to lives.

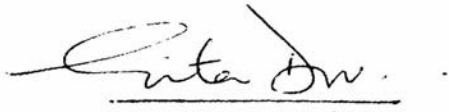
Willow should be planned as a neighborhood avenue rather than the regional arterial that it has a tendency to become. Regional traffic should be routed away from Willow, which needs planning to become a Complete Street, a boulevard, which is easy to cross by foot and by bicycle. This will allow the plan for a Village Center as a focal element in the Live/Work/Play of the new M2 area.

Conclusion

As is obvious from these few selected items, that there are some really critical issues that need to be clarified before the General Plan Update can be finalized.

- **We therefore, once again, suggest that the Planning Commission defer a final decision on the General Plan Update approval and recommendation to City Council to a later date to allow time for these issues to be studied and resolved.**

Respectfully submitted



Gita Dev, Co-Chair, Sustainable Land Use Committee
Sierra Club Loma Prieta Chapter

cc Menlo Park City Council Members
Deanna Chow, Principal Planner, Menlo Park
Mike Ferreira, Chair, Exec. Committee, Sierra Club Loma Prieta
James Eggers, Exec. Director, Sierra Club Loma Prieta



REGULAR MEETING MINUTES

Date: 10/19/2016
Time: 7:00 p.m.
City Council Chambers
701 Laurel St., Menlo Park, CA 94025

A. Call To Order

Chair Katherine Strehl called the meeting to order at 7:01 p.m.

B. Roll Call

Present: Andrew Barnes, Drew Combs (Vice Chair) (recused before item F1), Susan Goodhue, (recused before item F1), Larry Kahle, John Onken (recused before item F1), Henry Riggs, Katherine Strehl (Chair)

Staff: Deanna Chow, Principal Planner, Nikki Nagaya, Transportation Division Manager, Azalea Mitch, Senior Civil Engineer, Heather Abrams, Sustainability Manager, Leigh Prince, City Attorney

C. Reports and Announcements

The Commission beautifully sang Happy Birthday to Commissioner Henry Riggs.

D. Public Comment

None.

E. Consent Calendar

- E1. Approval of minutes from the September 12, 2016 Planning Commission meeting. ([Attachment](#))

Commissioner Goodhue noted on page 9, in the sentence beginning “Vince Bressler said...” to change “foundation” to “fountain” and on page 12, last line, sentence “He said the modifications to the “ to change “user” to “use” (permit).

Commissioner Riggs said on page 36, in the last paragraph, 3rd line, that the word “conservation” should be changed to “conservative” and in the same line, the word “element” should be “development”.

ACTION: Motion and second (Goodhue/Combs) to approve the minutes as submitted with the following modifications: passes 6-0 with Commissioner Onken abstaining.

- Page 9, sentence beginning “Vince Bressler said...” change “foundation” to “fountain”;

- Page 12, last line, sentence: “He said the modifications to the...,” change “user” to “use” before “permit”; and
- Page 36, last paragraph, 3rd line, word “conservation” should be changed to “conservative” and same line, the work “element” should be “development”.

Commissioners Combs, Goodhue and Onken were recused due to potential conflicts of interest for item F1.

F Public Hearing

- F1. City of Menlo Park/General Plan and M-2 Area Zoning Update, including a General Plan Amendment, Zoning Ordinance Amendment, Rezoning, Environmental Review:

The City is proposing to update the Land Use and Circulation Elements of the General Plan, including revised goals, policies and programs, the establishment of new land use designations, and the creation of a new street classification system. The General Plan Update seeks to create a live/work/play environment that fosters economic growth, increased sustainability, improved transportation options and mobility, while preserving the existing residential neighborhood character and quality of life enjoyed today. The land use changes are generally focused in the M-2 Area (which is primarily the existing industrial and business parks located between Bayfront Expressway and Highway 101) and could result in an increase in development potential above what would be allowed under the current General Plan, as follows:

- Up to 2.3 million square feet of non-residential space;
- Up to 4,500 residential units; and
- Up to 400 hotel rooms

This additional development potential in the M-2 Area, combined with the remaining development potential under the current General Plan, would result in a total of up to 4.1 million square feet of non-residential development and up to 5,500 residential units in the City.

The Planning Commission will consider and make recommendations to the City Council on the following:

1. General Plan Amendments: Incorporate the updated Land Use and Circulation Elements into the General Plan. Change the General Plan land use designations of properties in the M-2 Area to one of the following designations - Light Industrial, Office, Life Sciences, Mixed Use Residential, Baylands and Public Facilities. No land use designation changes are anticipated outside of the M-2 Area and Baylands Area.
2. Zoning Ordinance Amendments: Create three new zoning districts in the M-2 Area for consistency with the proposed General Plan Land Use Element. The proposed zoning districts include Office (O), Life Science (LS) and Residential-Mixed Use (R-MU) designations. The O district includes overlays to allow hotels (O-H) and corporate housing (O-CH). Overlays for bonus level development are also proposed in the Office, Life Science and Mixed-Use zoning districts (O-B, LS-B, and R-MU-B). In addition, proposed changes to the C-2-B (Neighborhood Commercial District, Restrictive) zoning district would allow for residential uses with up to 30

dwelling units per acre and heights of up to 40 feet for mixed use development. The zoning ordinance amendments also include proposed modifications to streamline the hazardous materials review process as an administrative permit, subject to the review and approval of the Community Development Director (or designee) when certain criteria are met, and other minor modifications, such as allowing administrative review for architectural changes in the O and LS districts similar to current regulations for the M-2 district, changes to the nonconforming uses and structures chapter, and other minor text amendments for consistency in implementing the proposed changes to the M-2 Area.

3. Rezoning: Rezone property in the M-2 Area to one of the following zoning designations for consistency with the proposed General Plan land use designation amendments – O (Office), Office, Hotel (O-H), Office, Corporate Housing (O-CH), Office, Bonus (O-B), Life Science (LS), Life Science, Bonus (LS-B), Residential Mixed Use, Bonus (R-MU-B), Public Facilities (P-F), and PF (Flood Plain).
4. Environmental Review: Review of the Final Environmental Impact Report (EIR) prepared for the General Plan and M-2 Area Zoning Update, which analyzes the potential environmental impacts of the General Plan and M-2 Area Zoning Update.

([Staff Report #16-083-PC](#))

Staff Comment: Principal Planner Deanna Chow reviewed the various actions the Commission would consider in making recommendations to the City Council on the General Plan and M-2 Area Zoning Update. She introduced Charlie Knox and Rosie Dudley with Placeworks; David Shiver and Stephanie Hagar with BAE Urban Economics, and Jessica Alba with Nelson/Nygaard. She noted the Commission had received an additional 15 pieces of correspondence since the distribution of the staff report. She said in the correspondence several persons commented that comments related to Vehicle Miles Traveled (VMT) in the Final Environmental Impact Report (FEIR) were not addressed. She said however the comments related to VMT were addressed in the Transportation Master Response in the FEIR but not in Chapter 3 of the revisions. She said an errata sheet of the edits consistent with the Transportation Master Response had been distributed for the Commission's review as well as a corrected table in the Fiscal Impact Analysis (FIA), Table 39B.

Charlie Knox, Placeworks, introduced the items before the Commission noting the general process for the meeting, and the history of the public process for the item. He said that public process had led to the definition of 2.3 million square feet of new non-residential development; up to 400 hotel rooms, and up to 4500 residential dwelling units in the M-2 zoning area. He said one of the key programs to do an annual review of the General Plan was directly tied to the Capital Improvement Program, and the Commission in its annual review would look directly at whether programs in the General Plan were actually covered by projects the City was undertaking. He said also a statement had been added that the Community Amenities list, which had evolved through both the Belle Haven visioning process and the General Plan Update process, could be modified to meet future community needs.

Mr. Knox said the Circulation Element categories were Safe Transportation, Health and Wellness, and Traffic Demand Management (TDM). He said since the Commission's laws review of the General Plan Update, clarification had been made on how to reestablish the City's Level of Service (LOS) Standards as complementary to the new state VMT standards.

Mr. Knox said three new zoning districts of Office (O), Life Sciences (LS), and Residential Mixed

Use (R-MU) were proposed. He said development in these new districts included TDM program, green building regulations, design standards that were measurable, and provision of community amenities, noting for the last there was a formula and process for achieving those amenities. He said additional changes over the last several months included increased residential height in the C-2-B (Neighborhood Commercial District, Restrictive) zoning district and included a parcel outside the M-2 near the Oil Changers at Bay and Willow Roads. He said they also worked on a streamlined process for hazardous materials use permit approvals.

Mr. Knox said since the Commission's study session in May of the project the height limits were increased to allow for flood protection in flood zone areas or areas subject to sea level rise in response to comments from interested parties that additional height was needed if they had to raise the base level for flood protection. He said there was a Floor Area Ratio (FAR) sliding scale for bonus development to allow flexibility, and added flexibility related to the design standards. He said façade only improvements would not get the same attention as a large amount of floor area being added or changed. He said the maximum setback in the LS District was eliminated in accordance with property owner and Commission direction. He said also the corner built to envelope had been modified and there was more flexibility related to rooflines. He said it was clarified that Community Amenities for bonus level in the R-MU zoning district included a requirement to provide 15% affordable housing and within 50% of the value of the additional gross floor area. He said the housing was credited toward that 50% value. He said once a developer reached the 15% affordable housing there was the ability to do different things such as physical improvements on the Community Amenities list. He showed the most updated map of the M-2 zoning area and noted the changes made.

Mr. Knox said regarding the EIR for the project that CEQA required the identification of impacts on the environment to be mitigated or if not possible to mitigate, the City would have to adopt a Statement of Overriding Considerations. He said that document had been drafted for review. He said program level EIRs described large, broad issues and were not related to any one project or any one set of development activities. He said mitigation wherever feasible occurred through the policies and programs in the General Plan and the zoning standards. He said this would allow for future projects that were site specific development to be streamlined in terms of review, and could tier off this EIR as long as it was complying with the zoning. He said the FEIR was the October 2016 Response to Comments document together with the Draft EIR, and that Chapter 3 contained revisions to the EIR. He said for the most part that air quality greenhouse gas emissions impacts were unavoidable due to regional context; transportation although significantly worse in Menlo Park than in many places was a regional issue, but mitigation efforts where feasible would be used to address the impacts, noting some of which were not within the City's control. He said impacts to population and housing were basically significant and unavoidable in relation to regional context. He said that CEQA requires the consideration of alternatives to a project. He said one was the "no project alternative." He said the proposed project was the highest impact alternative as it would allow for about 2 million more square feet of development citywide as currently in place. He said another alternative would have overall reduced development and with the same ratio of jobs and housing and residential and nonresidential development in the M-2 area but at 75% level. He said another alternative looked at reducing the non-residential development by 50% which under CEQA was the preferred alternative as there was more new housing than jobs and housing could mitigate some of the impacts. He said an important change per public comment on the EIR was the language in the mitigation measures for air quality, biological resources, water supply and flooding to make the mitigation measures more stringent to try to protect biological resources. He said there were no new impacts discovered or required mitigation under CEQA.

Mr. Knox said the accompanying Fiscal Impact Analysis (FIA) looked at the fiscal benefits for the ConnectMenlo potential development to a theoretical maximum build out for the plan duration. He said General Plan build out, if no project were adopted, would produce about \$2.6 million per year over the duration. He said the additional development built into Connect/Menlo would more than double that in addition to it and was projected at \$8.3 million per year in net fiscal benefit to City over the duration of the 24-year plan. He said adjustments had been made to the FIA based on its last review before the Commission. He said the General Plan build out was shown separately and the distribution of housing per school district was updated. He said the 1500 units intended to be built as corporate housing would not generate multiple occupants and students. He said there were no impacts from the project to the Ravenswood City and Redwood City school districts. He said ConnectMenlo was revenue neutral for the Las Lomas school district but potential build out under the current General Plan would have a \$675,000 impact annually, and was about 3% of their annual budget. He said the Menlo Park City school district build out under the current General Plan had a net negative fiscal impact of \$3.4 million per year or 8% of the school district's annual budget. He said the Sequoia Union High School District impact annually was about \$1.6 million per year and based on the 1500 units on the Facebook campus being corporate and not family housing. He said that amount was 1.2% of their current annual budget.

Commissioner Barnes asked about the 400 hotel unit count and potential number of hotels, noting the map in Attachment G, Exhibit B. Mr. Knox said General Plan Advisory Committee (GPAC) discussion thought synergy would be created having a hotel on one side of the corner and a potential hotel site on the other side. Commissioner Barnes asked about the owner of the other parcel. Principal Planner Chow said she could not recall the property owner's name but noted letters were sent to the property owners whose property would be rezoned in addition to the general noticing or property owners and occupants in the M-2 area. Commissioner Barnes asked about a third site in Haven area. Mr. Knox said the parcel inquired about was owned by Bohannon but was not the site of the Menlo Gateway project. He said property between Marsh Road and the City limit on Haven Avenue was also shown on the zoning map within the O-H zoning district. Commissioner Barnes asked if the 400 hotel rooms were first come, first served. Mr. Knox said the 400 number was the result of long discussion, and looked at viability of the hotel room program as about 150 rooms per hotel with some flexibility. He said if a proposal came in for a 400-room hotel that would be a discussion as to whether it was appropriate for the site.

Commissioner Barnes noted Exhibit D, R-MU, the area of Constitution and Jefferson down to Marsh Road, slated for 1,000 residential units. He said Sobrato was intending to build 600 units and asked about the ownership of the parcels to the left and right of the Sobrato parcel. Mr. Knox said they had a comment from the owner of the most westerly parcel in reaction to the placement of the paseo. He said he did not know if there were discussions between Sobrato and adjacent neighbors as to how many units would go on one site. Commissioner Barnes asked if the affordable housing requirement was intended to apply to the housing units in O-CH. Principal Planner Chow said it was not and the units would be deed-restricted to Facebook employees only.

Commissioner Riggs asked about the 50% of the presumed increased value and land that was repeated as a basis of providing community amenities as there had been no conclusion as to how that figure had entered the report. He asked if that was a Council directive. Mr. Knox said after the establishment of the guiding principles and the General Plan Working Group workshops to develop the alternative that they had talked to Council about amenities. He said discussed logic behind the 50% was it characterized the increased value of development allowed by the new zoning designations to be shared among the community and the developer. He said he recalled they received Council direction not whether it should be 50% but to proceed on the basis that 50%

represented an equal sharing of increase valued of the property between the property owner and the community.

Commissioner Riggs asked if Commission discussion assisted in defining the design elements. Mr. Knox responded affirmatively noting that had been very helpful, and resulted in some flexibility that would allow staff to administer and easier for architects and designers to work with. He noted some outstanding issues that were described about setbacks and LS districts, and rooflines. Chair Strehl asked if 50% of the increased density value included all the costs. Mr. Knox said cost of doing business was included.

Commissioner Barnes said he was concerned that the listed Community Amenities were not prioritized. Principal Planner Chow said Exhibit A of Attachment H list showed the order of priority based on the input received. She said there was the ability under the project to revisit the amenities list in the future.

Chair Strehl said that the Sequoia Union High School District wanted space in what had been the industrial area, and asked if designating them public facilities (PF) would affect neighboring properties. Mr. Knox said he did not see problems regarding compatibility and having safeguards for uses that were compatible.

Chair Strehl opened the public hearing.

- Eileen McLaughlin, Citizens Committee to Save the Refuge, said Caltrans owned the land north of the railroad spur; it was permanently protected as Salt Marsh Harvest Mouse mitigation and could not be developed and the other property was owned by someone else. She said both were within the National Wildlife Refuges acquisition boundary established by Congress specific to wetland habitats suitable for inclusion in a refuge. She asked delay of the approval of the FEIR due to many concerns particularly about the biological resources section. She said the biological resource assessment language repeatedly used 10 foot as the distance from the project site to wildlife to assess. She said species were not judged by one number as far as distance on impacts. She said the FEIR was not ready for any kind of approval due to these concerns about its addressing of biological resources.
- James Eggers, Executive Director, Loma Prieta Chapter, Sierra Club, said they appreciated the changes related to bird friendly design and green buildings. He said they would also submit a letter later. He said Facebook East was an island surrounded by habitat on all sides including open space habitat to the south. He said the 1500 units proposed upon 57 acre site could house anywhere from 3,000 to 6,000 residents based on unit size and occupancy. He said Belle Haven was 23,000 acres with a population of 5,500. He said the corporate housing seemed too unrealistically dense or perhaps it needed fewer units. He said there had been no discussion about what the O-CH zoning designation meant and they would like that to happen. He asked if the General Plan should have planned infrastructure for a wide tunnel under Willow Road to connect Facebook West Campus to mixed use villages on the south side and whether there would be pedestrian connection to amenities. He said they wouldn't want people marooned on the Facebook campus or to have nighttime lights near the wildlife refuge. He said bonus level for R-MU zoning would allow taller building doubling the size of what R-MU allowed and would also allow office space to increase by 15% of the volume. He said if office space took up 25% of the larger buildings that would encourage office development and very few spaces for residential sites. He said R-MU should not encourage office use as that would create an even greater imbalance between work and housing.

- Patti Fry said her comments would be in addition to the specific comments she had sent earlier; particularly concerns about consistencies among the land use elements and the zoning ordinance, and poorly worded things that were confusing. She said the zoning ordinance amendments needed good attention. She said the planning process had been too limited and the EIR showed there were many impacts that would occur citywide yet the mitigation measures were for the most part restricted to the M-2 area. She said the TDM measures, parking limits, green building measures and those kinds of measures only applied to the Bayfront area. She said a lot of impacts could be lessened further if there was some attention to the rest of the City. She said the current General Plan allows a job/housing ratio of 4.6 in the pipeline projects; ABAG assumes a 2.2 ratio. She said just the zoning allowed in the rest of the City could perpetuate their existing housing shortage. She said there were superior alternatives to the project such as the environmentally superior one that was a reduced residential alternative. She said if that were to include the full complement of hotel space then the budget impact on the City would be 80% of what the project itself would provide and far fewer impacts. She said that was a better way to grow with less intense non-residential development. She said the California State Transportation Agency said the City should consider restricting the magnitude of future development to reduce the VMT demand on the state traffic. She said funding mechanisms for the community amenities and traffic improvements, which were also considered mitigations in another part, were not in place and she was concerned that if any of the project was approved there were development projects that would move forward without anything in place to provide amenities and traffic improvements. She said the nexus studies were required to change the impact fees and those would need to apply before project approvals were granted, otherwise the taxpayers would be left responsible for the things that needed to be done.

