



## SPECIAL MEETING AGENDA

**Date:** 6/29/2016  
**Time:** 5:30 p.m.  
**City Hall/Administration Building**  
**City Council Conference Room**  
**701 Laurel St., Menlo Park, CA 94025**

### A. Call To Order

### B. Roll Call

### C. Public Comment

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

### D. Consent Calendar

- D1. Approve minutes for the Housing Commission meeting of November 4, 2015 ([Attachment](#))
- D2. Approve minutes for the Housing Commission meeting of March 2, 2016 ([Attachment](#))
- D3. Approve minutes for the Housing Commission meeting of April 14, 2016 ([Attachment](#))
- D4. Approve minutes for the Housing Commission meeting of May 4, 2016 ([Attachment](#))

### E. Regular Business

- E1. Recommendation of a Below Market Rate Housing Agreement Term Sheet with Eggli Landscape Construction Company for 3585 Haven Avenue ([Staff Report #16-006-HC](#))
- E2. Overview of the Facebook Campus Expansion Project, the Draft Environmental Impact Report (EIR), Displacement Analysis, and Consideration of a Recommendation to the Planning Commission and City Council on the Below Market Rate (BMR) Term Sheet for the Facebook Campus Expansion Project at 301-309 Constitution Drive ([Staff Report #16-007-HC](#))

### F. Informational Items

### G. Adjournment

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

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## REGULAR MEETING MINUTES – DRAFT

**Date:** 11/4/2015  
**Time:** 5:30 p.m.  
**Administration Building**  
**701 Laurel St., Menlo Park, CA 94025**

Chair Clarke called the meeting to order at 5:33 p.m.

### Roll Call

Present: Clarke (Chair), Cadigan, Calder, Dodick, Tate

Absent: None

Staff: Cogan, Curtin, Lin

### A. Public Comment - None

### B. Regular Business

#### B1. Selection of Chair and Vice Chair

**ACTION:** Motion by Clarke, Second by Cadigan, to approve Tate as Housing Commission Chair; Motion passes; 5-0.

**ACTION:** Motion by Cadigan, Second by Calder, to approve Clarke as Housing Commission Vice Chair; Motion passes; 5-0.

#### B2. Approve the Below Market Rate In Lieu Fee Agreement Term Sheet with Pollock Realty Corporation for 1400 El Camino Real (Staff Report 15-002-HC).

Associate Planner Jean Lin provided the staff presentation. Ross Edwards from Pollock Realty Corporation presented on the project and the Below Market Rate Housing proposal.

**ACTION:** Motion by Cadigan, Second by Calder, to approve the Below Market Rate Housing In Lieu Fee Term Sheet with Pollock Realty Corporation for 1400 El Camino Real. Motion passes; 5-0.

#### B3. Approve the minutes of the January 28, 2015, Housing Commission Special Meeting.

**ACTION:** Motion by Cadigan, Second by Dodick, to approve the minutes of January 28, 2015, Housing Commission Special Meeting. Motion passes; 4-0-1 (Clarke abstain).

#### B4. Approve the minutes of the May 28, 2015, Housing Commission Special Meeting.

**ACTION:** Motion by Cadigan, Second by Dodick, to approve the minutes of the May 28, 2015, Housing Commission Regular Meeting. Motion passes; 4-0-1 (Calder abstain).

- B5. Approve the minutes of the August 5, 2015, Housing Commission Regular Meeting.

**ACTION:** Motion by Cadigan, Second by Clarke, to approve the minutes of the May 28, 2015, Housing Commission Regular Meeting. Motion passes; 3-0-2 (Dodick and Tate abstain).

**C. Reports and Announcements**

- C1. Commissioner Reports.

Cadigan remarked on information for comparison re: Redwood City Housing impact fee.

Tate reported on attending the San Mateo County Housing Leadership Day.

Curtin introduced Jim Cogan, assuming Housing Commission liaison.

Cogan announced the City received three responses to the Notice of Funding Availability (NOFA) released on July 27, 2015.

**D. Informational Items – None**

**E. Adjournment**

Chair Clarke adjourned the meeting at 6:09 p.m.



## **SPECIAL MEETING MINUTES– DRAFT**

**Date:** 3/2/2016  
**Time:** 5:30 p.m.  
**Administration Building**  
**701 Laurel St., Menlo Park, CA 94025**

### **A. Call to Order**

### **B. Roll Call**

Present: Cadigan, Calder, Clarke (Late Arrival), Dodick  
Absent: Tate (Chair)

### **C. Public Comment - None**

### **D. Regular Business**

- D1. Recommendation of a Below Market Rate Housing Agreement Term Sheet with Menlo Business Park, LLC for 1430 O'Brien Drive (Staff report # 16-001-HC)

**ACTION:** Motion by Cadigan, Second by Calder, to approve Below Market Rate Housing Agreement Term Sheet with Menlo Business Park, LLC for 1430 O'Brien Drive with a promise that staff work with applicant at the time of filing building permit/certificate of occupancy; Motion passes; 4-0.

- D2. Recommendation of a Below Market Rate Housing Agreement Term Sheet with 650 Live Oak LLC for 650-660 Live Oak Avenue (Staff report # 16-002-HC)

**ACTION:** Motion by Cadigan, Second by Clarke, to approve the Below Market Rate Housing Agreement Term Sheet with 650 Live Oak LLC for 650-660 Live Oak Avenue. Motion passes; 4-0.

- D3. Approve the Below Market Rate Housing Agreement Term Sheet with Green Heart Land Co. for 1300 El Camino Real (Staff report # 16-003-HC)

**ACTION:** Motion by Calder, Second by Cadigan, to approve the Below Market Rate Housing Agreement Term Sheet with Green Heart Land Co. for 1300 El Camino Real. Motion passes; 4-0.

- D4. Housing Element Annual report/City of Menlo Park: Opportunity to consider and provide comments and/or recommendation to the City Council on the 2015 Annual Report on the status and progress in implementing the City's Housing Element (2015-2023). Staff report #16-003-HC)

**ACTION:** Motion by Clarke, Second by Calder, to accept report. Motion passes; 4-0.

### **E. Reports and Announcements**

- E1. Commissioner Updates

- A. Report from Chair on status of General Plan Update (ConnectMenlo) (attachment)

**ACTION:** Deferred

E2. Staff Updates

- A. Oral report from Hello Housing regarding Below Market Rate Program activities

**ACTION:** Heard

**F. Informational Items**

- F1. City Council Work Plan Transmittal and Capital Improvement Program (CIP) process update (attachment)

**ACTION:** None

**G. Adjournment**

[Click here to enter text.](#)



## SPECIAL MEETING MINUTES - DRAFT

**Date:** 4/14/2016

**Time:** 5:30 pm

**City Hall/Administration Building**

**City Council Conference Room, 1st Floor**

**701 Laurel St., Menlo Park, CA 94025**

### A. Call To Order

### B. Roll Call – Cadigan, Calder, Tate (Chair)

### C. Public Comment

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### D. Regular Business

### E. Reports and Announcements

#### E1. Report from Chair on status of General Plan Update (ConnectMenlo) ([Attachment](#))

**ACTION:** No action taken. Commissioners encouraged to send individual comments to GPAC regarding any possible concerns.

### F. Adjournment

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## REGULAR MEETING MINUTES - DRAFT

**Date:** 5/4/2016  
**Time:** 5:30 p.m.  
**City Hall/Administration Building**  
**City Council Conference Room**  
**701 Laurel St., Menlo Park, CA 94025**

### A. Call To Order

### B. Roll Call

Present: Tate (Chair), Calder, McGraw-Scherer  
Absent: Dodick, Cadigan

### C. Public Comment

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### D. Consent Calendar

- D1. Approve minutes for the Housing Commission meeting of November 4, 2015 ([Attachment](#))

**ACTION:** Deferred

- D2. Approve minutes for the Housing Commission meeting of March 2, 2016 ([Attachment](#))

**ACTION:** Deferred

### E. Regular Business

- E1. Recommendation of a Below Market Rate Housing Agreement Term Sheet with Menlo Business Park, LLC for 1530 O'Brien Drive ([Staff Report# 16-005-CC](#))

**ACTION:** Motion by McGraw-Scherer, Second by Calder to approve Below Market Rate Housing Agreement Term Sheet with Menlo Business Park, LLC for 1530 O'Brien Drive

### F. Informational Items

### G. Adjournment

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## STAFF REPORT

### Housing Commission

**Meeting Date:**

**6/29/2016**

**Staff Report Number:**

**16-006-HC**

### Regular Business:

**Recommendation of a Below Market Rate Housing Agreement Term Sheet with Eggli Landscape Construction Company for 3585 Haven Avenue**

## Recommendation

Staff recommends that the Housing Commission recommend approval of the draft Below Market Rate (BMR) Housing Agreement Term Sheet (Attachment A) to the Planning Commission for the proposed remodel of an existing warehouse and office building, specifically tenant space G-H, at 3585 Haven Avenue. The project would convert existing warehouse space into office space within the existing building.

## Policy Issues

Each BMR Agreement is considered individually. The Housing Commission should consider whether the proposal would be in compliance with the BMR Housing Program requirements.

## Background

### *Site location*

The subject site is 95,485 square feet in size, zoned M-2 (General Industrial), and located at 3585 Haven Avenue, west of the intersection of Haven Court and Haven Avenue and north of Highway 101. Properties to the west are also part of the M-2 zoning district and contain a mix of office, research and development (R&D), and warehouse uses, while properties to the east are zoned for high-density housing, R-4-S (AHO). A 394 unit, multi-family residential development located adjacent to the east is currently under construction. Properties to the south are zoned for restricted industrial uses and located in Redwood City. A location map is included as Attachment B.

## Analysis

### *Project description*

The existing building is approximately 35,652 square feet, and was constructed in 1981. Most recently, the building was used as a multi-tenant space for a variety of office and warehouse companies, including an electrical contractor. As a new tenant, the applicant, Eggli Landscape Construction Company, is requesting a use permit and architectural control, which requires Planning Commission approval, to convert existing warehouse space into office space and make minor changes to the western façade, including new windows and doors. 1,458 square feet of the existing 4,581-square-foot warehouse space in tenant space G-H would be converted into new office space. The project plans are included for reference as Attachment C. The Housing Commission should note that the proposal is still under staff review, and

aspects of the design are subject to change before final project actions. Regardless, the draft BMR Housing Agreement Term Sheet and the Housing Commission's recommendation would remain applicable to the project.

### ***BMR housing program requirement***

The applicant is required to comply with Chapter 16.96 of City's Municipal Code, ("BMR Ordinance"), and with the BMR Housing Program Guidelines adopted by the City Council to implement the BMR Ordinance ("Guidelines"). At this time, the Housing Commission should review the draft BMR In Lieu Fee Agreement Term Sheet and provide guidance to staff, the applicant, and the Planning Commission. The draft Term Sheet would be used to inform the BMR In Lieu Fee Agreement, which would subsequently be reviewed by the Planning Commission.

Residential use of the property is not allowed in the M-2 zoning district and consequently would not be consistent with the Limited Industry General Plan Land Use Designation. The subject site is located in the M-2 zoning district and adjacent buildings are occupied by a combination of manufacturing, R&D, warehousing, and office uses. For this specific project, the residential unit equivalent is .03 units. Based on these facts, staff has found that development of such units on-site or off-site in accordance with the requirements of the BMR Ordinance and Guidelines is not feasible.

The developer shall pay the applicable in lieu fee as provided in the BMR Ordinance and Guidelines. To streamline the review process for applicants, the draft Term Sheet is being reviewed at this time; however, the formal BMR In Lieu Fee Agreement would be reviewed by the Planning Commission as part of the final actions on the project tentatively scheduled for August 15, 2016. The in lieu fee will be calculated as set forth in the table below. The applicable fee for the project will be based upon the per square foot fee in effect at the time of payment and the proposed square footages within Group A and Group B at the time of payment. The fee is adjusted annually on July 1.

Table 1: BMR Requirements and Applicant Proposal			
	Fee per square foot	Square feet	Component fees
Existing Building - Office	\$15.57	615	(\$9,575.55)
Existing Building - Non-Office	\$8.45	35,037	(\$296,062.65)
Proposed Building - Office	\$15.57	1,858	\$28,929.06
Proposed Building - Non-Office	\$8.45	33,794	\$285,559.30
<b>BMR In-Lieu Fee Option</b>			<b>\$8,850.16</b>

### ***Correspondence***

Staff has not received any correspondence regarding the BMR proposal.

### ***Conclusion***

Given that the residential unit equivalent for the project is .03 units, and residential use of M-2-zoned properties is not permitted under current zoning regulations, staff recommends that the Housing

Commission recommend to the Planning Commission approval of an in lieu fee as identified in the draft BMR Agreement Term Sheet.

### **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**

The proposed project is being evaluated with respect to compliance with the California Environmental Quality Act (CEQA) as part of the Planning Commission action. BMR direction is not an action under CEQA, so environmental review is not required by the Housing Commission.

### **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 BMR In Lieu Fee Agreement Term Sheet
- B. Location Map
- C. Project Plans

Report prepared by:  
Sunny Chao, Assistant Planner

Report reviewed by:  
Deanna Chow, Principal Planner

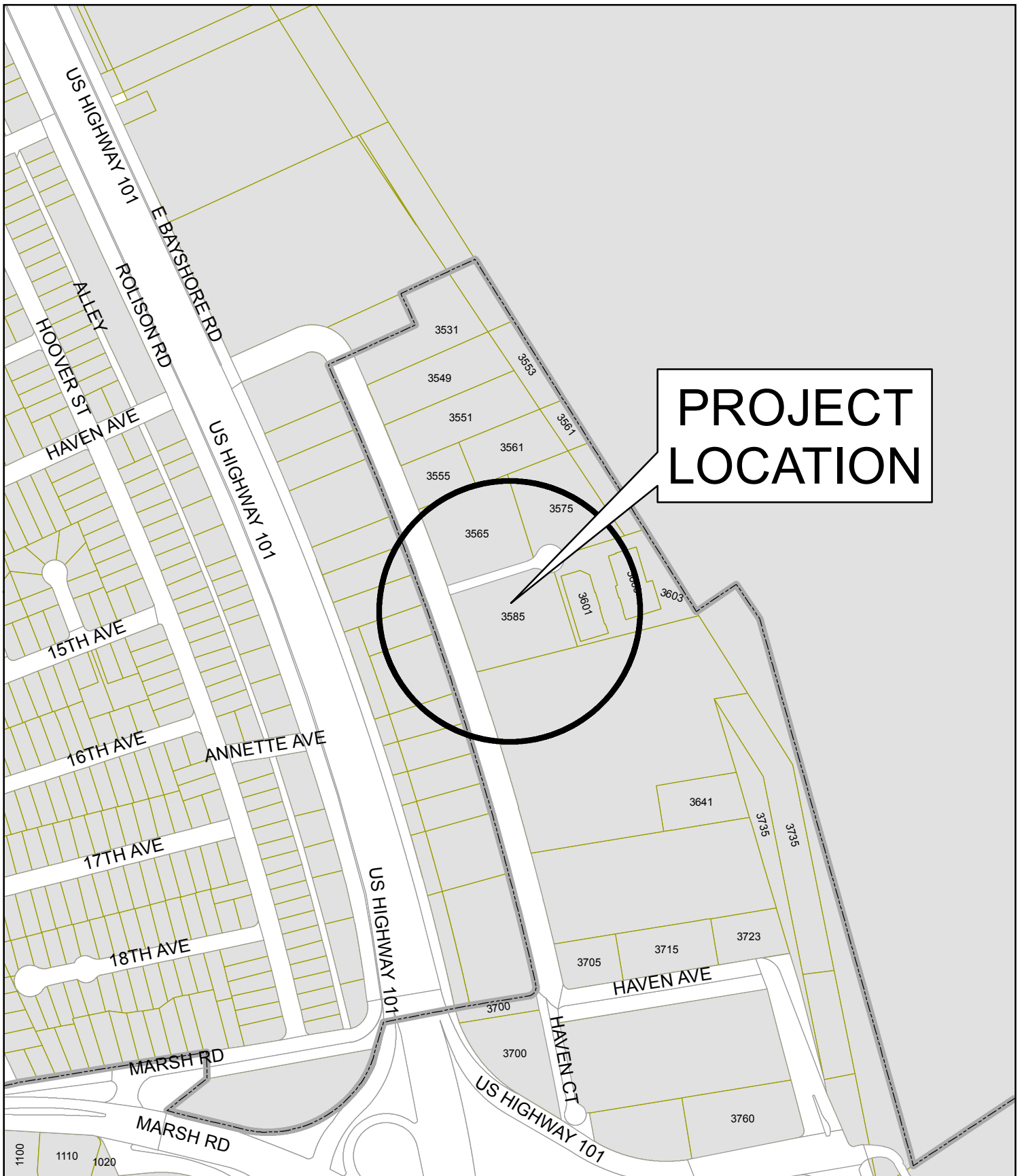
**3585 Haven Avenue**

**Draft Below Market Housing (BMR) Agreement Term Sheet**

1. Applicant owns property known as Assessor's Parcel Number 055-130-240 ("Property"), more commonly known as 3585 Haven Avenue, Menlo Park.
2. Applicant is requesting a use permit and architectural control to convert existing warehouse space into office space and make minor changes to the western façade, including new windows and doors. The subject building is greater than 10,000 square feet in gross floor area and therefore, Applicant is required to comply with Chapter 16.96 of City's Municipal Code ("BMR Ordinance") and with the Below Market Rate Housing Program Guidelines ("Guidelines") adopted by the City Council to implement the BMR Ordinance;
3. Property is located within the M-2 (General Industrial) zoning district and the Limited Industry land use designation in the City of Menlo Park;
  - a. Property's General Plan land use and zoning designations do not permit residential uses;
4. Applicant does not own any other sites within the City that are zoned for residential land uses;
5. Consistent with other recent BMR Agreements, Applicant is permitted to satisfy the BMR requirement for the proposed project by payment of an in lieu fee;
  - a. The BMR in lieu fee is estimated at \$8,850.16;
  - b. The equivalent unit requirement is 0.03 units;
  - c. Therefore, the Applicant is proposing to pay the in lieu fee, which would be adjusted based on the existing and proposed square footages at the time of building permit issuance. The applicable fee per square foot is adjusted annually on July 1.

6. The table below provides the estimated in lieu fee:

Table 1: BMR Requirements and Applicant Proposal			
	Fee per square foot	Square feet	Component fees
Existing Building - Office	\$15.57	615	(\$9,575.55)
Existing Building - Non-Office	\$8.45	35,037	(\$296,062.65)
Proposed Building - Office	\$15.57	1,858	\$28,929.06
Proposed Building - Non-Office	\$8.45	33,794	\$285,559.30
<b>BMR In-Lieu Fee Option</b>			<b>\$8,850.16</b>

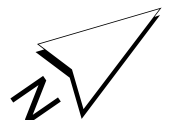


# CITY OF MENLO PARK

## LOCATION MAP

### 3585 HAVEN AVENUE

DRAWN: TAS CHECKED: SYC DATE: 06/29/16 SCALE: 1" = 300' SHEET: 1



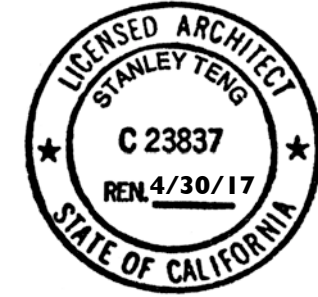


Stan Teng, A.I.A.

Architectural Studio

The Maybeck Building  
1736 Stockton St.  
Suite 4, 3rd Floor  
San Francisco, CA 94133

Tel: 415. 590-2870  
E-Mail: stanarch @ earthlink.net



3585 Haven Ave.

Tenant Space G-H

Menlo Park, CA 94025

A.P.N. 055-130-240

General Information

Conditional Use & Architectural Control Application

Office Tenant Improvements at:

3585 Haven Ave.  
Menlo Park, CA

Project Description:

Office Tenant Improvements in Existing Commercial Building

Building Description:

1- Story  
Occupancy Groups B, S-2  
Type V-A Construction, Fully Fire-Sprinklered  
Zoning: M-2

Owner:

1992 Eggli Revocable Trust.  
3585 Haven Avenue, Suite G  
Menlo Park, CA 94025  
Tel: 650.465-5347  
E-Mail: jeggli@egglandscape.com

Architect:

Stan Teng, A.I.A.  
Architectural Studio  
1736 Stockton St.  
Suite 4, 3rd floor  
San Francisco, CA 94133  
Tel: 415. 590-2870  
E-Mail: stanarch@earthlink.net

Index of Drawings:

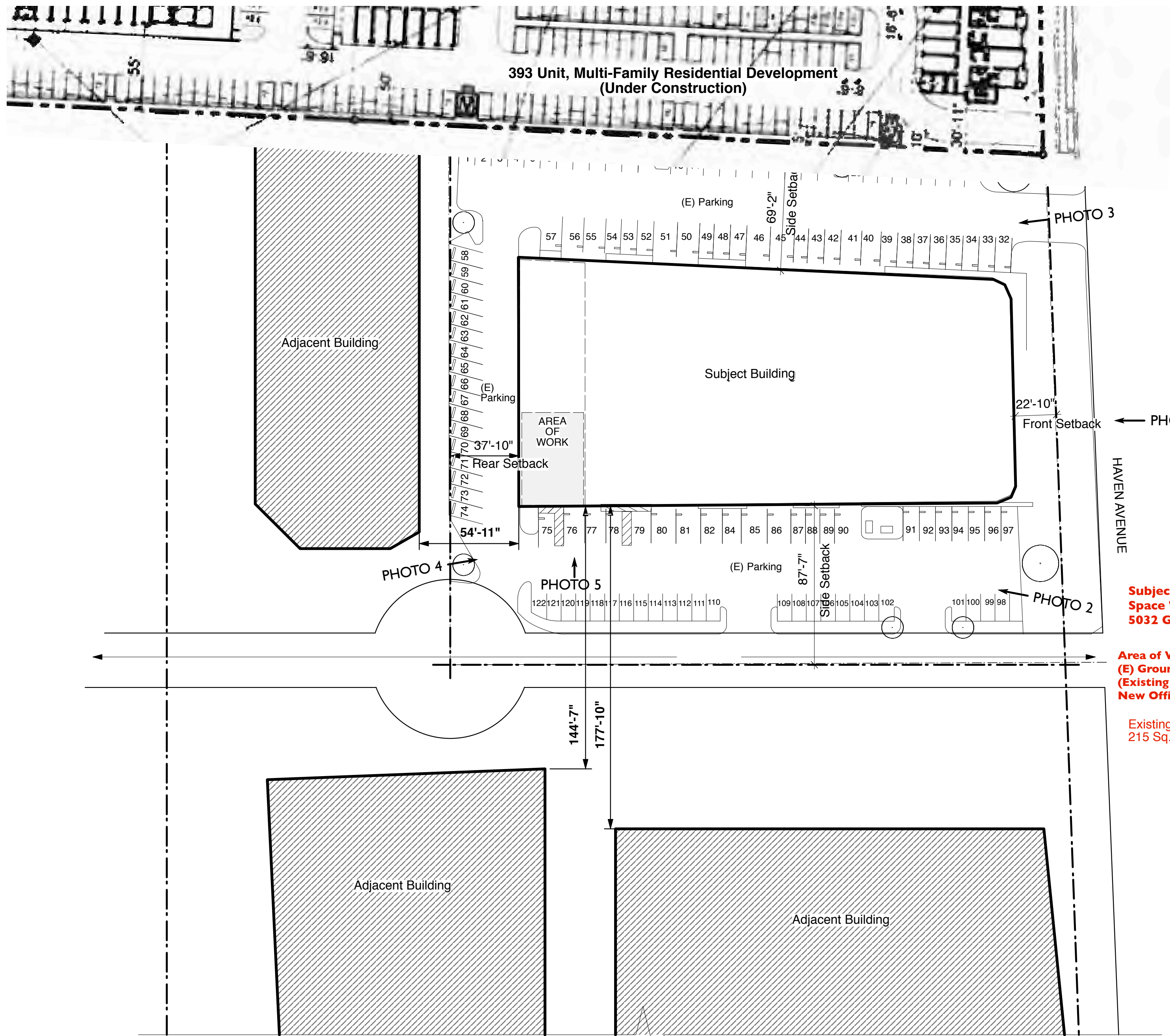
A1 Cover Sheet, General Project Information & Site Plan/ Parking Plan  
A2 Existing Floor Plan  
A2 Proposed Floor Plans  
A4 Building Section & Exterior Elevation

Code References:

All work shall be built in accordance with all applicable building codes, safety ordinances and accessibility requirements currently in effect including those listed below.

Menlo Park 2013 Codes:

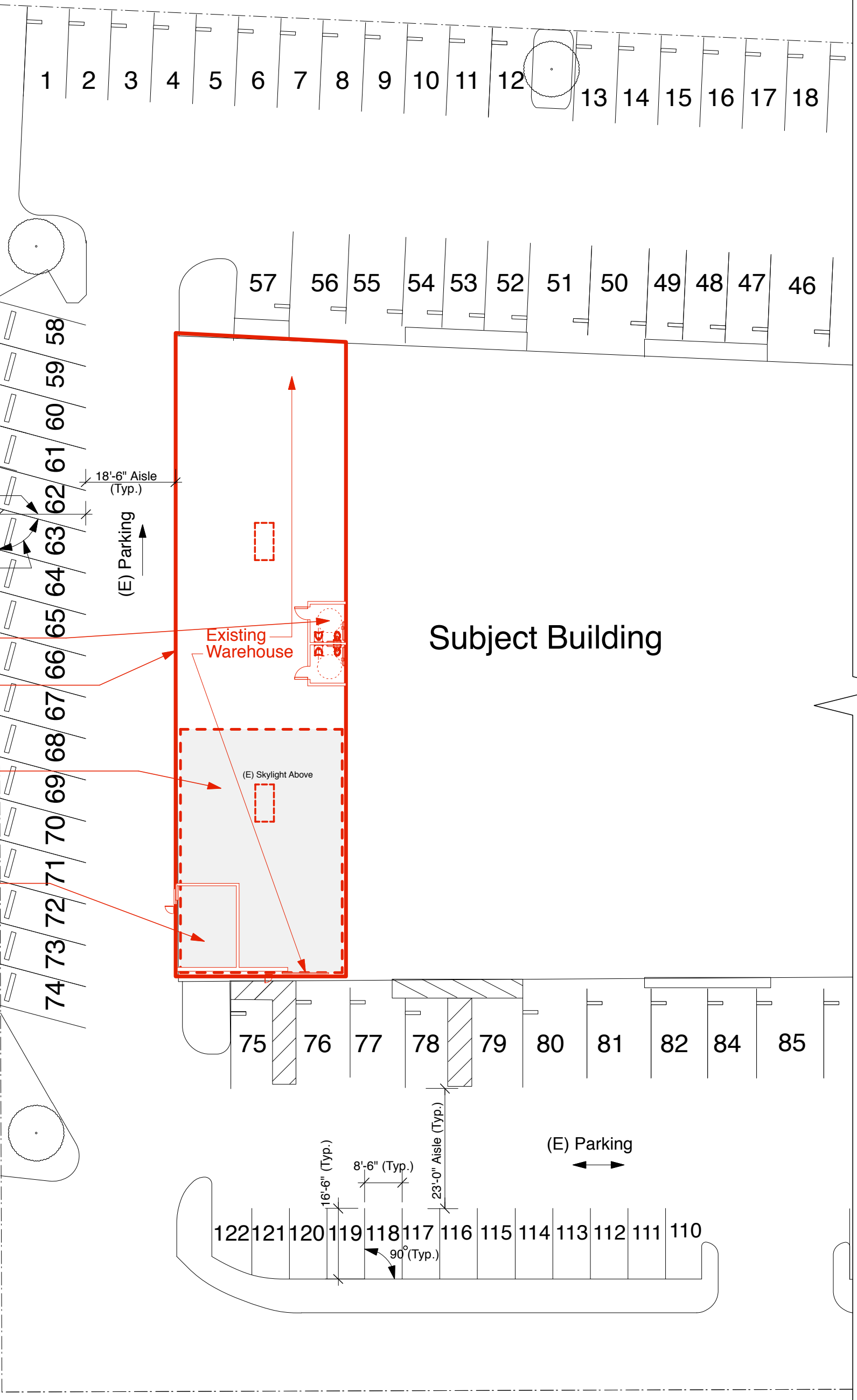
California Building Code, Vols 1 & 2  
California Residential Code  
California Plumbing Code  
California Mechanical Code  
California Electrical Code  
California Energy Code  
California Green Building Code  
California Fire Code  
California Reference Standards Code



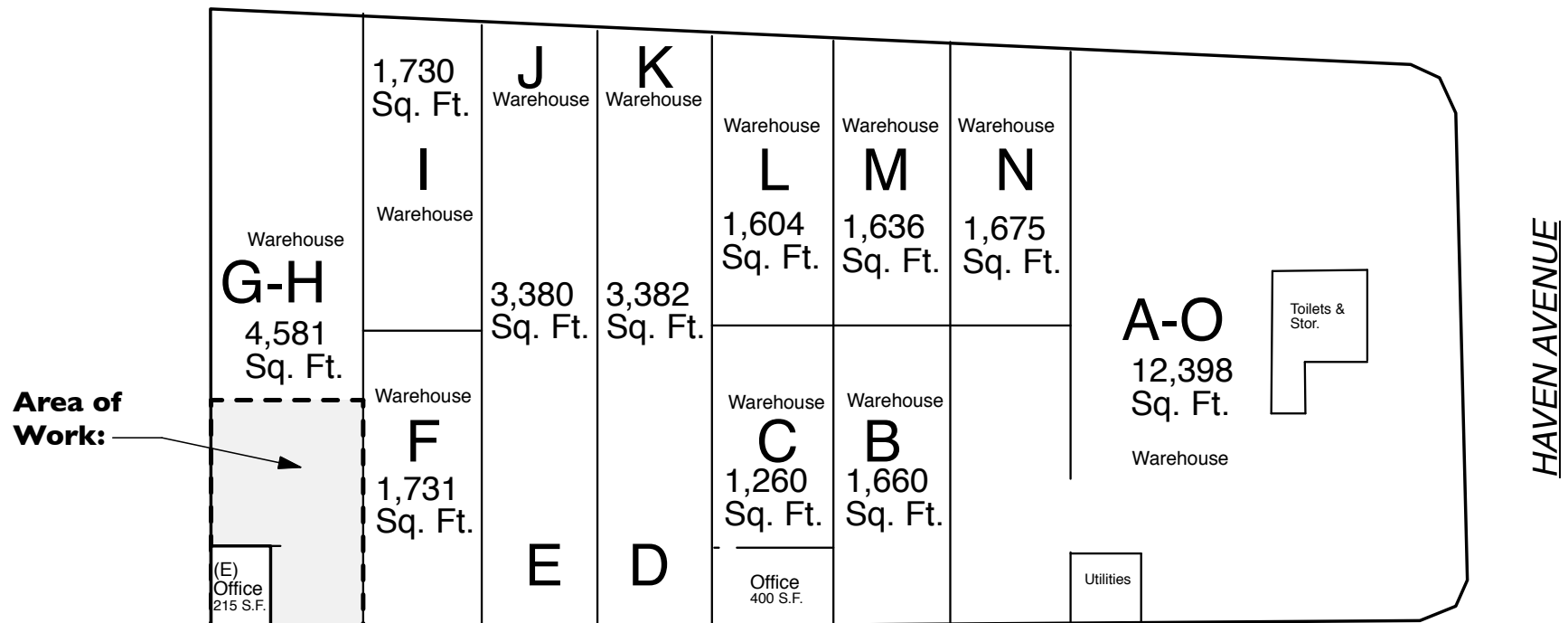
4 Area Plan / Parking Plan

EXISTING SITE PARKING = 122 SPACES

REQUIRED PARKING = 35, 652 GROSS SQ. FT. / 300 SQ. FT = 119 SPACES REQUIRED, THEREFORE O.K.