Chair Strehl asked if Ms. Fry had additional speaking time from another person. Ms. Fry said she did.

- Ms. Fry said the idea of live/work/play made sense but the proposal indicated there were not enough places to live and things to play. She said that playing fields were not even mentioned for instance. She said if they had 50% more population then more sports facilities would be needed. She said it was good to focus on the Belle Haven community but that was a specific plan and not a citywide plan. She said the EIR did not have standards and thresholds of significance for measuring impacts, and the new land use and circulation elements did not either. She said they needed measurable goals and standards. She said mitigation measures needed to be looked at citywide and funding mechanisms for amenities needed to be put into place now otherwise taxpayers would be left holding the bag for these improvements. She said it as the first comprehensive update since 1994 and they could do better.
- Adina Levin, Transportation Commission and GPAC member, said she was speaking as an individual. She said the project represented years of community input to express a live/work/play vision in the Bayfront / Belle Haven area of Menlo Park. She said what made the Plan work from a transportation point and social perspective, addressing jobs/housing balance, housing affordability, and below market rate housing, was the overall amount of housing. She encouraged the Commission to forward the Plan favorably including housing. She said EIR mentioned as a recommendation to phase jobs and housing; she encouraged the Commission to recommend that as a policy recommendation. She said if they had all the jobs before any housing that would exacerbate the traffic and social impacts. She said

she wrote to the City about how LOS would be used under the policies and the new General Plan. She said the state was starting to require VMT rather than LOS as an environmental impact. She said LOS used as a primary goal discouraged infill development. She said the Transportation Impact Analysis (TIA) had to have updated guidelines and urged that be done as quickly as possible so the City was not operating under the old rules. She suggested updating the thresholds for LOS so they could adhere to the Plan goals of encouraging and streamlining in-fill mixed use development and multi-modal transportation with less green house gas emissions and improved community health.

- Janelle London, Vice Chair, Menlo Park Environmental Quality Commission, said she was speaking as individual. She said she supported the green and sustainable building codes in the draft zoning regulations. She said the use of clean, renewable and onsite energy where feasible was needed to reduce green house gas emissions. She said the state mandate was to reduce emissions to 1990s levels by 2020 and 40% below 1990 levels by 2030. She said the City's Climate Action Plan targeted a 27% emission reduction from 2005 levels by 2020. She said regulations were needed for the City to lead the way in zero net energy building standard. She said the state Title 24 set goals to achieve zero net energy (ZNE) by 2020 for all new residential buildings and by 2030 for all new commercial, and 50% of existing commercial structures. She said ZNE building was feasible, economical and easier to achieve in more temperate coastal areas. She said ZNE buildings less vulnerable to climate change and helped home and commercial property owners pay less for energy. She said investment in ZNE building created jobs.
- Pastor Arturo Arias, Eternal Life Church, 965 O'Brien Drive, said they have been in the community 28 years and their congregation was Christian with over 100 members. He said they served Menlo Park and East Palo Alto communities. He said they had attended several community meetings on the General Plan and had mentioned previously that they would welcome the improvement especially in those areas where they were ministering. He said that the new map however showed that their property was part of a zoning change. He said they wanted to be sure that their community would continue to be served where they were located. They would like more information in detail as to what the future would be for them.
- Richard Truempier said the Sobrato Organization supported the General Plan Update and in particular the effort to provide housing at all income levels to address the lack of affordability in the area. He said Sobrato was interested in building high-density rental housing for people of all income levels and that high-density rental was one of the most affordable and sustainable types of housing compared to for-sale low density housing that makes up the majority of housing stock in Menlo Park. He said they could build this contemplated rental housing they requested the insertion: "Regarding affordable housing policies, we support the requirement for rental property projects utilizing bonus density to produce affordable housing that is equal to 15% of the project size. We ask that the regulations allow the flexibility for rental projects to meet that requirement either on site or immediately adjacent to the market rate component of the project. The affordable projects would be produced by them deeding land to a nonprofit adjacent to and as part of their larger rental project." He said they could only achieve the deep level of desired affordability by aggregating the affordable housing on a separate legal parcel as that was essential to securing the specialized efficient financing required to maximize the number of affordable units at the desired affordability level. He said allowing them to meet the requirement on an adjacent site as part of the larger planned community would help create a vibrant, mixed

income neighborhood allowing the use of alternative financing sources to make the affordable units feasible. He said regarding the proposed water and energy policy that new housing development that met the state's stringent Title 24 and CalGreen requirements was inherently more sustainable than existing housing. He said high density, multi-family housing was most water and energy efficient form of housing. He said while they supported the energy policy as currently drafted they requested the Commission ask that residential projects be exempt from the non-potable requirement. He said they supported a requirement for new residential projects to be dual plumbed now and to mandate that they tie into non-potable water sources in the future once it was available at a municipal scale. He said the policy as written would be detrimental to the City's goals to provide affordable housing as it would result in lower density and fewer affordable units as developers tried to stay under the 250,000 square foot threshold now set. He said to provide high density affordable housing at all income levels they would need flexibility on how to achieve the affordability requirements.

- Maya Perkins said she was a Belle Haven resident. She said she hoped that housing and retail would be developed first before office space as she wanted to live in a live/work/play community and the retail part of that was very important. She said she did not want to live in a bedroom community and for Belle Haven and Bayfront to provide all the needed housing without amenities such as restaurants and cafes. She said she also did not want to live in a space that was basically a dormitory referring to the O-CH housing. She said her understanding through the process was that zoning would be for the Facebook east campus and now it appeared it was contemplated for the Prologis site. She said that was a large piece of housing that would be just for corporate. Chair Strehl said she did not think that was the case. Ms. Perkins said regarding mixed-income affordable housing that 15% was a great start but she thought they had to have more affordable housing in the same building. She said she did not support a model where there was side by side housing with one building regular and one building affordable as that was not a healthy way for people to live. She said to have a healthy culturally diverse experience, people needed to live together. She said trenching was on the table for Willow Road and that did not fit into the vision of the cute, walkable, live/work/play downtown neighborhood that many residents would like. She requested that Willow Road be a walkable accessible road and complete street without any trenching. She said the proposed name change to Bayfront excluded a lot of the residents that worked hard and came to many of the meetings. She said the 50% density bonus should be looked at again and not decided upon tonight.
- Pamela Jones said it was exciting process to decide the last places to build on the peninsula, and the City could demand whatever it wanted from the builders. She said regarding affordable housing that they have excluded the people who only make \$120,000 annually. She said a person would have to make that to live in one of the \$6,000 a month rentals. She said they should redefine how they looked at affordable housing and low income and moderate income housing needed to be integrated throughout the space and particularly in apartments. She said there was already rail that could go from Redwood City to Menlo Park to Willow Road and that would take a lot of the transportation issues off the table. She asked about the occupancy rates of all the new large apartment buildings in Redwood City and suggested they might find that they were not using resources together regionally as best they could. She said displacement in the area was horrific, noting that no one was looking at foreclosures but only at those who got rent increases and had to move.
- Vicky Robledo, Belle Haven resident, said they wanted to track the amenities by top

priorities. She said she supported what the speakers Perkins and Jones had said. She said the individuals talking about environmental impacts to marsh lands caused her concern as well as impacts to her community and people. She said traffic impacts on wildlife would be a severe impact. She said the overpass was wonderful but was not for the community but for Facebook employees. She said a division was being created between her community and others in the area. She asked how a new community could be integrated into an existing community so the latter feel a part of the new community and not separated. She said that Facebook has been active in offering community meetings and asking for their input, which was given, but that did not take into account buying acreage to build housing for their employees. She said those who were born and lived in Menlo Park and Belle Haven wanted to stay and raise their children there too but they could not afford to be there. She said a pharmacy was needed for their senior residents to walk to. She said the number of increased cars on the road was not being addressed. She said she worked four miles from her home and it took her 40 minutes in the evening to get home. She said her shortcut would be lost with the new construction on Haven Avenue and another 1200 apartments. She said she was glad the Chilco improvements were made by Facebook but was concerned the City had not taken care of it previously. She questioned why Belle Haven would be renamed.

- Gary Lauder, Atherton Transportation Committee, said he was representing himself. He said the M-2 Plan's and Facebook's EIR both found significant and unavoidable impacts. He said that until all alternatives had been exhausted for decongesting traffic that those impacts were not unavoidable. He said the M-2 proposed over \$2 billion of real estate development and from that development applied traffic impact fees would help pay for the impact of the incremental traffic each project represented. He recommended looking at traffic in the intersections of Bayfront and Willow Road, and Bayfront and University Avenue. He said in the p.m. the p.m. rush hour congestion was so bad that the Willow/ Hwy. 101 intersection spilled back onto the highway a full mile. He said if the Hwy. 101 / Willow Road interchange was to be rebuilt as planned all the traffic exiting north at the p.m. rush hour would have to exit at the same exit adding 15 minutes to the nightly commute for those going to Menlo Park. He said the EIR did not look at that impact on the residents of Menlo Park. He said we depend on government to build the public good such as roads and urged looking at traffic impact fees (TIF) sufficiently high to address the problem.
- John Tarlton said he was representing a good portion of the LS zoning district. He said he provided a letter earlier today that had been distributed to the Commission. He said that some of the new requirements whose intent was for the bonus level based on all the meetings he had tended had now crept into the base level requirements, and he believed it was inappropriate to change the existing zoning. He noted the minimum step back requirement for the base level development and requested it be changed. He said as discussed in prior meetings floors in Life Science buildings needed to be stacked for purposes of laboratories and a 10 foot step back was inconsistent with that. He said regarding public amenities that it was not clear how 50% would work and requested the City specifically establish a rate. He regarding the appraisal process that there be a rate in the event that a small project wanted to move forward without going forward with that process. He said regarding the average building height that this was probably unintentional but they believed the zoning as proposed would require an average height of four and half stories on a particular parcel. He said they understood the intent was to have an average of four and half stories across the zoning district. He said regarding green sustainable building there seemed to be an inconsistency between page 24 and table 16 and suggested they be the

same. He said for the purpose of alterations and tenant improvements that that those be matched to CalGreen as opposed to some other kind of standard. He said the energy regulations had not quite addressed Life Science buildings although they were in favor of being progressive in that manner. He said regarding the minimum open space requirement that there were some intricacies of Life Science to have service yards for nitrogen tanks and such. He said the way open space was defined and the minimum requirement of it was not compatible with their uses.

- Harold Schapelhouman, Chief, Menlo Park Fire District, said the Fire District was opposed to the high school in the M-2 area. He said they wanted prudent development and growth in the community. He said the Plan did not include any impact fees to the District and allowed only tax. He said he was very dissatisfied with how the District was being treated under this Plan and questioned that the EIR found there were no impacts to the District under the Plan. He said a letter regarding their opposition to the Plan had been sent and would be posted on the District's website the next day.
- Steve Schmidt said he donated his time to Patti Fry and had 10 seconds left. He encouraged the Commission to read all the comment letters carefully.
- Leora Tanjuatco, Housing Leadership Council of San Mateo County, said they wholeheartedly supported the purpose of the General Plan update and the City's efforts to alleviate the job/housing imbalance that was widespread throughout San Mateo County. She said they fully supported housing at all income levels. She said her organization mostly focused on incentivizing housing and alleviating the job/housing imbalance. She said they encouraged the City to support maximum residential development to support the commercial and retail development opportunities being created. She encouraged the City to consider density, inclusion, and walkable places for people to live near where they work, which would be key in reducing a lot of the congestion that plagued the Bay area. She said there were sites they might identify suitable for housing outside the M-2 and asked if that was something they should bring up now or later.

Principal Planner Chow said land outside of what was studied in the EIR could not be contemplated as part of the ConnectMenlo process.

- Fergus O'Shea, Director of Campus Facilities for Facebook, said they have actively participated in the ConnectMenlo process since 2014. He said in 2015 they purchased the Prologis Scientific Technology Park with the goal of redeveloping an aging industrial warehouse park into something more than a typical Silicon Valley office campus. He said the property was envisioned to provide retail amenities, a grocery store, housing and green space to create a true live/work/play area. He said their goal was to make further investments in infrastructure to support the Plan. He said they supported all policies that served to create new homes for all income levels. He said for their campus expansion agreement they would do a minimum of 1500 living units. He said the sooner the Plan was adopted the sooner they could build housing and reduce traffic. He said as they understood it the draft zoning would allow property owners to aggregate FAR and uses across sites under the same ownership but only if they have the same zoning designation. He said in May they commented that they needed flexibility with the Prologis site to aggregate uses and FAR since the line dividing the R-MU area from the O-area was basically arbitrary. He said they had understood that the Commission was in agreement. He said as written the zoning would not allow them flexibility but would lock them into a map

that was not a fully developed Master Plan. He requested the wording be revised.

- Tim Tosta said from perspective of what was going on with land use in California particularly in the Bay Area that they were beginning to look at old former industrial areas that had tended to separate residential communities, such as Belle Haven, from the Bay. He said this undertaking was extraordinary as it was in the midst of radical change and putting uses together so people did not have to travel so much. He said since the Plan was beginning and an experiment that they would have to revisit it to make it even better.

Chair Strehl closed the public hearing, and recessed the meeting for a short break.

Chair Strehl reconvened the meeting.

Commission Comment: Chair Strehl said based on the time the meeting would conclude at 11 p.m. and the item would be continued to the meeting of October 24, 2016.

Commissioner Kahle suggested consultant and staff might address some of the matters raised by the public. Chair Strehl noted the reference to the name “Bayfront” replacing “Belle Haven” and asked about the source of that.

Mr. Knox said originally they were looking for a new name for the M-2 but not for Belle Haven, Suburban Park, Lorelei Manor, Flood Triangle or the Willows. He said the intent was to give people a sense of where this area was in Menlo Park. He said when Ms. Perkins had commented that Belle Haven residents’ perception was that the Life Science area, Menlo Business Park, and Prologis were part of Belle Haven, they took that to heart but kept Bayfront in the EIR as it was descriptive and didn’t seem offensive or to impinge on Belle Haven as a neighborhood. He said the Commission could discuss what the right way to identify.

Chair Strehl noted the rezoning of the land of the Eternal Life Church and asked how that affected the church and its community. Principal Planner Chow said existing uses could remain and there was no requirement to redevelop the property to conform with the LS standards. She said there was a section on nonconforming uses and there was no amortization by which the building would have to begin to conform.

Chair Strehl said Eileen McLaughlin questioned the use of 10 feet distance in doing biological resource assessment. Mr. Knox said they were trying to understand that as well and said it might have been a typo and should be 100 feet or no distance or a reference to adjacent sites. Chair Strehl suggested they try to find out the distance by Monday’s meeting.

Commissioner Riggs said at the Facebook EIR hearing it was noted that the intersection of Bay Road and Ringwood had been excluded from the analysis. He asked if they had responded to that intersection and added it to the review. Ms. Nikki Nagaya, City Transportation Manager, said they received several public comments at the Commission hearing as well as in writing. She said each were responded to in the FEIR. She said specifically for the Bay and Ringwood intersection they looked at the potential for the project traffic to add additional volume on Bay and Ringwood. She said based on the models they had very little traffic in addition to what was already anticipated on those two corridors. She said vehicles were less than 100 a day on Bay Road and there was no increase on Ringwood Avenue. She said based on that, further analysis would show a less than significant impact.

Commissioner Riggs said the FIA evaluated benefits to the City, school districts, Fire District and other agencies based on expected tax base and improvement through the build out to 2040. He asked how much of that was based on hotel transient occupancy tax (TOT). Ms. Stephanie Hagar, BAE Urban Economics, said the project's anticipated TOT was \$2.4 million of the total \$8.3 million and was based on the 400 hotel rooms.

Commissioner Barnes referred to the Community Amenities discussion and asked about the 50% of the additional gross floor area limit (FAL). Mr. Knox said the original idea was to find the value that accrued to the property because of the change in zoning but with the costs removed, and that the true increase in value would be shared between the property owner and the rest of community. He said the idea of 50% came from discussion with the City Council about how added new value would be shared with the community and was a philosophical approach to sharing the value. Commissioner Barnes asked if there was a sense that stakeholders shared that sentiment. Mr. Knox said they had discussed at less and more. Commissioner Barnes asked if they had ever refined the number at maximum build out of what the value of the 50% in terms of dollar amounts was. Mr. Knox said they made some assumptions at one point where they used \$150 to \$160 per square foot. He said it created something like \$230 million of total value but this would need the appraisal process to happen.

Commissioner Barnes asked about the process for the developer interested in bonus development. Mr. Knox said if the land was in R-MU, there was a strong expectation for housing as the amenity. He said of the 50% value, 15% of the affordable housing would probably be a lot of the 50%. He said there might be some value beyond that. He said for the LS zoning district it had to do with the size of the project. He said for a very large corporate entity and a big development with a lot of value the developer might offer a large piece of infrastructure such as a bridge or new crossing. He said it would be more complicated for smaller projects if value when appraised was not enough to do anything on the Community Amenities list. He said then they could do in-lieu fee or do something with another property owner. He said the applicant could do a nexus study too to know what they could provide.

Principal Planner Chow said the Community Amenities would be considered as part of the review process. She said asking for a bonus level development would either require a use permit subject to Planning Commission review and approval or a conditional development permit subject to Planning Commission review and recommendation and City Council review and approval. She said the Commission would have the opportunity to look at what the applicant was proposing as community amenities, whether it was onsite or offsite, whether the City adopted an impact fee and whether that was more appropriate than an actual contribution.

Commissioner Barnes asked if the amenity had to be inclusionary on site within the same structure to be contributive. Principal Planner Chow said for the R-MU they were proposing to include THAT the 15% affordable housing requirement might be met on site or off site. She said they heard comments tonight that it should be separated and also that it should be on same site. She said the Community Amenities list did require that it be located within the M-2 Belle Haven area north of Hwy. 101 except for affordable housing. She said inclusionary was not so prescriptive it had to be in the same building. Mr. Knox said there was a cap in M-2 of 4500 housing units. He said if a project proponent for R-MU, LS, or O zoning districts wanted to provide affordable housing as an amenity for the City and the cap of 4500 units had been reached already other sites could be looked at.

Commissioner Barnes asked about the cost and space needed for water reuse systems for

projects about 250,000 square feet. Azalea Mitch, Public Works, Senior Civil Engineer, said the size and cost of the onsite recycling unit depended upon whether it was a gray water system or a system that included black water; it depended upon the process itself and the size and capacity. She said they have been evaluating a lot of options regarding recycled water. She said they cost to purchase recycled water was very expensive. She said RWC would sell recycled water at \$16 per unit and noted the cost of potable water was \$5 or \$6 per unit. She said having the systems placed on site by the developer would be more cost effective than purchasing and would help offset potential water shortfalls caused by drought. She said the purple pipe plumbing system was required whether the reused water was coming from an onsite or offsite location. She said Redwood City and Palo Alto have required dual plumbing since 2008.

Commissioner Riggs asked whether the requirement was to require purple pipe only or some level of storage and treatment. Ms. Mitch said the requirement was for every new building to be dual plumbed and once purple pipe distribution was available, buildings would have to connect. She said new building of 250,000 square feet or larger were required to do onsite water treatment now. She said that focused on one building that size. She said a question for the Commission was whether building aggregate square footage of 250,000 or more on a parcel would also require an onsite system. Commissioner Riggs asked how much a system would cost. Ms. Mitch said the cost for a black water system could be \$1 million. Commissioner Riggs said that building codes and fire codes were more restrictive and all of this created costs. Chair Strehl said at GPAC meetings they had agreed upon dual plumbing so that when nonpotable water distribution became available they facilities could connect. She said she was not sure when the direction to require onsite water recycling for projects over 250,000 square feet came. Commissioner Riggs asked about rainfall reuse. Ms. Mitch said the amount of storage needed to collect the amount of water needed when it rained would have to be significantly large. Commissioner Barnes asked if the City was looking at having its own water reuse system. Ms. Mitch said they were studying that as part of the water system master plan and looking at partnering with West Bay Sanitary District to look at options for recycling plants in the M-2 area. Replying to Commissioner Barnes, Ms. Mitch said the plant and the distribution system would need to be built and that cost of that would be anywhere from \$20 to \$30 million in a 10-year horizon.

Commissioner Riggs said the project energy target was net zero. He said mainly photovoltaic (PV) was used and the quantity of that was determined by the size of roof relative to the occupants' needs. Heather Abrams, City Sustainability Manager, said in the regulations they did not specifically require net zero but they were working towards that. She said regarding the energy requirements that the original draft had 80% of the demand as PV. She said they received comments from developers about using green roofs. She said the next draft looked at feasibility for onsite generation on the roof and parking areas and found that 30% of that was feasible on the site. Commissioner Riggs asked if this was feasible after deducting the open space requirement. Planner Chow said that use would be in areas not used for other uses; she said open space should be free of extra space taken up by obstructions such as PV.

Replying to Commissioner Kahle, Ms. Abrams said for natural gas use renewable energy credits (REC) could be purchased to offset toward meeting the greenhouse gas emission reduction target set by Council and the sustainability goals incorporated into this project. Chair Strehl asked about the cost of the Peninsula Clean Energy (PCE) and if they were competitive with PGE. Ms. Abrams said PCE set their rates so the base rate was 50% renewable. She said that was much better than PGE. She said they also have an opt-up rate that was 100% renewable energy and was what the City was buying for the City Hall building. She said the PCE rate for 100% renewable was about ½ cent per KWH more than the current PG&E rate, which was at 27% renewable. Commissioner

Riggs asked about commercial rates being different. Ms. Abrams said the 50% rate was about 5% lower than PG&E. She said PG&E charges an exit cost and that was not an extra charge, and prorated in the PCE bill.

Commissioner Riggs noted the request by Fergus O'Shea to aggregate the requirement across the R-MU and LS zones and recalled a discussion about that. Principal Planner Chow said that was discussed at the Planning Commission's study session in May. She said she recalled sharing among properties owned by the same entity would be allowed among the same zoning district. She said within the R-MU-B there were multiple parcels on the Prologis campus; so there could be an aggregate of perhaps housing on one side and parking on another side. She said the request made tonight she thought was to consider expansion of sharing or calculation between the R-MU and the O-B which raised some potential concerns as there were different regulation standards between the two districts such as different height requirements. She suggested the Commission might want to discuss the idea. Commissioner Riggs said in past they might have had a project overlapping R-3 and C-4. He said in that instance they took the most restrictive of the elements and applied those to anything in a common structure. He asked if such a method could resolve the conflict or whether it was more complicated than that. Principal Planner Chow said that more restrictive standards might not be what the applicant was seeking or provide the flexibility desired. Commissioner Riggs asked if they would be making a proposal about this to bring back to the Commission. Principal Planner Chow said they could do that and bring it back to the Commission at its October 24 meeting.

Commissioner Riggs said James Eggers wrote that in the O and particularly in the R-MU zone that with bonus level it appeared the bonus square footage could be used specifically for additional office space rather than additional housing. Principal Planner Chow said in R-MU there were FARs for both the residential and non-residential component so in bonus level could get up to 200% density for the residential component and 25% for the non-residential component. She said there must be residential before there could be any non-residential use.

Commissioner Riggs said he had not reviewed the project from the perspective of dedicated parks and fields. He said for one of the 50-acre projects for Facebook although it was not in the General Plan they had open space but not sports space. He asked if soccer and other playing fields were needed to meet the demand of having 50% more people in Menlo Park. Principal Planner Chow said there were open space requirements for open space and public open space and provisions for community paseos, but parks were not included on the map. She said each development would be required to provide open space amenities for their tenants and there would be publicly accessible requirements in three zoning districts opportunities for connectivity and interactions between residents. She said they had nothing for aggregated park space required in the Plan.

Commissioner Riggs said a speaker talked about the metrics for measuring traffic impacts. He said the threshold for LOS at intersections and segments triggers a traffic study for what often was quite a small increase in intersecting traffic. He suggested as part of the project to include a paragraph on the LOS threshold. Principal Planner Chow said they have clarification in the General Plan related to using LOS and reestablishing City's standards in addition to VMTs. Commissioner Riggs said the LOS was still there so the threshold was still there. He said at Bay and Ringwood he thought the addition of three cars an hour would hit the threshold. Ms. Nagaya said the impact criteria they have was time based. She said at an intersection, either signalized or not, at peak hour, if a project added more than .8 seconds to critical approach that could be considered a potentially significant impact. She said policies and programs outlined in the General Plan gave the ability to look at future traffic impact analysis guidelines updates. She said policy

direction in the circulation element gave general direction to include VMT as a future metric but also incorporated LOS. Commissioner Riggs asked what neighboring communities used as the threshold. Ms. Nagaya said the current entirety of Santa Clara County and the Town of Atherton use a 4-second interval for the average intersection as opposed to the critical approach. She said they were also tracking what cities were doing statewide related to VMT and LOS as potential state guidelines are finalized in coming months. Commissioner Riggs asked if Transportation would want to make a recommendation on whether they wanted to continue using the critical approach as it seemed to be an impediment to streamlining and a relic. Ms. Nagaya said they would be happy to look at the guidelines and what the actual thresholds were. She said whether that was on the timeline to bring back to the Commission was another question as staff would need to reassess as to what information they have and could compile. She said through the General Plan Update process they have heard that the TIA guidelines update would be a future project and was shown in the future CIP for FY 2018-2019. She said she understood LOS could be an impediment to encouraging development in areas where they might want to encourage development but they needed to balance that with what the general direction they have received from the GPAC and City Council. Commissioner Riggs said he thought it was a housekeeping item. Ms. Nagaya said the recommendation and technicalities of it might be straight forward but thought it was still very much a controversial issue on how traffic impacts would be analyzed. She said they would need to assess whether it could be done as a housekeeping item.

Commissioner Kahle said he thought park space as had been noted was an opportunity that had been overlooked in the General Plan update. He said he coached a soccer team in Menlo Park and there was a shortage of playing fields. He said they should not let the opportunity go by if they can include it. He said regarding phasing work that he hoped with opportunities that not all office would be built first with housing at a later date. He asked if that had been implemented or thought through. Principal Planner Chow said the proposed project did not include a phasing program and was not evaluated. She said through public comment and the EIR process, and comments tonight, there was suggestion to require a portion of housing be developed first before any new non-residential use came on line. She said the Commission could provide guidance on that. She said now there was no limitation on what was built first.

Commissioner Kahle asked about the specific issues raised by Mr. Tarlton. Principal Planner Chow said baseline development maintained existing FAR ratios. She said additional requirements such as sustainable and green building requirements and design standards were other objectives the Council wanted to achieve. She said while different from what was currently required under the M-2 zoning ordinance, the existing development parameters were still the same and other requirements were supported by other objectives of the General Plan. She said in the revised resolution received this evening they had eliminated the minimum step back requirements, eliminated the requirement for where the building should be placed, and also an elimination for corner lot on where building should be placed. She said they believed the step back was fairly important in providing some modulation articulation to the building. She said the requirement was for a 10-foot step back above the base level height. She said areas in flood zone or sea level rise the building was allowed an additional 10-feet of height so it could potentially be 55-feet tall with a 10-foot step back at 55-feet up to the maximum height level. She said only one step back requirement being proposed. She said regarding community amenities there had been discussion around that. She said if it was to establish a specific fee that needed a nexus study; she said it required the study be done and in place, and the fee adopted before development could take place. She said it had the potential to delay community amenities. She said regarding the average building height they had discussed that a canyon effect was unwanted. She said some variation in height was wanted and the green area showed three to six stories. She said that was reflective of

what was seen in zoning code. Commissioner Kahle asked if the average building height was meant to be per site. Principal Planner Chow said it was meant to be per site. She said regarding green and sustainable building regulations that 30 percent references what was feasible. She said the site would have a feasibility analysis and 30 percent of that feasibility would be required on site; the remainder would be through other options of 100% such as PCE. She said regarding the open space requirement that it lent itself to creating opportunities for connections between properties and even with Life Sciences there were ways to secure their properties and allow for openness and inclusiveness with their properties.

Commissioner Kahle said regarding naming that the triangular area in the middle was Belle Haven on one of the other maps and that should be called Belle Haven and all the rest could be considered Bayfront area.

Chair Strehl said Mr. Eggers raised question that 1500 units on Facebook East on 57 acres with 3000 residents potentially raised the issue of connecting to amenities. She asked if staff could clarify this by the Monday meeting. Principal Planner Chow said the intent of the corporate housing would be to deed restrict occupants to employees only so there would not be families or others who did not work at the site.

Chair Strehl said it was supposed to be live/work/play and there were no places to play except for the community center. She said to the extent possible they should try to identify some areas where they could put in some park facilities. She asked if other cities in proximity to Menlo Park besides Palo Alto require 100% renewable energy. Ms. Abrams said the PCE was relatively new and was launched on October 3. She said Palo Alto delivers 100% GHG free energy because they have their own utility. She said they did not have a model of other cities doing exactly what was proposed – models like requiring solar on all new rooftops buildings or residences. She said what was being proposed was unique and designed to fit the needs of Menlo Park. Chair Strehl asked if Redwood City required 100% renewable energy for development. Ms. Abrams said the City of San Mateo just adopted code to push companies and buildings to do more than basic code would require. Chair Strehl said she was concerned about this requirement as it might put businesses here at a disadvantage to businesses in other areas. She asked if they could bring back comparable goals of other cities regarding renewable energy.

Commissioner Barnes asked how the 10-foot in the flood zone and for sea level rise was utilized. Principal Planner Chow said a proposed requirement had been that the increase would be 24-inches above base flood elevation to accommodate sea level rise. She said conversation at the last Planning Commission study session was that additional height was needed to accommodate plate heights and construction type. She said they added up to 10 foot additional height to accommodate construction methods. She said it could be added to base level height or to the overall height if area was susceptible to flood zone and sea level rise.

Commissioner Barnes said he did not understand why Menlo Park was still doing LOS. He said the state was going to VMT, the City Council in Redwood City last night directed staff to use VMT, San Francisco and Oakland uses VMT. He said in the context of environmental concerns VMT reduces GHE and brings in urban infill. Ms. Nagaya said Redwood City's action was an indication of where some cities were headed. She said because the state has not yet adopted VMT requirements the actual VMT metrics were not known and the threshold of significance was still questionable. She said that was where the future update to the TIA guidelines would come in as a future implementation. She said the circulation element referenced supplementing LOS with VMT and defined how LOS would be used in the future. She said LOS could be a useful planning tool

looking at delays at corridors as part of City processes outside development review. Commissioner Barnes asked when the update of TIA guidelines would be. Ms. Nagaya said it was programmed in the CIP for 2018-2019. She said after the General Plan update, the next priority was the Transportation Master Plan for the City and that would be used to update their fee plan. She said after that they would tackle the TIA guidelines.

Commissioner Riggs said page 5 of the staff report listed Land Use (LU) goals. He said in his opinion LU-4 largely covered same ground as LU-3. He said rather than elaborate on LU-3 that Business Development and Retention should reflect at least one of the guiding principles (page A20): competitive and innovative business destination. He suggested using that rather than limiting to goods and services for the community and the priority goal of avoiding environmental impacts. He said that the circulation element supported goals of alternative transportation with prioritization of the transportation modes of bicycle, pedestrian, transit buses and autos, the first three of which had equal top priority and autos had least priority. He said the numbers of users of the first three were not close to the numbers of autos used. He said that they needed to think again about who the users were. He said regarding the LS zoning district that they needed ground floor space and that their back of house was far unlike residential and office with huge gas tanks, multiple loading docks trash compactors that rivaled those of hotels, and generators that would run a portion of the City. He said the idea of open space was much more challenging and they had a different relationship to the rest of the world. He said LS people come and go all day and their buildings might have 10 times the electrical requirements of an office building on a square footage basis. He said that wouldn't be effectively solved with PVs. He said it was heavily dependent upon tenant improvements and should the firm go to manufacturing the tenants would leave. He said to get a new tenant you had to be able to do tenant improvements in 90 days. He requested they review the requirements for the LS zoning district.

Chair Strehl asked for the next meeting that staff review and provide some overview answers to some of the issues raised by the Fire District, East Palo Alto, Sequoia Union High and Ravenswood school districts.

Chair Strehl continued the item to the meeting of October 24, 2016.

H. Informational Items

- H1. Future Planning Commission Meeting Schedule
- Regular Meeting: October 24, 2016
 - Regular Meeting: November 7, 2016
 - Regular Meeting: November 14, 2016
 - Regular Meeting: December 5, 2016

I. Adjournment

Chair Strehl adjourned the meeting at 11:06 p.m.

Staff Liaison: Principal Planner Deanna Chow

Recording Secretary: Brenda Bennett

Approved by the Planning Commission on November 7, 2016



REGULAR MEETING MINUTES - DRAFT

Date: 10/24/2016
Time: 7:00 p.m.
City Council Chambers
701 Laurel St., Menlo Park, CA 94025

A. Call To Order

Chair Katherine Strehl called the meeting to order at 7:00 p.m.

B. Roll Call

Present: Andrew Barnes, Drew Combs (Vice Chair) (recused before Item F1), Susan Goodhue (recused before Item F1), Larry Kahle, John Onken ((recused before Item F1), Henry Riggs (arrived at 7:05 p.m.) Katherine Strehl (Chair)

Staff: Deanna Chow, Principal Planner, Nikki Nagaya, Transportation Manager, Jim Cogan, Housing and Development Manager, Heather Abrams, Sustainability Manager, Azalea Mitch, Senior Civil Engineer, Leigh Prince, City Attorney

C. Reports and Announcements

None.

D. Public Comment

None.

Chair Strehl noted that Commissioner Riggs had arrived.

E. Consent Calendar

None.

Chair Strehl noted that Commissioners Combs, Goodhue and Onken were recused and that with the arrival of Commissioner Riggs continued to have a quorum.

F Public Hearing

F1. City of Menlo Park/General Plan and M-2 Area Zoning Update, including a General Plan Amendment, Zoning Ordinance Amendment, Rezoning, Environmental Review:

The City is proposing to update the Land Use and Circulation Elements of the General Plan, including revised goals, policies and programs, the establishment of new land use designations,

and the creation of a new street classification system. The General Plan Update seeks to create a live/work/play environment that fosters economic growth, increased sustainability, improved transportation options and mobility, while preserving the existing residential neighborhood character and quality of life enjoyed today. The land use changes are generally focused in the M-2 Area (which is primarily the existing industrial and business parks located between Bayfront Expressway and Highway 101) and could result in an increase in development potential above what would be allowed under the current General Plan, as follows:

- Up to 2.3 million square feet of non-residential space;
- Up to 4,500 residential units; and
- Up to 400 hotel rooms

This additional development potential in the M-2 Area, combined with the remaining development potential under the current General Plan, would result in a total of up to 4.1 million square feet of non-residential development and up to 5,500 residential units in the City.

The Planning Commission will consider and make recommendations to the City Council on the following:

1. General Plan Amendments: Incorporate the updated Land Use and Circulation Elements into the General Plan. Change the General Plan land use designations of properties in the M-2 Area to one of the following designations - Light Industrial, Office, Life Sciences, Mixed Use Residential, Baylands and Public Facilities. No land use designation changes are anticipated outside of the M-2 Area and Baylands Area.
2. Zoning Ordinance Amendments: Create three new zoning districts in the M-2 Area for consistency with the proposed General Plan Land Use Element. The proposed zoning districts include Office (O), Life Science (LS) and Residential-Mixed Use (R-MU) designations. The O district includes overlays to allow hotels (O-H) and corporate housing (O-CH). Overlays for bonus level development are also proposed in the Office, Life Science and Mixed-Use zoning districts (O-B, LS-B, and R-MU-B). In addition, proposed changes to the C-2-B (Neighborhood Commercial District, Restrictive) zoning district would allow for residential uses with up to 30 dwelling units per acre and heights of up to 40 feet for mixed use development. The zoning ordinance amendments also include proposed modifications to streamline the hazardous materials review process as an administrative permit, subject to the review and approval of the Community Development Director (or designee) when certain criteria are met, and other minor modifications, such as allowing administrative review for architectural changes in the O and LS districts similar to current regulations for the M-2 district, changes to the nonconforming uses and structures chapter, and other minor text amendments for consistency in implementing the proposed changes to the M-2 Area.
3. Rezoning: Rezone property in the M-2 Area to one of the following zoning designations for consistency with the proposed General Plan land use designation amendments – O (Office), Office, Hotel (O-H), Office, Corporate Housing (O-CH), Office, Bonus (O-B), Life Science (LS), Life Science, Bonus (LS-B), Residential Mixed Use, Bonus (R-MU-B), Public Facilities (P-F), and PF (Flood Plain).

4. Environmental Review: Review of the Final Environmental Impact Report (EIR) prepared for the General Plan and M-2 Area Zoning Update, which analyzes the potential environmental impacts of the General Plan and M-2 Area Zoning Update.

(Staff Report #16-083-PC)

The Planning Commission discussed the item at its meeting on October 19, 2016 and continued the item for further discussion and recommendation.