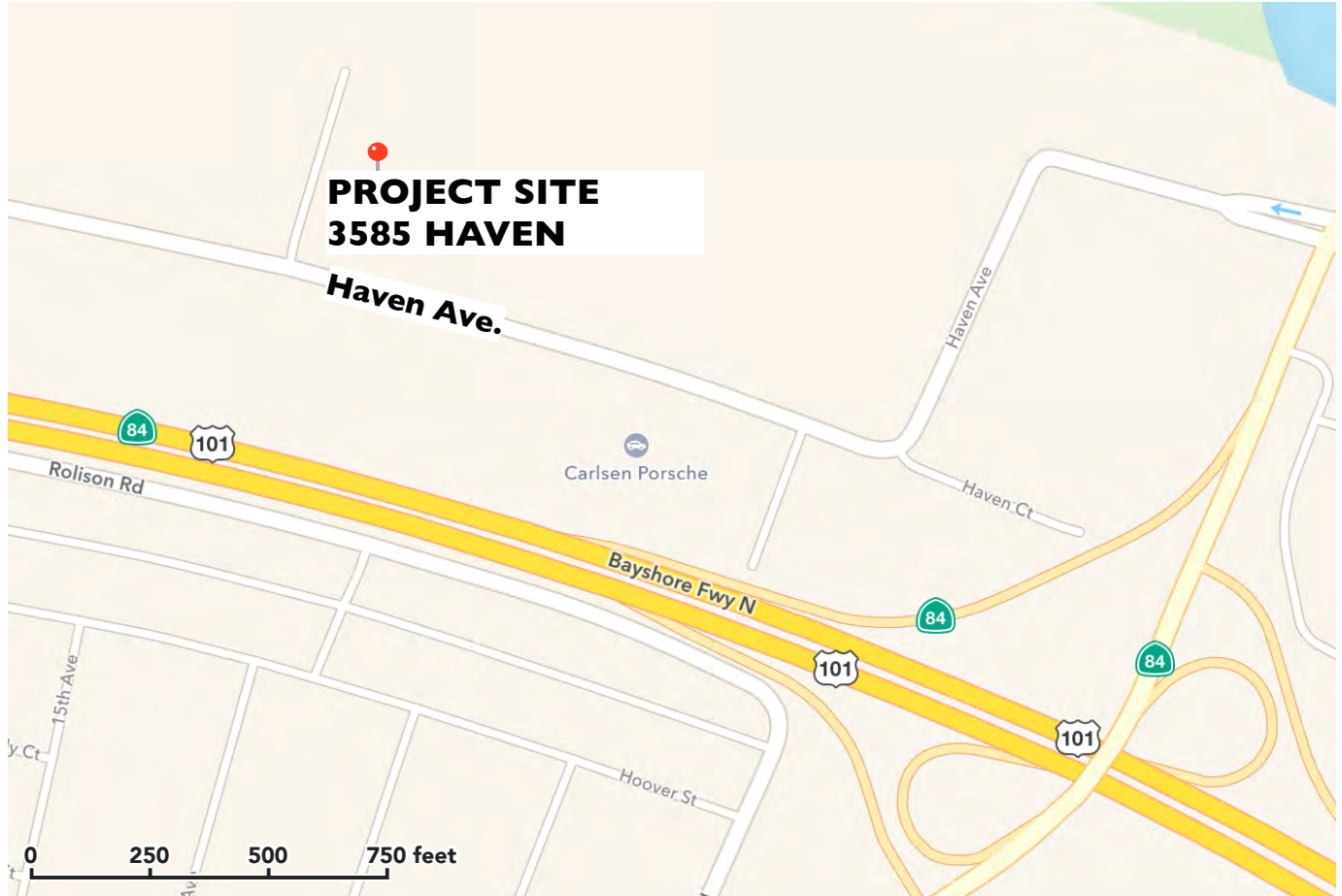


3 Site Plan



<b>Existing</b> Gross Building Area: <b>35,652</b>	<b>Proposed</b> Gross Building Area: <b>35,652</b> (No Change)
(E) Warehouse in Entire Building: 35,037 Sq. Ft.	Proposed Warehouse in Entire Building: 33,579 Sq. Ft.
(E) Office in Entire Building: 615 Sq. Ft.	Total Proposed Office in Entire Building: 2503 Sq. Ft.
	Total Proposed Office in Tenant Space G-H: <b>1458 Sq. Ft.</b> (Existing Office 215 Sq. Ft. + New Office 1458 Sq. Ft.)

2 Building Tenant Space Key Plan



1 Location Map

Drawing Log:

Date	Description	Mark

Date: 6/17/16

A-1



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3585  
Haven Ave.

Tenant Space G-H

Menlo Park, CA  
94025

A.P.N. 055-130-240

Existing Floor Plan

Conditional Use  
& Architectural  
Control Application

Drawing Log:

Date	Description	Mark

Date: 6/17/16

A-2

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PHOTO 1  
View along Haven at Main (West) Elevation of Building



PHOTO 2  
View from Haven at Side (North) Elevation of Building



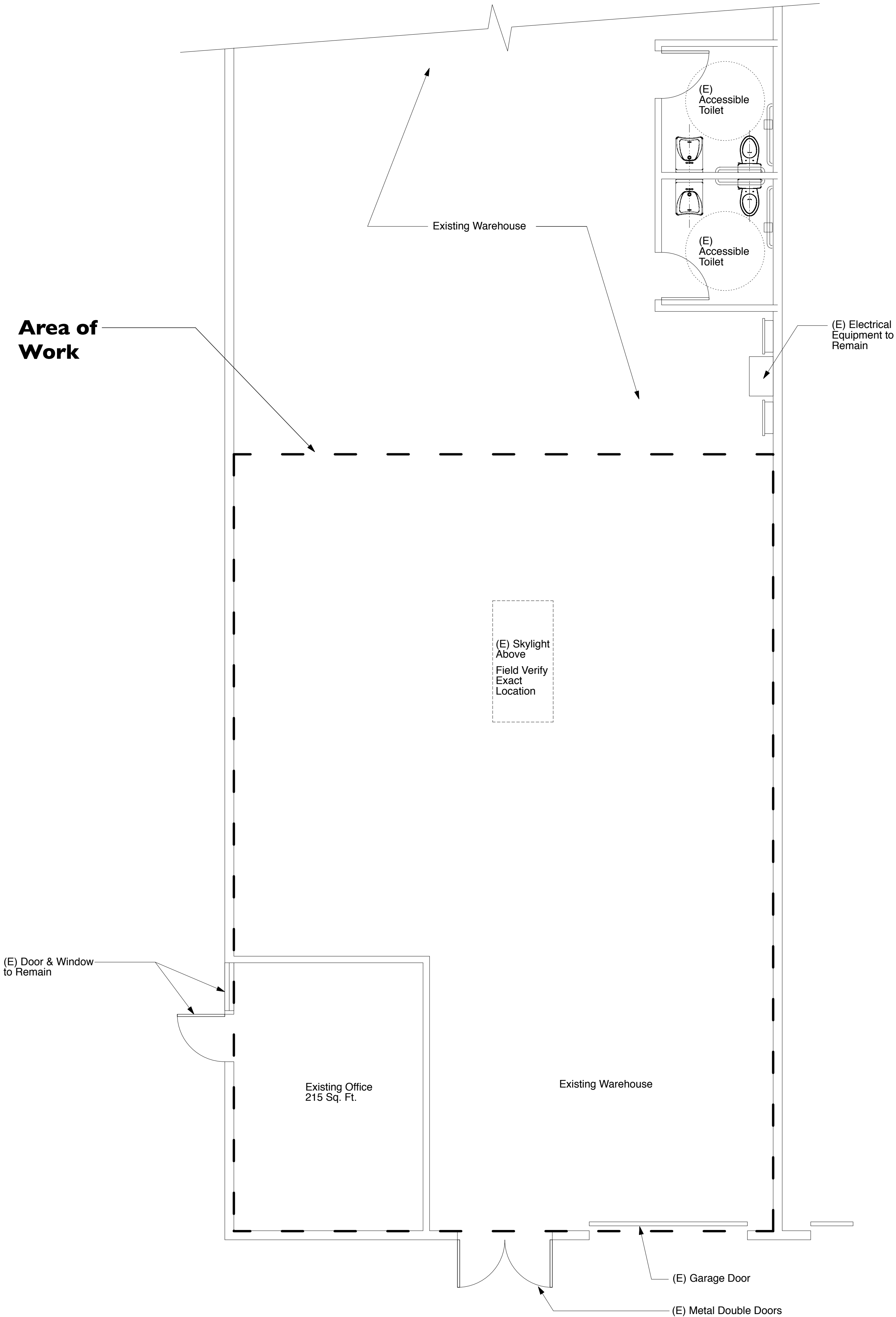
PHOTO 3  
View from Haven at Side (South) Elevation of Building



PHOTO 4  
View of North Elevation of Building



PHOTO 5  
View from of Subject Portion of Work (North) Elevation of Building



Partial Existing Ground Floor Plan  
Existing Office 215. Sq. Ft.



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3585  
Haven Ave.

Tenant Space G-H

Menlo Park, CA  
94025

A.P.N. 055-130-240

Proposed Floor Plans

Conditional Use  
& Architectural  
Control Application

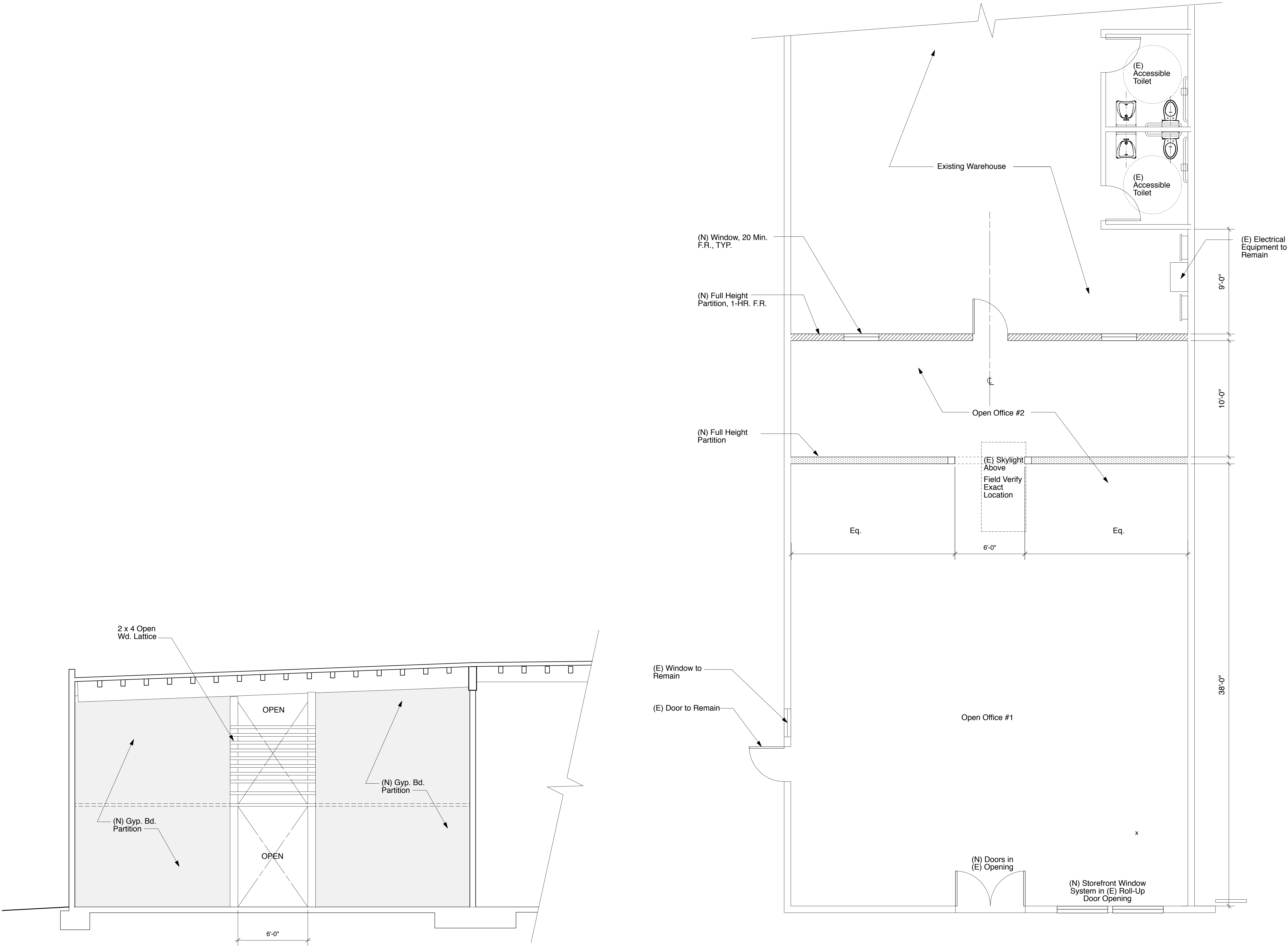
Drawing Log:

Date	Description	Mark

Date: 6/17/16

A-3

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2 Building Section at Partial Height Partition



1 Proposed Ground Floor Plan  
1673 Sq. Ft. Gross Total Office Area  
(Existing Office 215. Sq. Ft. + New Office 1458. Sq. Ft.)



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3585  
Haven Ave.

Tenant Space G-H

Menlo Park, CA  
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A.P.N. 055-130-240

Existing & Proposed Building Section

Conditional Use  
& Architectural  
Control Application

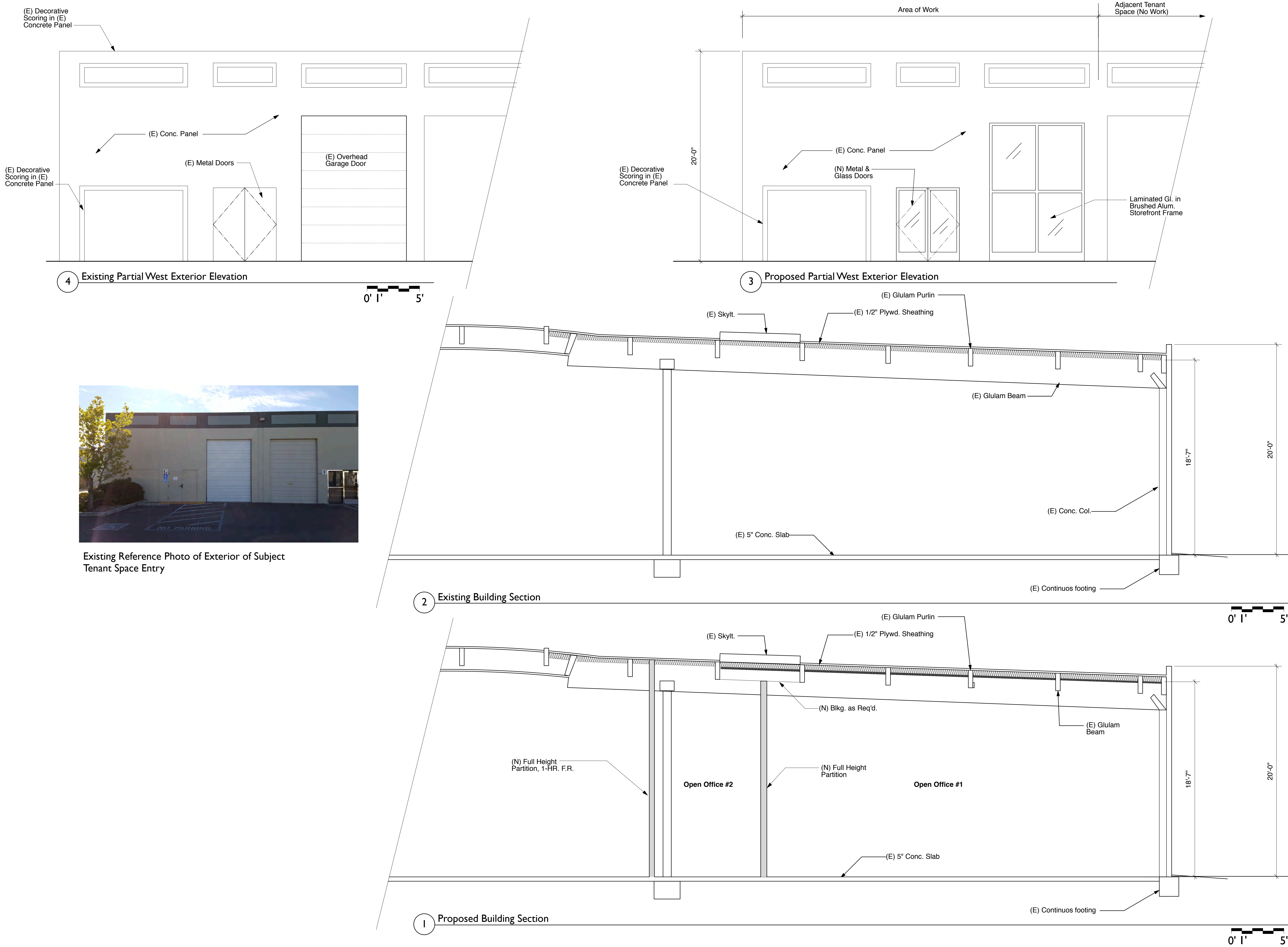
Drawing Log:

Date	Description	Mark

Date: 6/17/16

A-4

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## STAFF REPORT

### Housing Commission

**Meeting Date:**

**6/29/2016**

**Staff Report Number:**

**16-007-HC**

### Regular Business:

**Overview of the Facebook Campus Expansion Project, the Draft Environmental Impact Report (EIR), Displacement Analysis, and Consideration of a Recommendation to the Planning Commission and City Council on the Below Market Rate (BMR) Term Sheet for the Facebook Campus Expansion Project at 301-309 Constitution Drive**

## Recommendation

Staff recommends that the Housing Commission review and discuss the Draft EIR, the Displacement Analysis, and the proposed project, and review and provide a recommendation to the Planning Commission and City Council on the Below Market Rate (BMR) Term Sheet for the Facebook Campus Expansion Project at 301-309 Constitution Drive. This meeting is intended to provide the Commission with an overview of the Draft EIR, Displacement Analysis, and the project and to respond to questions. No action is required by the Commission on the Draft EIR or the project, with the exception of a recommendation to the Planning Commission and City Council on the BMR Agreement Term Sheet. If the Commission provides a recommendation on the project or specific aspects thereof, staff will provide those recommendations to the Planning Commission and City Council to consider. Comments made by individual Commissioners on the Draft EIR will not be recorded or responded to as part of the Final EIR, nor will those comments be shared with other commissions and the Council. Individual Commissioners who would like to provide comments on the Draft EIR should provide written comments by 5:30 p.m. on Monday, July 11, 2016.

## Policy Issues

The proposed project will require the City Council to ultimately consider the requested land use entitlements, such as the merits of the proposed Zoning Ordinance Text Amendment, rezoning, conditional development permit (CDP), heritage tree removals, and Below Market Rate (BMR) Housing Agreement, along with the public benefits associated with the Development Agreement. In addition, the Council will need to consider the potentially significant and unavoidable impacts and the accompanying statement of overriding considerations. As part of that process, individual Commissions will have the opportunity to review and discuss the Draft EIR and the overall project. With regard to the Housing Commission's review, the Commission will need to consider the BMR Agreement Term Sheet and provide a recommendation to the Planning Commission and City Council. Each BMR Agreement is considered individually. The Housing Commission should consider whether the proposal would be in compliance with the BMR Housing Program requirement.



## **Background**

On March 31, 2015, Hibiscus Properties, LLC, a wholly owned subsidiary of Facebook, Inc., submitted an application for the proposed redevelopment of the former TE Connectivity Campus. The campus is located at 300-309 Constitution Drive, along Bayfront Expressway, between Chilco Street and Building 23 (formerly identified as 300 Constitution Drive) and the recently completed Building 20 (formerly identified as the Facebook West Campus). The project site is more specifically defined as 301-309 Constitution Drive, since Building 23 (300 Constitution Drive) is on the property, but not part of the project. The TE Connectivity campus was originally developed for Raychem with a Master Site Plan. Following the Master Site Plan approval, two Conditional Development Permits (X districts) were established for two areas of the campus to permit the heights of specific buildings to exceed the M-2 zoning district height limit of 35 feet. The campus was originally approximately 80 acres in area, but in 2006 General Motors purchased 22 acres of the site. The property was subsequently purchased by Giant Properties LLC and now contains the recently completed Facebook Building 20.

Previously, in December 2014, Facebook received Planning Commission approval of a use permit to convert an existing approximately 180,000 square foot warehouse and distribution building to offices and ancillary employee amenities, located at 300 Constitution Drive (now Building 23), near the Constitution Drive entrance to the site, along Chilco Street. Construction is almost complete and the building has received temporary occupancy from the City. As a separate project, Facebook has been working with the City to install new pedestrian pathways and bike lanes along Chilco Street to create a pedestrian connection between the Belle Haven Neighborhood and the San Francisco Bay Trail and Bedwell Bayfront Park.

## **Site location**

The project site is located at 301-309 Constitution Drive, which extends from the corner of Chilco Street and Bayfront Expressway east toward Building 20 near Willow Road. Currently the sole external access point to the subject property (or the TE Connectivity Campus) is located along Chilco Street at the intersection of Constitution Drive; however, the applicant is proposing to install a signalized access along Bayfront Expressway. In addition to the main entrance along Chilco Street, there is currently an emergency vehicle access point between the eastern end of the site and the Building 20 property. Chilco Street wraps around the western side and a portion of the southern side of the property. There is an electric substation solely servicing this site located near the curve in Chilco Street. The campus is adjacent to Bayfront Expressway across from the former salt ponds that are subject of a forthcoming restoration project, adjacent to Chilco Street, across from commercial and industrial uses within the M-2 (General Industrial) zoning district, and next to Facebook Building 20, located at the corner of Willow Road and Bayfront Expressway. To the south, across the Dumbarton Rail Corridor and Chilco Street, are the Onetta Harris Community Center and Menlo Park Senior Center, Beechwood School, Menlo Park Fire Protection District Station 77, single-family residences (R-1-U zoning district), and single-family residences in the Hamilton Park housing development (R-3-X zoning district). A location map is included as Attachment A.

## **Analysis**

### ***Project description***

The proposed project would redevelop the approximately 58-acre TE Connectivity campus, which

currently consists of multiple buildings that include manufacturing, warehousing, office, and research and development uses. The existing site contains approximately 1.02 million square feet of gross floor area (GFA) for a floor area ratio (FAR) of 40 percent, inclusive of Building 23 (300 Constitution Drive). The proposed project would comply with the existing FAR of the existing M-2 zoning district, but the project would require some modifications to the existing zoning requirements in order to exceed the maximum building height and to accommodate a potential hotel use and modify development standards (building coverage and parking). The City's current General Plan promotes hotel uses within the commercial and industrial zoning districts through Policy I-E-2, which states that hotel uses may be considered in suitable locations within the commercial and industrial zoning districts of the city. Therefore, the project does not require a General Plan amendment. The project plans for the current proposal are included as Attachment B. The proposed project consists of two new office buildings and a hotel. The table below summarizes the proposed GFA and FAR at the site.

**Table 1: Proposed GFA and FAR by Building**

<b>Proposed Project Components</b>	<b>Gross Floor Area (GFA)</b>	<b>Floor Area Ratio (FAR)</b>
Building 21 (Demolish Buildings 307-309)	512,900 sf	n/a
Building 22 (Demolish Buildings 301-306)	449,500 sf	n/a
Building 23 (Converted Building 300)	180,100 sf	n/a
<i>Total Proposed Office Area</i>	<i>1,142,500 sf</i>	<i>45%</i>
Hotel	174,800 sf	n/a
<i>Total Proposed GFA</i>	<i>1,317,300 sf</i>	<i>52%</i>

The proposed project consists of the two office buildings and a hotel, along with public open space. The publicly accessible open space would be situated between the two office buildings. The applicant is continuing to refine the design of the open space, but it is anticipated to contain a plaza and green space and connect to a proposed bicycle and pedestrian bridge over Bayfront Expressway. The proposed bridge would be publicly accessible and would provide a more direct link from the Belle Haven neighborhood to the San Francisco Bay Trail and subsequently Bedwell Bayfront Park. Building 21, located to the east of the open space, would include space for Facebook-related events that could accommodate around 2,000 people. The office buildings would be oriented in an east-west direction, parallel with Bayfront Expressway. Both buildings would be located on a podium over surface parking. The office buildings would consist of one main level, a smaller mezzanine level, and a roof deck. The proposed office buildings would be approximately 75 feet in height. The potential hotel is proposed for the northwest corner of the site and would also extend to a maximum height of 75 feet. The design of Building 21 is more advanced as it would be constructed in the first phase and its design would be acted upon by the City Council as part of the current entitlements. The project would provide 3,533 parking spaces for both the office buildings and hotel. The parking would be located in surface parking lots, and the proposed new office buildings would be located over the surface parking, consistent with the Building 20 design.

### ***BMR Housing Program Requirement***

The applicant is required to comply with Chapter 16.96 of City's Municipal Code, ("BMR Ordinance"), and with the BMR Housing Program Guidelines adopted by the City Council to implement the BMR Ordinance ("Guidelines"). At this time, the Housing Commission should review the draft BMR In Lieu Fee Agreement

Term Sheet and provide guidance to staff, the applicant, and the Planning Commission. The draft Term Sheet would be used to inform the BMR In Lieu Fee Agreement, which would subsequently be reviewed by the Planning Commission and the City Council.

Residential use of the property is not allowed in the M-2 (General Industrial) zoning district and subsequently would not be consistent with the Limited Industry General Plan Land Use Designation. At this time, the developer does not own any sites in the city that are available and feasible for construction of sufficient below market rate units to satisfy the requirements of the BMR Ordinance. The applicant does own property that is being considered for mixed use under the ConnectMenlo General Plan Update; however, the property is currently zoned M-2 and therefore, not suitable for residential uses under the current General Plan. The consideration of this project's proposed BMR Agreement Term Sheet must be evaluated against the current General Plan, but may provide flexibility for potential changes in the future. For this specific project, the residential unit equivalent is 20 units. Since the proposed construction would be phased, the BMR requirement would also be phased by building, with credit for the demolition of buildings associated with each phase.