Staff Comment: Principal Planner Chow said tonight was a continuation of consideration of the General Plan and M-2 Area Zoning Update from the Commission's October 19, 2016 meeting. She said a stapled packet containing correspondence received since the October 19 meeting and a ConnectMenlo EIR Errata #2 memo that helped clarify bio-mitigation #1 was at the dais. She introduced Charlie Knox and Rosie Dudley with Placeworks.

Principal Planner Chow said she would address questions and topics raised at the prior meeting: biological resource mitigation, clarification on the land use element and circulation element, topics on the zoning ordinance amendment and summary of the comment letters. She said the first item was the bio-mitigation #1 and referred to the memo distributed. She said this was to clarify when a biological resource assessment was needed. She said it was not 10 feet specific but all adjacent properties to undeveloped natural habitat would trigger a biological resource assessment. She said this was applicable to all future projects that were adjacent to sensitive habitat. She said it also outlined in doing the biological resource assessment that consideration of guidance documents prepared specific to the Wildlife Refuge would be made, and it incorporated additional clarifying language that as part of the process they would consult with the Refuge representatives to determine that biological mitigations for a project were appropriate. She noted that was outlined in the underlined and strikethrough language.

Principal Planner Chow said Commissioner Riggs had requested strengthening of the language for Goal #4 to be consistent with guiding principles for a competitive and innovative business destination. She said they strengthened the language to reflect supporting the retention and attraction of successful entrepreneurship and emerging technologies that provide goods, services, amenities, and local job opportunities for local residents as well as avoiding and minimizing potential environmental and traffic impacts. She said next was the circulation element that Transportation Manager Nikki Nagaya would present.

Ms. Nagaya noted matters that had arisen at the last hearing on the General Plan and M-2 Area Zoning Updating. She said Willow Road going north to south between Bayfront Expressway and Bay Road was classified as a Boulevard, carried about 36,000 vehicles per day and had equal priority for pedestrian, transit and vehicles and a slightly lower priority for bicycle traffic. She said another section of Willow Road was considered an Avenue mixed use classification noting that volumes on this section ranged from about 34,000 at Bay Road up to 41,000 at Durham, and about 25,000 vehicles getting closer to Middlefield Road. She said on that section the priority would be split between bicyclist, pedestrians and transit with a slightly lower priority for vehicles. She said this designation was defined in the Circulation Element for looking at this section and providing priorities for potentially closing the bicycle lane gap that existed roughly between Durham Street and Bay Road. She said the Commission could discuss and make recommendations if they thought designations for Willow Road should be different. She said the last section between

Middlefield Road and Alma Street was classified as a neighborhood collector with a much lower volume of traffic between 3,000 to 5,000 vehicles per day.

Ms. Nagaya said there had been discussion about potential modifications to the City's Transportation Impact Analysis (TIA) Guidelines. She said the master planning process reviews would define how they planned and constructed the overall network outside of new development. She said related to analyzing impacts were the metrics to be used and the thresholds of significance. She said those were defined in the current TIA in two topic areas: intersections and levels of service (LOS), which was primarily a delay-based metric and daily traffic volumes that was primarily a quality of life-based metric primarily the amount of traffic that potentially would use residential streets. She said in general the direction heard from the General Plan Advisory Committee (GPAC) in August 2015 was to try to maintain the TIA Guidelines and supplement those with Vehicle Miles Traveled (VMT). She said they would like to keep the TIA Guidelines maintained for this process and that any recommendations on changes to be made toward future planned action on the TIA would occur after the Transportation Master Plan was developed.

Ms. Nagaya said the Commission had concerns with the needs for additional infrastructure improvements related to the potential land use development under the proposed General Plan. She said development of the Transportation Master Plan would look at specific improvements and needs around transportation infrastructure, conduct community engagement around what conditions were existing per neighborhood, what types of improvements could help alleviate those types of concerns; develop cost estimates, and then prioritize the different improvement projects based on safety needs, LOS delays, corridor travel time. She noted they would develop what the metrics for prioritization were going into the process. She said after the Transportation Master Plan they would have what they needed to do an updated traffic impacts fee (TIF) study. She said as those fees accumulated, improvements would be constructed and would give them the ability to leverage grants and other funding sources.

Principal Planner Chow said there was a request to look at the sharing of Floor Area Ratio (FAR) among zoning districts. She said after the Planning Commission's discussions at the study session in May, staff prepared some revisions to the zoning ordinance language in the three zoning districts to allow the calculation of FAR among contiguous properties of the same ownership within the same zoning designation. She said the continued request was to look at the sharing of FAR among different zoning districts. She said staff was open to the concept but needed some additional clarifications with the property owner that made the request. She said staff also had some reservations about implementation would work in terms of the different development standards in the different zone designations and how those would apply to different buildings. She said without further discussions staff did not have a recommendation one way or the other. She said a Master Plan might be appropriate. She said if the Commission wanted to move this forward, staff could work with the property owner and get more clarification.

Principal Planner Chow said the question of providing parks and playing fields under the updated M-2 arose. She said the three new zone districts have a requirement for public open space and that was also on the Community Amenities list for bonus level programs. She said it would be very challenging to rezone privately owned property for public use; however, if a property owner was interested in providing a public park on their site, staff would be open to identifying opportunities for transferring that property development to other sites so there was no loss of development opportunity.

Principal Planner Chow said staff was asked to look at different regulations regarding street improvements and identify flexibility. She said currently any new development or tenant improvements, or a combination of, 10,000 square feet, triggered review for street frontage improvements. She said the 10,000 square foot tenant improvement might be more onerous than intended. She said they would like at potentially adding some flexibility so that straight tenant improvements probably would not trigger street frontage improvements. She said that they needed more time to look at that and if the Commission would like them to do that they would.

Principal Planner Chow said related to the Life Sciences District (L-S) there was a request to look at the step back requirement. She said the requirement was moving up to the base level height the building would have to step back 10 feet before it could increase in height. She said they made some modifications to the design standards for maximum setbacks, the build to area, and the minor modulations requirement. She said in the L-S standards they did believe they could eliminate the step back requirement; however, they would like to add a clarification for the modulation of the building. She said that the modulation would be a minimum of 15-feet wide by 10-feet deep every 200-feet of the façade length.

Principal Planner Chow said regarding an average building height of four and a half stories discussed at the October 19 meeting that the buildings would be average height per site or within the area of a development application for one or multiple properties and was not across the entire L-S zoning district.

Principal Planner Chow said staff was not recommending any changes to the open space requirement as it was visual enhancement that would lend to the open live/work/play environment. She said they found that other local jurisdictions had similar requirements, such as the North Bayshore area of Mountain View and the City of San Carlos. She introduced Heather Abrams, Sustainability Manager.

Ms. Abrams said the City Council adopted targets for Greenhouse Gas (GhG) emissions reduction that were fairly aggressive with a targeted 27% GhG reduction by 2020 from 2005 levels. She said ConnectMenlo included a guiding principle for sustainability and they were also looking at state goals that had to do with building performance and GhG reduction. She said the Commission had requested a comparison of the City's draft zoning versus other neighboring cities. She presented a visual comparison of Menlo Park with Palo Alto and San Mateo. She said recurring themes were that all had requirements for new buildings, tenant improvements, solar, and EV chargers. She said one thing they might notice was that the Menlo Park list was a bit longer and that was purposeful as they were attempting to give as much flexibility and provide options based on different sizes of development. She said in Palo Alto they used a Tier 1 and Tier 2 and they were much more prescriptive and stringent than the LEED in Menlo Park's draft zoning ordinance. She said Palo Alto had a more prescriptive treatment on solar whereas the Menlo Park draft said the applicant would do a feasibility study and do 30% of what was feasible. She said they found Menlo Park's EV charger requirements were a bit less stringent than Palo Alto and San Mateo jurisdictions. She said regarding 100% renewable energy that commercial businesses and others were paying PG&E rates. She said compared to Peninsula Clean Energy (PCE) rates for 100% renewable energy that for 3% you would get a fairly significant savings in GhG emissions. She said one developer did the calculator tool on the PCE website and found that it would work for him. She said also there was a question about the tenant improvements. She said those over 1,000 square feet would have to go through LEED IB&C and was for tenant improvements specifically and not for the whole building. She said that their building official came up with another alternative

for consideration such that if they did not want their tenant to go through their LEED IB&C they could bring their core and shell up to current building standards. She said that would give some energy efficiencies and other benefits being looked for on the sustainability side as well going to onsite solar or energy generation. She said that would give the jump in efficiency to meet state goals in a different way.

Azalea Mitch, Senior Civil Engineer, Department of Public Works, said there had been many questions about recycled water at the last meeting. She said earlier in the year staff of the Municipal Water District completed the Urban Water Management Plan required by law to be updated every five years. She said part of that was to evaluate their potable water supply. She said that analysis included normal and dry conditions, the latter based on a drought lasting one year and multiple years. She said the study concluded during dry years that they could begin to see potable water shortfalls beginning in 2020. She said the challenge was to plan for these potential shortfalls given that there was only one water supply. She said the strategy regarding recycled water was a multi-faceted approach. She said they did not currently have access to recycled water within the District as wastewater was handled by West Bay Sanitary District and treated in Redwood City. She said two options included purchasing treated, recycled water from Redwood City and Palo Alto. She said as part of the Water System Master Plan they were analyzing the feasibility of building a purple pipe distribution system that would bring that water from either City to customers in Menlo Park. She said it was a long-term project and the capital investment was significant. She said they needed to look at what they could do now, which involved looking at onsite treatment and making that a requirement for new development. She said they modeled those requirements on the San Francisco PUC's ordinance that has been in effect since 2012.

Principal Planner Chow said the next item was clarification about the Community Amenities list and on what the actual priorities were. She said the list was identified through the Belle Haven Visioning Plan and the Connect/Menlo project, noting in 2015 they conducted a survey. She said earlier in 2016 they revisited the Community Amenities list and did a follow up exercise at another community meeting, asking participants to identify their top priorities out of which the top six were identified. She said there were comment letters indicating a preference to pay a flat rate impact fee versus doing a value appraisal before doing a contribution of community amenities. She said the option to pay an impact fee would require a nexus study, which had not yet been conducted. She said paying an in-lieu fee could become possible through a development agreement. She said clarifications that needed to be written into the code were that a developer as part of the application process would need to provide documentation of what the value of the community amenity was so that it corresponded equally to the 50% of the increased value that the bonus level development created. She said for clarification that the appraisal, if in the R-MU zoning district and 15% of the total number of units was required to be affordable, that 15% was part of the appraisal so the 50% value will have included that.

Principal Planner Chow said the Commission received a number of comment letters at the last meeting and this evening. She said many of those reiterated comments on the EIR. She said staff believed that those comments were responded to as part of the Response to Comments in the Final EIR. She said other letter writers said they did not support the proposed growth and others thought it should be phased. She said others supported the growth and sustainability improvements with a desire to do additional measures. She said other comment letters referred to various kinds of impact fees, many of which were related to policy discussions. She said the EIR did not require any additional impact fees other than those previously identified. She said lastly

there were comment letters regarding flexibility in the regulations which had been highlighted earlier in the evening.

Commissioner Kahle referred to the information on Willow Road. He said he would expect higher volume between Hwy. 101 and 84. Ms. Nagaya said the counts shown were collected in the fall of 2014. She said the City collected the data on the City-controlled sections or roughly Alma Street to Bay Road. She said the data from Bay Road north at Bayfront Expressway was calculated by Caltrans. She said the largest contributing factor was the connection to Hwy. 101. She said the connection between Middlefield Road and the freeway carried a significant amount of traffic headed to Hwy. 101 and the Dumbarton Bridge. Commissioner Kahle asked about a future Willow Road interchange project and how the trip count would be affected. Ms. Nagaya said the improvements planned for the Hwy. 101 and Willow Road interchange were not what would be called capacity enhancing nor would it create a traffic flow shift in either direction but it would eliminate some of the weaving short sections both on the freeway and Willow Road that contributed to localized congestion and would address some safety concerns.

In response to Chair Strehl, Ms. Nagaya said the City Council had approved the Transportation Master Plan as part of the CIP, its funding was available now, and it was scheduled to commence upon completion of the General Plan Update. She said the Transportation Master Plan process would likely be 12 to 18 months. She said the original thinking was to start with the Master Plan and lead into the fee program updates followed by the Transportation Impact Analysis (TIA) Guidelines update. She said they could definitely consider expediting the TIA Guidelines if that was desired.

Commissioner Riggs said he appreciated the clarification on the Willow Road classification particularly the section south of Bay Road. He said what was lacking in that section were bicycle facilities. He suggested that rather than setting a policy to prioritize bicycles that a program was established to add the necessary bicycle lanes and base the priorities upon use. He said he would not prioritize vehicles but would give equal priority to transit and pedestrians on the segment of Bay Road to Bayfront Expressway.

Ms. Nagaya said there were programs in the Circulation Element to identify and complete the bicycle network. She said there was not one specific to Willow Road and that staff would not necessarily recommend having a specific program for that particular gap closure as that was better left to prioritization in the Transportation Master Plan effort.

Commissioner Riggs said for mixed use streets that vehicles would have at least an equal priority to other users simply based on the ratio of vehicles to other modes of transport. Ms. Nagaya said they would need to do some estimation of the number of persons on transit vehicles to get to the ratio but acknowledged vehicles were predominant on Willow Road. She said the classifications were not meant necessarily to discourage vehicle use on the segment but in looking at other mixed use avenues that have been classified around the City such as Santa Cruz Avenue, Middlefield Road, those had similar context to that section of Willow Road. Commissioner Riggs said having Santa Cruz Avenue and Middlefield Road in the same classifications raised questions. He said the lowest possible priority was given to transit on Willow Road from Middlefield Road to effectively the Civic Center and that was either Burgess or Laurel. He said there was an implication to Council, Commission and future decision makers that transit was not desired there. Ms. Nagaya said the classification priorities related also to where there was limited right of way, and how they designated the space on the street supported which modes should have priority. She said in this

case the lower designation of transit priority signaled that they would not look at designating space on that segment of Willow Road for transit. She said it did not mean transit would not be allowed but would not have the priority for designated space for its use. She said to access the Civic Center there was also Middlefield to Ravenswood access points that transit vehicles could take as well. Commissioner Riggs said he thought the designations could use more thought and review as in the prioritization there might be prejudice for one use over another use. Ms. Nagaya noted that Santa Cruz Avenue was an Avenue Neighborhood designation from downtown toward the west. Commissioner Riggs said he recalled three segments that were more like collector streets that had been placed in the mixed use category and thought it would benefit to relook at those again.

Chair Strehl said she had previously asked if there was a comparison of other cities that required 100% renewable energy for their new development. Ms. Abrams said that other cities were not doing that. She said it was a solution specifically developed for Menlo Park as an alternative to the first draft which was onsite renewable generation. Chair Strehl asked if other cities required 80% renewable energy onsite for new development. Ms. Abrams said in Palo Alto they have a 5KW and City of San Mateo has a 3KW size system requirement. She said that was a size requirement as opposed to the feasibility based approach they developed. She said other cities had not started this requirement yet. She said it was reflective of the direction of making sustainability a guiding principle.

Chair Strehl recessed the meeting for a short break.

Chair Strehl reconvened the meeting.

Public Comment:

- Gita Dev, Sierra Club, Loma Prieta Chapter, said they had sent a letter today. She said staff had done well to collect all of the comments and make changes, but the Plan was not quite ready for adoption. She said in reference to the new designation, Office-Corporate Housing (O-CH), that there was no agreement on what corporate housing was. She said they needed to define it as to the population occupying it. She said a dormitory might house four to six people in any one unit. She said that would be a major population increase on a small island. She said most significant about the M-2 was its proximity to the Don Edwards National Wildlife Refuge. She suggested adding a habitat overlay to the zoning map. She said regarding R-MU that while 4500 housing units were expected looking at the bonus zoning it would allow 25% FAR for office in the residential zoning area.
- Nicole Kemeny said she supported the 100% clean renewable energy and did not think it was time to relax the green building standards. She said she would donate the rest of her time to Justine Byrd.
- Justine Burt, Palo Alto, said she was a sustainability consultant, and had been asked to share a case study of a zero net energy building in Sunnyvale accomplished through HVAC, light loads and solar. She said the walls and roofs were super insulated and were the thermal mass, with light flushing and light exchange, they were able to drop HVAC sizes from 100 tons to 22 tons. She said the architect spent \$49 per square foot more to do this design but the building saved \$89 per square foot in energy operation.

- Michael Closson, Menlo Park, said he was an environmental consultant mainly focused on energy use. He urged the Commission to support the 100% renewable energy requirement for new developments. He said this was crucial to the City accomplishing its Climate Action Plan goals. He said getting Peninsula Clean Energy established in the County was a big step toward reducing GhG emissions. He said commercial buildings after traffic were the greatest contributors to GhG emissions.
- James Tuleya, Sunnyvale, said he was a member of the leadership team of “Sunnyvale Cool” and was on the Board of “Carbon-Free Mountain View.” He said he supported the green and sustainable building requirements including the 100% renewable and the recycled water. He noted that cohesive action regionally would lead the way for other areas.

Chair Strehl asked if Sunnyvale required 100% renewable energy for new development. Mr. Telea said that city would update their building codes in the next year and among the things expected was a requirement for solar on roofs. He said what was being presented for Menlo Park allowed more flexibility particularly with the option of PCE now available.

Chair Strehl noted the next speaker was Gail Raabe and that she had an extra three minutes donated to her.