The developer shall pay the applicable in lieu fee as provided in the BMR Ordinance and Guidelines. The draft BMR Agreement Term Sheet (Attachment C) has been reviewed by City staff for compliance with the BMR ordinance. To streamline the review process for applicants, the draft Term Sheet is being reviewed at this time; however, the formal BMR In Lieu Fee Agreement would be reviewed by the Planning Commission with a recommendation to the City Council as part of its review of the project. The applicant has expressed desire to pay the fee and/or provide units off-site to meet the BMR requirement for the project. Therefore, the BMR Agreement Term Sheet includes flexibility to allow the applicant to satisfy its obligations under the BMR Ordinance and Guidelines by one of the following methods:

1. Paying the in-lieu BMR fee (per phase), which would total approximately \$6,298,727.54 based on the change in use from Group B (non-office commercial) to Group A (office/R&D) for the square footage of the buildings and the current fee schedule;
2. Providing off-site units, which would equate to a total of 20 residential units based upon the square footage associated with the change in uses at the site; or
3. Paying a portion of the in-lieu fee and delivering off-site units. (A mixture of options 1) and 2), such that the overall requirements are addressed.)

The in-lieu fee and unit equivalent will be calculated as set forth in the table below; however, the applicable fee for the Project will be based upon the per square foot fee in effect at the time of payment and the proposed square footages within Group A and Group B at the time of payment. The detailed calculation tables for each development phase are included in the Draft BMR Agreement Term Sheet. The proposed project includes the construction of three buildings: two offices and a hotel. Therefore, the applicant would be required to pay the applicable BMR in-lieu fee, or procure the equivalent number of units off-site, within two (2) years of the issuance of the core and shell building permit for each individual building. The applicant may procure units ahead of the schedule below and receive a credit for future requirements. However, the applicant cannot defer procurement of off-site units or the payment of in-lieu fees to future phases of the overall site development.

**Table 2: Proposed BMR In-lieu Fee and Equivalent Unit Count**

Proposed Project Components	In Lieu Fee	Equivalent Units
Building 21 (Demolish Buildings 307-309)	\$4,298,791.77	13 (13.38)
Building 22 (Demolish Buildings 301-306)	\$522,875.77	2 (1.60)
Hotel	\$1,477,060.00	5 (4.62)
<i>Total</i>	<i>\$6,298,727.54</i>	<i>20</i>

At this time, the Housing Commission should review the draft BMR Agreement Term Sheet (Attachment C) and provide guidance to staff, the applicant, the Planning Commission, and ultimately the City Council. The draft Term Sheet would be used to inform the BMR Agreement, which would subsequently be reviewed and acted on by the Planning Commission and City Council along with the main project actions.

The draft BMR agreement may be modified prior to City Council action to include updated building square footages or similar adjustments as the applicant continues to refine the project.

### ***Draft EIR***

The Draft EIR assesses potentially significant environmental impacts that could result from the Project. A potentially significant effect is a potentially substantial, adverse change in any of the physical conditions within the area affected by the project including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. Potential impacts under CEQA are physical, not social or economic.

As stated in the State CEQA Guidelines, an EIR is an “informational document” that is intended to inform public agency decision-makers and the public of the potentially significant environmental effects of a project, identify possible ways to avoid or substantially lessen the significant effects, and describe reasonable alternatives to the project. The purpose of this Draft EIR is to provide the City, responsible and trustee agencies, other public agencies, and the public with detailed information about the environmental effects that could result from implementing the Project, examine and institute methods of mitigating any adverse environmental impacts should the Project be approved, and consider feasible alternatives to the Project, including the required No Project Alternative.

The Draft EIR identifies potential impacts as “potentially significant,” “less than significant,” and “no impact.” For “potentially significant” impacts, the Draft EIR provides mitigation measures to reduce the potential impact to “less than significant.” Where mitigation measures do not diminish the effect to “less than significant,” or are not feasible, the impact would be considered potentially “significant and unavoidable.”

The Draft EIR for the Facebook Campus Expansion Project analyzed the following topic areas: Aesthetics, Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Greenhouse Gas Emissions, Hazardous Materials, Land Use, Noise, Population and Housing, Public Services, Transportation, Utilities and Service Systems, and Hydrology and Water Quality. The analysis determined that the project would result in potentially significant and unavoidable impacts with regard to Greenhouse Gas Emissions and Transportation impacts.

The Draft EIR for the Facebook Campus Expansion Project was publicly released on May 26, 2016. The Draft EIR is required by the California Environmental Quality Act (CEQA) and is available for review at the City Administration building (701 Laurel Street), the main Library (800 Alma Street), the Belle Haven Branch Library (413 Ivy Drive), and online at the following location:

<http://menlopark.org/1012/Environmental-Impact-Report>

Comments may be submitted via email ([ktperata@menlopark.org](mailto:ktperata@menlopark.org)), letter (Community Development Department, 701 Laurel Street, Menlo Park CA 94025), or fax (650-327-1653). Written comments must be submitted to the Community Development Department no later than 5:30 p.m., Monday, July 11, 2016.

The Population and Housing section is discussed below for the Commission's review.

### Population and Housing

The Population and Housing section of the Draft EIR provides background information on existing and projected population, employment, and housing conditions in the City of Menlo Park and estimates changes to the city's demographics that would result from the Facebook Campus Expansion Project. The analysis is based on population, employment, and housing data published in *Projections 2013* by the Association of Bay Area Governments (ABAG) and other demographic information from the Demographic Research Unit of the California Department of Finance (DOF) and the U.S. Census Bureau (U.S. Census). In addition, the Housing Element Update in the City of Menlo Park (City) General Plan was included in the analysis. A Housing Needs Analysis (HNA) was prepared for the project and used to inform the Draft EIR. The HNA is included as an appendix to the Draft EIR.

The purpose of the Population and Housing analysis is to characterize the potential for project-induced population, housing, and employment changes to trigger physical environmental effects related to growth-inducement from the project. In accordance with Appendix G of the California Environmental Quality Act (CEQA) Guidelines, the Project would be considered to have a significant effect if it would result in any of the conditions listed below.

- Induce substantial population growth in an area, either directly (e.g., by proposing new homes or businesses) or indirectly (e.g., through the extension of roads or other infrastructure).
- Displace a substantial number of existing housing units, necessitating the construction of replacement housing elsewhere.
- Displace a substantial number of people, necessitating the construction of replacement housing elsewhere.

Since the project does not include any housing and does not remove existing housing stock, direct population growth and the potential for the displacement of people were not evaluated by the Draft EIR as there would be no impacts. While not considered an environmental impact, the City and applicant engaged a consultant to prepare a displacement analysis, which is discussed later in the staff report. Potential indirect population growth was found to be a less than significant impact due to the following factors:

- Construction workers would not be expected to relocate permanently due to the project;
- The increase in employment at the site would exceed ABAG projections for population growth in the City's sphere of influence, but would not exceed what ABAG projects for housing demand due to



- the housing choices of existing Facebook employees;
- Indirect population growth would be within the ABAG projections for the Menlo Park sphere of influence; and
- Overall, on a regional basis, the project's demand for housing would not be a significant share of the total housing growth projected by ABAG.

The following table outlines the potential impacts and conclusions.

Impact	Description	Conclusion
POP-1: Indirect Population Growth	The Project would not induce substantial population growth indirectly through job growth, nor would projected growth result in adverse direct impacts on the physical environment.	Less Than Significant
C-POP-1: Cumulative Increase in Population.	Proposed development in the city would increase the resident population but would not exceed growth projections.	Less Than Significant
C-POP-2: Cumulative Increase in Housing Demand.	Proposed development in the city would increase the demand for housing but would not exceed growth projections.	Less Than Significant

Since the proposed project does not include a housing component, does not remove housing, and the employment and housing demand associated with the project does not exceed the ABAG projections, the potential impacts are found to be less than significant.

### ***Displacement Analysis***

During the Notice of Preparation the City received a comment letter from the City of East Palo Alto for the EIR requesting that the project analysis include an evaluation of the potential for displacement in the City of East Palo Alto. In response, the applicant authorized the City to enter into an agreement with Keyser Marston Associates (KMA) to conduct an evaluation of potential displacement in East Palo Alto and Menlo Park's Belle Haven Neighborhood, given the proximity of the neighborhood to the project site. Housing affordability and neighborhood change are socioeconomic issues and not a physical impact to the environment and are therefore reviewed separately from the EIR. The following is a summary of the findings in the report. In general, given the locations where Facebook's workforce chooses to live (only 4.2 percent in Menlo Park), the likelihood for direct displacement from the project is low. The Displacement Analysis is included in Attachment D.

KMA conducted a review of real estate trends using eight comparative communities and estimated direct demand from the project based on the current share of Facebook workers living in East Palo Alto and Menlo Park's Belle Haven neighborhood. The following comparative communities were selected for the analysis:

- Hayward (selected zip codes)
- Fruitvale/Oakland
- North Richmond

- Bayfair/San Leandro
- East San Jose/North Valley
- Downtown Redwood City
- Mountain View
- San Mateo County (entire)

The analysis used the comparative review of real estate trends to inform and understanding of the extent to which localized market trends in the two communities varied from broader regional trends since Facebook moved into its Menlo Park campus in 2011. The analysis also estimated direct demand for housing in East Palo Alto and the Belle Haven neighborhood based on the current number of Facebook employees living in each community. In addition, new housing construction activity in East Palo Alto is reviewed, the potential for indirect effects on the local housing market is discussed, Census information for East Palo Alto and Menlo Park's Belle Haven neighborhood is summarized, and jobs housing relationships and historic market rate and affordable housing construction in Menlo Park is identified per the request of the City of East Palo Alto.

The analysis and findings from the comparative review of market trends within the displacement analysis do not show clear evidence of a localized influence on market conditions that departs from the broader regional trends of increased home prices and rent. However, with regard to rental housing in East Palo Alto, a major rental property recently saw significant turnover due to rental increases making the comparison to other cities difficult. With regard to direct influence on housing market conditions from the project, the potential influence was found to be minimal due to the minor share of the housing that employees of Facebook currently occupy and would be expected to occupy from the full build out of the project. For the study, Facebook provided the total employees that live in the Belle Haven neighborhood and the City of East Palo Alto. Of the approximately 7,475 employees at the Menlo Park Campus, approximately 28 live in the City of East Palo Alto and 18 live in the Belle Haven neighborhood. This equates to 0.37 percent and 0.24 percent of Facebook's workforce, respectively. Based on the existing residents and the total projected employment from the project (6,550 employees), the direct demand from the project would be 21 units in East Palo Alto and 10 units in the Belle Haven neighborhood. This direct demand represents 0.27 percent and 0.67 percent of the existing housing stock in the two communities and approximately one-to-two percent of the units expected to come available through normal turnover over the next five years. Therefore, the potentially additional employees that may seek housing in the City of East Palo Alto and the Belle Haven neighborhood would likely be accommodated by typical rental vacancy patterns. The additional housing stock in the vicinity could attract a higher share of Facebook employees to the area, but would still represent a fairly nominal influence on the overall local housing market, since these units are new.

Facebook would continue to contribute to the overall job growth of high-wage sectors. However, those impacts would spread throughout the region, and would likely mirror the distribution of Facebook's workforce throughout the larger Bay Area. However, even if a small percentage of employees seek housing in East Palo Alto and the Belle Haven neighborhood, the project will likely exert a modest indirect influence on home prices and rents based on its contribution to future regional employment and income growth. Further, the comparison of real estate trends showed that the percentage increase in home prices in the Belle Haven neighborhood and City of East Palo Alto are within the range of increases throughout the broader Bay Area. Rents within all comparison communities increased substantially between 2011 and

2016. It is important to note that 2011 was a benchmark year for the analysis as it's when Facebook moved to Menlo Park from Palo Alto. The rental data for East Palo Alto was heavily influenced by one large property changing ownership and making a concerted effort to evict tenants and data for the Belle Haven neighborhood was not available. Regardless, the analysis finds that rents have steadily increased since 2011, even if specifics for each community could not be analyzed.

The displacement analysis finds that it is unlikely that Facebook has had a direct influence on the rents and home prices in the City of East Palo and Belle Haven neighborhood due to the limited number of Facebook employees living in the communities. However, the report reviews permitted and planned housing units in the area and determines that the current and planned housing in the area could potentially absorb the potential housing demand from the project. The newly available housing in the area could attract a higher amount of Facebook employees than would typically be expected to locate in the vicinity of the project, but would likely not contribute directly to displacement within East Palo Alto or the Belle Haven neighborhood as the units are new.

### ***Correspondence***

Staff has not received any written correspondence regarding the BMR proposal, the Population and Housing section of the Draft EIR, or the Displacement Analysis. Verbal comments were made at the Planning Commission Draft EIR public hearing on June 20, 2016 relaying concerns with the findings in the Population and Housing section of the Draft EIR and potential displacement from the project.

### ***Recent Activities and Upcoming Meeting Schedule***

As of this staff report, the City held a community outreach meeting at the Senior Center, the Transportation and Bicycle Commissions have received presentations on the Draft EIR and the project, the Planning Commission has conducted a public hearing on the Draft EIR and a study session on the project. In addition, the Council received an update on the status of the project. As stated previously, Commissions may choose to provide feedback on the proposed project and/or draft a formal comment letter on the Draft EIR. Individual Commissioners may provide individual written comments to staff by July 11, 2016 at 5:30 p.m. The tentative schedule for the project is available at the following link:

<http://menlopark.org/DocumentCenter/View/10270>

### ***Conclusion***

The applicant is willing to pay the in lieu fee and/or deliver off-site units on the terms set forth in the draft BMR Agreement Term Sheet, which staff believes are consistent with the BMR Ordinance and Guidelines. Staff recommends that the Housing Commission recommend to the Planning Commission and City Council approval of the terms stated in the draft BMR Agreement Term Sheet.

### ***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**

An EIR has been prepared for the project. Following the close of the comment period, staff and the consultant will compile the responses to comments document, and will consider and respond to comments received on the Draft EIR. Repeat comments may be addressed in Master Responses, and portions of the EIR may be revised in strikethrough (deleted text) and underline (new text) format. Once the responses and revisions are complete, the Final EIR will be released, consisting of the Responses to Comments plus the Draft EIR. The Final EIR will be considered by the Planning Commission and City Council concurrent with the final project actions

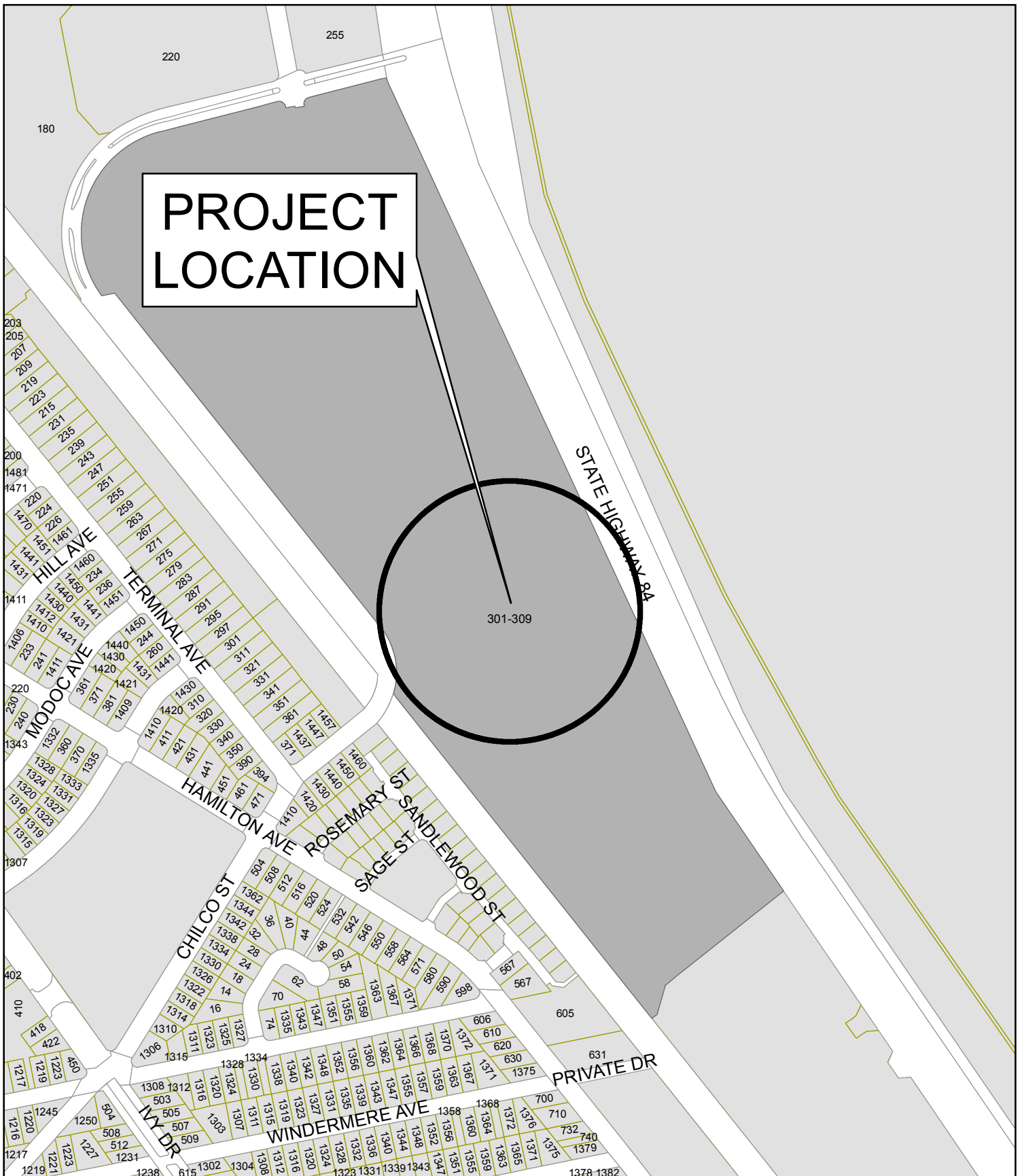
## **Public Notice**

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

## **Attachments**

- A. Project Location Map
- B. Project Plan Excerpts
- C. Draft BMR Term Sheet
- D. Displacement Analysis, prepared by Keyser Marston Associates, dated June 14, 2016

Report prepared by:  
Kyle Perata, Senior Planner

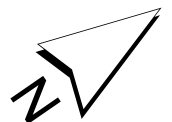


# CITY OF MENLO PARK

## LOCATION MAP

### 301-309 CONSTITUTION DRIVE

DRAWN: TAS CHECKED: KTP DATE: 06/06/16 SCALE: 1" = 300' SHEET: 1



## ARCHITECTURAL

DRAWING SHEET INDEX		SOURCE	SCALE	7/17/2015	7/28/2015	8/1/2015	8/7/2015	8/19/2015	8/31/2015	9/2/2015	9/14/2015	9/25/2015	9/28/2015	10/2/2015	10/8/2015	10/22/2015	11/4/2015	11/13/2015	2/23/2016	2/26/2016	3/1/2016	3/2/2016	3/9/2016	5/18/2016	6/2/2016
SHEET #	SHEET TITLE																								
A0	PROJECT INFORMATION																								
A0-01	PRELIMINARY DATA SHEET	GP	NTS	*															*		*				
A0-02	AERIAL REGIONAL SITE VIEW	GP	1"=300'	*																					
	PROGRAM																								
A0-20	PROGRAM AREAS BLDG 21, BLDG 22, BLDG 23, & POTENTIAL HOTEL	GP	NTS					*		*						*								*	
A0-21	PROGRAM: AMENITIES OF HOTEL	GP	NTS					*		*														*	
A0-22	MPK21 GFA CALCULATIONS		AS NOTED																					*	
A0-23	MPK21 GFA CALCULATIONS		AS NOTED																					*	
	ARCHITECTURAL																								
A1	SITE																								
A1-01	EXISTING REGIONAL PLAN	GP	1"=300'	*				*																	
A1-02	PROPOSED REGIONAL PLAN	GP	1"=300'	*				*								*		*				*			
A2	FLOOR PLAN																								
A2-01	EXISTING SITE PLAN	GP	1"=150'	*				*								*									
A2-02	PROPOSED SITE PLAN	GP	1"=150'	*				*	*	*					*	*	*	*	*	*	*	*	*	*	
A2-03	GROUND LEVEL PLAN PARKING DATA	GP	1"=150'	*		*		*	*	*					*	*	*	*	*	*	*	*	*	*	
A2-04	LEVEL 01 OFFICE PLAN	GP	1"=150'	*				*	*	*					*	*	*	*	*	*	*	*	*	*	
A2-05	LEVEL 01 MEZZANINE PLAN	GP	1"=150'	*				*	*	*					*	*	*	*	*	*	*	*	*	*	
A2-06	ROOF PLAN LIGHTING PLAN / DECK INFORMATION	GP	1"=150'	*	*			*	*	*					*	*	*	*	*	*	*	*	*	*	
A3	SECTIONS																								
A3-01	SITE SECTIONS	GP	AS NOTED	*				*							*	*	*	*	*	*	*	*	*	*	
A3-02	SITE SECTIONS	GP	AS NOTED	*				*							*	*	*	*	*	*	*	*	*	*	
A3-03	SITE SECTIONS	GP	AS NOTED	*				*							*	*	*	*	*	*	*	*	*	*	
A3-21	MPK 21 ELEVATIONS	GP	AS NOTED	*				*							*	*	*	*	*	*	*	*	*	*	
A3-22	MPK 21 ELEVATIONS	GP	AS NOTED	*				*							*	*	*	*	*	*	*	*	*	*	
A3-23	MPK 21 ELEVATIONS	GP	AS NOTED	*				*							*	*	*	*	*	*	*	*	*	*	
A3-24	MPK 21 ELEVATIONS	GP	AS NOTED	*				*							*	*	*	*	*	*	*	*	*	*	
A3-31	MPK 21 CROSS SECTIONS	GP	AS NOTED	*				*							*	*	*	*	*	*	*	*	*	*	
A3-32	MPK 21 CROSS SECTIONS	GP	AS NOTED	*				*							*	*	*	*	*	*	*	*	*	*	
A4	PARKING PHASING																								
A4-01	EXISTING CONDITION BUILDING 23 RENOVATION PARKING	GP	1"=150'	*				*							*	*	*	*	*	*	*	*	*	*	
A4-02	PHASE 1: BUILDING 21 CONSTRUCTION PARKING	GP	1"=150'	*				*							*	*	*	*	*	*	*	*	*	*	
A4-03	PHASE 2: BUILDING 22 & HOTEL CONSTRUCTION PARKING	GP	1"=150'	*				*							*	*	*	*	*	*	*	*	*	*	
A5	UTILITIES																								
A5-01	FIRE ACCESS PLAN	GP	1"=150'	*				*							*	*	*	*	*	*	*	*	*	*	
A5-02	BLDG 21 LADDER ACCESS SECTIONS	GP													*	*	*	*	*	*	*	*	*	*	
A5-02B	BLDG 22 LADDER ACCESS SECTIONS	GP													*	*	*	*	*	*	*	*	*	*	
A5-10	MPK 21 TRASH AND RECYCLING COLLECTION PLAN	GP	AS NOTED	*				*							*	*	*	*	*	*	*	*	*	*	
A5-11	MPK 21 LOADING DOCK DELIVERY PLAN	GP	AS NOTED	*				*							*	*	*	*	*	*	*	*	*	*	
A6	PHOTO SIMULATION																								
A6-00	AERIAL REGIONAL SITE VIEW LOCATION	GP	NTS	*		*	*	*	*	*					*	*	*	*	*	*	*	*	*	*	
A6-01	HILL STREET VIEW 1	GP	NTS	*		*	*	*	*	*					*	*	*	*	*	*	*	*	*	*	
A6-02	MODOC AVE VIEW 2	GP	NTS	*		*	*	*	*	*					*	*	*	*	*	*	*	*	*	*	
A6-03	CHILCO STREET VIEW 3	GP	NTS	*		*	*	*	*	*					*	*	*	*	*	*	*	*	*	*	
A6-04	HAMILTON PARK VIEW 4	GP	NTS	*		*	*	*	*	*					*	*	*	*	*	*	*	*	*	*	
A6-05	BCDC PUBLIC SHORELINE TRAIL VIEW 5	GP	NTS	*		*	*	*	*	*					*	*	*	*	*	*	*	*	*	*	
A6-06	BAY TRAIL VIEW 6	GP	NTS	*		*	*	*	*	*					*	*	*	*	*	*	*	*	*	*	
A6-07	BEDWELL BAYFRONT PARK VIEW 7	GP	NTS	*		*	*	*	*	*					*	*	*	*	*	*	*	*	*	*	
A7	SHADOW DIAGRAM																								
A7-01	SHADOW DIAGRAM	GP	NTS	*		*	*	*	*	*					*	*	*	*	*	*	*	*	*	*	
A7-02	SHADOW DIAGRAM	GP	NTS	*		*	*	*	*	*					*	*	*	*	*	*	*	*	*	*	

# PRELIMINARY DATA SHEET

LOCATION: 300-309 CONSTITUTION DRIVE, MENLO PARK, CALIFORNIA					
EXISTING USE: WAREHOUSE/OFFICE USE			APPLICANT: HIBISCUS PROPERTIES, LLC		
PROPOSED USE: OFFICE WITH AN OPTION FOR HOTEL			PROPERTY OWNER(S): HIBISCUS PROPERTIES LLC		
ZONING: M2			APPLICATION(S): DEVELOPMENT APPLICATION		
DEVELOPMENT STANDARDS	PROPOSED DEVELOPMENT		EXISTING PROJECT		M-2 ZONING ORDINANCE
LOT AREA	2,539,928	SF	2,539,928	SF	NA SF MIN
AVERAGE LOT WIDTH	3,100	FT	3,100	FT	NA FT MIN
AVERAGE LOT DEPTH	820	FT	820	FT	NA FT MIN
SETBACKS					
FRONT (NORTH)	60	FT	60	FT	Min. 20 FT
REAR (SOUTH)	21	FT	21	FT	0 FT
SIDE (WEST)	46	FT	46	FT	Min. 10 FT
SIDE (East)	72	FT	81	FT	Min. 10 FT
BUILDING COVERAGE					
COVERAGE: BLDG 21, BLDG 22, BLDG 23 *	1,215,914	SF	823,365	SF	1,142,968 SF MAX
	47.87%	SF	32%		50% MAX
COVERAGE: BLDG 21, BLDG 22, BLDG 23 & POTENTIAL HOTEL	1,266,092	SF	32%		50% MAX
	49.45%	SF	32%		50% MAX
FAR (FLOOR AREA RATIO) OFFICE USE					
	45%		40%		45%
FAR (FLOOR AREA RATIO) OFFICE USE + HOTEL					
	52%				
BUILDING SQUARE FOOTAGE					
EXISTING BUILDINGS 301-309 CONSTITUTION AVE	NA		835,838	GFA	
BUILDING 23 - 300 CONSTITUTION RENOVATION	180,108	GFA	180,108	GFA	
BUILDING 21 - OFFICE BUILDING	512,900	GFA	NA		
BUILDING 22 - OFFICE BUILDING	449,500	GFA	NA		
POTENTIAL HOTEL	174,800	GFA	NA		
TOTAL SQUARE FOOTAGE FOR BUILDINGS	1,317,308	GFA	1,015,946	GFA	
BUILDING HEIGHT					
	75	FT	73	FT	
PARKING					
OFFICE PARKING PROVIDED ON SITE	3,288	SPACES	1,690	SPACES	
HOTEL PARKING PROVIDED ON SITE	245	SPACES	NA	NA	
TOTAL PARKING	3,533	SPACES	1,690	SPACES	

FLOOD ZONE - AE  
BASE FLOOD ELEVATION (BFE) 10.3' NAVD '88  
ALL ELEVATIONS REFER TO NAVD '88

## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site  
301-309 Constitution Drive, Menlo Park, California  
Gehry Partners, LLP

DATA SHEET | A0-01

MARCH 02, 2016





0 150 300 600



## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site  
301-309 Constitution Drive, Menlo Park, California  
Gehry Partners, LLP

AERIAL REGIONAL SITE VIEW | A0-02

SCALE : 1"= 300'

11X17 SCALE IS 1"= 600'

JULY 17, 2015



Program Areas by Building (approx. sf)							
BUILDING	Office	Support Rms	Amenities	Event Space	Hotel	Circulation, Walls, Structure, Stairs, etc.	GFA
MPK 21	195,900	50,400	60,165	31,100	0	175,307	512,872
MPK 22	168,800	42,000	56,400	1,200	0	181,100	449,500
POTENTIAL HOTEL	1,800	11,500	13,700	0	61,700	86,100	174,800

Level Areas by Building (approx. sf)					
BUILDING	Ground	Level 1	Level 1 Mezz	Roof	GFA
MPK 21	16,444	389,140	81,509	25,779	512,872
MPK 22	13,800	419,900	7,800	8,000	449,500

BUILDING	Ground	Podium	Level 3	Level 4	Level 5	Level 6	Level 7	GFA
POTENTIAL HOTEL	13,700	39,400	22,300	25,000	25,000	25,000	24,400	174,800

#### NOTE:

1. THE PROGRAM INFORMATION CONTAINED IN THESE TABLES ARE DRAFT APPROXIMATIONS AS THEY STAND AT THIS POINT IN TIME. THE PROGRAM INFORMATION WILL CONTINUE TO BE REFINED AS THE DESIGN OF THE BUILDINGS EVOLVE.