- Gail Raabe, Redwood City, said she was representing the Citizens’ Committee to Complete the Refuge, a local environmental advocacy organization. She said the group had been participant in the CEQA process for the plan update since the beginning and had submitted a detailed scoping letter and comments on the draft EIR. She said there was little revision and response to the comments received from them. She said they requested a continuance to allow the necessary time to insure the document complied with CEQA especially in indentifying, analyzing, and mitigating the significant impacts to endangered species, sensitive natural communities, and jurisdictional wetlands. She said he written response to their comments detailed conservation plans that were left out of the Final EIR, and the consultant described at length the important Natural Community Conservation Plan that we discussed such as the US Fish and Wildlife Service Tidal Salt Marsh Recovery Program for Echo Systems, Don Edwards Wildlife Refuge Comprehensive Conservation Plan, and the South Bay Salt Pond Restoration Project, Phase II Plan, and Ravenswood Pond. She said the plans identified endangered and sensitive habitats immediately adjacent to the Facebook East Campus where the updated M-2 zoning would allow for the construction of housing. She said the Final EIR had not been revised with this information. She said Bio-6 discussed impacts on the sensitive habitat in the Stanford Habitat Conservation Plan and was silent on the important regional conservation plans that were directly impacted by the zoning land use changes being proposed. She said the all inclusive mitigation measure Bio-1 still talked about “possible” sensitive biological resources on the Don Edwards SF Bay National Wildlife Refuge when those sensitive biological resources were documented, and it did not require mandatory consultation with the Refuge regarding impacts and appropriate mitigation measures. She said the Refuge was not on the list of agencies consulted for the EIR.
- Allan Bedwell, Environmental Quality Commission (EQC), said the EQC, when now Planning Commissioner Barnes served on it, put a great deal of thought into analyzing options (water and energy) so standards would allow a maximum amount of flexibility. He said there were concerns with the costs of the proposed requirements. He said he ran two state agencies

across the country where he had established stringent standards. He said the key to success was providing flexibility and establishing standards that were not only easily achievable and flexible but also allowed for either flexible financial mechanisms to use or to anticipate the fact that the cost of doing things now would be much less than doing them in the future. He said the standards for water and energy that were proposed in the draft General Plan Update (Plan) reflected that by looking at both energy costs and future regulatory requirements by the state for renewable energy use and GhG emissions reduction. He said the Plan proposal was timely and would provide developers as well as tenants with certainty. He urged the requirement for the installation of purple pipe for new development as doing that on an after the fact basis was usually cost prohibitive.

- Lily Gray, Mid-pen Housing, said they submitted a letter in advance of the October 19 meeting. She said to highlight they were supportive of affordable housing and the Plan's inclusion of significant new housing units. She said throughout the Plan update process the desire for a wide range of income-based affordable housing was clear. She said they found that ordinances designed to incentivize affordable housing worked best when they allowed for flexibility in implementation including onsite and offsite options. She said the flexibility also extended to income levels. She said they appreciated the City's targeting of extremely-low, very-low and low-income populations. She said flexibility on how units were made available and on income ranges would allow the City to weigh the cost and benefits and maximize production of affordable housing. She said they encouraged the City to look at ways to lower barriers to housing development or evaluate the tradeoff. She said stakeholders have previously commented on potential impediments in the R-MU zoning. She said they had provided comments on the C-2-B of a similar vein. She said they supported the modifications to the C-2-B zoning to allow for multi-family residential development. She said they recommended increasing height maximums to allow for the construction of ground floor commercial and three stories of residential. She said they also recommended that the front and corner setback requirements be reviewed to match the intent of the R-MU zoning and maximize the potential of the mixed use sites. She said they also wanted to insure the zoning language would allow for the provision of community amenity uses onsite as applicable to ease and incentivize the incorporation of these uses in the Belle Haven neighborhood. She said they supported the Commission moving the Plan forward so the construction of desperately needed housing could begin.

Commissioner Barnes asked about the different mix of income levels being recommended. He asked if she was being prescriptive in a project about the percentage of the different income levels or advocating not being prescriptive in percentages for those. He asked how Mid-pen solves for that. Ms. Gray said their main comment was flexibility and that made sense both from how units were provided and at what income levels. She said there were numerous financing forces for affordable housing development that had specific income targeting requirements. She said having flexibility at the City level might mean that one project might make sense to be entirely extremely-low income units and another a mix of moderate, below and very low. She said it made most sense on a project by project basis as the size of the project might have implications to what was feasible. Commissioner Barnes said there were questions as to whether inclusionary housing should be within the same building or on contiguous parcel, or a parcel with some geographic distance. Ms. Gray said their opinion she thought housing needed to be provided with all of those means.

Commissioner Riggs asked whether the state density bonus law applied for mixed use, R-MU and C-2-B, above what the City prescribed. Principal Planner Chow said the state density bonus could be implemented on any of them. Commissioner Riggs said potentially a mixed use project with commercial on the first floor and two levels of residential could have a fourth floor applied for under state density bonus. Principal Planner Chow said potentially as they would look at what type of units were being proposed, what income category, the number of units and density. She said there could be an expansion beyond what was allowed in the zoning regulations.

Chair Strehl asked that speakers who had addressed the Commission at the October 19 meeting on the Plan would clarify what new comments or matters they wanted the Commission to hear.

- Kristin Duriseti, Menlo Park, said she was the EQC representative to the GPAC and spent considerable time considering issues particularly those of sustainability. She said she agreed with everything speaker Bedwell had said. She said the City has regulations coming in the future that they would need to meet. She said regarding GhG reductions that Council has asked the EQC how to do that in a cost effective way. She said as community leaders that they should think long-term responsibly both for the environment and economy sustainability. She said looking at individual projects and their competitiveness it was very important to take seriously how they would meet the coming regulations in a cost-effective way. She said if they missed this opportunity both in terms of the energy efficiency and the water budget, future solutions would be more expensive. She urged the Commission to maintain the energy efficiency requirements in terms of the flexibility for the 100% renewable and to meet the water budget.
- John Tarlton said staff referenced a developer that had done analysis on the utility rates and that was him. He said they agreed that the PCE rates could be manageable as proposed. He said they would encourage staff and Council to apply pressure to the PCE as they moved forward so those rates did not end up an introductory promo. He said regarding open space that they liked open space as well but as the zoning was currently drafted, open space created for equipment pads for Life Science, L-S zoning, didn't count toward open space. He said examples given of the North Bayshore in Mountain View and in San Carlos were office projects and those did not have the constraint of L-S. He said he supported open space but had to provide area for L-S tenants. He said a compromise was needed in the definition or reducing the requirement slightly. He said another tweak needed was regarding LEED requirement for laboratories. He said LEED did not currently work for laboratories and there was no laboratory LEED structure. He said while he supported sustainability and would build new buildings that were LEED compliant as LEED didn't work with laboratories he would have to figure out how to do that. He said if they required any tenant improvement over 1,000 square feet to be LEED then he would not be able to do tenant improvements for new Life Science companies. He said solutions might be to carve out laboratories and require LEED of office. He said he liked the creativity staff had put forth in doing core and shell in lieu of LEED tenant improvements but he wanted to make sure that tenant improvements would not be disallowed due to the regulations. He said the time frame for a shell project was much longer than for a tenant improvement project. He said they looked forward to working with staff and asked the Commission to encourage staff to work with them to develop a compromise for Life Science businesses' tenant improvements.

Commissioner Barnes asked if Mr. Tarlton was supportive of the 100% renewable energy requirement as currently written. Mr. Tarlton said with the PCE rates as set those represented a

nominal increase for them and they supported being progressive on reducing GhG emissions. Commissioner Barnes asked if Life Science businesses tended to be heavy electricity users. Mr. Tarlton said that was correct and they were quite pleased that the consultant and staff worked to create flexibility so they would not have to create onsite generation.

Chair Strehl noted that the next speaker, Eileen McLaughlin, had time donated by Steve Schmidt.

- Eileen McLaughlin, Citizen's Committee to Complete the Refuge, said she was reiterating the request made by Ms. Raabe to continue the item, noting the letter they sent jointly with the Sierra Club the past Friday. She said since the Commission's last hearing they were able to meet with Planning staff and a Placeworks representative in regards to mitigation bio-measure 1. She said they also presented information on additional biological concerns but without sufficient time to discuss comprehensively. She said the time the City was allowing for revisions was far too brief to resolve the inadequacies regarding biological resources, which made a continuance critical. She said biological resources like all other impacts, planning effects, ripple across a sphere of objectives that ConnectMenlo has pursued. She said zoning ordinances lay requirements intended to mitigate impacts. She said the proposed zoning ordinance for the O-CH, Facebook East housing project, established a 200 foot step back from the waterfront, Ravenswood slough. She said the ordinance provided no explanation why 200-feet and there was no discussion of it in the EIR. She said they thought 200-feet might be acceptable but maybe it was not enough or maybe it was too much. She said the L-S zone had properties directly abutting the wetlands but the buildings have only a required setback of 10-foot from the rear property line. She said the buildings might be five stories shadowing the wetlands by day and its windows shedding lights at night on night creatures just 10 feet away. She noted that potential significant impacts upon the federally endangered Salt Marsh Harvest Mouse, Ridgeway's rail, and the Western Snowy Plover should have been analyzed. She cited areas in which construction would be limited due to biological resource protections. She said the environmental review did not use environmental source materials or consultation with the Refuge and the entire biological resource section of the EIR needed to be redone.
- Pamela Jones, Menlo Park, said she was unsure what the Circulation Element meant noting that the collector and mixed-use avenue designation seemed to be in Belle Haven area. She said it looked like they were trying to make it safe for bicycle use and pedestrians which was a good thing. She suggested looking more at that noting Ivy Drive might be better as it was wider than Newbridge. She said she would like car cut through traffic to be stopped. She said she wondered if the Willows area had some of the same problems. She said she hoped the adopted General Plan would have a robust plan for traffic throughout their entire community.
- Diane Bailey, Menlo Spark, said she supported the clean energy provisions in the regulations and was pleased to hear Mr. Tarlton's comments. She said Menlo Park could be a leader and perform these measures earlier before they became more expensive. She said there were a lot of no cost alternatives to meeting the renewable energy standards.
- Adina Levin, Transportation Commission, Commission representative on GPAC, said she was speaking for herself. She said in response to discussion last week about the proposed General Plan policies to increase use of more space efficient and sustainable transportation there was some concern that because our transportation system has been so heavily car dominant in the past that there might be feasibility issues, and a suggestion was made to set goals moving

forward along the lines of what they had been in the past. She said she had examples in the area where there has been significant change and it was feasible. She said the City of San Mateo included in their Rail Corridor Plan a 25% vehicle trip reduction goal with requirements for measurement and public reporting; to create a transportation management association to administer benefits for the entire area, including shuttles, transit, and car share to help residents from Hayward Park to Hillsdale. She said this included a number of multi-tenanted developments. She said in the three years since the developments have been open everyone in the Plan area has been compliant. She said it was possible and feasible to have a goal of trip reductions work in an area that was multi-tenant and mixed use. She said Facebook's promise when they moved into the Sun campus was to provide parking for about half of their employees to drive and they had kept their commitment. She said Stanford was given a trip cap by Santa Clara County and the driving reduced from 70% to 50% in meeting the cap. She said a question was asked if it was realistic to increase the use of bicycle lanes. She said Facebook's bicycling rate plummeted when they moved from Palo Alto, which had better infrastructure and more people who lived within five miles of their work. She said there was strong evidence that when infrastructure was improved there was opportunity to increase the rate. She said the City Council and the community have set goals to have infill development and live/work/play. She said to make that work they needed increased use of space-efficient modes, which she thought was possible and feasible.

Chair Strehl closed the public hearing.

Commission Comment: Chair Strehl said there were letters from property owners in the M-2, noting one from the property owner of 111 Independence Drive, who said as the result of the new zoning a public street was shown running through his property. Principal Planner Chow said they have had communication and would meet with the property owner's affiliate on Thursday. She said the street being questioned was in the R-M-U district and straddled in between Bohannon properties. She said currently an S-curve comes off Marsh Road and curls into Independence Drive. She said the idea was to have a T-intersection rather than an S-curve. She said reconfiguration of the street would not occur unless redevelopment occurred. She said if a new street were to be developed the realignment of the street would provide right of way would be added to the property losing the new right of way for the road reconfiguration. She said it would be no net development property loss. She said she thought the property owner was interested in redeveloping the property as mixed use.

Chair Strehl said another letter from 1100 O'Brien Drive, an offset printing and copying business in L-S zone, asked for confirmation that they could continue their business there. Principal Planner Chow said she had follow up conversations with the owner and it appeared their existing business would be able to remain in the new L-S district regulations.

Replying to Commissioner Riggs, Principal Planner Chow said they recognized 10,000 square feet triggering street frontage improvements for tenant improvements in the L-S District might be cumbersome for every individual tenant so they were looking at an evaluation calculation or some type of threshold so that substantial improvements to the building would trigger street frontage improvements. She said that the modification would be for all three proposed zoning districts in the M-2.

Responding to Commissioner Riggs, Principal Planner Chow said the energy requirement included conducting a feasibility study to determine what would be feasible to put onsite for solar generation

and the requirement was to do 30% of what was feasible. She said the remainder of the demand would be through purchase with one of the options being the 100% renewable option through PCE. She said the requirement was applicable only to the proposed three new zoning districts in the M-2 and the 100% energy demand would be for all new construction. She said separately there were the green building requirements for different tiers for new construction depending on the size of the building, or additions and renovations, as shown in Table 16.A and B for residential and non-residential development. She said that was a separate requirement.

Commissioner Riggs questioned whether demand on PCE might eventually have the same issue as PG&E as there was only so much renewable energy being generated. Ms. Abrams said at this point PCE did not have any limit on the number of subscribers they would welcome; she said that was something PG&E set. She said there was no indication that there was a limit at which they could not purchase that amount of electricity from renewable sources. Commissioner Riggs said currently electric was one of the energy supplies. He said should everyone want to use clean renewable electric he had to wonder whether the supply would run out. Ms. Abrams said she understood the concern but the trend over the past several years had been decreasing prices for renewable energy and increasing production. She said they did not see an indication of reaching a peak capacity now or in the near future. She said Menlo Park's consumption within the region was quite small and if a peak was hit, they would have to look at that. Commissioner Riggs said at some point they would be looking at that.

Commissioner Riggs said under the Circulation Element, page A82, policy 3.4, last paragraph, regarding traffic at intersections LOS, that the policy is to strive to maintain LOS at D. He said that was a poor LOS as the minimum. He said that was at all City signalized intersections during peak hours except at the intersection of Ravenswood and Middlefield Road and the intersections along Willow Road from Middlefield Road to Hwy. 101. He asked if the City was saying it could not do better than LOS at D. Ms. Nagaya said the requirements put forward in policy 3.4 were carried forward from the 1994 General Plan language in the Circulation Element. She said they took the policies that existed previously and included them here as there were references to LOS in other programs. She said they did not change the letter grade designation or the locations from what was adopted previously. Commissioner Riggs suggested in doing the transportation update and in this case they should set a goal to have improved LOS at Ravenswood Avenue and Laurel Avenue. Ms. Nagaya said the LOS standard was set with the existing transportation network and that has a limited amount of space. She said to get to a higher LOS letter grade in the peak hours, many intersections would have to be widened and that would make them harder to cross than they were today. She said they were looking at the transportation network in the overall operations of the system and accounting for the fact that in the peak hours there would be congestion at some locations. She said they could make strategic investments to lower that as much as possible.

Commissioner Kahle thanked staff for addressing parks and the open space. He asked if corporate housing was defined. Principal Planner Chow said they had considered putting in the parameters such as room size and occupancy count but decided it was unnecessary with the deed restrictions as to who might be able to and how many could occupy the units as they would all be employees and there were not trips generated by the occupancy.

Commissioner Kahle said there was a comment that the update focused too much on the M-2. He asked when the next General Plan update was expected. Mr. Charlie Knox said cities typically update their General Plans every 15 to 20 years. He said at 10 years from the last update the state Office of Planning and Research will notify a city with a friendly reminder that their last

General Plan was 10 years prior. He said that was separate from the Housing Element that has its own cycle. He said most communities agree that in doing the Plan they look at 20 to 25 years. He said usually updates occur in the 10 to 15 year terms.

Commissioner Barnes said he was pleased with how the circulation element was constructed and that it was quite forward looking. He said he believed it was exactly what the community wanted. He read from the first page: *“The Circulation Element describes distinct issues and opportunities that the Menlo Park community is likely to face during the timeframe of the General Plan as well as key strategies for addressing them. Enacting strategies that will be effective in creating the most functional circulation system possible for a full range of users and travel modes is the focus of the goals, policies, and programs in this element. Menlo Park has a high quality transportation system that connects well internally and to the region but its efficiency can be over-matched at times by the volume of vehicle traffic commonly due to regional traffic at peak times.”*

Commissioner Barnes noted the work the Transportation Commission and GPAC invested in laying out the street designations. He said he supported the Avenue designation for Willow Road and its mixed use classification. He said he was happy that transit had a higher designation than vehicle, bicycle and pedestrian there. He said he did not see single-occupancy vehicles in danger of extinction. He said regarding VMT and LOS that the GPAC when it met in October 2015 and had discussed those metrics might not have had the requisite information of SB 743. He said the Governor’s Office of Planning and Research issued a press release on January 20, 2016 Notice of Availability to Provide CEQA Guidelines entitled *State seeks public comment on new rules on streamlining projects benefiting public transportation, walking and biking*. He said as they had discussed forward proofing development and putting into place the types of guidelines, policies, procedures and programs for the next 20 to 30 years, he thought it would be a great mistake to not accelerate the VMT and its inclusion in the Transportation Impact Analysis (TIA) as it related to the current master plan, fee program and TIA Guidelines update. He said they would have these new CEQA guidelines within two years and to not fully embrace those as part of the planning process was not a best practice for Menlo Park. He said cities that already use VMT were San Francisco and Pasadena. He said staff in Redwood City the past week were directed to do so too.

Chair Strehl said she understood moving forward that they would use both VMT and LOS. Ms. Nagaya said they were looking at the policies put forward in the Circulation Element and they would include both LOS and VMT. She said additional discussion was once the state guidelines under SB 743 were adopted that LOS would fall away as a CEQA requirement. She said the City if it wanted to retain it as an impact metric would need to discuss how to incorporate it into project reviews. She said there was no case law yet that defined this. She said they were looking at FY 2018-2019 to do that work. She said if the direction was to do it sooner staff would need to work with the state Office of Planning and Research on how to do the combination. She noted that they had already started using VMT as the Facebook Expansion Project EIR used VMT to analyze traffic impacts. She said they have used it as a planning tool but would need to look at how to apply it as a project impact requirement.

Commissioner Barnes asked other than funding what was needed to accelerate use of VMT so that it would be in place when the CEQA guidelines were adopted. Ms. Nagaya said key challenges were staffing and the overall band width of the community to absorb the planning work for the Transportation Master Plan combined with a discussion on impact criteria. She said CEQA legislation requirements were very technical. She said they were trying to balance the desire to put

together a very comprehensive Transportation Master Plan that reflected community input and at the same time do a TIA Guidelines update, which might pit the two projects against each other.

Chair Strehl said LOS was an important measure in addition to VMT. She said she disagreed about Willow Road. She said in an ideal world it would be great to not have single-occupancy vehicles on it but if those were not on Willow Road they would be cutting through neighborhoods such as already happens in the Willows, and that would be true too for Belle Haven and other neighborhoods impacted by future development. Ms. Nagaya said the City could continue to use LOS and maintain LOS letter grade policies without using it in impact analysis requirements for development review.