#### SUPPORT ROOMS:

Support Rooms include Electrical & Machine Rooms, Shipping & Receiving Facilities, Storage Room, Security, Bicycle Storage, Restrooms, IT Rooms, Showers, Lockers.

#### AMENITIES:

Amenities include Cafeteria, Private Dining Rooms, Cafes, Microkitchens, Mother's/Wellness Room, Meditation Rooms

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CONSULTANTS

Facebook Campus Expansion  
Facebook Building 21, 22 & Hotel Site  
300-309 Constitution Drive

TITLE  
PROGRAM AREAS  
BLDG 21, BLDG 22, BLDG 23  
& POTENTIAL HOTEL

PROJECT NUMBER  
2015-007  
SCALE

June 6, 2016  
ORIGINAL SHEET SIZE:  
24" x 36"

SHEET NUMBER

A0-20

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POTENTIAL HOTEL : <b>FACEBOOK CAMPUS HOTEL</b>					07/28/2015 V12
	NAME (DESIGN OCCUPANCY)	PROGRAM RM DIMS	PROGRAM AREA (SF)	PROGRAM QUANTITY	TOTAL PROGRAM AREA NSF
	<b>AMENITIES</b>			9	13,700
	FOOD + BEVERAGE			3	3,900
	FUNCTION SPACE			4	5,800
	FITNESS ROOM			1	1,500
	POOL AND DECK			1	2,500

**NOTE:**

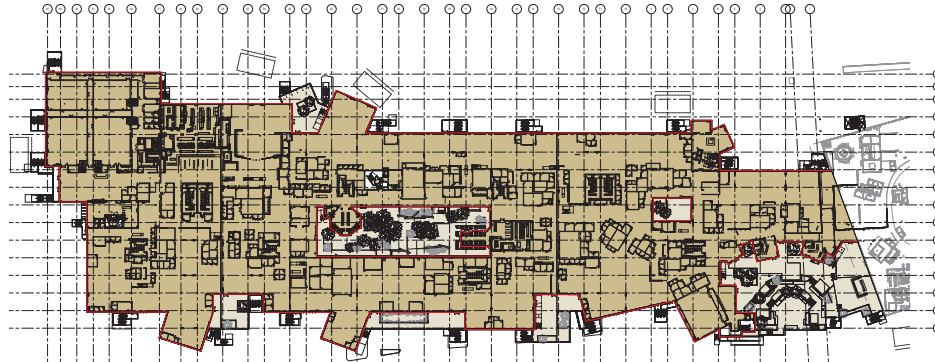
1. THE PROGRAM INFORMATION CONTAINED IN THESE TABLES ARE DRAFT APPROXIMATIONS AS THEY STAND AT THIS POINT IN TIME. THE PROGRAM INFORMATION WILL CONTINUE TO BE REFINED AS THE DESIGN OF THE BUILDINGS EVOLVE.

## Facebook Campus Expansion

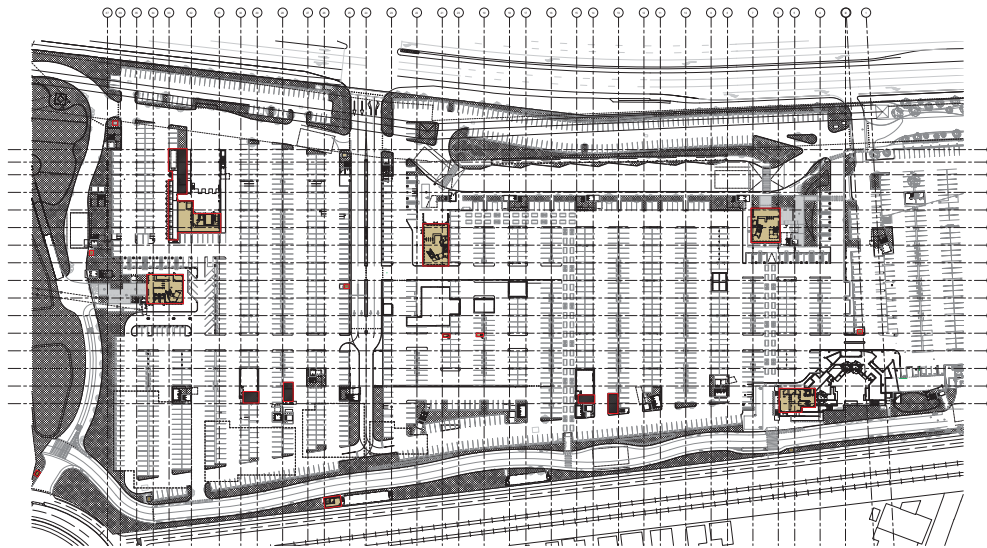
Buildings 21, 22 & Hotel Site  
301-309 Constitution Drive, Menlo Park, California  
Gehry Partners, LLP

PROGRAM AMENITIES OF HOTEL | **A0-21**

SEPTEMBER 28, 2015



FIRST LEVEL (OFFICE) 389,140 SF GFA



GROUND FLOOR 16,444 SF GFA

#### GFA CALCULATION

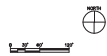
	GROUND FLOOR	LEVEL 01	MEZZANINE LEVEL	ROOF-GARDEN LEVEL	TOTAL
SUB-TOTAL GROSS AREA	21,089 SF	389,590 SF	81,831 SF	29,876 SF	522,386 SF
EXCLUSIONS TO GFA					
NON-OCCUPABLE / INACCESSIBLE AREAS <sup>1</sup>	0 SF	407 SF	112 SF	458 SF	977 SF
AREAS FOR BUILDING SYSTEMS - GENERATORS, MECH. <sup>2</sup>	2,958 SF	0 SF	0 SF	2,865 SF	5,823 SF
SHAFTS - HVAC, PLUMBING <sup>3</sup>	0 SF	43 SF	210 SF	774 SF	1,027 SF
ENCLOSURES FOR TRASH & RECYCLING <sup>4</sup>	2,287 SF	0 SF	0 SF	0 SF	2,287 SF
TOTAL GFA EXCLUSIONS	4,645 SF	450 SF	322 SF	4,097 SF	9,514 SF
GFA CALCULATION (SUB-TOTAL GROSS AREA - TOTAL GFA EXCLUSIONS)	16,444 SF	389,140 SF	81,509 SF	25,779 SF	512,872 SF

#### Notes:

1. GROSS FLOOR AREA (GFA) DEFINITION 16.04.325, ADOPTED AND EFFECTIVE DECEMBER 7, 2010.
2. EXCEPTIONS TO GFA 16.04.325 C.1: NON-USABLE OR NON-OCCUPABLE SPACES NOT TO EXCEED 3% OF MAXIMUM ALLOWED GFA. AREAS IDENTIFIED AS INACCESSIBLE ARE NON-USABLE/NON-OCCUPABLE SPACE WITH UNFINISHED WALLS FLOORS AND CEILINGS AND HAVE LIMITED ACCESS, UNCONDITIONED AIR, NO WINDOWS OR SKYLIGHTS, AND NO ELECTRICITY.
3. EXCEPTIONS TO GFA 16.04.325 C.2: BUILDING AREAS WITH NOISE GENERATING EQUIPMENT - MECH + GENERATORS NOT TO EXCEED 1% OF GFA. AREA TOTALS LISTED ABOVE HAVE BEEN PROPORTIONALLY REDUCED SO AS NOT TO EXCEED THE MAXIMUM ALLOWABLE EXCLUSION OF 1% OF GFA.
4. EXCEPTIONS TO GFA 16.04.325 C.3: ALL AREAS DEVOTED TO COVERED PARKING AND RELATED CIRCULATION.
5. EXCEPTIONS TO GFA 16.04.325 C.5: VENT SHAFTS, SUCH AS BUILDING MECHANICAL AIR DUCTS, AREA OF VENT SHAFTS FOR MECHANICAL AIR DUCTS ARE INCLUDED IN NON-OCCUPABLE/INACCESSIBLE AREA TABULATION.
6. TRASH ENCLOSURE AREA IS EXCLUDED FROM GFA CALCULATION PER CITY OF MENLO PARK ZONING ORDINANCE 16.04.325 C.6

#### LEGEND

- BUILDING ENCLOSURE
- EXTERIOR TERRACE
- SECURITY STATIONS
- ENCLOSURE AREA



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CONSULTANTS

Facebook Campus Expansion  
Facebook Building 21, 22 & Hotel Site  
300-309 Constitution Drive

TITLE  
MPK21  
SQUARE FOOT  
DIAGRAMS

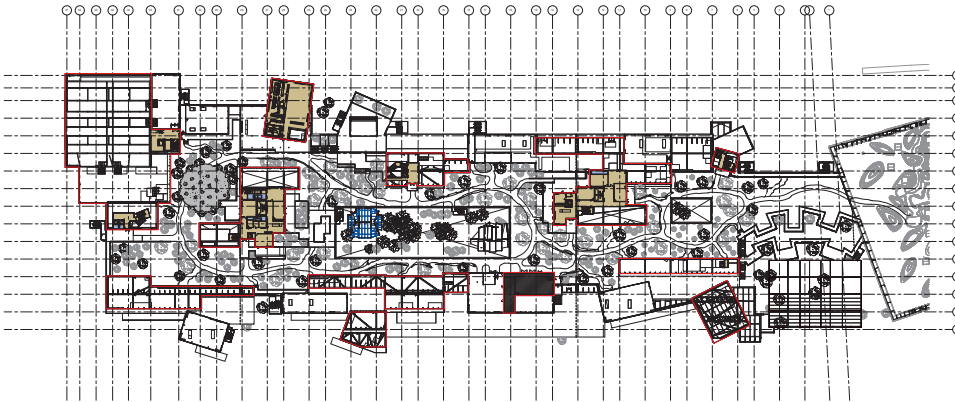
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2015-007  
SCALE  
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1" = 200' (11"X17")

JUNE 6, 2016  
ORIGINAL SHEET SIZE:  
24" X 36"

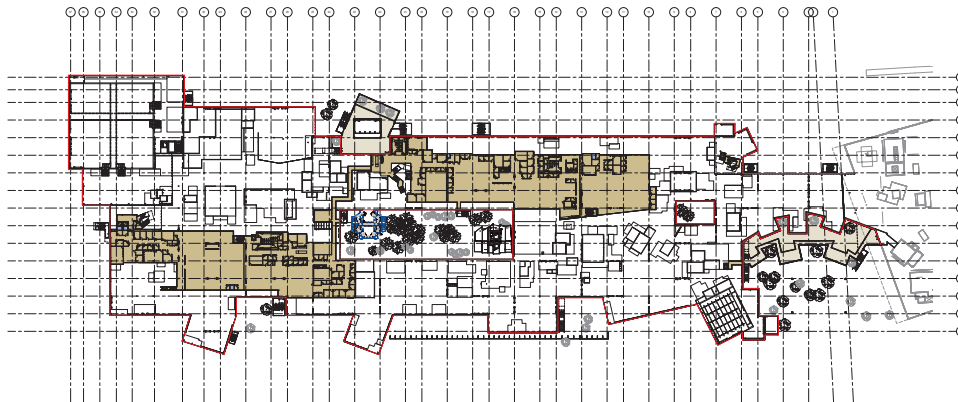
SHEET NUMBER

A0-22

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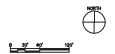


ROOF LEVEL 25,779 SF GFA



MEZZANINE LEVEL 81,509 SF GFA

**LEGEND**  
 BUILDING ENCLOSURE  
 EXTERIOR TERRACE  
 SECURITY STATIONS  
 ENCLOSURE AREA



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CONSULTANTS

Facebook Campus Expansion  
 Facebook Building 21, 22 & Hotel Site  
 300-309 Constitution Drive

TITLE  
 MPK21  
 SQUARE FOOT  
 DIAGRAMS

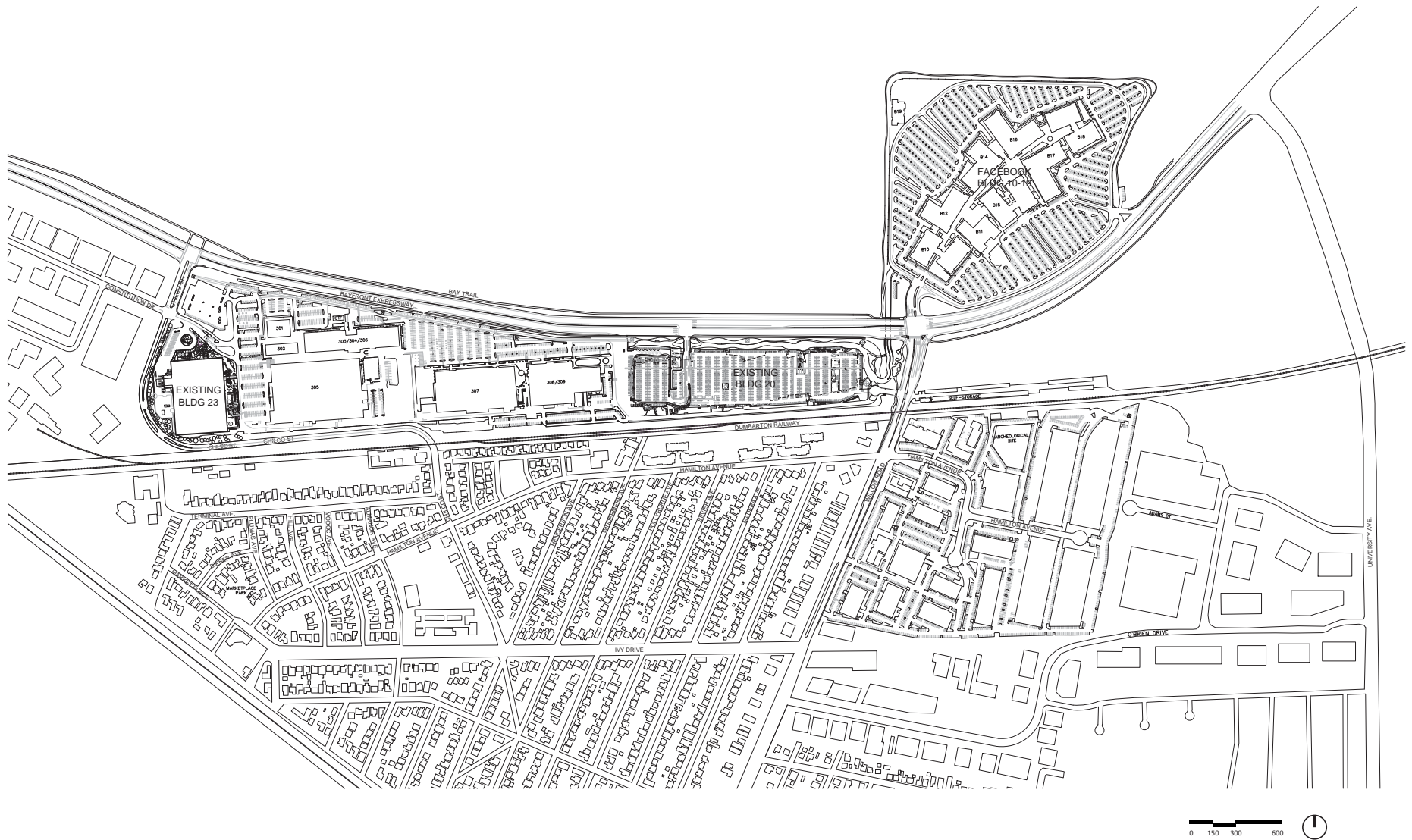
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 SCALE  
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 1" = 200' (11"X17")

June 6, 2016  
 ORIGINAL SHEET SIZE:  
 24" x 36"

SHEET NUMBER

A0-23

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Buildings 21, 22 & Hotel Site  
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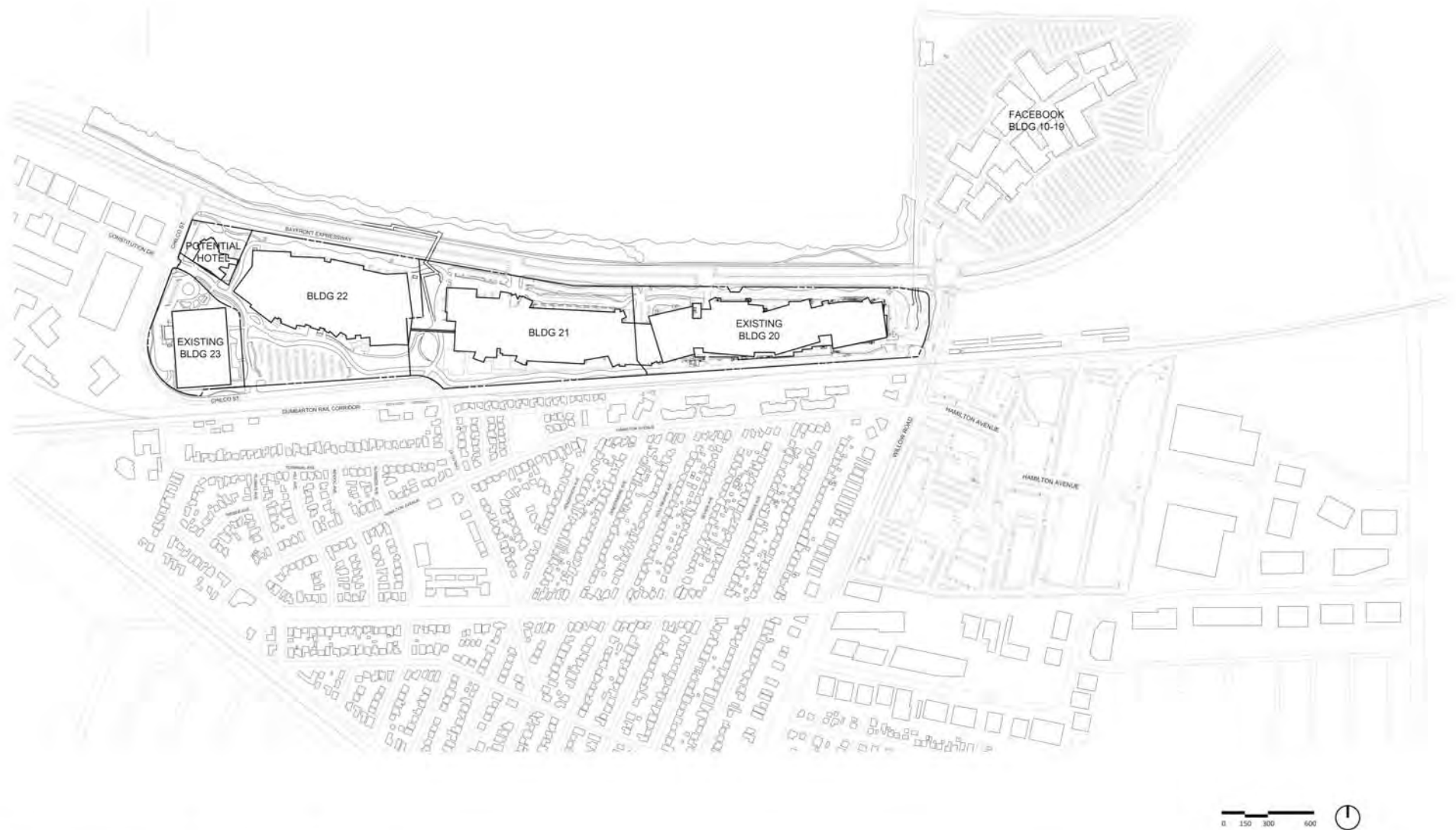
EXISTING REGIONAL PLAN | A1-01

SCALE : 1"= 300'

11X17 SCALE IS 1"= 600'

NOVEMBER 04, 2015





## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site

301-309 Constitution Drive, Menlo Park, California

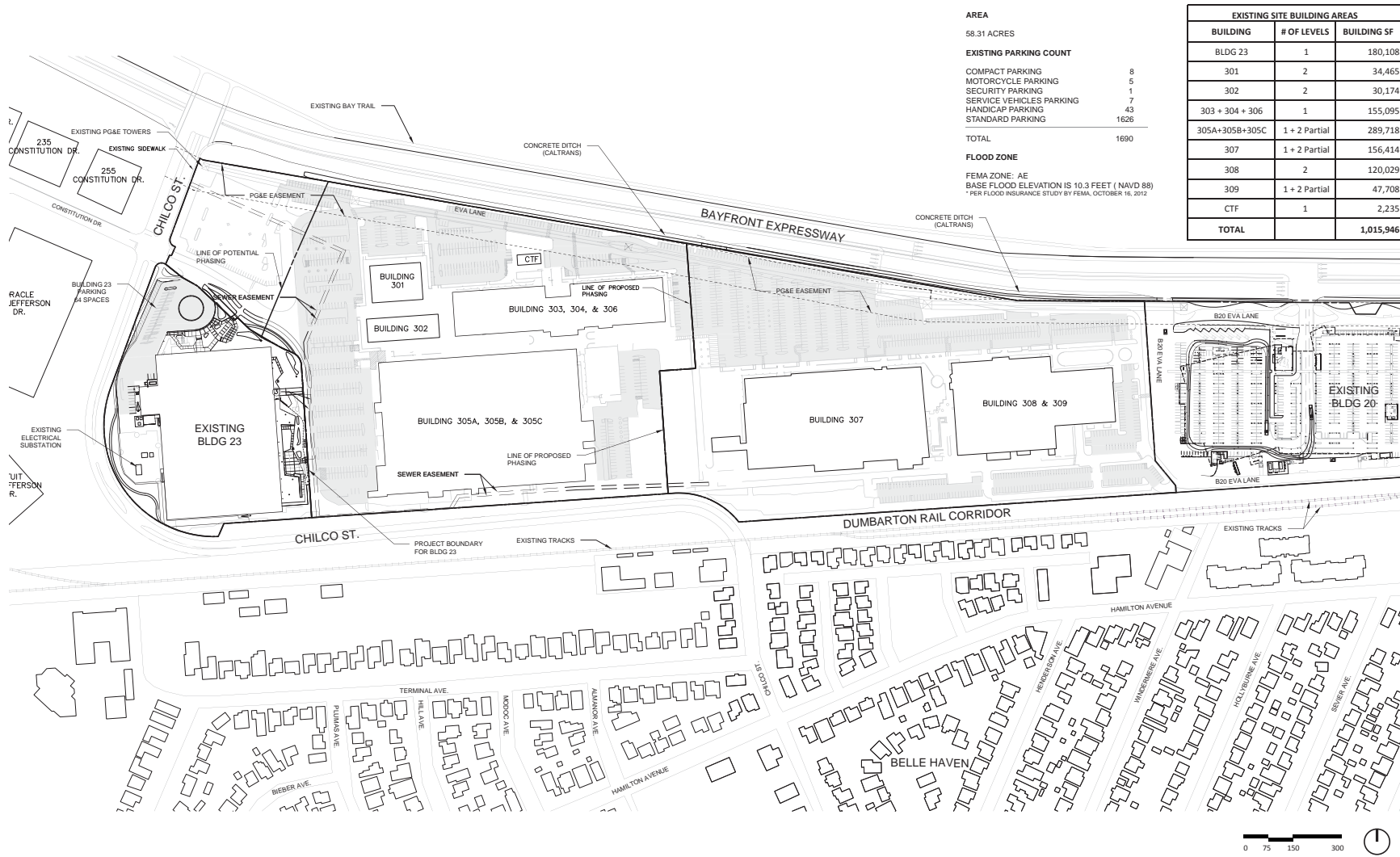
Gehry Partners, LLP

PROPOSED REGIONAL PLAN | A1-02

SCALE : 1"= 300'

11X17 SCALE IS 1"= 600'

FEBRUARY 26, 2016



**AREA**  
58.31 ACRES

**EXISTING PARKING COUNT**

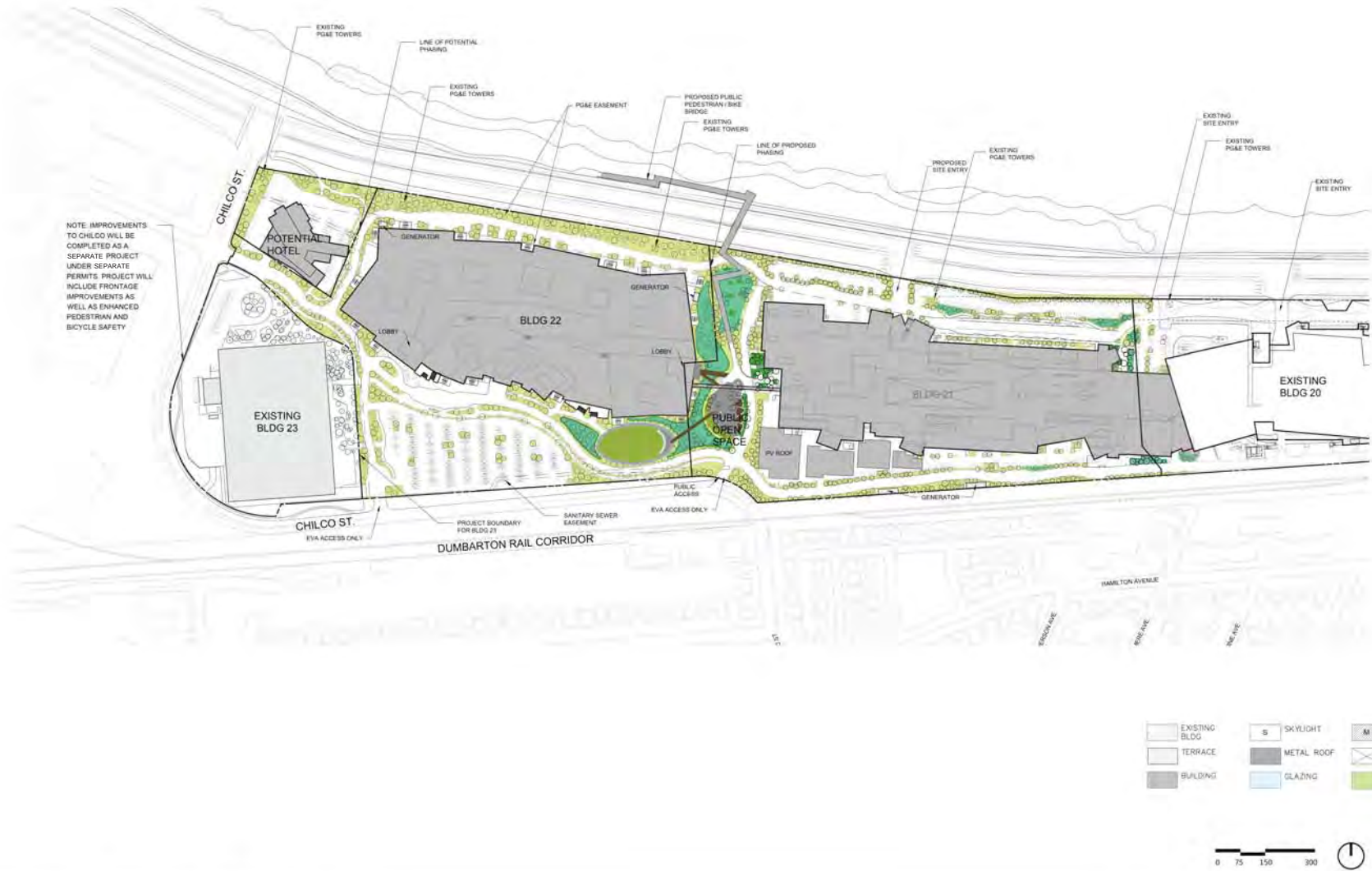
COMPACT PARKING	8
MOTORCYCLE PARKING	5
SECURITY PARKING	1
SERVICE VEHICLES PARKING	7
HANDICAP PARKING	43
STANDARD PARKING	1626
<b>TOTAL</b>	<b>1690</b>

**FLOOD ZONE**  
FEMA ZONE: AE  
BASE FLOOD ELEVATION IS 10.3 FEET ( NAVD 88)  
\*PER FLOOD INSURANCE STUDY BY FEMA, OCTOBER 16, 2012

EXISTING SITE BUILDING AREAS		
BUILDING	# OF LEVELS	BUILDING SF
BLDG 23	1	180,108
301	2	34,465
302	2	30,174
303 + 304 + 306	1	155,095
305A+305B+305C	1 + 2 Partial	289,718
307	1 + 2 Partial	156,414
308	2	120,029
309	1 + 2 Partial	47,708
CTF	1	2,235
<b>TOTAL</b>		<b>1,015,946</b>

**Facebook Campus Expansion**  
Buildings 21, 22 & Hotel Site  
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**EXISTING SITE PLAN | A2-01**  
SCALE : 1"= 150'  
11X17 SCALE IS 1"=300'  
NOVEMBER 04, 2015



## Facebook Campus Expansion

### Buildings 21, 22 & Hotel Site

301-309 Constitution Drive, Menlo Park, California

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## PROPOSED SITE PLAN | A2-02

SCALE : 1"= 150'

11X17 SCALE IS 1"=300'

MAY 18, 2016







NOTE: IMPROVEMENTS TO CHILCO WILL BE COMPLETED AS A SEPARATE PROJECT UNDER SEPARATE PERMITS. PROJECT WILL INCLUDE FRONTAGE IMPROVEMENTS AS WELL AS ENHANCED PEDESTRIAN AND BICYCLE SAFETY



## Facebook Campus Expansion

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LEVEL 01 OFFICE PLAN | A2-04

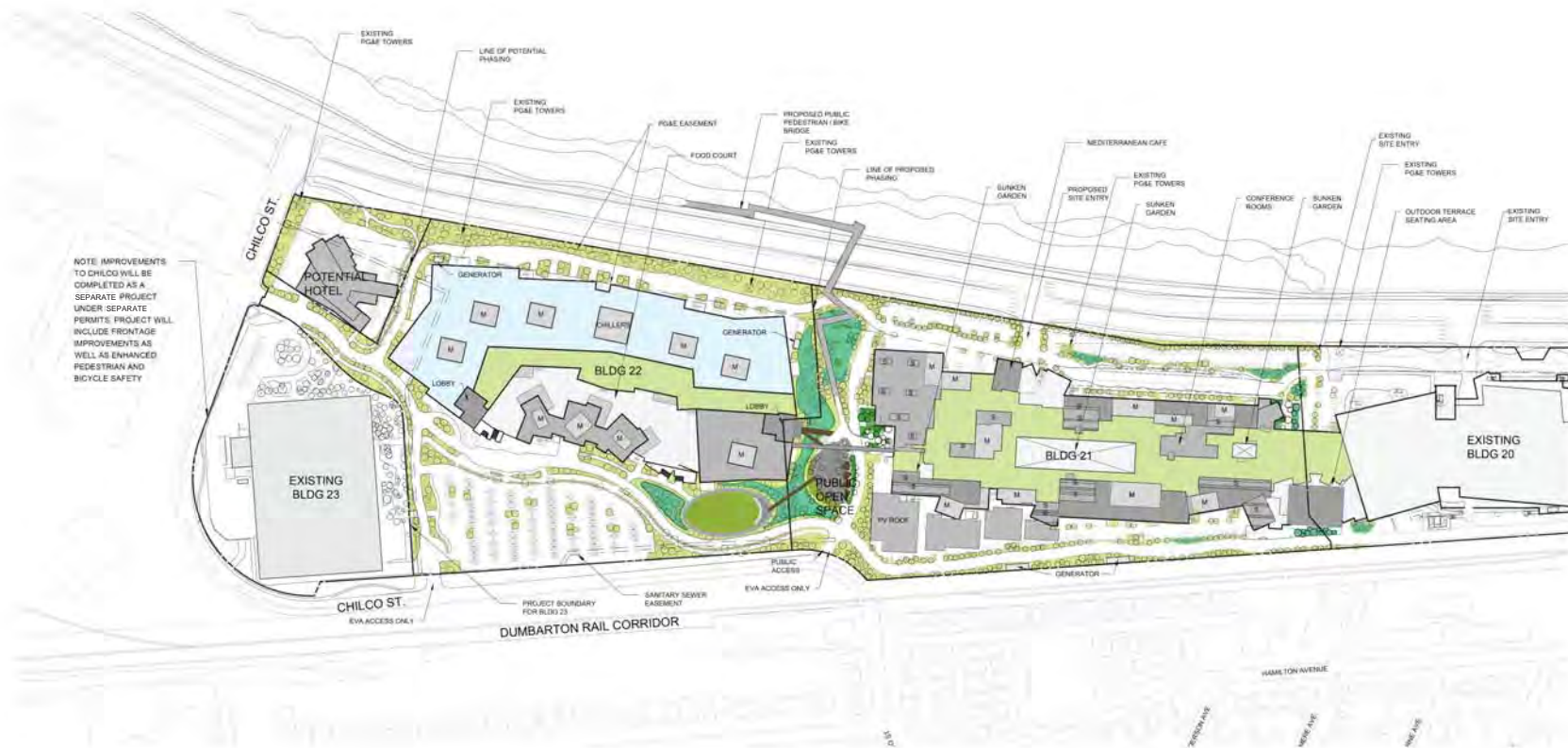
SCALE : 1"= 150'

11X17 SCALE IS 1"=300'

MAY 18, 2016







NOTE: IMPROVEMENTS TO CHILCO WILL BE COMPLETED AS A SEPARATE PROJECT UNDER SEPARATE PERMITS. PROJECT WILL INCLUDE FRONTAGE IMPROVEMENTS AS WELL AS ENHANCED PEDESTRIAN AND BICYCLE SAFETY

#### MINIMUM LIGHTING STANDARD

The lighting standards for the Facebook Campus Expansion Project shall comply with LEED & CAL Green performance standards designed to minimize light trespass from the buildings and site. The standard set by LEED, below, reflects the intent of the minimum lighting standard for the Facebook Campus Expansion Project site lighting. Light areas only as required for safety and comfort. Lighting power densities must not exceed ANSI/ASHRAE/IESNA Standard 90.1-2007 9 with errata but without addenda for classified zone. Design exterior lighting so that all site and building-mounted luminaires produce a maximum initial illuminance value no greater than 0.20 horizontal and vertical foot-candles at the site boundary and no greater than 0.01 horizontal foot-candles 15 feet beyond the site. Document that no more than 5% of the total initial designed fixture lumens (sum total of all fixtures on site) are emitted at an angle of 85 degrees or higher from nadir. (Straight down) The design will also comply with Cal Green Light Pollution Reduction Standards noted below. Outdoor lighting systems shall be designed and installed to comply with the following:

1. The minimum requirements in the California Energy Code for Lighting Zones 14-4 as defined in Chapter 10 of the California Administrative Code, and;
2. Backlight, Uplight and Glare (BUG) ratings as defined in IESNA TM-15-11; and
3. Allowable BUG ratings not exceeding those shown in Table A5.106.8, or
4. Comply with a local ordinance lawfully enacted pursuant to section 101.7, whichever is more stringent.

#### EXCEPTIONS:

1. Luminaires that qualify as exceptions in Section 147 of the California Energy Code.
2. Emergency lighting.

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

1. Interior lighting will be on motion sensors as much as possible.
2. Perimeter interior lighting be minimized.
3. Rooms used regularly at night to have window coverings.
4. Exterior light fixtures to be designed to minimize light escaping upwards.

EXISTING BLDG	S SKYLIGHT	M MECHANICAL
TERRACE	METAL ROOF	OPEN TO BELOW
BUILDING	GLAZING	LANDSCAPE



## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site

301-309 Constitution Drive, Menlo Park, California

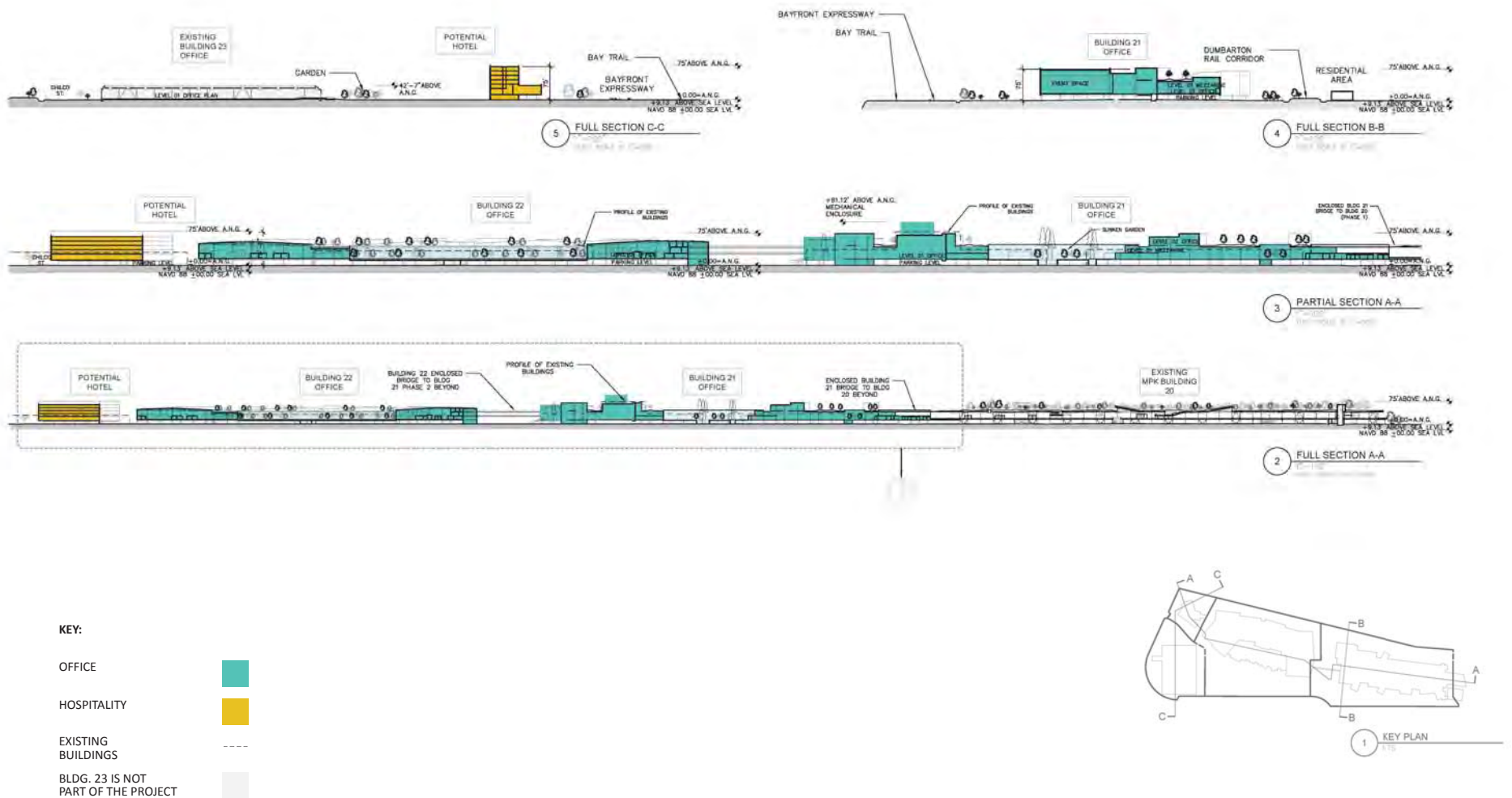
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ROOF PLAN / LIGHTING DATA | A2-06

SCALE : 1"= 150'

11X17 SCALE IS 1"=300'

MAY 18, 2016



## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site

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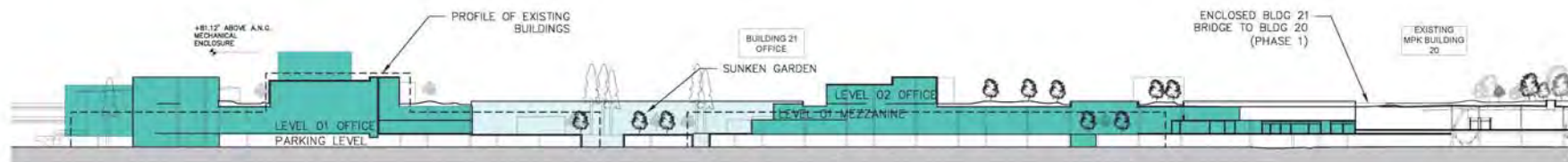
SITE SECTIONS | A3-01

SCALE : AS NOTED

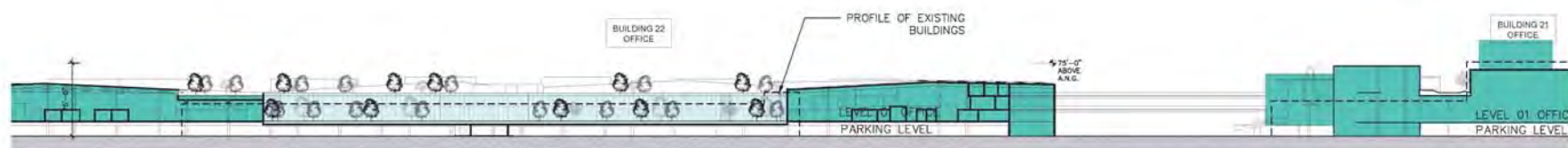
11X17 SCALE IS AS NOTED

FEBRUARY 26, 2016

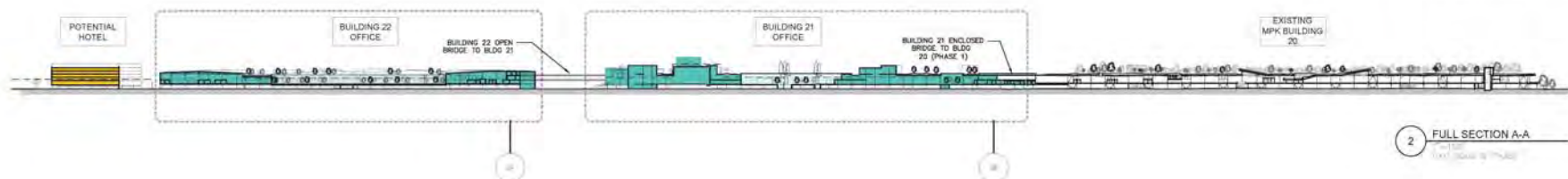




3B PARTIAL SECTION A-A  
1/4" = 1'-0" (NOT SCALE WITH PHASE)



3A PARTIAL SECTION A-A  
1/4" = 1'-0" (NOT SCALE WITH PHASE)



2 FULL SECTION A-A  
1/4" = 1'-0" (NOT SCALE WITH PHASE)

KEY:

OFFICE



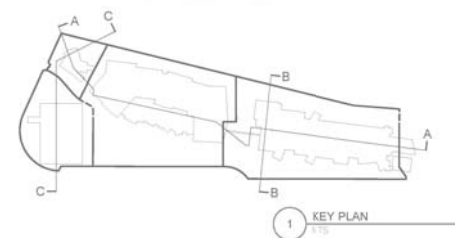
HOSPITALITY



EXISTING BUILDINGS



BLDG. 23 IS NOT PART OF THE PROJECT



1 KEY PLAN  
1/8" = 1'-0"

## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site

301-309 Constitution Drive, Menlo Park, California

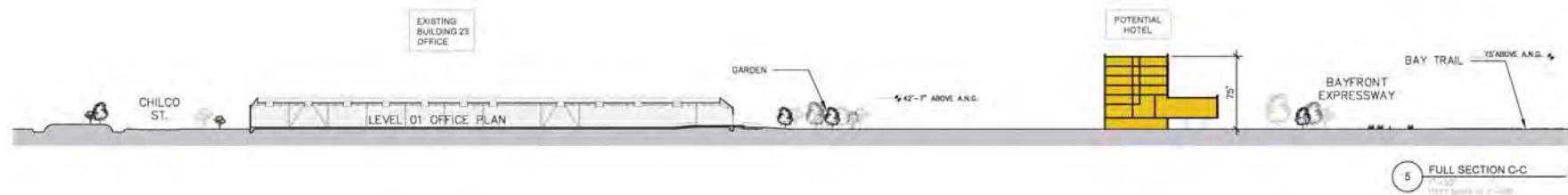
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## SITE SECTIONS | A3-02

SCALE : AS NOTED

11X17 SCALE IS AS NOTED

FEBRUARY 26, 2016



**KEY:**

OFFICE



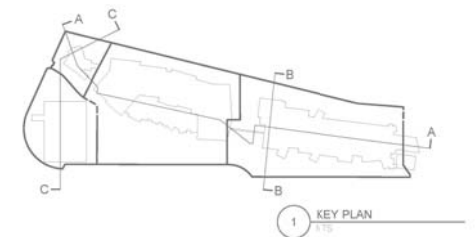
HOSPITALITY



EXISTING  
BUILDINGS



BLDG. 23 IS NOT  
PART OF THE PROJECT



## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site

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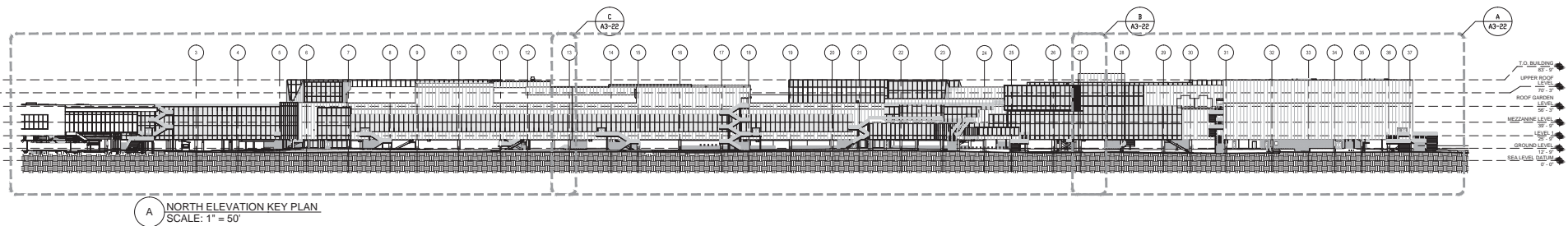
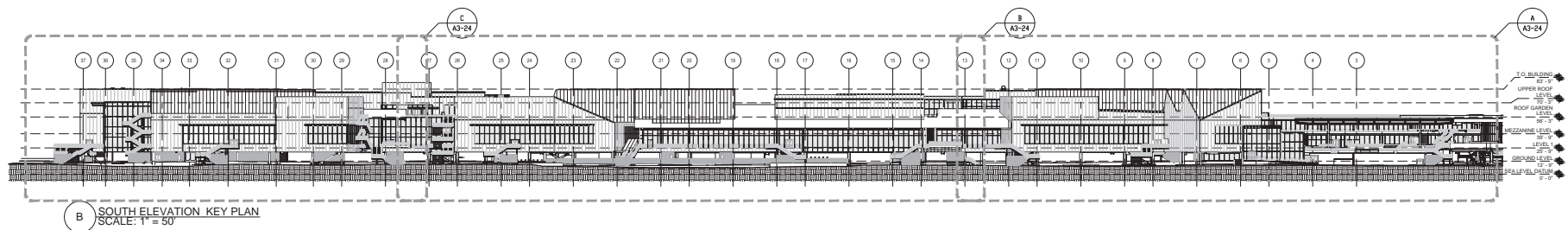
## SITE SECTIONS | A3-03

SCALE : AS NOTED

11X17 SCALE IS AS NOTED

FEBRUARY 26, 2016





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CONSULTANTS

Facebook Campus Expansion  
Facebook Building 21, 22 & Hotel Site  
300-309 Constitution Drive

TITLE  
MPK21  
NORTH & SOUTH  
BUILDING ELEVATIONS

PROJECT NUMBER  
2015-007

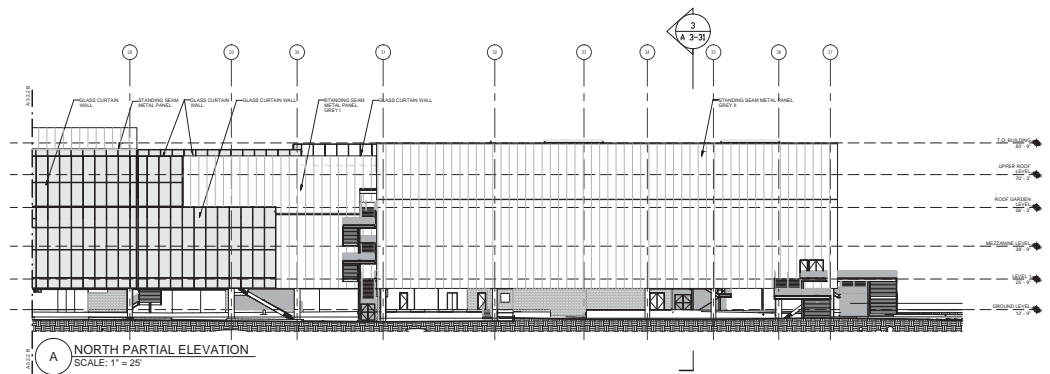
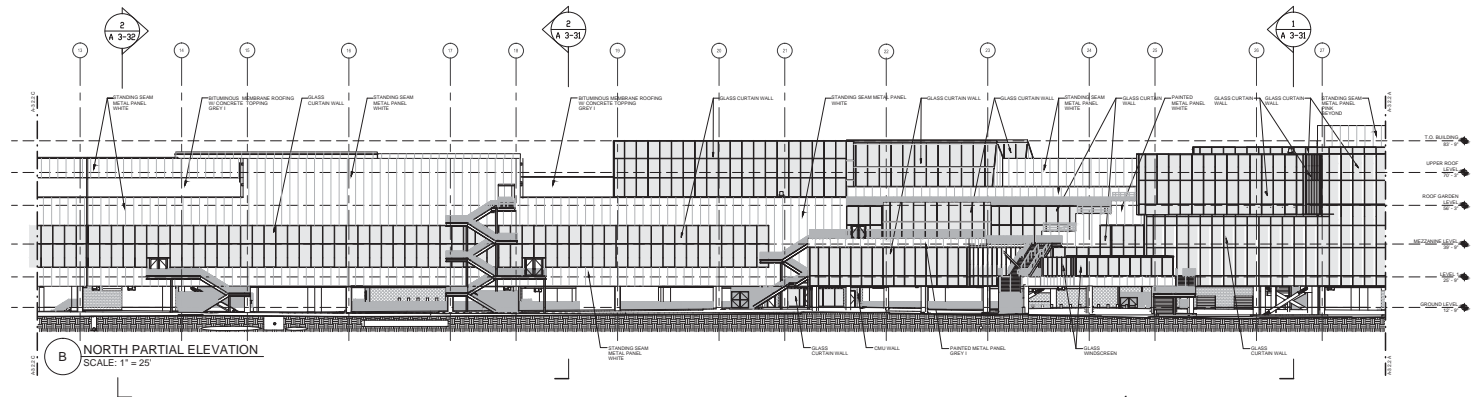
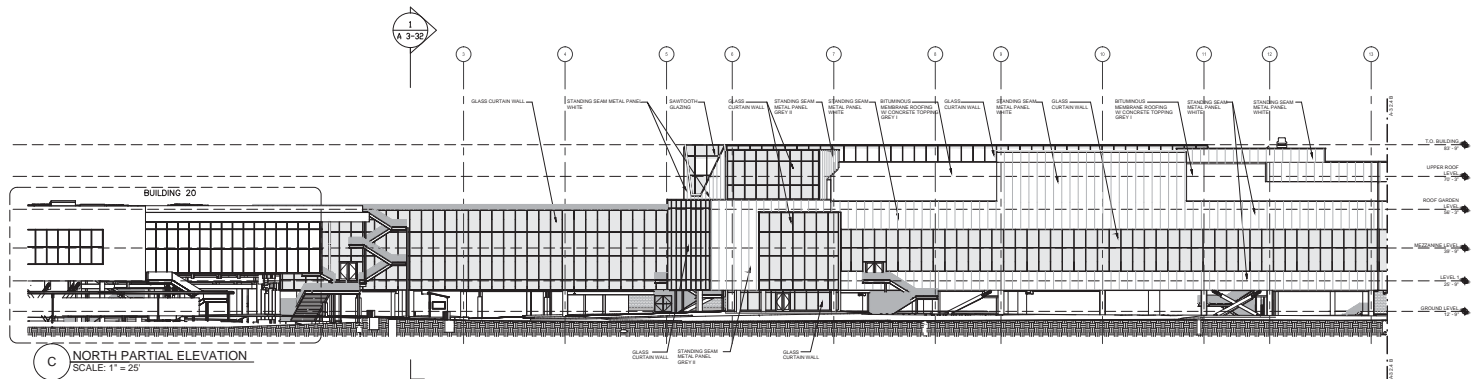
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1" = 100' 11" X 17" Sheet

JUNE 6, 2016

ORIGINAL SHEET SIZE  
24" X 36"

SHEET NUMBER  
A3-21

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300-309 Constitution Drive

TITLE  
MPK21  
NORTH  
BUILDING ELEVATIONS

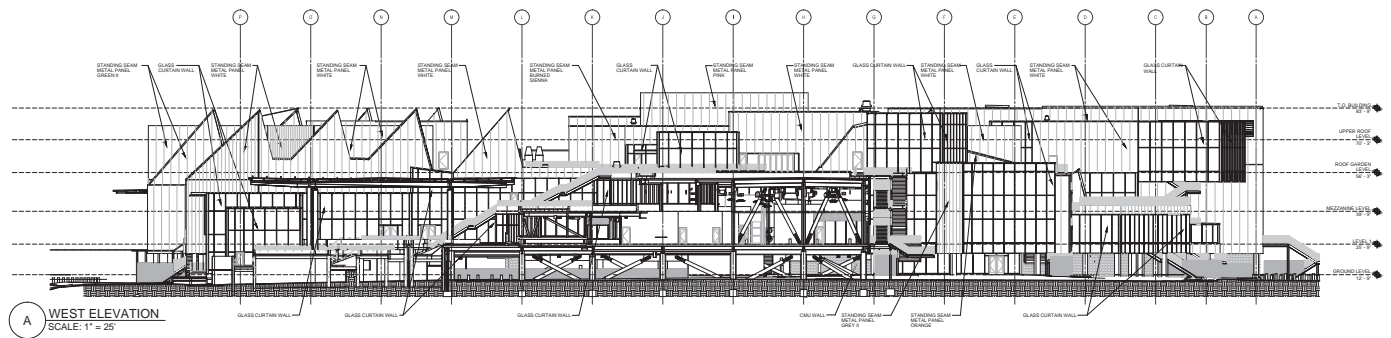
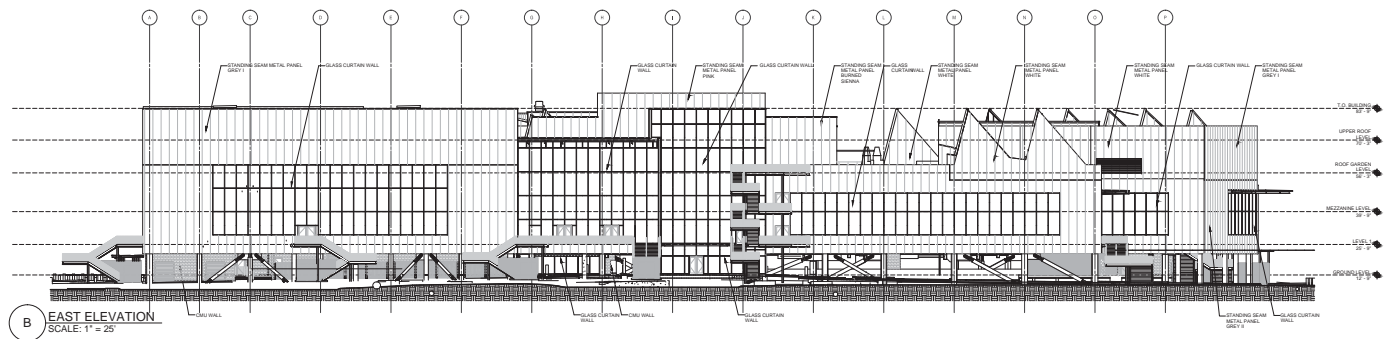
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2015-007  
SCALE  
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1" = 100' 11" X 17" Sheet

JUNE 6, 2016  
ORIGINAL SHEET SIZE:  
24" X 36"

SHEET NUMBER

A3-22

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LOS ANGELES, CALIFORNIA 90066  
(310) 482-3000

FACEBOOK  
OWNER  
1 HACKER WAY  
MENLO PARK, CALIFORNIA 94025

CONSULTANTS

Facebook Campus Expansion  
Facebook Building 21, 22 & Hotel Site  
300-309 Constitution Drive