Chair Strehl asked staff to address the comments made by the Citizens Committee to Complete the Refuge and the Sierra Club. Mr. Knox said Errata #2 at the dais was developed largely through consultation today with the Citizens Committee to Complete the Refuge. He said the Committee's and the Sierra Club's comments were cogent, and that Errata #2 said the baseline biological resource assessment shall incorporate guidance from relevant regional conservation plans including but not limited to the then current (means in the future) Don Edwards San Francisco Bay North West Regional Compliance Comprehensive Plan, South Bay's Salt Pond Restoration Project, Tidal Marsh Recovery Plan, and etc. He said page 3 of the revised language it states that a qualified biologist shall make reasonable efforts to consult with the Refuge management for the purpose of determining presence or absence of sensitive biological resources. He said this did not change the effect of the mitigation measure and did not require any additional activity on the EIR. He said this explains that biological resource assessment would be comprehensive and investigative and would go well beyond the 10-feet, 100-feet, 200-feet even as far as across the Bay. Chair Strehl asked if there was any consideration of a biological overlay. Mr. Knox said it remained a possibility but would be challenging to do on a citywide basis.

Commissioner Barnes said regarding affordable housing that flexibility was sought for the provisioning of very-low, low and moderate income affordable housing. He said the staff report asks what the percentages should be for those, should they be mixed and how that would work. He said flexibility and a mix were important. He asked if staff had considered how that would be accomplished. He asked how they could be prescriptive about what they wanted to see and still allow market forces to build what it could build at a certain time and certain equity structure.

Principal Planner Chow said the most practical way would be accomplished on a case by case basis in which each project would need to provide a certain amount of extremely low, very low, and/or moderate income. She said looking at the community amenities staff did a percentage based on the percentages in the City's Housing Element. She said they could also set percentages of types of affordable housing on a project by project basis.

Commissioner Barnes asked what those percentages were per type of income. Jim Cogan, Housing and Development Manager, said he did not have those percentages memorized but would provide the information to the Commissioner and moving forward to the City Council. He said with the General Plan allowing flexibility for affordable housing the best projects would be possible at different times and different sites. Commissioner Barnes asked if that would include different mixes as well. Mr. Cogan said the need for affordability changes. He said there's been much discussion about workforce housing or super moderate incoming housing. He said the type of income for affordable housing developers seeking tax credit financing was very prescriptive and beyond that there were not many subsidies. Commissioner Barnes asked what the variables for

flexibility were. Mr. Cogan agreed it was income mix, mixing it with market rate in a project versus doing standalone. Commissioner Barnes asked about the income categories in the Housing Element. Principal Planner Chow said those were extremely low, very low, low, and moderate. She said above moderate income was not considered affordable housing. Commissioner Barnes said the economics for a developer change whether it's within the same project or a separate project. He said he thought 1% for affordable onsite was preferable to 1% affordable in a separate or offsite as they would have very different pro-formas.

Chair Strehl said the City Council the next night would be looking at a displacement policy. She asked if it was appropriate for the Planning Commission to make a recommendation to the Council about what might be included in that policy such as developing low income housing on City property, giving more money for low income housing to nonprofits, what to do to keep residents in Menlo Park, and other funding measure to implement to insure residents particularly in Belle Haven were not pressured to find additional housing. City Attorney Leigh Prince said technically there was no specific recommendation relative to the Council's discussion tomorrow night on the agenda. She said however that if that was folded in as part of the Commission's recommendation on the General Plan update that could occur.

Chair Strehl said another question was the issue of phasing, placing a cap on office development so housing development could keep pace, and the issue of flexible zoning to allow for micro-housing and offices around the L-S district. She asked if phasing would be a recommendation to the Council. Principal Planner Chow said that phasing was not studied in the EIR and it was not suggested as part of the project. She said there had been numerous comments regarding that and the Commission could make a recommendation that then would be provided to the City Council for consideration. Chair Strehl asked if it would be appropriate to recommend a residential parking permit program particularly in the Belle Haven area so employees were not parking in residential areas during the daytime. Principal Planner Chow said that could be folded into the discussion.

Commissioner Barnes asked what was being contemplated regarding zoning across districts in reference to Facebook's request. Principal Planner Chow said her understanding was that the property owner was seeking some greater flexibility to allow cross calculation of FARs as well as open space. She said the amount of floor area for each of those components would still need to comply with proposed maximum amounts per designated area. She said staff was willing to work with the property owner to better understand what that would be and they needed time to understand how that might affect placement of buildings in terms of setbacks and height as there were different regulations for R-MU and O districts. Commissioner Barnes asked if the gross floor area associated with each of those districts was contemplated to change. Principal Planner Chow said hypothetically if there were 10 acres of R-MU and 12-acres of O that staff would calculate office based on the 12 acres and R-MU density based on the 10 acres but the potential density and FAR could be placed anywhere on the 22 acres. Commissioner Barnes asked if this was something the applicant would work with staff on for a decision or would it come back to the Commission. Principal Planner Chow said if the Commission was interested in providing that option staff could pursue the option and see if it was something they could move forward with but if the Commission was not interested in having the flexibility for sharing calculations across zone designations, staff would provide language.

Chair Strehl asked Facebook representatives to talk about their planned corporate housing. Mr. Fergus O'Shea, Facilities Director, Facebook, said there was a need for affordable housing and short-term corporate housing. He said they considered how to provide housing without the need

for parking, and the idea for housing next to campus for employees emerged. He said regarding the number of employees that would live in such housing they had provided a number for the EIR but they had to do a Master Plan for the campus before they would have actual numbers. He confirmed for Chair Strehl that there would not be below market rate housing but they had committed to affordable and below market rate housing on the Prologis site.

Commissioner Riggs said the Circulation Element established policies and programs. He asked if any traffic mitigations were programs. He wanted to see what the City was committed to doing. Ms. Nagaya said that under Goal 1, Safety, there were programs to support the Safe Routes to School Program (1B) and the Capital Improvement Program (1C); Goal 2, Complete Streets, programs to manage neighborhood traffic (2A), development of the Transportation Master Plan (2C), maintenance and development of bike improvements (2D through 2I), Transportation Management programs to support TDM program development (2M), signal timing and working with Caltrans (2O and 2Q), and explore Caltrans relinquishment of Willow Road (2R). Commissioner Riggs asked why the City would want Caltrans to relinquish Willow Road. Ms. Nagaya said they heard many comments during the process and referred to the section between Bay Road and Bayfront Expressway, designated as State Route 114. She said the desire was to have more flexibility for the design and function of this segment in the future. She said Goal 5, Transit, collaboration programs with regional entities and Samtrans (5A and 5B); Goal 6, TDM, six different programs to support development of transportation demand management guidelines, develop a transportation management association, collaborate with employers and Commute.org; Goal 7, Parking, programs to update requirements and in-lieu fees.

Commissioner Barnes said he wanted to understand the requirement for recycled water and economic impact for developers. He asked what all City approved non-potable applications referred to. Azalea Mitch, Senior Civil Engineer, said those could include irrigation, flushing toilets and urinals, and heating/cooling. Commissioner Barnes said flexibility for housing and energy generation goals had been discussed. He asked if they had considered allowing an applicant for an over 250,000 square foot project to purchase their water from a third party or choose to build onsite but let them choose which one they want to do. Ms. Mitch said they were not connected to a recycled water source yet and it would be very challenging to purchase from a third party. She said that was a long-term option the City was evaluating as to perhaps to build a distribution system or tapping into storm water and groundwater. She said either they adopted a long-term plan or waited to do something should a water shortfall occur. Commissioner Barnes asked about the City's water system provision to the Sharon Heights Golf Course that might be replicable. Ms. Mitch said that West Bay Sanitary District partnered with the Golf Course. She said the Water District has an obligation to provide recycled water but if it cannot do that in a timely manner there was the potential to have another entity do. She said they granted West Bay the rights to provide recycled water to the Golf Course as the City's Water District is currently unable to provide it. She said they were working to see if there was an option in the M-2 area to develop a water recycle facility. She said they were evaluating bringing treated recycled water from Redwood City or Palo Alto, using groundwater / storm water, and the West Bay model for the M-2. She said they were all long-term options. She said the 250,000 square foot threshold was modeled on the City and County of San Francisco and they had analyzed how much water such a system could offset, and that with black water use 60% of the potable water use could be offset. She said San Francisco implemented this program in 2012. She said at their headquarters the recycled water accounted for 1% of their construction cost.

Chair Strehl asked if San Francisco was looking at 100% recycled water use for residential development. Ms. Mitch said anything new that was 250,000 square feet or greater was required to have its own treatment system onsite. Chair Strehl said she thought the Sobrato organization wanted relief from this requirement. Ms. Mitch said that they wanted residential to be exempt.

Commissioner Riggs said there had not been an economic study on the costs of a private treatment facility and it was difficult to make a policy on that without concrete cost expectation. Ms. Mitch said they had provided Commissioner Barnes a list of projects with onsite treatment that were done in San Francisco and more than half of those had the costs associated with them.

Commissioner Barnes asked about the name changes commented upon and the Commission's obligation about that. Principal Planner Chow said in the Land Use Element, the three new land designations for O, L-S, and R-MU were listed under Bayfront. Commissioner Barnes asked if it would be possible to crowd source for a name for the area. Principal Planner Chow said at the most recent community meeting they tried to get input on names and got some good suggestions, but she did not think there was the opportunity to vet those.

Commissioner Riggs said there seemed to be a misunderstanding that Belle Haven was going to be renamed but the M-2 was distinct from Belle Haven. Principal Planner Chow said in the staff report they wanted to clarify that the intent was not to rename the Belle Haven neighborhood but to rename the M-2 as that zoning district was becoming obsolete with the proposed changes to the O, L-S, and R-MU Districts.

Stephanie Hager, BAE Urban Economics, in reply to a question from Chair Strehl regarding the Sequoia and Ravenswood school districts that the proposed rezoning would have a \$5.5 million negative impact on them, said the analysis from an ongoing operating cost perspective found a net negative fiscal impact to the Sequoia Union school district of \$5 million. She said one important thing about that figure was it assumed the 1500 residential units that would be developed as corporate housing for Facebook employees would generate students. She said as that discussion among City staff and Facebook has progressed they have added to their analysis to show what the impact would be if those units did not generate students, and the impact was about \$1.6 million. She said there would be no net impact cost for the Ravenswood School District, a revenue limit district, in terms of ongoing operating costs as the state adjusts revenues to that District to account for any changes in the District's property tax funding. She said from a capital cost perspective it was more complicated to project what the impacts would be. She said district capital costs were funded through a combination of developer fees and state and local bonds.

Commissioner Riggs noted the massive undertaking the project had been and the very good work done to incorporate community input into it. He said his issue with the project was the same he had with the Specific Plan and that was for the City to take ownership to mitigate traffic impacts that resulted from the development goals set. He said the most significant objection to renewal was that development would force traffic through the neighborhoods. He said that did not contribute to the quality of life and was not a benefit to the City. He said it would be a detriment to have the renewal of development and not improve the infrastructure. He said this project on a larger scale had more traffic, more neighbor complaints from the Willows and Belle Haven and challenges at peak hours for residents of Lorelei Manor and Suburban Park. He said Facebook had committed to handling its traffic impacts and has. He said it was a good plan except for one key element and that had to do with traffic and having mitigations to make it work. He said the conclusion he was looking for was a higher level of certainty that they would have the

transportation infrastructure needed when the 2.3 million square feet was built. He said they needed programs that would fund alternative transportation. He said the City could and must identify concrete plans that would work and that they would fund with the assistance of state and federal funding. He said he would need revisions to the Circulation Element to include programs that would identify and fund systems. He said these projects had to be initiated with a time line. He suggested requiring milestones for the enactment of the Plan and those would be tied to creation of transportation alternatives such as the reinventing of Dumbarton rail as light rail. He said it could also be tied to housing milestones so that so many square feet could be built as long as so many residential units had been built first.

Commissioner Kahle said some speakers indicated this was not ready to move on, noting the Refuge and Sierra Club speakers. He said the revisions noted in Errata #2 seemed satisfactory to allay those concerns. He said Commissioner Riggs made good points about transportation. He said he however could make a recommendation to move the project forward to the City Council.

Commissioner Barnes said he agreed with Commissioner Kahle and noted a tremendous amount of work had been done. He said the development in the M-2 shouldn't conflate with the current regional issues. He said there were things the City could control and others that needed regional work. He said the only way to move forward was to signal Menlo Park's commitment to the exhaustive Circulation Element and that worked hand in hand with the regional entities. He said there were specifics they needed to work through but on the whole he could recommend moving forward to the City Council.

Chair Strehl said she had been in the business of transportation most of her life and Menlo Park had not shown leadership in this area. She said also the City's influence on the regional entities was not necessarily significant. She asked Commissioner Riggs if he could move forward on the Plan absent the Circulation Element. Commissioner Riggs said certainly for the EIR with the corrections received. He said the zoning set rules and he thought they had worked through those very well. He said that while the rules looked good his feeling was they could not let anything be built yet as the transportation infrastructure was not there. He said despite the good will and excellent work done on the project he had no faith that any general fund money would be spent or staff time on moving forward to a new kind of transit. He said the City had to lobby the state and other agencies. He said if they had a commitment to alternative transit they should try for a bond effort. He suggested pausing the General Plan amendment for a few weeks and looking at putting the commitment to infrastructure in place.

Mr. Knox said that Commissioner Riggs had made a recommendation and suggested that he might recommend a funding mechanism to consider, the type of milestones and the timeframe for those he wished to include. He suggested the recommendation to Council might be that the project is ready except for the Circulation Element and that needed a funding mechanism and identification of what infrastructure would be funded. Chair Strehl said that she believed Commissioner Riggs and she wanted to apply leverage before the plan moved ahead so the infrastructure identification and the commitment it was in the project rather than a recommendation to Council who could choose to disregard it.

Commissioner Barnes said there were issues the City controlled and those it did not. He said it seemed equally that there was distrust as to whether the City was going to do what it said it would do in addition to the regional part. He said Commissioner Riggs well articulated the regional challenges and how fraught with lack of success it had been in the past. He said it would be easier

for him if there was a separation between the things the City of Menlo Park was being asked to do and execute specific programs within it and that the regional parts be separate knowing how challenging that could be. He said mixing those two created time horizons that got blurry and did not match up. He said if it was about the City executing improvements he would support setting up the measurements for that. Commissioner Riggs said he thought it would take several weeks to identify the commitments and measurements for that. He said the General Plan amendment could either move forward or it could wait a few weeks so the Circulation Element became something more robust and specific.

ACTION: Motion and second (Kahle/Barnes) to make a recommendation to the City Council to approve the General Plan and to use all means possible within Menlo Park's influence to push regional transportation solutions forward; 2-2 with Commissioner Kahle and Barnes supporting and Commissioners Riggs and Strehl opposed.

Chair Strehl said regardless of whether they recommended the item to move forward or not that it would be on the City Council's agenda on November 15 and they could do what they chose to do without the Commission's recommendation. Principal Planner Chow said the City Council's schedule was to consider the General Plan Update on their November 15, 2016 agenda.

Chair Strehl said the Commission's action at this point was they had no recommendation to the Council.

ACTION: Motion and second (Riggs/Strehl) to make a recommendation to the City Council that the Plan process be continued to create a more robust and specific set of programs aimed at identifying the systems and funding for local and regional transportation alternatives; 2-2 Commissioners Riggs and Strehl supporting and with Commissioner Kahle and Barnes opposed.

Chair Strehl said the biggest problem she had with the project was the Circulation Element and the fact they had no identified programs and projects that would advance infrastructure improvements in the nearer term rather than the long term. She said for instance the City Council has considered a number of times a grade separation at Ravenswood for the railroad and only now was getting to the point hopefully have a recommendation and seek funding, which would be about \$250 million project. She said without concrete steps she was afraid nothing would get done. She said Facebook would do their parts; other developers would add shuttles, but those would not take care of the bigger transportation issues.

Commissioner Barnes noted staff had listed three things on a slide including impact fees and TIA Guidelines update and asked if those were worked on whether that would represent everything that Menlo Park could exert control on for measurement. Ms. Nagaya said the EIR acknowledged and included language recommending that the impact fee program include improvements that might be outside of the City's jurisdiction such as the Dumbarton corridor improvements and East Palo Alto improvements, and for those they would look at recouping some of the costs. She said with adoption of the impact fee program they would collect funds towards improvements of a regional nature.

Commissioner Barnes asked if the depth and scope of what was presented in the impact fee program was satisfactory and whether it was an issue of identifying enough things, or the right things, and those coming to fruition. Commissioner Riggs said there was only a minor reference to alternative and new modes of transit. He said there was nothing specific as to the Menlo Park goal

of the Dumbarton rail. He said it would be helpful for the City to rationally state what was needed and then lobby and argue for it. Chair Strehl said what was in the Circulation Element was satisfactory but it did not go far enough.

City Attorney Prince noted that it was past 11 p.m. She said currently both the motions with a 2-2 vote were essentially denials. She said the Council would receive a record of the Commission's discussion. She asked whether they might speak to the other items under consideration other than the Circulation Element.

Chair Strehl said regarding the R-MU zoning that she would like some flexibility in the wording for the BMR housing and for the developer to have the flexibility to construct it offsite in another area either adjacent to their property or elsewhere in the City. Principal Planner Chow said that was how it was written for the R-MU zoning designation and it has no prohibition of where BMR housing could be – it could be standalone, integrated, adjacent, onsite and offsite. Commissioner Barnes suggested that if it was allowed offsite that it be required to have a higher percentage of affordable housing in it. Chair Strehl said she would prefer to keep it as recommended. Commissioner Riggs said if it was being built by a nonprofit that federal funding had certain income requirements. Mr. Knox said the federal low income tax credit relied on a project that was entirely or mostly entirely below market rate. He said there was a state low income tax credit that was slightly more favorable.

Commissioner Barnes recommended they follow the Housing Element for a benchmark for the mix in affordable housing for it to be extremely low, very low, low and moderate income. Commissioner Riggs said he agreed. Commissioner Barnes said there was flexibility for how the affordable housing was accomplished. Chair Strehl noted there was consensus for that recommendation.

Chair Strehl said regarding the recycled water requirement for projects larger than 250,000 square feet that she would not like residential development included as it might discourage that development. Commissioner Barnes said he thought it should be required for residential development of that size as well as for commercial development. He said he would not remove R-MU from that requirement. Commissioner Kahle said he agreed with Commissioner Barnes. Commissioner Riggs said he agreed with Commissioners Kahle and Barnes.