TITLE  
MPK21  
EAST & WEST  
BUILDING ELEVATIONS

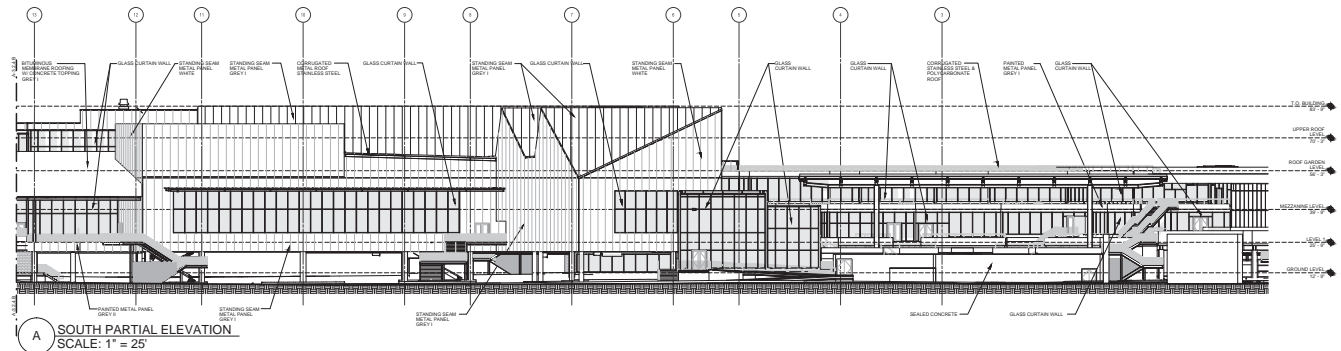
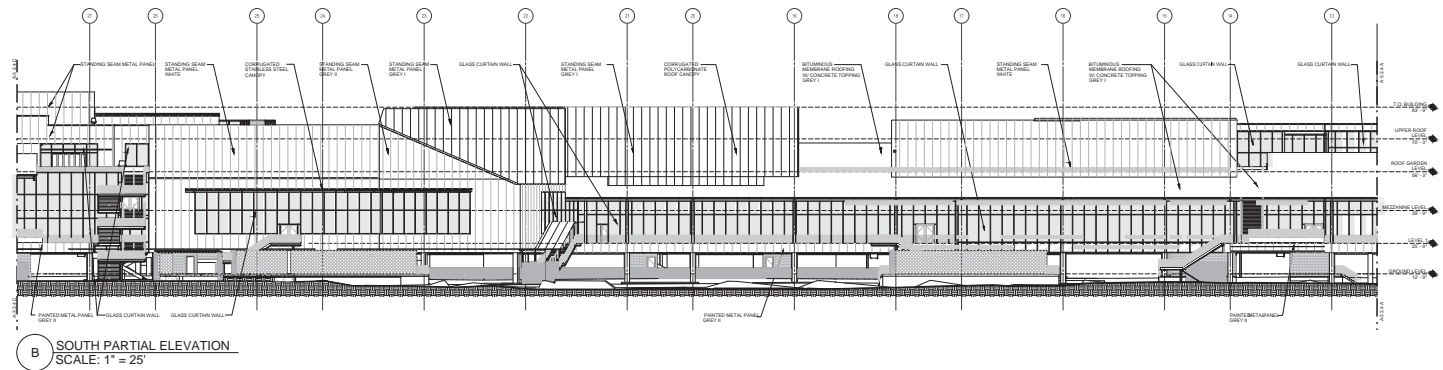
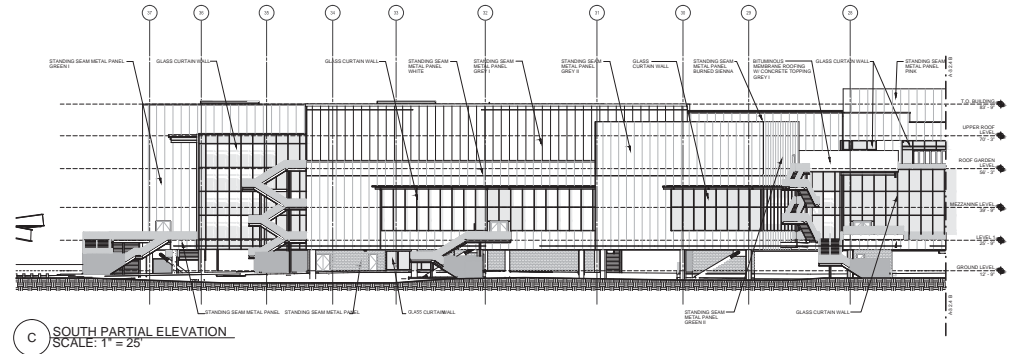
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SCALE  
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1" = 100' 11" X 17" Sheet

JUNE 6, 2016  
ORIGINAL SHEET SIZE  
24" X 36"

SHEET NUMBER

A3-23

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OWNER  
1 HAZEN WAY  
MENLO PARK, CALIFORNIA 94025

CONSULTANTS

Facebook Campus Expansion  
Facebook Building 21, 22 & Hotel Site  
300-309 Constitution Drive

TITLE  
MPK21  
SOUTH  
BUILDING ELEVATIONS

PROJECT NUMBER  
2015-007

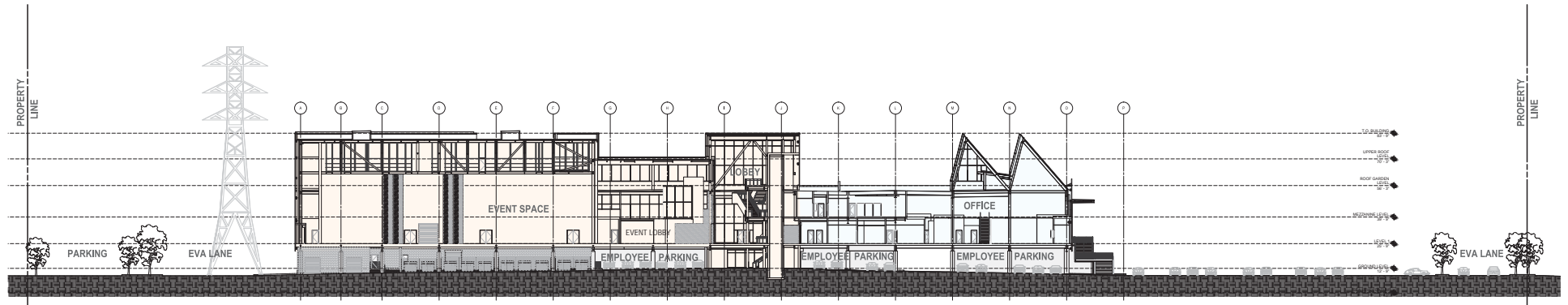
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1" = 100' 11" X 17" Sheet

JUNE 6, 2016

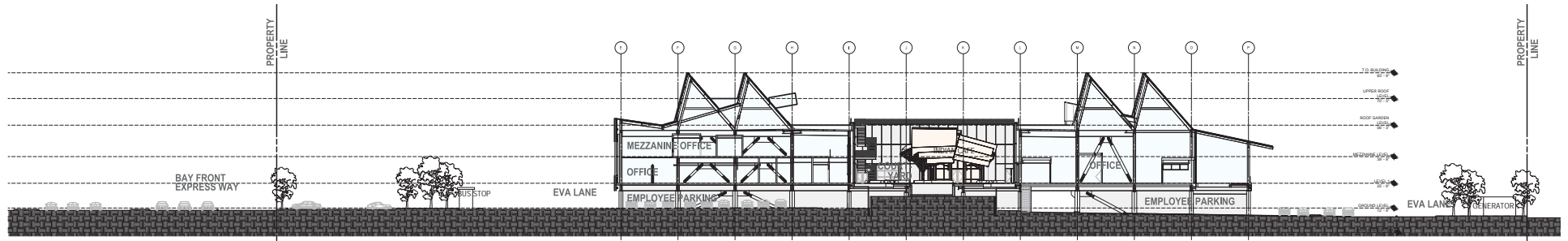
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SHEET NUMBER  
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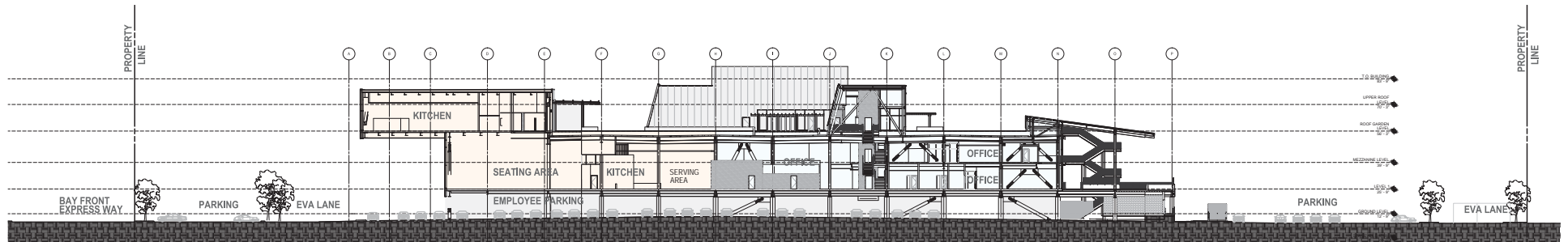
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3 OVERALL SECTION - NORTH SOUTH  
SCALE: 1" = 25'



2 OVERALL SECTION - NORTH SOUTH  
SCALE: 1" = 25'



1 OVERALL SECTION - NORTH SOUTH  
SCALE: 1" = 25'

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(310) 452-3000

FACEBOOK  
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1 HACKER WAY  
MENLO PARK, CALIFORNIA 94025

#### LEGEND

- OFFICE
- NON OFFICE - AMENITIES/MEETING ROOMS
- EXTERIOR ELEVATION SURFACES BEYOND

Facebook Campus Expansion  
Facebook Building 21, 22 & Hotel Site  
300-309 Constitution Drive

TITLE  
MPK 21 NORTH SOUTH  
BUILDING SECTIONS

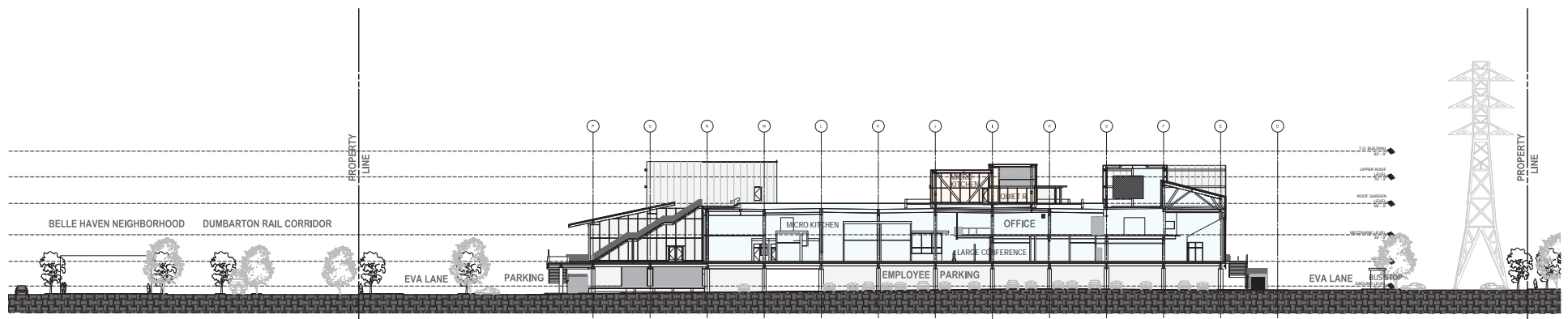
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SCALE  
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JUNE 6, 2016  
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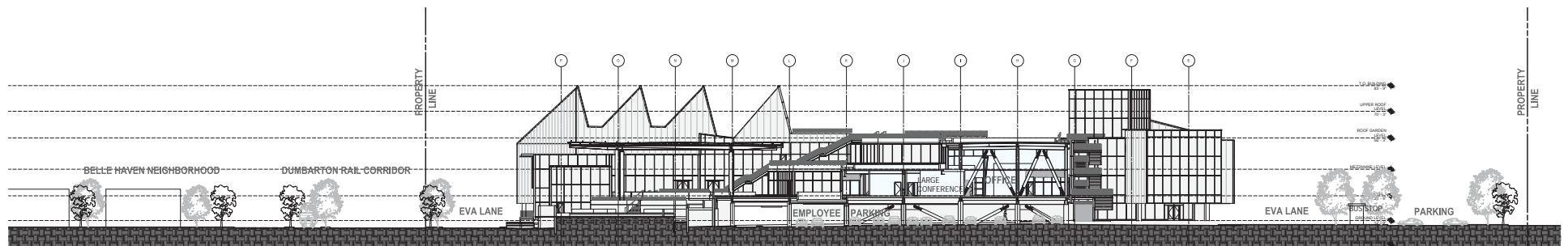
SHEET NUMBER  
A3-31

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2 OVERALL SECTION - NORTH SOUTH  
SCALE: 1" = 25'



1 OVERALL SECTION - NORTH SOUTH  
SCALE: 1" = 25'

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LOS ANGELES, CALIFORNIA 90066  
(310) 452-3300

FACEBOOK  
OWNER  
1 HACKER WAY  
MENLO PARK, CALIFORNIA 94025

#### LEGEND

- OFFICE
- NON OFFICE - AMENITIES/MEETING ROOMS
- EXTERIOR ELEVATION SURFACES BEYOND

Facebook Campus Expansion  
Facebook Building 21, 22 & Hotel Site  
300-309 Constitution Drive

TITLE  
MPK 21 NORTH SOUTH  
BUILDING SECTIONS

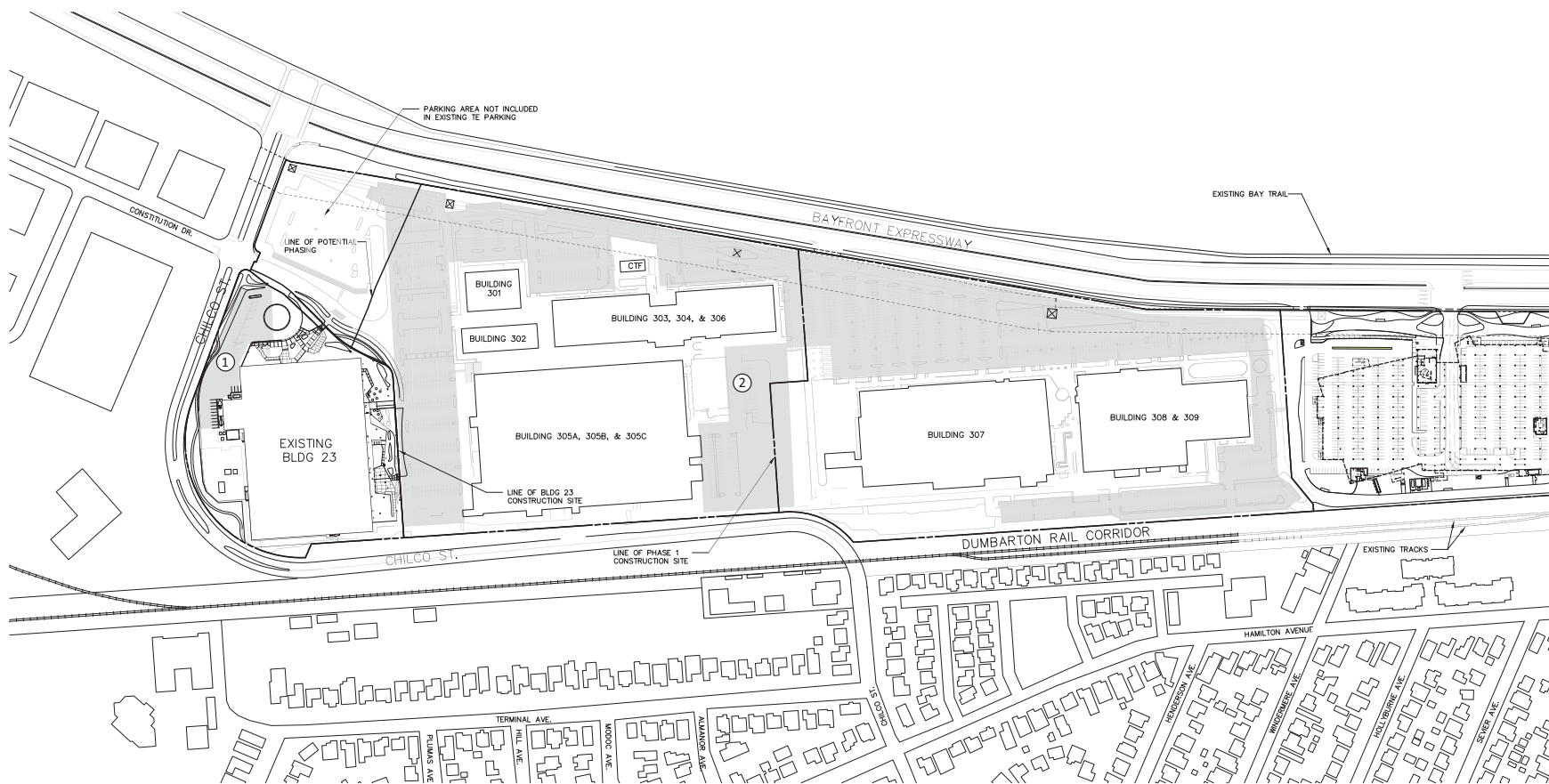
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2015-007  
SCALE  
1" = 25' 24" X 36" Sheet  
1" = 50' 11" X 17" Sheet

ORIGINAL SHEET SIZE:  
24" x 36"

SHEET NUMBER

A3-32

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EXISTING PARKING FOR BUILDING 23  
AND T.E. TENANTS

	NUMBER OF SPACES
1. BUILDING 23 SITE	57
2. SITE EXISTING	1,626
TOTAL	1,690

#### EXISTING CONDITION: BUILDING 23 RENOVATION COMPLETION PARKING

The conditional use permit approved in December 2014 for Building 23 (Building 300) allows Facebook to accommodate the employees of Building 23 by utilizing the current existing parking spaces on the site which are also shared by the tenants of existing buildings of the site. This is an interim condition until the remainder of the project site is developed.



## Facebook Campus Expansion

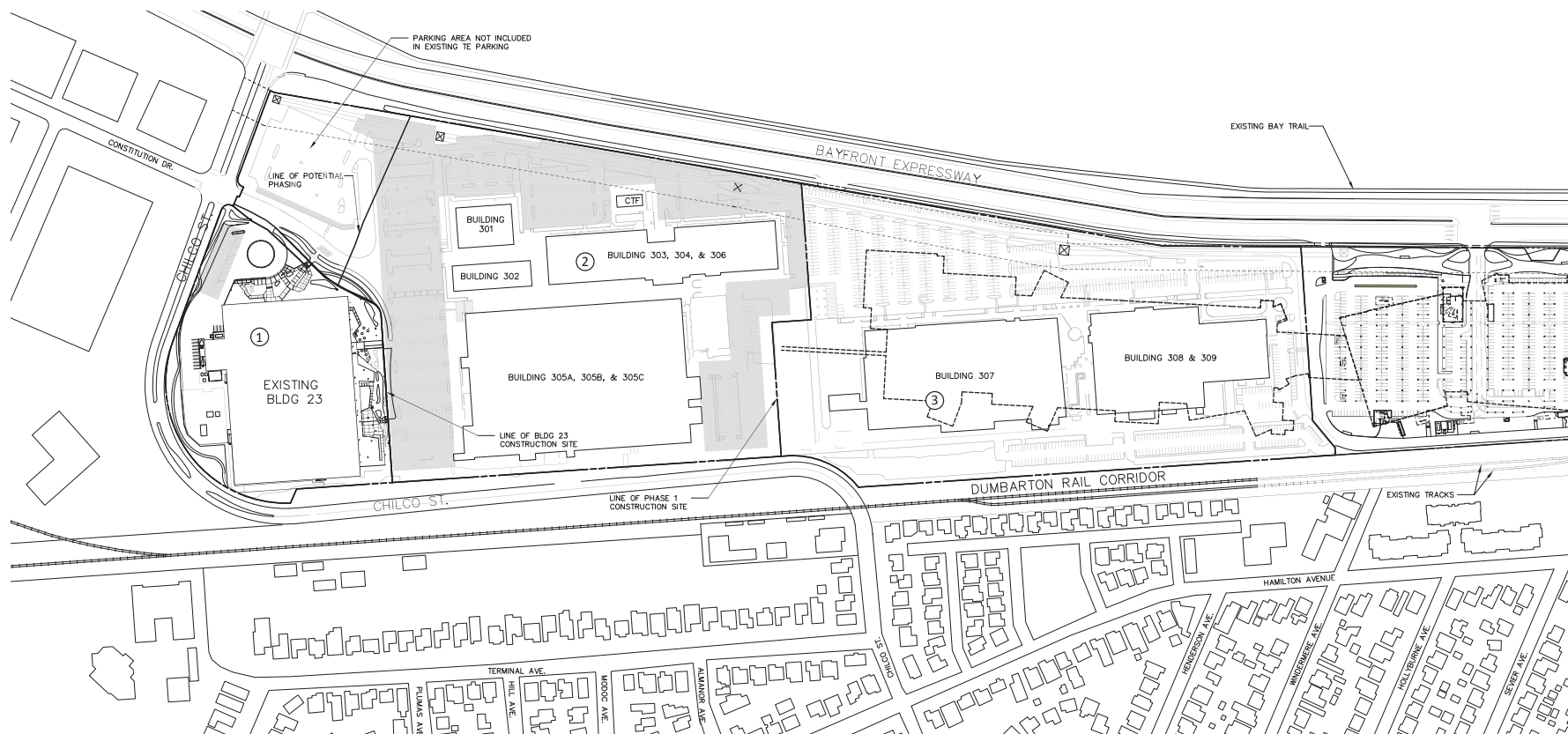
Buildings 21, 22 & Hotel Site  
301-309 Constitution Drive, Menlo Park, California  
Gehry Partners, LLP

## EXISTING CONDITION: BUILDING 23 RENOVATION PARKING | A4-01

SCALE : 1"= 150'

11X17 SCALE IS 1"=300'

MAY 18, 2016



- ROADWAYS BUILT IN PHASE 2
- EXISTING PARKING FOR BUILDING 23 AND T.E. TENANTS

	NUMBER OF SPACES
1 - BUILDING 23	57
2 - EXISTING T.E. SITE SPACES	717
3 - BUILDING 21 CONSTRUCTION AREA	0
TOTAL	781

#### PHASE 1: BUILDING 21 CONSTRUCTION PARKING

During the construction of Phase 1, only one half of the site is being utilized by office employees. It is assumed that construction parking will be managed within the Phase 1 site boundary. The parking for the remaining T.E. tenants and Building 23 (Building 300) Facebook employees will be shared using the remaining parking spaces of the existing T.E. campus parking layout.



## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site

301-309 Constitution Drive, Menlo Park, California

Gehry Partners, LLP

## PHASE 1: BUILDING 21 CONSTRUCTION PARKING | A4-02

SCALE : 1"= 150'

11X17 SCALE IS 1"=300'

MAY 18, 2016



PARKING FOR BUILDING 23 DURING PHASE 2 CONSTRUCTION

	NUMBER OF SPACES
1 - BUILDING 23	57
2 - TEMPORARY BUILDING 23 PARKING	282
3 - BUILDING 21 SITE	1,476
TOTAL	1,822

#### PHASE 2 - BUILDING 22 & HOTEL CONSTRUCTION PARKING

During the construction of Phase 2, this site needs to accommodate the new building employees for Building 21 and Building 23 (Building 300). Phase 2 accommodates the code required parking spaces for the new office Building 21 square footage, a total of 1,710 spaces. This plan allocates a parking area for temporary parking of 536 spaces for Building 23 in a zone on the Phase 2 construction area. Phase 2, once completed, will accommodate the remaining code-required 536 parking spaces for Building 23 to the east of the building.



## Facebook Campus Expansion

### Buildings 21, 22 & Hotel Site

301-309 Constitution Drive, Menlo Park, California

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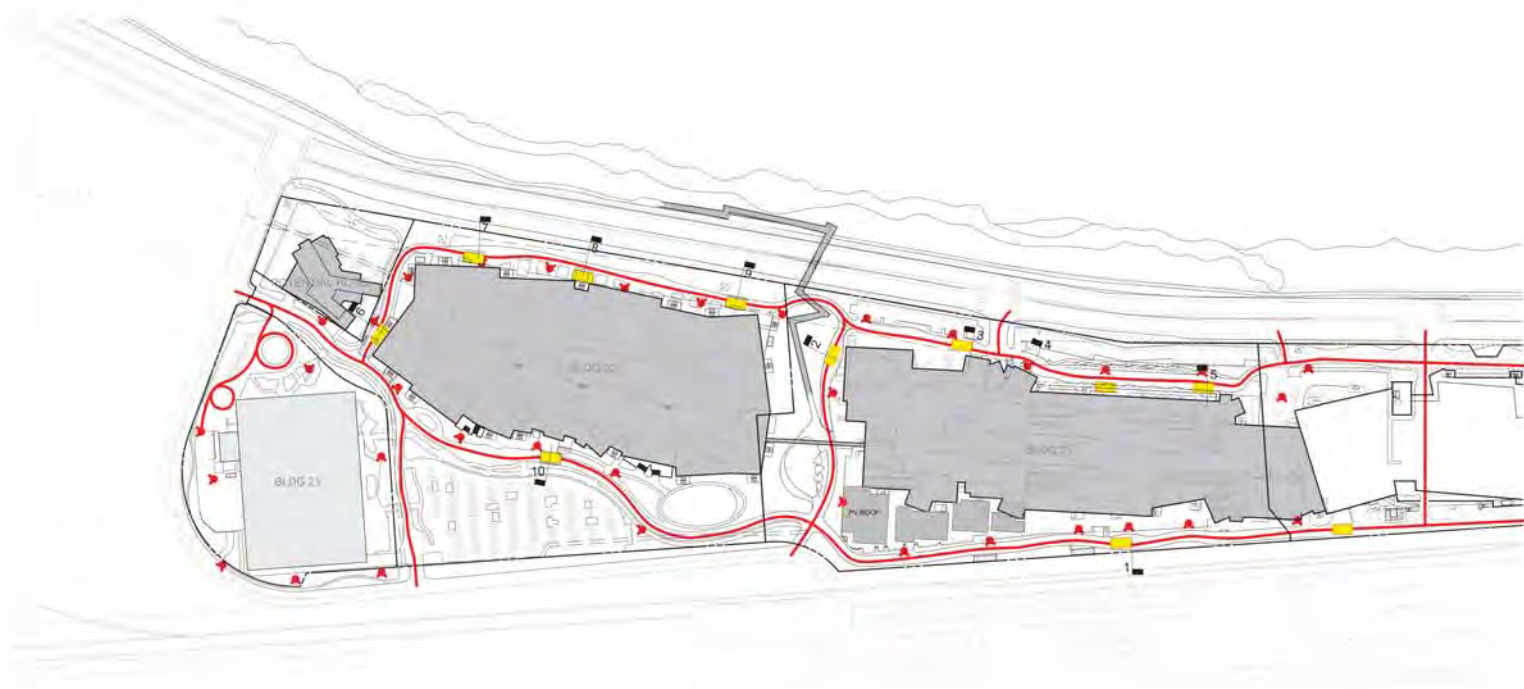
## PHASE 2: BUILDING 22 & HOTEL CONSTRUCTION PARKING | A4-03

SCALE : 1"= 150'

11X17 SCALE IS 1"=300'

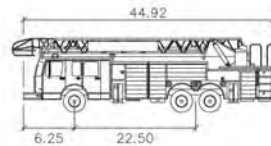
MAY 18, 2016





#### LEGEND

- BUILDING ROOF
- FIRE ACCESS - 26'-0" MINIMUM WIDTH
- FIRE TRUCK
- FIRE STAGING AREA - 30' X 60'
- FIRE HYDRANT



MP Fire Truck feet	
Width	: 8.25
Track	: 8.25
Lock to Lock Time	: 6.0
Steering Angle	: 25.4

Note: Additional fire hydrants can be added during final design phase

## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site  
301-309 Constitution Drive, Menlo Park, California  
Gehry Partners, LLP

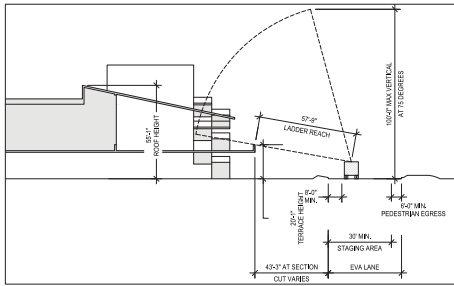
## FIRE ACCESS PLAN | A5-01

SCALE : 1"= 150'

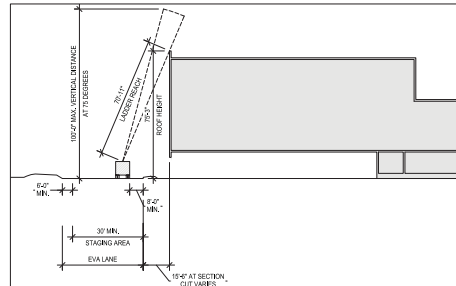
11X17 SCALE IS 1"=300'

MARCH 08, 2016

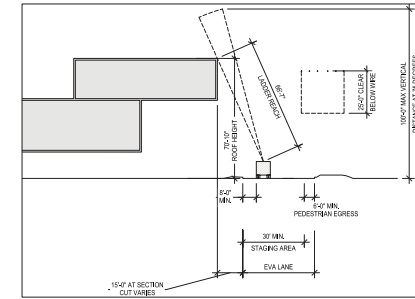




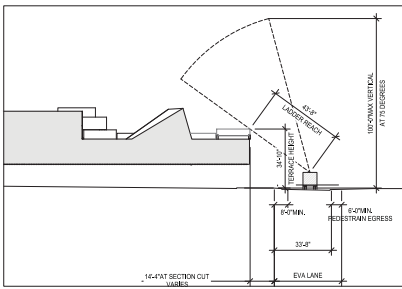
1 SECTION AT FD STAGING AREA 1  
SCALE: 1/32" = 1'-0"



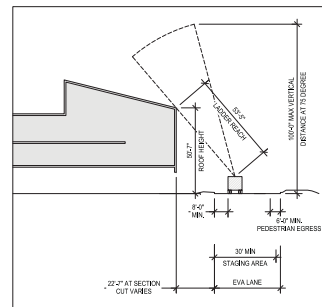
2 SECTION AT FD STAGING AREA 2  
SCALE: 1/32" = 1'-0"



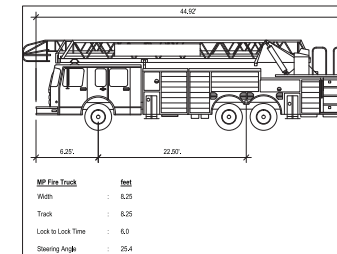
3 SECTION AT FD STAGING AREA 3  
SCALE: 1/32" = 1'-0"