Chair Strehl asked if there was flexibility under the design standards. Principal Planner Chow said with a use permit or a conditional use permit the Commission would be able to waive any of the design standards.

ACTION: Motion and second (Barnes/Strehl) to make a recommendation to the City Council for the TIA Guidelines update to occur concurrent with the Transportation Master Plan in 2017 given the importance of transportation; passes 4-0.

ACTION: Motion and second (Strehl/Barnes) to make a recommendation to the City Council as part of the Circulation Element that the Council consider establishing a residential parking permit program specifically in the Belle Haven neighborhood to discourage employee parking in the area; fails 2-2 with Commissioners Strehl and Barnes supporting, Commission Kahle opposing, and Commissioner Riggs silent. 0.

Chair Strehl said she would like a better definition of corporate housing for the City Council. City Attorney Prince said the intent was for the deed restrictions to define it and they would not get to that point before the Council meeting.

Commissioner Barnes recommended that staff look at distributing FAR across districts with the express objective to better master planning efforts by the proponent. Chair Strehl said she agreed.

Chair Strehl said they should recommend phasing of development so that housing was encouraged and housing and office development were complementary to each other. Commissioner Kahle said that staff addressed that previously and he did not think it was an issue. Commissioner Barnes said it was tricky and any mechanism to do that was cumbersome to execute. Commissioner Riggs said he thought it could be done. Commissioner Kahle said he could support the recommendation.

Chair Strehl made a recommendation that the City Council look at preventing displacement of Belle Haven residents because of the pressure for housing. Commissioner Barnes recommended that Council figure out what to do about naming of the area. Chair Strehl asked if there was support regarding displacement. Commissioner Riggs said he thought that just cause eviction and protection and some level of rent control needed to come to the City. Commissioner Kahle said he supported a study for displacement. He said transportation was the main issue and he thought bringing all these other ideas up was clouding the topic. City Attorney Prince said the issue of displacement was in the EIR being considered this evening. She said just cause eviction and rent control were not part of the items for consideration. Commissioner Riggs said he supported the Chair's recommendation. Chair Strehl noted that Commissioner Barnes' recommendation about naming was also supported.

Commissioner Riggs said he thought he could support the Plan in a matter of weeks if there was direction from Council to staff to have more specific and specifically funded systems.

Chair Strehl said they reached an impasse as Commissioner Riggs and she wanted a more specific action plan in the Circulation Element prior to the adoption of the General Plan.

H. Informational Items

H1. Future Planning Commission Meeting Schedule

- Regular Meeting: November 7, 2016
- Regular Meeting: November 14, 2016
- Regular Meeting: December 5, 2016
- Regular Meeting: December 12, 2016

I. Adjournment

Chair Strehl adjourned the meeting at 11:40 p.m.

Staff Liaison: Deanna Chow, Principal Planner

Recording Secretary: Brenda Bennett

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COMMUNITY AMENITY SURVEY RANKINGS

The following is a table of the community amenities that have been requested during the planning process; the categories and the amenities within each category are listed in order of how they were ranked by respondents at a community workshop on March 12, 2015 and in a survey that followed.

MARCH 12 WORKSHOP RANKING	ONLINE - REGISTERED RESPONDENTS	ONLINE - UNREGISTERED RESPONDENTS	PAPER - COLLECTED IN BELLE HAVEN	PAPER - MAILED IN	TOTAL SURVEYS COMBINED
22 RESPONSES	53 RESPONSES	26 RESPONSES	55 RESPONSES	60 RESPONSES	194 SURVEY RESPONSES
Transit and Transportation Improvements	Transit and Transportation Improvements	Transit and Transportation Improvements	Transit and Transportation Improvements	Transit and Transportation Improvements	Transit and Transportation Improvements
Sidewalks, lighting, and landscaping	Sidewalks, lighting, and landscaping	Sidewalks, lighting, and landscaping	Traffic-calming on neighborhood streets	Sidewalks, lighting, and landscaping	Sidewalks, lighting, and landscaping
Bike trails, paths or lanes	Bike trails, paths or lanes	Traffic-calming on neighborhood streets	Sidewalks, lighting, and landscaping	Traffic-calming on neighborhood streets	Traffic-calming on neighborhood streets
Dumbarton Rail	Traffic-calming on neighborhood streets	Bike trails, paths or lanes	Dumbarton Rail	Dumbarton Rail	Bike trails, paths or lanes
Traffic-calming on neighborhood streets	Dumbarton Rail	Dumbarton Rail	Innovative transportation solutions (i.e. personal rapid transit)	Bike trails, paths or lanes	Dumbarton Rail
Bus service and amenities	Bus service and amenities	Bus service and amenities	Bike trails, paths or lanes	Bus service and amenities	Innovative transportation solutions (i.e. personal rapid transit)
Innovative transportation solutions (i.e. personal rapid transit)	Innovative transportation solutions (i.e. personal rapid transit)	Innovative transportation solutions (i.e. personal rapid transit)	Bus service and amenities	Innovative transportation solutions (i.e. personal rapid transit)	Bus service and amenities
Community-serving Retail	Community-serving Retail	Community-serving Retail	Community-serving Retail	Community-serving Retail	Community-serving Retail
Grocery store	Grocery store	Grocery store	Grocery store	Grocery store	Grocery store
Restaurants	Restaurants	Pharmacy	Pharmacy	Pharmacy	Restaurants
Pharmacy	Pharmacy	Restaurants	Restaurants	Restaurants	Pharmacy
Bank/ATM	Bank/ATM	Bank/ATM	Bank/ATM	Bank/ATM	Bank/ATM
Jobs and Training at M-2 Area Companies	Jobs and Training at M-2 Area Companies	Jobs and Training at M-2 Area Companies	Jobs and Training at M-2 Area Companies	Jobs and Training at M-2 Area Companies	Jobs and Training at M-2 Area Companies
Job opportunities for residents	Education and enrichment programs for young adults	Job opportunities for residents	Job opportunities for residents	Job opportunities for residents	Job opportunities for residents
Education and enrichment programs for young adults	Job opportunities for residents	Education and enrichment programs for young adults	Education and enrichment programs for young adults	Education and enrichment programs for young adults	Education and enrichment programs for young adults
Job training programs and education center	Paid internships and scholarships for young adults	Job training programs and education center	Job training programs and education center	Job training programs and education center	Job training programs and education center
Paid internships and scholarships for young adults	Job training programs and education center	Paid internships and scholarships for young adults	Paid internships and scholarships for young adults	Paid internships and scholarships for young adults	Paid internships and scholarships for young adults
Social Service Improvements	Energy, Technology, and Utilities Infrastructure	Social Service Improvements	Social Service Improvements	Social Service Improvements	Social Service Improvements
Education improvements in Belle Haven	Underground power lines	Education improvements in Belle Haven	Education improvements in Belle Haven	Education improvements in Belle Haven	Education improvements in Belle Haven
Library improvements at Belle Haven	Telecommunications investment	Library improvements at Belle Haven	Medical center	Medical center	Medical center
Medical center	Incentives for private home energy upgrades, renewable energy, and water conservation	Medical center	High-Quality Affordable Housing	Senior service improvements	Library improvements at Belle Haven
Senior service improvements	Soundwalls adjacent to Highway 101	High-Quality Affordable Housing	Library improvements at Belle Haven	Library improvements at Belle Haven	High-Quality Affordable Housing
Add restroom at Onetta Harris Community Center		Senior service improvements	Senior service improvements	High-Quality Affordable Housing	Senior service improvements
Pool House remodel in Belle Haven	Social Service Improvements	Add restroom at Onetta Harris Community Center	Add restroom at Onetta Harris Community Center	Add restroom at Onetta Harris Community Center	Add restroom at Onetta Harris Community Center
High-Quality Affordable Housing	Education improvements in Belle Haven	Pool House remodel in Belle Haven	Pool House remodel in Belle Haven	Pool House remodel in Belle Haven	Pool House remodel in Belle Haven
	Library improvements at Belle Haven				
Energy, Technology, and Utilities Infrastructure	Medical center	Energy, Technology, and Utilities Infrastructure	Energy, Technology, and Utilities Infrastructure	Energy, Technology, and Utilities Infrastructure	Energy, Technology, and Utilities Infrastructure
Underground power lines	Senior service improvements	Underground power lines	Incentives for private home energy upgrades, renewable energy, and water conservation	Underground power lines	Underground power lines
Telecommunications investment	High-Quality Affordable Housing	Telecommunications investment	Underground power lines	Incentives for private home energy upgrades, renewable energy, and water conservation	Incentives for private home energy upgrades, renewable energy, and water conservation
Incentives for private home energy upgrades, renewable energy, and water conservation	Pool House remodel in Belle Haven	Incentives for private home energy upgrades, renewable energy, and water conservation	Telecommunications investment	Telecommunications investment	Telecommunications investment
Soundwalls adjacent to Highway 101	Add restroom at Onetta Harris Community Center	Soundwalls adjacent to Highway 101	Soundwalls adjacent to Highway 101	Soundwalls adjacent to Highway 101	Soundwalls adjacent to Highway 101
Park and Open Space Improvements	Park and Open Space Improvements	Park and Open Space Improvements	Park and Open Space Improvements	Park and Open Space Improvements	Park and Open Space Improvements
Bedwell Bayfront Park improvements	Bedwell Bayfront Park improvements	Bedwell Bayfront Park improvements	Tree planting	Bedwell Bayfront Park improvements	Tree planting
Tree planting	Tree planting	Tree planting	Community garden(s)	Tree planting	Bedwell Bayfront Park improvements
Dog park	Dog park	Dog park	Dog park	Community garden(s)	Community garden(s)
Community garden(s)	Community garden(s)	Community garden(s)	Bedwell Bayfront Park improvements	Dog park	Dog park

WHERE SURVEY RESPONDENTS LIVE:

Neighborhood/City					
Belle Haven	136	Pine Forest	1	Palo Alto/ East Palo Alto	2
Central Menlo	1	West Menlo	2	Gilroy	1
Downtown	2	Willows/Willow Road	7	Linfield Oaks	1
East Menlo Park	3	Flood Park	1	Undisclosed	37
				TOTAL	194

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Section 16.XX.050 Development Regulations (R-MU District)

Regulation	Definition	Base level	Bonus level	Notes/Additional Requirements
<u>Maximum Height</u>	<u>Height is defined as average height of all buildings on one site under one development application, where a maximum height cannot be exceeded. Maximum building height not including does not include roof-mounted equipment and utilities.</u>	<u>Maximum height: 40 feet</u> <u>Height: 35 feet</u>	<u>Maximum height: 70 feet</u> <u>Height: 3.5 stories</u>	<u>For calculation purposes, a story is defined as 15 feet.</u> A parapet used to screen mechanical equipment is not included in the maximum height. The maximum allowed height for rooftop mechanical equipment is 14 feet, except for elevator towers and associated equipment, which may be 20 feet. Properties within the flood zone or subject to flooding and sea level rise are allowed a 10-foot height increase. Bonus level development on Jefferson Drive, Constitution Drive or Independence Drive is allowed to be a maximum height of 85 feet (up to 7 stories).

Section 16.XX.050 Development Regulations (O District)

Regulation	Definition	Base level	Bonus level	Notes/Additional Requirements
<u>Maximum Height</u>	<u>Height is defined as average height of all buildings on one site under one development application, where a maximum height cannot be exceeded. Maximum building height not including does not include roof-mounted equipment and utilities.</u>	<u>Maximum height: 35 feet; hotels: 110 feet and 10 stories</u> <u>Height: 35 feet, except hotels</u>	<u>Maximum height: 110 feet and 6 stories</u> <u>Height: 4.5 stories, except hotels</u>	<u>For calculation purposes, a story is defined as 15 feet.</u> A parapet used to screen mechanical equipment is not included in the maximum height. The maximum allowed height for rooftop mechanical equipment is 14 feet, except for elevator towers and associated equipment, which may be 20 feet. Properties within the flood zone or subject to flooding and sea level rise are allowed a 10-foot height increase.

<i>Average height</i>	The average of building heights on one site under one development application that cannot be exceeded.	35 feet, except hotels	4.5 stories except hotels	For calculation purposes, a story is defined as 15 feet.
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Section 16.XX.050 Development Regulations (LS District)

<i>Regulation</i>	<i>Definition</i>	<i>Base level</i>	<i>Bonus level</i>	<i>Notes/Additional Requirements</i>
<i>Maximum h-Height</i>	<u>Height is defined as average height of all buildings on one site under one development application, where a maximum height cannot be exceeded. Maximum building height not including does not include roof-mounted equipment and utilities.</u>	<u>Maximum height: 35 feet</u> <u>Height: 35 feet</u>	<u>Maximum height : 110 feet (6 stories)</u> <u>Height: 4.5 stories</u>	<u>For calculation purposes, a story is defined as 15 feet.</u> A parapet used to screen mechanical equipment is not included in the maximum height. The maximum allowed height for rooftop mechanical equipment is 14 feet, except for elevator towers and associated equipment, which may be 20 feet. Properties within the flood zone or subject to flooding and sea level rise are allowed a 10-foot height increase.
<i>Average height</i>	The average of building heights on one site under one development application that cannot be exceeded.	35 feet	4.5 stories	For calculation purposes, a story is defined as 15 feet.

16.XX.140 Green and sustainable building. (In the O, LS, and R-MU districts)

16.XX.010 Green and sustainable building.

In addition to meeting all applicable regulations specified in Municipal Code Title 12 (Buildings and Construction), the following provisions shall apply to projects. Implementation of these provisions may be subject to separate discretionary review and environmental review pursuant to the California Environmental Quality Act.

(1) Green building.

- (A) Any new construction, addition or alteration of a building shall be required to comply with tables 16.XX.010.A, 140(1)(B) and 16.XX.140(1)(C).

(2) Energy.

- (A) For all new construction, the project will meet one hundred percent (100%) of energy demand (electricity and natural gas) through any combination of the following measures:

- (i) On-site energy generation;
- (ii) Purchase of one hundred percent (100%) renewable electricity through Peninsula Clean Energy or Pacific Gas and Electric Company in an amount equal to the annual energy demand of the project;
- (iii) Purchase and installation of local renewable energy generation within the City of Menlo Park in an amount equal to the annual energy demand of the project;
- (iv) Purchase of certified renewable energy credits and/or certified renewable energy off-sets annually in an amount equal to the annual energy demand of the project.

If a local amendment to the California Energy Code is approved by the California Energy Commission (CEC), the following provision becomes mandatory:

The project will meet one hundred percent (100%) of energy demand (electricity and natural gas) through a minimum of 30% of the maximum feasible on-site energy generation, as determined by an On-Site Renewable Energy Feasibility Study and any combination of measures ii to iv above. The On-Site Renewable Energy Feasibility Study shall demonstrate the following cases at a minimum: 1. Maximum on-site generation potential. 2. Solar feasibility for roof and parking areas (excluding roof mounted HVAC equipment). 3. Maximum solar generation potential solely on the roof area.

- (B) Alterations and/or additions of 1,001 square feet or larger where the building owner elects to update the core and shell through the option presented in tables 16.XX.140(1)(B) and 16.XX.140(1)(C):

The project will meet one hundred percent (100%) of energy demand (electricity and natural gas) through any combination of measures i to iv listed in 16.XX.0140(2)(A).

- ~~(A) Except for a multi-family residential unit less than 2,000 square feet, all new construction will meet one hundred percent (100%) of energy demand (electricity and natural gas) through on-site generation as required in tables 16.XX.010.A and 16.XX.010.B, and any combination of the following measures:~~

- ~~(i) Purchase of one hundred percent (100%) renewable electricity through Peninsula Clean Energy or Pacific Gas and Electric Company in an amount equal to the annual energy demand of the project;~~
- ~~(ii) Purchase and installation of local renewable energy generation within the City of Menlo Park in an amount equal to the annual energy demand of the project;~~
- ~~(iii) Purchase of certified renewable energy credits annual in an amount equal to the annual energy demand of the project.~~

(3) Water use efficiency and recycled water.

- (A) Single pass cooling systems shall be prohibited in all new buildings.
- (B) All new buildings shall be built and maintained without the use of well water.
- (C) Applicants for a new building(s) one hundred thousand (100,000) square feet or more in gross floor area shall prepare and submit a proposed water budget and accompanying calculations following the methodology approved by the City. For all new buildings two hundred and fifty (250,000) square feet or more in gross floor area, the water budget shall account for the potable water demand reduction resulting from the use of an alternative water source for all City approved non-potable applications. The water budget and calculations shall be reviewed and approved by the City's Public Works Director prior to certification of occupancy. Twelve (12) months after the date of the certification of occupancy, the building owner shall submit data and information sufficient to allow the City to compare the actual water use to the allocation in the approved water budget. In the event that actual water consumption exceeds the water budget, a water conservation program, as approved by the City's Public Works Director, shall be implemented. Twelve (12) months after City approval of the water conservation program, the building owner shall submit data and information sufficient to allow the City to determine compliance with the conservation program. If water consumption exceeds the budgeted amount, the City's Public Works Director may prohibit the use of water for irrigation or enforce compliance as an infraction pursuant to Chapter 1.12 of the Municipal Code until compliance with the water budget is achieved.
- (D) All new buildings shall be dual plumbed for the internal use of recycled water.
- (E) All new buildings two hundred and fifty (250,000) square feet or more in gross floor area shall use an alternate water source for all City approved non-potable applications. An alternative water source may include, but is not limited to, treated non-potable water such as graywater. An Alternate Water Source Assessment shall be submitted that describes the alternative water source and proposed non-potable application. Approval of the Alternate Water Source Assessment, the alternative water source and its proposed uses shall be approved by the City's Public Works Director and Community Development Director. If the Menlo Park Municipal Water District has not designated a Recycled Water Purveyor and/or municipal recycled water source is not available prior to planning project approval, applicants may propose conservation measures to meet the requirements of this section subject to approval of the City Council. The conservation measures shall achieve a reduction in potable water use equivalent to the projected demand of City approved non-potable applications, but in no case shall the reduction be less than 30 percent compared to the water budget in Section C. The conservation measures may include on-site measures, off-site measures or a combination thereof.

- (F) Potable water shall not be used for dust control on construction projects.
- (G) Potable water shall not be used for decorative features, unless the water recirculates.