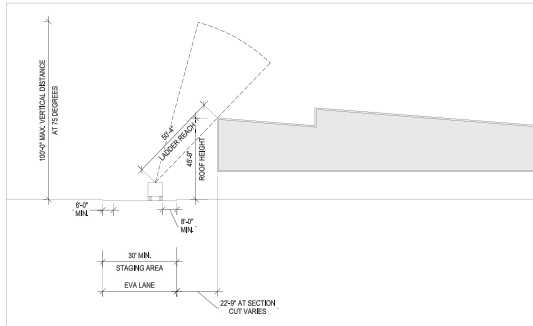
4 SECTION AT FD STAGING AREA 4  
SCALE: 1/32" = 1'-0"



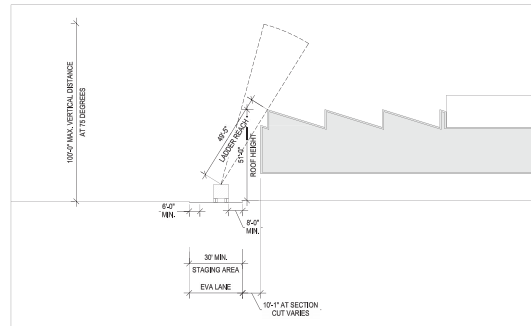
5 SECTION AT FD STAGING AREA 5  
SCALE: 1/32" = 1'-0"



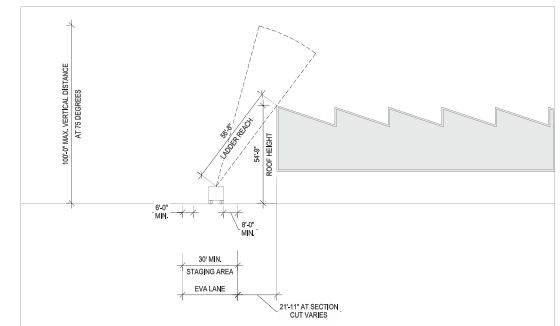
MP FIRE TRUCK  
SCALE: 1/8" = 1'-0"



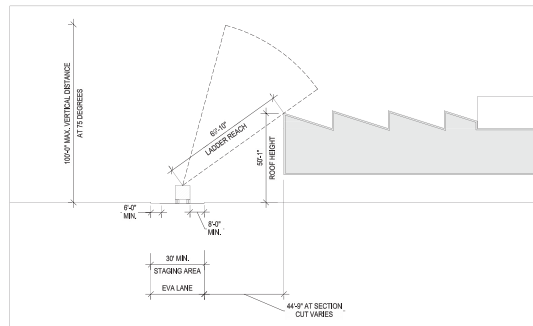
6 SECTION AT FD STAGING AREA 6  
SCALE: 1/32" = 1'-0"



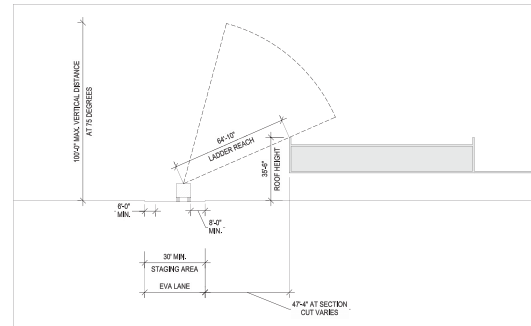
7 SECTION AT FD STAGING AREA 7  
SCALE: 1/32" = 1'-0"



8 SECTION AT FD STAGING AREA 8  
SCALE: 1/32" = 1'-0"



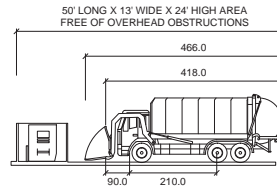
9 SECTION AT FD STAGING AREA 9  
SCALE: 1/8" = 1'-0"



10 SECTION AT FD STAGING AREA 10  
SCALE: 1/32" = 1'-0"

# LEGEND

- SITE SECURITY CONTROL STATION
- Ⓢ BUILDING SECURITY CONTROL STATION
- TRASH COLLECTION



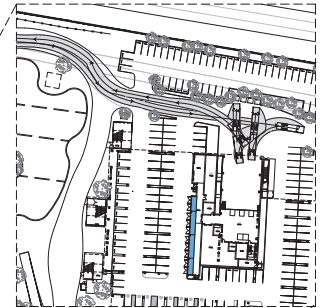
## RECOLOGY GARBAGE TRUCK

Width : 99.0  
Track : 99.0  
Lock to Lock Time : 6.0  
Steering Angle : 27.9

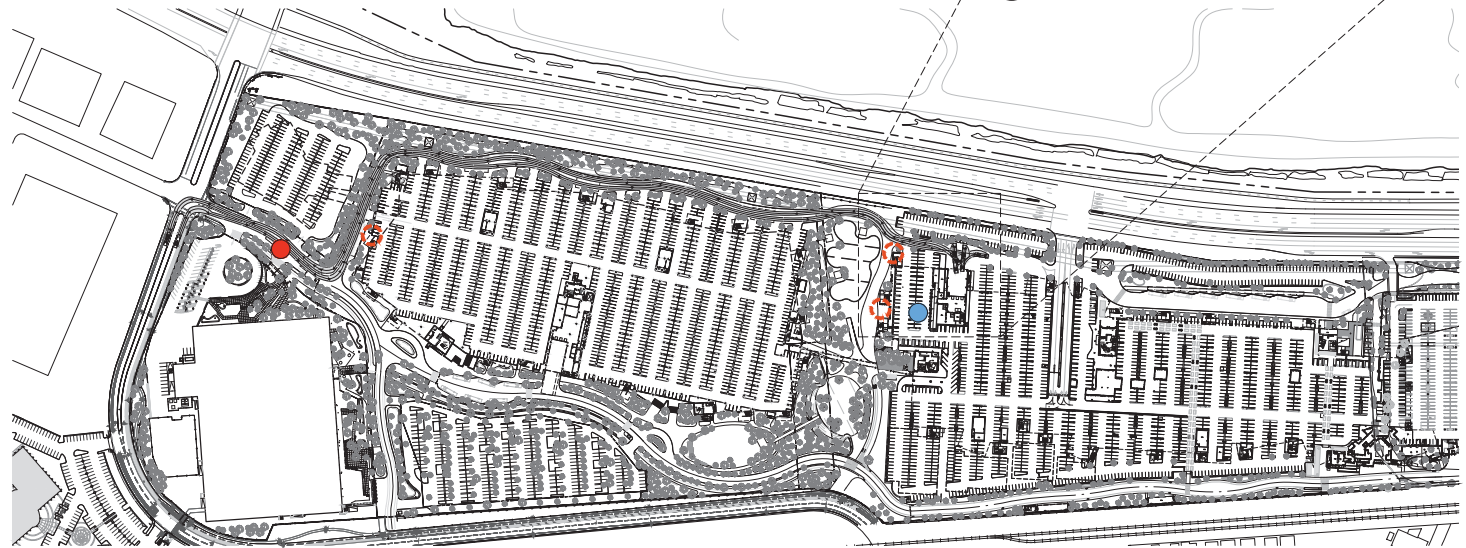
## FACEBOOK MPK21 WASTE MANAGEMENT

### REQUIREMENTS:

- THREE (3) SIX YARD CONTAINERS FOR TRASH
- FOUR (4) FOUR YARD CONTAINERS FOR COMPOST
- FOUR(4) SIX YARD CONTAINERS FOR RECYCLING



2 DETAILED PLAN OF TRASH AND RECYCLING AREA NORTH  
SCALE: 1" = 75'



1 SITE PLAN  
SCALE: 1" = 150'

NOTE:  
1. TRASH ENCLOSURES AND DUMPSTERS SHALL BE COVERED WITH A ROOF STRUCTURE AND PROTECTED FROM ROOF AND SURFACE DRAINAGE.  
2. THE TRASH ENCLOSURE(S) SHALL BE SIZED TO ACCOMMODATE BINS/CONTAINERS FOR GARAGE, RECYCLABLES AND ORGANICS.  
3. TRASH ENCLOSURES SHALL MEET THE APPROVAL OF RECOLOGY AND ENVIRONMENTAL PROGRAMS MANAGER OF THE CITY OF MENLO PARK.

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(310) 462-3000

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MENLO PARK, CALIFORNIA 94025

## CONSULTANTS

Facebook Campus Expansion  
Facebook Building 21, 22 & Hotel Site  
300-309 Constitution Drive

MPK 21  
TRASH AND RECYCLING  
COLLECTION PLAN

PROJECT NUMBER  
2015-007  
SCALE  
1" = 150' 24" X 36" Sheet  
1" = 300' 11" X 17" Sheet

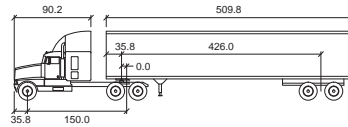
JUNE 6, 2016

ORIGINAL SHEET SIZE:  
24" X 36"

## SHEET NUMBER

A5-10

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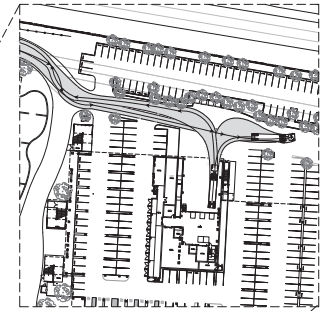


AASHTO WB-50 TRUCK

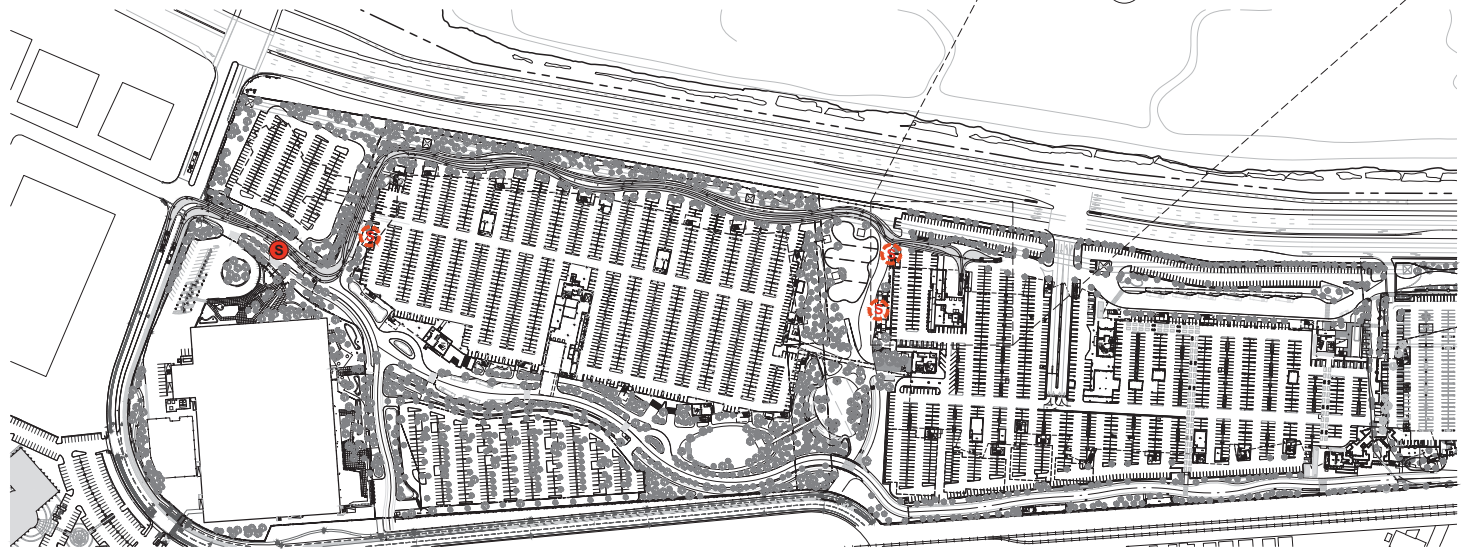
	inches		
Tractor Width	: 96.1	Lock to Lock Time	: 6.0
Trailer Width	: 102.0	Steering Angle	: 17.7
Tractor Track	: 96.1	Articulating Angle	: 70.0
Trailer Track	: 102.0		

NOTE:

1. WB-50 USED FOR TURN ANALYSIS FOR SERVICE TO NORTH DOCK
2. LOADING DOCK LOCATIONS AND CAPACITIES ARE PROVIDED PER FACEBOOK FACILITIES MANAGEMENT PROGRAM REQUIREMENTS FOR THE VOLUME AND NUMBER OF DAILY DELIVERIES ANTICIPATED.



2 LOADING DOCK DELIVERY PLAN  
SCALE: 1" = 75'



1 SITE PLAN  
SCALE: 1" = 150'

LEGEND

- PROPOSED DELIVERY ACCESS
- SITE SECURITY CONTROL STATION
- BUILDING SECURITY CONTROL STATION

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OWNER  
1 HAZARD WAY  
MENLO PARK, CALIFORNIA 94025

CONSULTANTS

Facebook Campus Expansion  
Facebook Building 21, 22 & Hotel Site  
300-309 Constitution Drive

TITLE  
MPK 21  
LOADING DOCK DELIVERY PLAN

PROJECT NUMBER  
2015-007  
SCALE  
1" = 150' 24" X 36" Sheet  
1" = 300' 11" X 17" Sheet  
JUNE 6, 2016  
ORIGINAL SHEET SIZE:  
24" X 36"

SHEET NUMBER  
A5-11

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## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site  
301-309 Constitution Drive, Menlo Park, California  
Gehry Partners, LLP

PHOTO SIMULATION: AERIAL REGIONAL SITE VIEW LOCATION | **A6-00**

SCALE : NTS

11X17 SCALE IS NTS

FEBRUARY 24, 2016





EXISTING



PROPOSED

## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site  
301-309 Constitution Drive, Menlo Park, California  
Gehry Partners, LLP

PHOTO SIMULATION: HILL AVE VIEW 1 | A6-01

FEBRUARY 24, 2016





EXISTING



PROPOSED

## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site  
301-309 Constitution Drive, Menlo Park, California  
Gehry Partners, LLP

PHOTO SIMULATION: MODOC AVE VIEW 2 | A6-02

FEBRUARY 24, 2016





EXISTING



PROPOSED

## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site  
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Gehry Partners, LLP

PHOTO SIMULATION: CHILCO STREET VIEW 3 | A6-03

FEBRUARY 24, 2016





EXISTING



PROPOSED

## Facebook Campus Expansion

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PHOTO SIMULATION: HAMILTON PARK VIEW 4 | A6-04

FEBRUARY 24, 2016





EXISTING



PROPOSED

## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site  
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Gehry Partners, LLP

PHOTO SIMULATION: BCDC PUBLIC SHORELINE TRAIL VIEW 5 | A6-05

FEBRUARY 24, 2016



EXISTING



PROPOSED

## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site  
301-309 Constitution Drive, Menlo Park, California  
Gehry Partners, LLP

PHOTO SIMULATION: BAY TRAIL VIEW 6 | A6-06

FEBRUARY 24, 2016





EXISTING



PROPOSED

## Facebook Campus Expansion

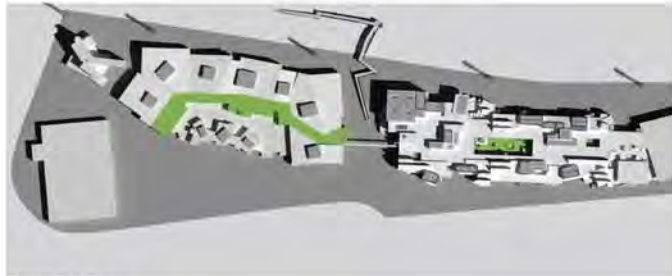
Buildings 21, 22 & Hotel Site  
301-309 Constitution Drive, Menlo Park, California  
Gehry Partners, LLP

PHOTO SIMULATION: BEDWELL BAYFRONT PARK VIEW 7 | A6-07

FEBRUARY 24, 2016



Spring Equinox (March 20) Shadows



March 20, 9 am



March 20, 12 pm



March 20, 3 pm

Summer Solstice (June 21) Shadows



June 21, 9 am



June 21, 12 pm



June 21, 3 pm

## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site  
301-309 Constitution Drive, Menlo Park, California  
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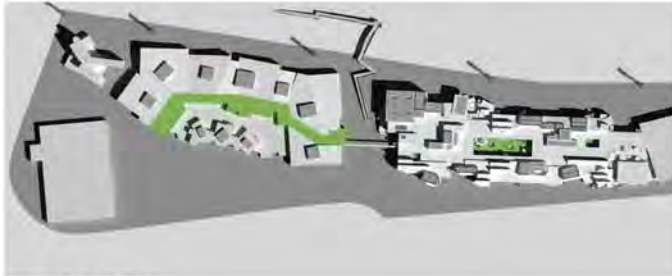
SHADOW DIAGRAMS | A7-01

SCALE : NTS

11X17 SCALE IS NTS

FEBRUARY 26, 2016

Fall Equinox (September 23) Shadows



September 23, 9 am



September 23, 12 pm



September 23, 3 pm

Winter Solstice (December 22) Shadows



December 22, 9 am



December 22, 12 pm



December 22, 3 pm

## Facebook Campus Expansion

Buildings 21, 22 & Hotel Site  
301-309 Constitution Drive, Menlo Park, California  
Gehry Partners, LLP

## SHADOW DIAGRAMS | A7-02

SCALE : NTS  
11X17 SCALE IS NTS  
FEBRUARY 26, 2016

## 301-309 Constitution Drive

### **Draft Below Market Housing (BMR) Agreement Term Sheet**

1. Applicant owns property known as Assessor's Parcel Number 055-260-250 ("Property"), more commonly known as 301-309 Constitution Drive, Menlo Park. The site also contains the building addressed 300 Constitution Drive (Building 23).
2. Applicant is requesting a conditional development permit (CDP) to redevelop the approximately 58 acre site with approximately 962,400 square feet of offices and a 200 room hotel of approximately 174,800 square feet. Including the existing Building 23 (approximately 180,108 square feet), the maximum gross floor area for offices would be approximately 1.143 million square feet, which is within maximum 45 percent floor area ratio (FAR) for offices. With the hotel, the maximum gross floor area would be approximately 1.318 million square feet, or 52 percent FAR, which is consistent with the FAR maximum of up to 55 percent for all other uses. The CDP would permit maximum building heights of up to 75 feet and allow building coverage to potentially exceed 50 percent of the site, as well as to define all other development standards, such as parking at the site. The CDP would also include the existing Building 20 (1 Facebook Way); The project includes a rezoning of the entire site to M-2(X), along with a lot reconfiguration and heritage tree removal permits to enable the proposed redevelopment. The applicant has requested a development agreement for vested rights in exchange for public benefits. The project includes a below market rate (BMR) housing agreement, and the preparation of an environmental impact report and fiscal impact analysis.
3. Property is located within the M-2 (General Industrial) zoning district and the M-2(X) (General Industrial, Conditional Development) zoning district. It is regulated by the Limited Industry land use designation in the City of Menlo Park;
  - a. Property's General Plan land use and zoning designations do not permit residential uses;
4. Applicant does not own any other sites within the City that are zoned for residential land uses;
  - a. Applicant owns additional M-2 zoned properties that could be rezoned to allow for mixed-use as part of the ConnectMenlo General Plan update. That is a separate project and the BMR Ordinance cannot take into account the ConnectMenlo project as it is not in effect at this time.
5. Consistent with other recent BMR Agreements, Applicant is permitted to satisfy the BMR requirement for the proposed project by delivering a total of 20 off-site units, combining resources with other applicants to deliver the required 20 off-site units, or by payment of an in lieu fee;
  - a. The BMR in lieu fee for the entire project is estimated at \$6,298,727.54;
  - b. The equivalent unit requirement is 20 units;
  - c. The BMR fee would be paid in three phases: Building 21 (Credit for Buildings 307-309); Building 22 (Credit for Buildings 301-306); and hotel (No Credit). The tables in Section 6 outline the BMR in-lieu fee and equivalent number of units.
  - d. Applicant would be required to pay the in-lieu fee or deliver the minimum required off-site units for each building within two years of issuance of the core and shell building permit. Units delivered above and beyond the minimum requirement would be credited towards

Applicant's future obligations. If a partial number of required units are provided, the applicant would pay the per unit equivalent fee for the remaining BMR obligation.

6. The tables below provides the estimated in lieu fee by building:

BMR In Lieu Fee and Equivalent Units Calculation (Building 21)			
	Fee per square foot	Square feet	Component fees
Existing Building – Office and R&D	\$15.57	133,144	(\$2,073,052.08)
Existing Building - Non-Office	\$8.45	191,007	\$(1,614,009.15)
Proposed Building - Office	\$15.57	512,900	\$7,985,853.00
Proposed Building - Non-Office	\$8.45	0	\$0
<b>BMR In-Lieu Fee Option (Unit Equivalent)</b>			<b>\$4,298,791.77 (14 units)</b>

BMR In Lieu Fee and Equivalent Units Calculation (Building 22)			
	Fee per square foot	Square feet	Component fees
Existing Building – Office and R&D	\$15.57	302,289	(\$4,706,172.63)
Existing Building - Non-Office	\$8.45	209,428	\$(1,769,666.60)
Proposed Building - Office	\$15.57	449,500	\$6,998,715.00
Proposed Building - Non-Office	\$8.45	0	\$0
<b>BMR In-Lieu Fee Option (Unit Equivalent)</b>			<b>\$522,875.77 (2 units)</b>

BMR In Lieu Fee and Equivalent Units Calculation (Hotel)			
	Fee per square foot	Square feet	Component fees
Existing Building – Office and R&D	\$15.57	0	(\$0)
Existing Building - Non-Office	\$8.45	0	\$(0)
Proposed Building - Office	\$15.57	0	\$0
Proposed Building - Non-Office	\$8.45	174,800	\$1,477,060
<b>BMR In-Lieu Fee Option (Unit Equivalent)</b>			<b>\$1,477,060 (5 units)</b>



BMR In Lieu Fee and Equivalent Units (Total Project)	
	Component fees
Total In-Lieu Fee	\$6,298,727.54
Total Equivalent Units	20 Units



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

**MEMORANDUM**

**ADVISORS IN:**  
REAL ESTATE  
AFFORDABLE HOUSING  
ECONOMIC DEVELOPMENT

**To:** Kyle Perata, Senior Planner  
City of Menlo Park

**SAN FRANCISCO**  
A. JERRY KEYSER  
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KATE EARLE FUNK  
DEBBIE M. KERN  
REED T. KAWAHARA  
DAVID DOEZEMA

**From:** Keyser Marston Associates, Inc.

**Date:** June 14, 2016

**Subject:** Evaluation of Potential Displacement Impacts in East Palo Alto and Menlo Park's Belle Haven Neighborhood

**LOS ANGELES**  
KATHLEEN H. HEAD  
JAMES A. RABE  
GREGORY D. SOO-HOO  
KEVIN E. ENGSTROM  
JULIE L. ROMNEY

**SAN DIEGO**  
PAUL C. MARRA

Keyser Marston Associates, Inc. (KMA) has assembled information to assist in evaluating the potential for the Facebook Campus Expansion Project at 300-309 Constitution Drive in Menlo Park (the "Project") to cause or contribute to displacement of existing residents of the City of East Palo Alto and Menlo Park's Belle Haven neighborhood by adding to the demand for housing and increasing home prices and rents in the local area. The Project is located in the City of Menlo Park east of US 101 adjacent to the Belle Haven neighborhood and close to the boundary with the City of East Palo Alto. The Project would add an estimated 6,550 jobs. Please refer to the Draft Environmental Impact Report (EIR) for a complete description of the Project.

The purpose of providing this information is to address additional housing-related analyses requested by the City of East Palo Alto as part of its comments on the Notice of Preparation. Information is included on Belle Haven, a neighborhood in Menlo Park adjacent to East Palo Alto, due to similar concerns to those raised by East Palo Alto. Housing affordability and neighborhood change are socioeconomic issues and not a physical impact to the environment and are therefore reviewed separately from the EIR.

**Analysis Approach**

Given the complex array of factors that influence housing markets and neighborhood change, precise estimates or projections of impacts and outcomes are not feasible; rather, the analysis seeks to provide information and context that will be useful to understanding the potential magnitude or range of impacts.

To assist in gauging the potential range of impacts, the following analyses were completed:

1. *Comparative Review of Real Estate Trends* – Real estate market trends in East Palo Alto and Menlo Park's Belle Haven neighborhood since the existing Facebook campus was first occupied are analyzed in comparison to trends in other Bay Area locations. The objective of the comparison is to inform an understanding of the extent to which localized market trends in the two communities varied from broader regional trends since Facebook moved into its existing campus in 2011.
2. *Estimate of Direct Demand* – The share of workers on Facebook's existing campus living in East Palo Alto and Menlo Park's Belle Haven neighborhood was used to estimate the additional direct housing demand within these two communities from the Project.

For the comparative review of real estate trends, a total of eight comparison geographies were selected. Six were selected based on comparable demographic, housing market, or displacement risk conditions. In addition, Mountain View and San Mateo County were included to provide added points of reference for broader market conditions. The list of comparison geographies is as follows:

- Hayward (selected zip codes)
- Fruitvale/Oakland
- North Richmond
- Bayfair / San Leandro
- East San Jose/ North Valley
- Downtown Redwood City
- Mountain View
- San Mateo County

In addition, new housing construction activity in East Palo Alto is reviewed (Section 4), the potential for indirect effects on the local housing market is discussed (Section 5), Census information for East Palo Alto and Menlo Park's Belle Haven neighborhood is summarized (Section 6), and jobs housing relationships and historic market rate and affordable housing construction in Menlo Park is identified per the request of the City of East Palo Alto (Section 7).



## **Displacement Risk**

East Palo Alto and Menlo Park's Belle Haven neighborhood both have risk factors for displacement. Both have a relatively lower-income existing population that includes a high percentage of households who spend 35% or more of their income on housing. East Palo Alto's rent control and just cause eviction ordinance provides significant protection to existing renters within multi-family buildings built prior to 1988, but does not preclude the potential for longer-term neighborhood change. The Urban Displacement Project at UC Berkeley<sup>1</sup>, an initiative of U.C. Berkeley "aimed at understanding the nature of gentrification and displacement in the Bay Area" has designated the Belle Haven census tract and census tracts within East Palo Alto as either "at risk of displacement" or "undergoing displacement."

East Palo Alto has historically been described as an "island" of affordability within the higher-priced Silicon Valley / Peninsula housing market. Menlo Park's Belle Haven neighborhood is also affordable relative to other neighborhoods in Menlo Park as well as many high-priced communities in San Mateo County and Silicon Valley. However, as of 2015, home prices in East Palo Alto and Belle Haven had increased to within 10% to 15% of the County average on a per square foot basis. Recent prices per square foot are significantly above those in other more affordable locations in the Bay Area, approximately double Oakland's Fruitvale neighborhood and triple those in North Richmond. Montage homes, a new 51-unit single family development currently in the marketing phase in East Palo Alto, has prices that "start in the \$900,000s." Market rents for available one-bedroom apartments in East Palo Alto average approximately \$1,850 per month which is 26% below the County average of around \$2,500 but about 15% above Hayward and East San Jose, and 37% more than Bayfair / San Leandro. While many existing residents in East Palo Alto are shielded from escalating housing costs through rent control or having purchased homes when prices were lower, the comparatively high cost of entering East Palo Alto's housing market relative to other more affordable locations in the Bay Area increases the likelihood of neighborhood change occurring in the longer-term.

## **Summary of Analysis and Findings**

The comparative review of real estate trends since Facebook occupied its existing campus does not show clear evidence of a localized influence on market conditions distinguishable from regional trends. While East Palo Alto and Menlo Park's Belle Haven neighborhood have experienced significant increases in home prices, the increases are within the range of other comparison communities in the Bay Area. The comparative

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<sup>1</sup> Zuk, M., & Chapple, K. (2015). Urban Displacement Project. <http://www.urbandisplacement.org/>

review of rental market trends was inconclusive because of unique circumstances affecting a major rental property in East Palo Alto which appears to have significantly influenced market data, making comparisons to other cities problematic.

Direct influence on housing market conditions from Project employees is anticipated to be minor due to the minor share of the housing market the employees are estimated to represent within the two communities. However, the Project is expected to have a modest indirect influence on market conditions based on its contribution to regional employment and income growth. Job growth, especially high-income job growth, exerts upward pressure on prices and rents throughout the region. Effects are anticipated to be broadly distributed throughout the Bay Area mirroring the broad dispersion of Facebook's workforce. Indirect effects on the local housing market are not readily quantifiable but are likely to represent a modest incremental addition to displacement pressures present in East Palo Alto and Belle Haven as a result of their desirable locations with excellent access to employment centers of the booming Silicon Valley / Peninsula economy.

A summary of the analysis and additional discussion supporting the above findings follows:

1. *Share of Facebook's Workforce Living in East Palo Alto and the Belle Haven neighborhood* – Of the 7,475 employees at its existing campus, Facebook reports 28 live in East Palo Alto and 18 live in the Belle Haven neighborhood. This equates to 0.37% and 0.24% of Facebook's workforce, respectively.
2. *Direct Demand from Project* – Based on the existing share of Facebook's workforce living in the two communities, direct housing demand from the Project is estimated at approximately 21 units in East Palo Alto and 10 units in the Belle Haven neighborhood. This level of demand represents 0.27% and 0.67% of the existing housing stock in the two communities respectively and approximately 1% - 2% of units estimated to come available through normal turnover over the next five years. While it is possible that a higher share of Facebook's workforce might seek housing in these communities in the future as the company's rapidly growing workforce becomes more established, even if existing shares were to double or triple in the future, this level of demand would still represent a fairly nominal influence on the overall local housing market.