TABLE 16.XX.140(1)(B): RESIDENTIAL GREEN BUILDING REQUIREMENTS						
	NEW CONSTRUCTION			ADDITIONS AND/OR ALTERATIONS		
Green Building Requirement	10,000 sq. ft. – 25,000 sq. ft.	25,001 sq. ft. – 100,000 sq. ft.	100,001 sq. ft. and above	1 sq. ft. to 1,000 sq. ft. of conditioned area, volume or size	1,001 sq. ft. – 25,000 sq. ft. of conditioned area, volume or size	25,001 sq. ft. and above of conditioned area, volume or size
Green Building	Designed to meet LEED Silver BD+C*	Designed to meet LEED Silver BD+C*	Designed to meet LEED Gold BD+C*	CALGreen Mandatory	Designed to meet LEED Silver ID+C * <u>or update core and shell of entire building to current California Energy Code**** and meet section 16.xx.140(2)(B).</u>	Designed to meet LEED Gold ID+C * <u>or update core and shell of entire building to current California Energy Code**** and meet section 16.xx.140(2)(B).</u>
Electrical Vehicle (EV) Chargers	<u>Pre-Wire**</u> • Minimum of 5% of total required number of parking stalls. AND <u>Install EV Chargers***</u> • Minimum of 2 in the pre-wire locations.	<u>Pre-Wire**</u> • Minimum of 5% of total required number of parking stalls. AND <u>Install EV Chargers***</u> • Minimum total of 2 plus 1% of the total parking stalls in the pre-wire locations.	<u>Pre-Wire**</u> • Minimum of 5% of total required number of parking stalls. AND <u>Install EV Chargers***</u> • Minimum total of 6 plus 1% of the total parking stalls in the pre-wire locations.	N/A (Voluntary)	N/A (Voluntary)	N/A (Voluntary)
On-Site Energy Generation	Minimum of 30% of maximum extent feasible as determined by the On-Site Renewable Energy Feasibility Study****	Minimum of 30% of maximum extent feasible as determined by the On-Site Renewable Energy Feasibility Study****	Minimum of 30% of maximum extent feasible as determined by the On-Site Renewable Energy Feasibility Study****	N/A (Voluntary)	N/A (Voluntary)	N/A (Voluntary)
Energy Reporting	Enroll in EPA Energy Star Building Portfolio Manager and submit documentation of compliance as required by the City.	Enroll in EPA Energy Star Building Portfolio Manager and submit documentation of compliance as required by the City.	Enroll in EPA Energy Star Building Portfolio Manager and submit documentation of compliance as required by the City.	Enroll in EPA Energy Star Building Portfolio Manager and submit documentation of compliance as required by the City.	Enroll in EPA Energy Star Building Portfolio Manager and submit documentation of compliance as required by the City.	Enroll in EPA Energy Star Building Portfolio Manager and submit documentation of compliance as required by the City.

*Designed to meet LEED standards is defined as follows: a) Applicant must submit appropriate LEED checklist and verifying cover letter from a project LEED AP with the project application and b) Applicant must complete all applicable LEED certification documents prior to approval of the final inspection for the building permit to be reviewed either for LEED certification or for verification by a third party approved by the City for which the applicant will pay for review and/or certification.

**Pre-wire is defined as conduit and wire installed from electrical panel board to junction box at parking stall, with sufficient electrical service to power chargers at all pre-wire locations.

***Charger is defined as follows: One electric vehicle (EV) charger or charger head reaching each designated EV parking stall and delivering a minimum of 240 V and 40 AMPs such that it can be used by all electric vehicles.

****Building owners may choose to have additions and/or alterations follow the LEED ID+C path, or alternatively building owners may upgrade the entire existing buildings' core and shell to the current California Energy Code standards and follow the City's requirements listed in section 16.xx.140.(2).(B). If the building owner chooses to upgrade the entire building's core and shell to current California Energy Code standards and follow the City's requirements listed in section 16.xx.140.(2).(B), additions and alterations of that building will be exempt from the LEED ID+C requirement for three code update cycles beginning with the upgrade cycle and ending with the two cycles following the upgrade cycle. If this option is selected by the applicant, the building must upgrade to the Energy Code in effect at the time of the first building permit application for interior alteration and/or additions. Building permits for the core and shell upgrade must be initiated, and satisfactory progress must be made on the core and shell upgrade project before occupancy for the additions and/or alterations shall be granted by the City's Building Department. If the building fails to complete these core and shell upgrades within one year of permit initiation, or receive a written letter from the Community Development Director or his/her designee extending the deadline, the building owner shall be subject to typical permit violation penalties, including but not limited to Stop Work Orders on any construction on the subject property, fines, and legal action.

**** On-Site Renewable Energy Feasibility Study shall demonstrate the following cases at a minimum: 1. Maximum on-site generation potential. 2. Solar feasibility for roof and parking areas (excluding roof mounted HVAC equipment). 3. Maximum solar generation potential solely on the roof area.

TABLE 16.XX.140(1)(C): NON-RESIDENTIAL GREEN BUILDING REQUIREMENTS

	NEW CONSTRUCTION			ADDITIONS AND/OR ALTERATIONS		
Green Building Requirement	10,000 sq. ft. – 25,000 sq. ft.	25,001 sq. ft. – 100,000 sq. ft.	100,001 sq. ft. and above	1 sq. ft. – 1,000 sq. ft. of conditioned area, volume or size	1,001 sq. ft.– 25,000 sq. ft. of conditioned area, volume or size	25,001 sq. ft. and above of conditioned area, volume or size
Green Building	Designed to meet LEED Silver BD+C *	Designed to meet LEED Silver BD+C *	Designed to meet LEED Gold BD+C *	CALGreen Mandatory	Designed to meet LEED Silver ID+C * <u>or update core and shell of entire building to current California Energy Code**** and meet section 16.xx.140(2)(B)</u>	Designed to meet LEED Gold ID+C * <u>or update core and shell of entire building to current California Energy Code**** and meet section 16.xx.140(2)(B)</u>
Electric Vehicle (EV) Chargers	<p><u>Pre-Wire**</u></p> <ul style="list-style-type: none"> • Minimum of 5% of total required number of parking stalls. <p>AND</p> <p><u>Install EV Chargers***</u></p> <ul style="list-style-type: none"> • Minimum of 2 in the pre-wire locations. 	<p><u>Pre-Wire**</u></p> <ul style="list-style-type: none"> • Minimum of 5% of total required number of parking stalls. <p>AND</p> <p><u>Install EV Chargers***</u></p> <ul style="list-style-type: none"> • Minimum total of 2 plus 1% of the total parking stalls in the pre-wire locations. 	<p><u>Pre-Wire**</u></p> <ul style="list-style-type: none"> • Minimum of 5% of total required number of parking stalls. <p>AND</p> <p><u>Install EV Chargers***</u></p> <ul style="list-style-type: none"> • Minimum total of 6 plus 1% of the total parking stalls in the pre-wire locations. 	N/A (Voluntary)	<p><u>Pre-Wire**</u></p> <ul style="list-style-type: none"> • Minimum of 5% of total required number of parking stalls. <p>AND</p> <p><u>Install EV Chargers***</u></p> <ul style="list-style-type: none"> • Minimum of 2 chargers in the pre-wire locations. 	<p><u>Pre-Wire**</u></p> <ul style="list-style-type: none"> • Minimum of 5% of total required number of parking stalls. <p>AND</p> <p><u>Install EV Chargers***</u></p> <ul style="list-style-type: none"> • Minimum total of 2 plus 1% of the total parking stalls in the pre-wire locations).
On-Site Energy Generation	Minimum of 30% of maximum extent feasible as determined by the On-Site Renewable Energy Feasibility Study****	Minimum of 30% of maximum extent feasible as determined by the On-Site Renewable Energy Feasibility Study****	Minimum of 30% of maximum extent feasible as determined by the On-Site Renewable Energy Feasibility Study****	N/A (Voluntary)	N/A (Voluntary)	N/A (Voluntary)
Energy Reporting	Enroll in EPA Energy Star Building Portfolio Manager and submit documentation of compliance as	Enroll in EPA Energy Star Building Portfolio Manager and submit documentation of compliance as	Enroll in EPA Energy Star Building Portfolio Manager and submit documentation of compliance as	Enroll in EPA Energy Star Building Portfolio Manager and submit	Enroll in EPA Energy Star Building Portfolio Manager and submit documentation of compliance as required	Enroll in EPA Energy Star Building Portfolio Manager and submit documentation of compliance as required by the City.

	required by the City.	required by the City.	required by the City.	documentation of compliance as required by the City.	by the City.	
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*Designed to meet LEED standards is defined as follows: a) Applicant must submit appropriate LEED checklist and verifying cover letter from a project LEED AP with the project application and b) Applicant must complete all applicable LEED certification documents prior to approval of the final inspection for the building permit to be reviewed either for LEED certification or for verification by a third party approved by the City for which the applicant will pay for review and/or certification.

**Pre-wire is defined as conduit and wire installed from electrical panel board to junction box at parking stall, with sufficient electrical service to power chargers at all pre-wire locations.

***Charger is defined as follows: One electric vehicle (EV) charger or charger head reaching each designated EV parking stall and delivering a minimum of 240 V and 40 AMPs such that it can be used by all electric vehicles.

****Building owners may choose to have additions and/or alterations follow the LEED ID+C path, or alternatively building owners may upgrade the entire existing buildings' core and shell to the current California Energy Code standards and follow the City's requirements listed in section 16.xx.140.(2).(B). If the building owner chooses to upgrade the entire building's core and shell to current California Energy Code standards and follow the City's requirements listed in section 16.xx.140.(2).(B), additions and alterations of that building will be exempt from the LEED ID+C requirement for three code update cycles beginning with the upgrade cycle and ending with the two cycles following the upgrade cycle. If this option is selected by the applicant, the building must upgrade to the Energy Code in effect at the time of the first building permit application for interior alteration and/or additions. Building permits for the core and shell upgrade must be initiated, and satisfactory progress must be made on the core and shell upgrade project before occupancy for the additions and/or alterations shall be granted by the City's Building Department. If the building fails to complete these core and shell upgrades within one year of permit initiation, or receive a written letter from the Community Development Director or his/her designee extending the deadline, the building owner shall be subject to typical permit violation penalties, including but not limited to Stop Work Orders on any construction on the subject property, fines, and legal action.

****On-Site Renewable Energy Feasibility Study shall demonstrate the following cases at a minimum: 1. Maximum on-site generation potential. 2. Solar feasibility for roof and parking areas (excluding roof mounted HVAC equipment). 3. Maximum solar generation potential solely on the roof area.

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Table 39 D: Projected Annual Impacts of the Project to the Ravenswood City Elementary School District at Buildout, 1,500 Units of Employee Housing Omitted from Student Generation Calculations

Project	Existing General Plan Development Potential (a)	Proposed M-2 Area Changes	Total (b)
Net Fiscal Impact to District	\$0	\$0	\$0
Projected Annual Property Tax Revenues	\$3,416,262	\$12,435,415	\$15,851,677
Change in Annual Revenues from ADA (c)	(\$2,373,862)	\$3,903,985	\$1,530,123
Less: Projected Annual Expenditures	(\$1,042,400)	(\$16,339,400)	(\$17,381,800)
Net Increase in Residential Units (d)	142	2,064	2,206
Multifamily	108	2,064	2,172
Single-Family	34	0	34
Net Increase in Students	74	1,156	1,230
Net Increase in Assessed Value (e)	\$1,044,632,935	\$3,802,531,958	\$4,847,164,894
Base 1% Property Tax	\$10,446,329	\$38,025,320	\$48,471,649
Assumptions			
Ravenswood Elementary School District Share of Base 1% Property Tax (f)			32.7%
Student Generation Rate			
Multifamily			0.56
Single-Family			0.39
Expenditures			
FY 15-16 Budget			\$46,522,928
2015-16 Estimated ADA			3,291
Average Cost per Student			\$14,136

Notes:

- (a) Existing General Plan Buildout Potential is the same for the Project and both alternatives.
- (b) Total = Existing General Plan Development Potential + Proposed M-2 Area Changes.
- (c) Ravenswood Elementary is a Revenue Limit District, which means that the district receives an allotted amount of State Aid per student and any changes in the amount of property tax revenues per student lead to an adjustment in State aid to maintain the allotted amount of per-student revenue received by the District.
- (d) Net increase in residential units from the ConnectMenlo DEIR.
- (e) Net increase in assessed value is based on the total increase in assessed value of each land use from the Project and Alternatives, as shown in Table 14, and the share of development of each land use that is expected to occur in the school district.
- (f) Figure represents the Ravenswood ESD share of the base 1.0% property tax across all TRAs in Menlo Park that are within the Ravenswood ESD boundaries.
- Sources: Ravenswood Elementary School District, 2015; BAE, 2016.

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MEMORANDUM

DATE October 24, 2016
 TO Deanna Chow, Principal Planner
 FROM Terri McCracken, Senior Associate
 SUBJECT ConnectMenlo EIR Errata #2

This errata provides edits that further clarify the requirements of the site-specific Baseline Biological Resources Assessment (BRA) required under Mitigation Measure BIO-1 as shown in Chapter 2, Executive Summary, and Chapter 3, Revisions to the Draft EIR, of the Response to Comments Document. The primary confusion over revisions to Mitigation Measure BIO-1 stem from the specified distance (10 feet) applied from a site proposed for development when it is “adjacent” to undeveloped natural habitat, which would trigger the required preparation of a BRA. The intent of the recommendation was to ensure that a detailed specific baseline assessment would be required whenever sensitive biological resources could be directly or indirectly affected by proposed development. The distance for when a sensitive biological resource could be substantially affected varies based on a number of factors, including the nature of the proposed development and particular biological resource. These would be considered by the qualified biologist during preparation of the BRA, and appropriate recommendations made based on their professional judgment. As called for in Mitigation Measure BIO-1, an independent peer review of the BRA could be required to confirm its adequacy. Removing the specified distance for triggering a BRA and utilizing the term “adjacent” as is current practice in the City’s Municipal Code would better implement the recommended mitigation and ensure that assessments would be prepared any time sensitive biological resources could be affected.

To indicate when revisions have been made to Mitigation Measure BIO-1, underline text represents language that was added to the Response to Comments Chapter; text with ~~striketrough~~ has been deleted from the Response to Comments Chapter. As shown below **bold** text represents text that has been added to the EIR; and text with ~~striketrough~~ has been deleted from the EIR. None of the revisions constitutes significant new information as defined in CEQA Guidelines Section 15088.5; therefore, the Draft EIR does not need to be recirculated.

The following text on pages 2-12 through 2-14 of Chapter 2, Executive Summary, and pages 3-8 and 3-9 of Chapter 3, Revisions to the Draft EIR, of the Response to Comments Document is hereby amended as follows:

The following text starting on page 3-36 and ending on page 3-37 of Chapter 3, Revisions to the Draft EIR, of the Response to Comments Document is hereby amended as follows:

Mitigation Measure BIO-1: ~~Prior to individual project approval, the City shall require project applicants to prepare and submit project-specific baseline biological resources assessments on sites containing natural habitat with features such as mature and native trees or unused structures that could support special status species and other sensitive biological resources, and common birds protected under Migratory Bird Treaty Act (MBTA). The baseline biological resources assessment shall be prepared by a qualified biologist. The biological resource assessment shall provide a determination on whether any sensitive biological resources are present on the property, including jurisdictional wetlands and waters, essential habitat for special status species, and sensitive natural communities. If sensitive biological resources are determined to be present, appropriate measures, such as preconstruction surveys, establishing no-disturbance zones during construction, and applying bird safe building design practices and materials, shall be developed by the qualified biologist to provide adequate avoidance or compensatory mitigation if avoidance is infeasible. Where jurisdictional waters or federally and/or State listed special status species would be affected, appropriate authorizations shall be obtained by the project applicant, and evidence of such authorization provided to the City prior to issuance of grading or other construction permits. An independent peer review of the adequacy of the biological resource assessment may be required as part of the CEQA review of the project, if necessary, to confirm its adequacy. As part of the discretionary review process for development projects on sites in the M-2 Area, the City shall require all project applicants to prepare and submit project-specific baseline biological resources assessments (BRA) if the project would occur on or within 10 feet of a site(s) or adjacent to a parcel containing natural habitat with features such as mature and native trees, or unused structures that could support special status bat species, and other sensitive biological resources, and/or active nests of common birds protected under the Migratory Bird Treaty Act (MBTA). Sensitive biological resources triggering the need for the baseline BRA may include: wetlands, occurrences or suitable habitat for special status species, sensitive natural communities, and important movement corridors for wildlife such as creek corridors and shorelines. The baseline BRA shall be prepared by a qualified biologist. The baseline BRA shall provide a determination on whether any sensitive biological resources are present on the site or within 10 feet of the property, including jurisdictional wetlands and waters, essential habitat for special status species, and sensitive natural communities. The baseline BRA shall include consideration of possible sensitive biological resources on any adjacent undeveloped lands that could be affected by the project within 10 feet of the property as well, particularly lands of the Don Edwards San Francisco Bay National Wildlife Refuge (Refuge). The baseline BRA shall incorporate guidance from relevant regional conservation plans, including, but not limited to, the then current *Don Edwards San Francisco Bay Northwest Regional Comprehensive Plan, South Bay Salt Pond Restoration Project, Tidal Marsh Recovery Plan*, for determining the potential presence or~~

absence of sensitive biological resources. If sensitive biological resources are determined to be present on the site or may be present on any adjacent parcel containing natural habitat, appropriate measures, such as preconstruction surveys, establishing no-disturbance zones during construction, **development setbacks and restrictions**, and applying bird-safe building design practices and materials, shall be developed by the qualified biologist to provide adequate avoidance or compensatory mitigation if avoidance is infeasible. **The qualified biologist shall make reasonable efforts to consult with the Refuge management for determining the potential presence or absence of sensitive biological resources and appropriate avoidance or compensatory mitigation measures, if required.** Where jurisdictional waters or federally and/or State-listed special-status species would be affected, appropriate authorizations shall be obtained by the project applicant, and evidence of such authorization provided to the City prior to issuance of grading or other construction permits. For ~~sites~~ ~~properties~~ that are **adjacent to** ~~within 10 feet of~~ undeveloped lands, ~~particularly permanent open space lands~~ of the Refuge, this shall include consideration of the potential effects of additional light, glare, and noise generated by the project, as well as the possibility for increased activity from humans and/or domesticated pets and their effects on the nearby natural habitats. The City of Menlo Park Planning Division may require an independent peer review of the adequacy of the baseline BRA as part of the review of the project to confirm its adequacy. Mitigation measures identified in the project-specific BRA shall be incorporated as a component of a proposed project and subsequent building permit, subject to the review and approval of the Community Development Department.

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