New housing construction in close proximity to the Facebook campus could potentially attract a greater share of Facebook's workforce in the future. This would obviously be the case if Facebook were to integrate employee housing as part of its campus as has been contemplated.

3. *Peninsula/Silicon Valley Job Growth and Indirect Housing Market Effects* – Over the last five years, San Mateo and Santa Clara counties added approximately 230,000 jobs of which approximately 103,000 were in high-wage sectors with average pay above \$100,000 per year. This robust employment growth has been a driver of increased demand for housing, contributing to escalating home prices and rents and increased displacement pressures within low and moderate-income communities throughout the region.

Facebook has been among several of the most visible contributors to this broader regional condition. On a percentage basis, Facebook represented approximately 2% of overall job growth and 5% of high-wage job growth occurring within the two counties over the last five years. Facebook's 5% share of high-wage job growth in Silicon Valley / Peninsula could be used as a coarse proxy for relative contribution to rising housing costs during the period, although this doesn't take into account other factors, such as historically low interest rates, which certainly played a role as well. The Project expands employment by an additional 6,550 jobs and can be expected to add to existing pressures on the regional housing market in a similar fashion, to the extent housing production continues to lag job growth. Effects will be distributed throughout the region, mirroring the dispersion of Facebook's existing workforce throughout the Bay Area. Given the regional nature of the housing market, even if only a small percentage of employees seek housing in East Palo Alto and the Belle Haven neighborhood, the Project will likely exert a modest indirect influence on home prices and rents based on its contribution to future regional employment and income growth.

4. *Home Price Trends* – Trends in home prices for East Palo Alto and the Belle Haven neighborhood were compared to eight other communities for the period from 2011 to 2015 since Facebook first occupied the existing campus. Home prices increased significantly for all the communities consistent with regional trends. East Palo Alto and Belle Haven each experienced an approximately 130% increase in pricing over the period. This increase was below the 170% increase in North Richmond and about the same as the increase in Oakland's Fruitvale neighborhood. The other comparison communities ranged from a 69% to a 102% increase.

These across-the-board increases are a reflection of the booming Bay Area economy as well as recovery from the housing / foreclosure crisis. The data indicates the very significant increases in home prices for East Palo Alto and the Belle Haven neighborhood are within the same range as other comparison communities in the Bay Area.

5. *Rental Market Trends* – Trends in market rate or asking rents for available apartments in East Palo Alto were compared to six other communities for the period from 2011 to 2015 since Facebook first occupied its existing campus. Rents increased significantly for all the communities consistent with regional trends. East Palo Alto experienced the greatest rent increase at 89% followed by Downtown Redwood City with an 81% increase. The other comparisons ranged from a 32% to a 56% increase. Data for Belle Haven, North Richmond, and Fruitvale was not available. A confounding factor in the rental market data for East Palo Alto is the fact that the real estate data provider RealFacts tracks only one property in the City, the Woodland Park Apartments. Woodland Park is the City's largest apartment property with over 1,800 units located along the boundary with the City of Palo Alto on the West side of U.S. 101. The property went through a change in ownership during the period reviewed which was reportedly accompanied by a concerted effort to evict tenants to permit rents to reset to market. Improvements to the property were also made and likely contributed to higher rents. Therefore, the rental market trends shown for East Palo Alto cannot be separated from the specific and unique circumstances of this major property which likely influenced the above average rent increases identified. We are also not aware of any alternative data sources that track historic rental market trends for other rental properties in East Palo Alto.
6. *Likelihood that Facebook Directly Influenced Rents and Home Prices* – Since few Facebook employees live in East Palo Alto and Menlo Park's Belle Haven neighborhood, it appears unlikely that Facebook employees were a significant direct influence on localized market rents and home prices in the two communities over the last five years. The presence of the company may have had a degree of influence on market perception of the area which could have contributed to higher rents and home prices; however, this is difficult to isolate as a factor distinct from the powerful trends that similarly affected other areas across the region.
7. *New Housing Construction* – 825 units are currently under construction in or near Menlo Park's Belle Haven neighborhood. In East Palo Alto, 51 units are under construction and 57 units are in planning. Longer term, East Palo Alto's Ravenswood / 4 Corners Transit Oriented Specific Plan Area has the potential to add 835 units. Land use changes under consideration in Menlo Park may allow for up to 4,500 units in the City's industrial district adjacent to Belle Haven of which 3,500 units would be on Facebook's properties with a portion potentially designated for employee housing. Current and planned housing in the area could potentially absorb a portion of housing demand from the Project and would likely attract an increased share of Facebook's workers. It is also possible that the new



housing could attract increased interest in the area as a place to live and in doing so serve as a contributing factor in longer-term neighborhood change.

## **Organization**

This supporting analysis is organized into the following seven sections:

- Section 1 describes displacement risk for East Palo Alto and Menlo Park's Belle Haven neighborhood;
- Section 2 is a review of market trends in East Palo Alto, the Belle Haven neighborhood and eight comparison geographies for the period since Facebook moved into its existing campus;
- Section 3 includes an estimate of direct demand for housing in East Palo Alto and the Belle Haven neighborhood from the Project;
- Section 4 summarizes new housing construction activity and estimates the number of units coming available through regular turnover;
- Section 5 includes a discussion of potential indirect effects on the local housing market;
- Section 6 summarizes housing and demographic data for East Palo Alto and the Belle Haven neighborhood drawn from the U.S. Census; and
- Section 7 contains information requested by the City of East Palo Alto regarding historic housing production and jobs-housing balance in Menlo Park.

## **Data Sources and Qualifications**

The analyses in this memorandum have been prepared using the best and most recent data available. Sources include the American Community Survey of the U.S. Census, the 1990 and 2010 Census, the Quarterly Census of Employment and Wages, commercial data providers DataQuick, RealFacts, ESRI Business Analyst, as well as Facebook, Inc. for data on where its employees live. Other sources are noted in the text and footnotes. While we believe all sources utilized are sufficiently accurate for the purposes of the analyses, we cannot guarantee their accuracy. KMA assumes no liability for information from these and other sources.

## 1.0 RISK OF DISPLACEMENT

East Palo Alto represents a pocket of comparatively affordable housing stock surrounded by jurisdictions with pricier housing and powerful pressures on home prices and rents based on the City's proximity to the job centers of Silicon Valley and the Peninsula. Menlo Park's Belle Haven neighborhood is adjacent to the City of East Palo Alto and shares these circumstances. Both communities have a high percentage of households who are housing cost burdened, defined as households who spend more than 35% of their income on housing. In East Palo Alto, 59% of renters and 41% of homeowners spend 35% or more of their income on housing. In Belle Haven, 39% of renters and 66% of homeowners spend 35% or more of their income on housing. These households have limited ability to withstand additional increases in rents / prices. Section 6 reviews Census data for the two communities and documents additional factors such as lower incomes, incidence of over-crowding, which are also indicative of displacement risk.

The Urban Displacement Project at UC Berkeley<sup>2</sup>, an initiative of U.C. Berkeley "aimed at understanding the nature of gentrification and displacement in the Bay Area" has designated the Belle Haven census tract and census tracts within East Palo Alto as either "at risk of displacement" or "undergoing displacement." A report prepared as part of the same initiative entitled "East Palo Alto: An Island of Affordability in a Sea of Wealth,"<sup>3</sup> includes a more in depth review of displacement risk factors specific to the City of East Palo Alto as well as additional background on the City and efforts around the displacement issue.

The City of East Palo Alto has adopted policies focused on protecting affordability in the face of displacement pressures, including a rent control and just cause eviction policy described below.

### *East Palo Alto's Rent Control Ordinance*

The City of East Palo Alto regulates rent increases and eviction procedures through the Rent Stabilization and Just Cause for Eviction Ordinance (East Palo Alto Municipal Code Chapter 14.04). The ordinance limits annual rent increases to 80% of the increase in the Consumer Price Index over the prior year. Just cause provisions of the ordinance require landlords to present a valid reason for terminating a tenancy. Tenants are also protected from retaliation and harassment. Rent control applies to all rental units except: single

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<sup>2</sup> Zuk, M., & Chapple, K. (2015). Urban Displacement Project. <http://www.urbandisplacement.org/>

<sup>3</sup> Harris, L.R. & Cespedes, S. (2015). Center for Community Innovation (CCI), University of California Berkeley. East Palo Alto: An Island of Affordability in a Sea of Wealth. Accessed at: [http://www.urbandisplacement.org/sites/default/files/east\\_palo\\_alto\\_final.pdf](http://www.urbandisplacement.org/sites/default/files/east_palo_alto_final.pdf)

**To:** Kyle Perata, Senior Planner

June 14, 2016

**Subject:** Evaluation of Potential Displacement Impacts in East Palo Alto and  
Menlo Park's Belle Haven Neighborhood

Page 9

family homes, units in owner-occupied properties of three units or less, new units built after 1988 (other than replacement units), and certain non-profit/ group-quarters living arrangements. As required by state law, rents are free to reset to market rate upon turnover. The rent control ordinance shields existing renters from increases in market rents.

While rent control protects existing renters from displacement, because rents reset to market upon vacancy, the ordinance does not preclude neighborhood change over the longer term. Additionally, as documented in the media<sup>4</sup>, the landlord for a property representing 40% of East Palo Alto's rental housing stock (1,800+ units) reportedly has aggressively pursued evictions in an effort to reset rents to market.

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<sup>4</sup> In Silicon Valley, a New Investment: Eviction. Bloomberg News. April 7, 2014.  
<http://www.bloomberg.com/news/articles/2014-04-07/silicon-valley-cooks-to-housekeepers-facing-home-eviction>

## **2.0 MARKET TRENDS SINCE OCCUPANCY OF EXISTING FACEBOOK CAMPUS**

This section reviews historic real estate market trends since initial occupancy of the existing Facebook Campus both as general background and to assist in evaluating the likelihood that the Facebook Campus Expansion Project would result in displacement of existing residents in East Palo Alto and/or Menlo Park's Belle Haven neighborhood. Real estate trends in East Palo Alto and Menlo Park's Belle Haven neighborhood are reviewed in the context of eight other comparison communities in the Bay Area.

### **2.1 Comparison Geographies Selection**

To assist in understanding whether or not the existing Facebook Campus has contributed to recent escalation in home prices and rents in East Palo Alto and the Belle Haven neighborhood, market trends for East Palo Alto and Belle Haven were reviewed in comparison to the following eight selected comparison geographies within the Bay Area:

#### **Areas Selected for Comparative Review of Real Estate Trends**

<b>Areas</b>	<b>Boundaries</b>
Hayward (selected zip codes)	Zip Codes 94544, 94541
Fruitvale/Oakland	Zip Code 94601
North Richmond	Zip Code 94801
Bayfair / San Leandro	Zip Code 94801
East San Jose/ North Valley	Zip Codes 95116, 95122
Downtown Redwood City	Zip Code 94063
Mountain View	City
San Mateo County	County

The areas were selected for comparison based on shared demographic characteristics with East Palo Alto and the Belle Haven neighborhood, including racial/ethnic composition, household income, household size, median age, home values, and housing tenure as summarized in the table below. Mountain View and San Mateo County were included as additional points of comparison, although their demographics and market conditions differ substantially from East Palo Alto and the Belle Haven neighborhood.



**Demographics: East Palo Alto, Belle Haven & Comparison Geographies (2015)**

Geography <sup>(1)</sup>	Population	Avg. HH Size	Owner Occ'd %	Median Income	Median Home Value	%Hispanic	%African American
East Palo Alto	28,408	4.1	41%	\$50,475	\$419,720	65%	16%
Belle Haven	6,087	4.3	50%	\$49,905	\$459,375	70%	18%
<hr/>							
Hayward	139,684	3.1	45%	\$58,764	\$419,673	46%	11%
Fruitvale/Oakland	52,380	3.3	30%	\$37,560	\$321,453	54%	16%
North Richmond	31,076	3.2	40%	\$38,792	\$267,308	59%	21%
Bayfair/San Leandro	39,127	2.7	39%	\$53,081	\$421,465	35%	18%
East San Jose	113,296	4.2	42%	\$54,537	\$405,857	63%	2%
DT Redwood City	32,066	3.4	33%	\$56,136	\$512,286	70%	3%
Mountain View	77,985	2.3	39%	\$92,361	\$830,128	22%	2%
San Mateo County	739,387	2.8	57%	\$90,510	\$742,490	26%	3%

<sup>(1)</sup> See Table 13 for boundary definitions of comparison geographies.

Source: ESRI Business Analyst 2015.

The comparison areas were selected in part based on information from the Urban Displacement Project,<sup>5</sup> an initiative of U.C. Berkeley “aimed at understanding the nature of gentrification and displacement in the Bay Area.” Most areas selected are identified as vulnerable to displacement of existing residents based on market and demographic conditions, according to the classification system used by the Urban Displacement Project. Three including, Hayward, Fruitvale, and East San Jose, are in cities that also have some level of rent control (maximum limits on rent increases vary). The table below identifies the “Displacement Typology” for each of the comparison geographies per the Urban Displacement Project.

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<sup>5</sup> Source: Zuk, M., & Chapple, K. (2015). Urban Displacement Project. Displacement typologies indicate risk/stage of displacement, with "Low Risk" areas exhibiting the fewest signs of displacement and "Advanced Gentrification" indicating the most. Census blocks are classified based on a variety of indicators including loss of affordable units, out-migration of low income households, proximity to transit, and real estate market trends.

**Displacement Risk Per Urban Displacement Project**

Geography	Boundaries	Displacement Typology	Rent Control?
East Palo Alto	City	AR/UD	yes
Belle Haven	Census Tract: 6117	AR	no
Hayward	Zip: 94544, 94541	AR	yes
Fruitvale/Oakland	Zip: 94601	AG	yes
North Richmond	Zip: 94801	AR	no
Bayfair/San Leandro	Zip: 94578	AG	no
East San Jose/North Valley	Zip: 95116, 95122	LR/AR/UD	yes
Downtown Redwood City	Zip: 94063	AR	no
Mountain View	City	Various	no
San Mateo County	County	Various	no

Displacement Risk Abbreviations

LR Low-Risk  
AR At Risk

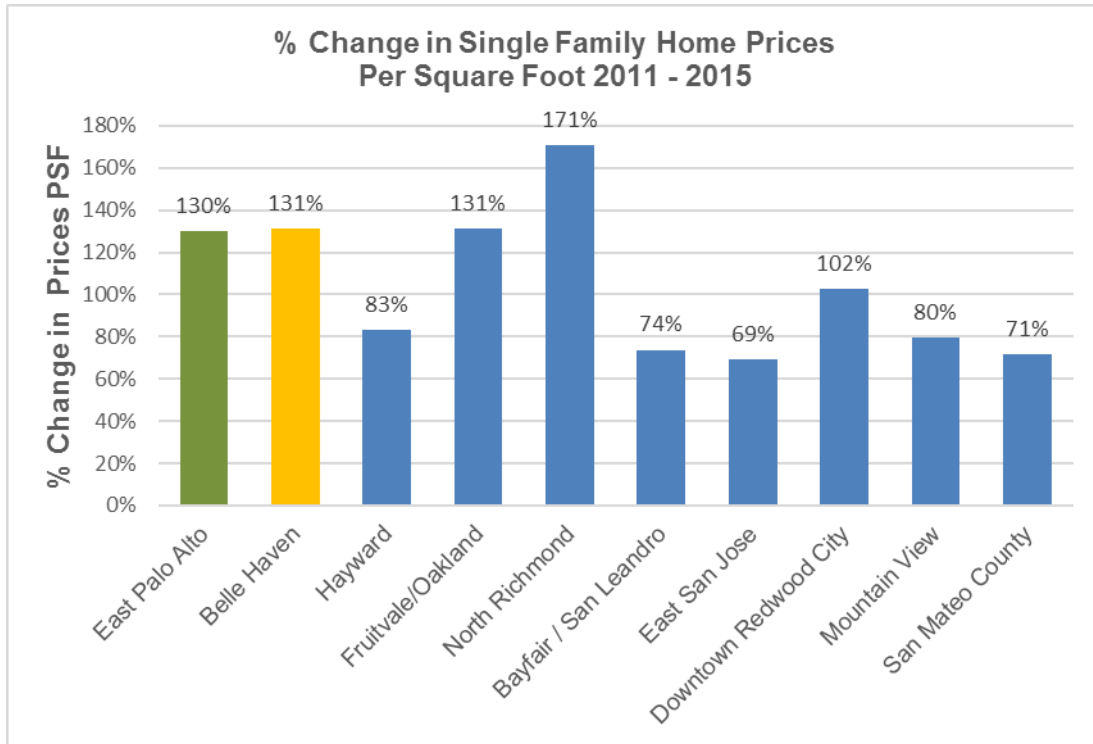
UD Undergoing Displacement  
AG Advanced Gentrification

## 2.2 Real Estate Trends Review and Comparison

The following summarizes real estate trends in East Palo Alto, the Belle Haven neighborhood, and the eight comparison geographies for the period 2011 to 2015:

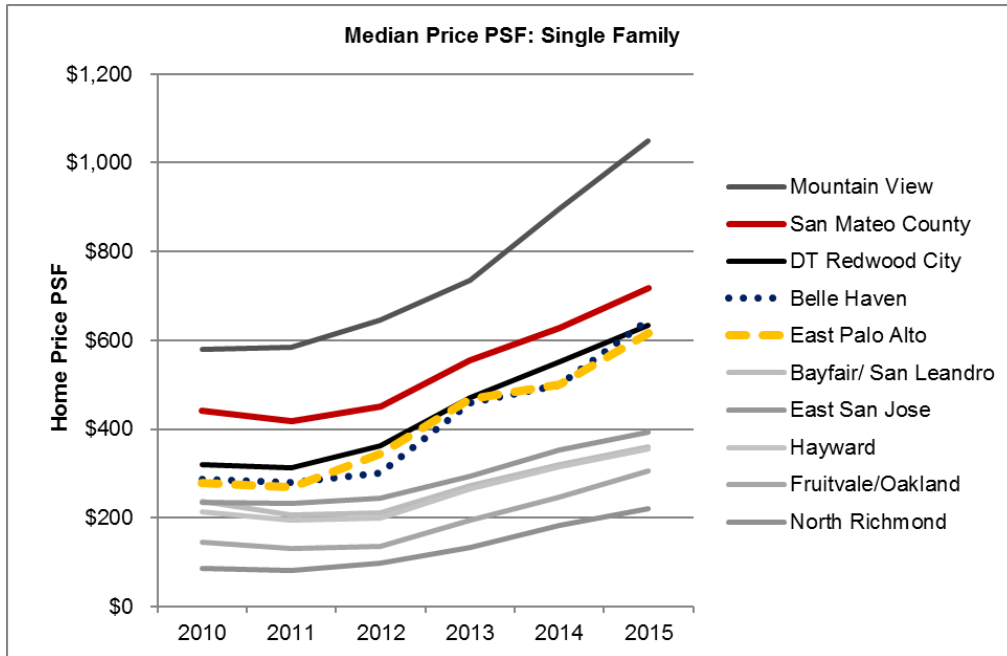
### 1. Home Prices

Growth in single family home prices in East Palo Alto and the Belle Haven neighborhood has outpaced most selected comparison areas. From 2011 to 2015, the median sales price per square foot for single family homes in East Palo Alto and Belle Haven increased by 130% and 131%, respectively, trailing only Fruitvale and North Richmond. Downtown Redwood City experienced a 102% increase in home prices, while growth in remaining communities ranged from 69% to 83%.



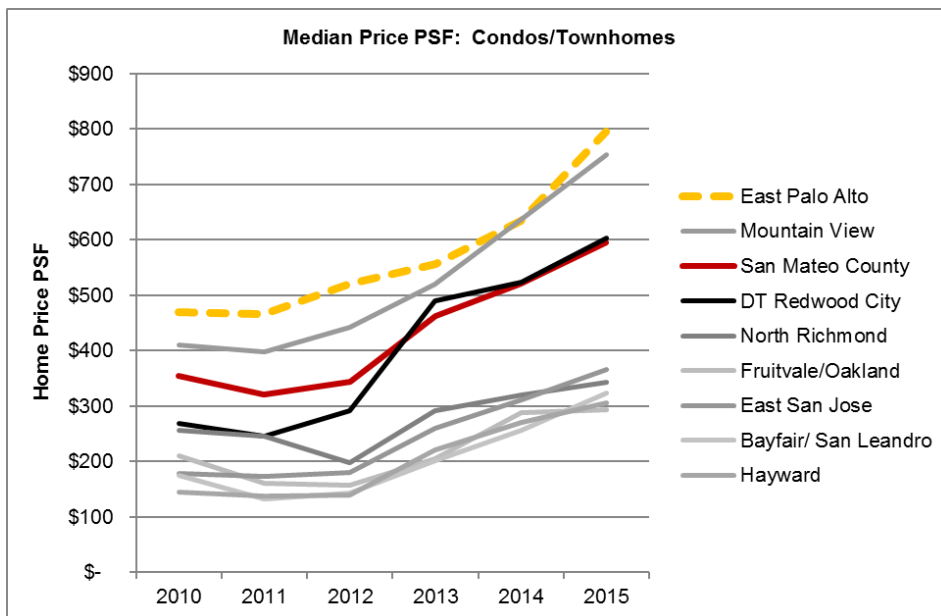
Source: DataQuick

In 2011, the median sales price per square foot in East Palo Alto of \$268/SF represented approximately two-thirds of the County median of \$418/SF. By 2015, the median sales price in East Palo Alto at \$617 per square foot was roughly 90% of the County median of \$712.



Source: CoreLogic

For condos and townhomes, East Palo Alto maintained the highest median price per square foot of any comparison area throughout the period, although growth trailed other areas. Condos and townhomes represent a smaller share of the market in East Palo Alto than do single family units (77 condo/townhome sales per year on average as compared to an average of 332 single family sales per year). No condo/townhome sales were recorded in Belle Haven.



Source: CoreLogic



The more rapid escalation in home prices in East Palo Alto and the Belle Haven neighborhood reflects, in part, a recovery from the housing / foreclosure crisis. The communities that experienced the greatest increase in single-family home sale prices from 2011 to 2015, Belle Haven and East Palo Alto among them, also tended to have the steepest decline in the *number* of home sales over the same period. The number of sales in East Palo Alto fell from 389 units in 2011 to 270 units in 2015. In Belle Haven, the number of sales fell from 63 units in 2011 to 39 units in 2015. This trend is consistent with a higher incidence of distressed sales activity at the beginning of the period as reportedly occurred in East Palo Alto<sup>6</sup>. The greatest percentage increases in pricing also generally occurred in locations where prices as of 2011 were lower relative to nearby communities. Additional details on home price and sale trends are included in Appendix Table 1 and 2.

While it could be interpreted that existing homeowners will benefit from home price increases, in communities such as East Palo Alto and Belle Haven where more than a third of single-family homes are renter-occupied, rapid growth in home prices may present a heightened risk of renter displacement to the extent it encourages the sale of single family rental properties to new owner-occupants.

## *2. Apartment Rents*

From 2011 to 2015, apartment rents across all comparison areas increased significantly. According to data from RealFacts, which surveys multifamily buildings of 50 units or more, East Palo Alto experienced the greatest increase in rents among the comparison areas. The average asking rent for a one-bedroom apartment grew by 89% in East Palo Alto<sup>7</sup>, compared to the average increase of 53% in San Mateo County.

RealFacts data for East Palo Alto probably provides a somewhat distorted picture of the market in that the service tracks just one property in the City of East Palo Alto, the Woodland Park apartments, which was subject to unique circumstances as described on page 18.

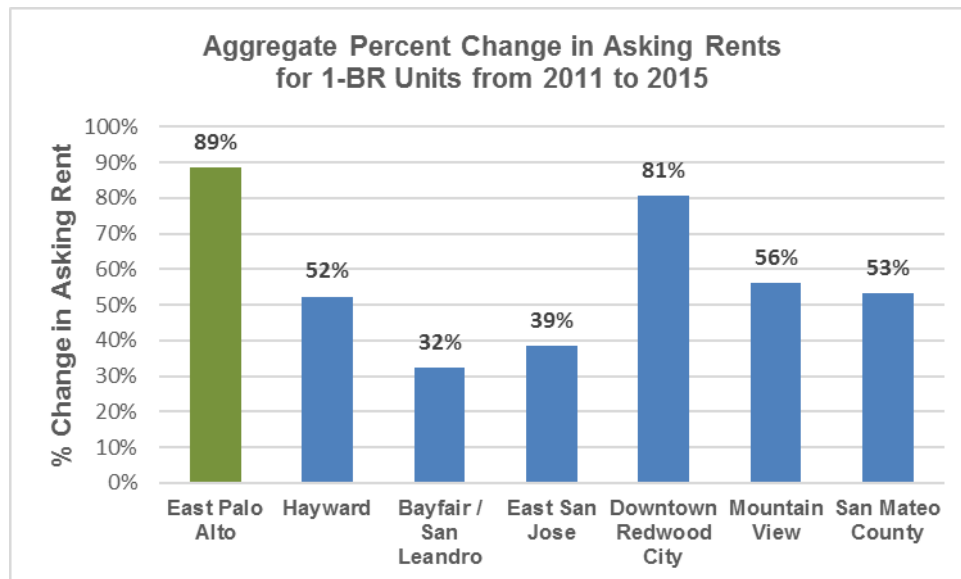
While average asking rents in East Palo Alto for a 1-bedroom of \$1,850 remain below the San Mateo County average of \$2,520, by 2015 East Palo Alto's asking rent, previously lowest of all the comparison areas, had surpassed rent levels in Hayward,

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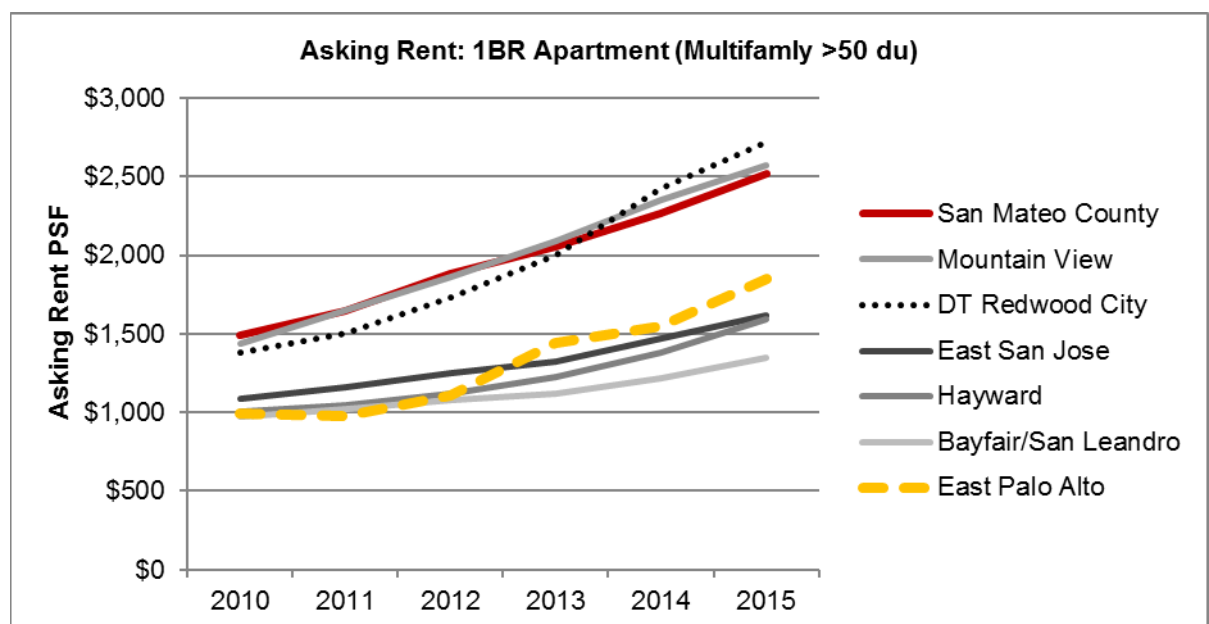
<sup>6</sup> KQED News. 2013. Can East Palo Alto Weather the Tech Boom and Increasing Gentrification? <http://www.kqed.org/news/2013/07/18/104008/>. The article indicates that from 2008 to 2013, 1,422 of approximately 4,000 single family homes in East Palo Alto had entered some stage of the foreclose process.

<sup>7</sup> While East Palo Alto has rent control, rents reset to market upon vacancy. The 89% increase pertains to rents for units which have been vacated and are available for lease.

San Leandro, and East San Jose. Rent growth since 2011 in East Palo Alto is closely followed by Downtown Redwood City of 81%. Market rent increases for the remaining communities ranged from 32% to 56%. Data on rents was not available for Belle Haven, Oakland / Fruitvale, and North Richmond as the data provider RealFacts does not track asking rents for any 50+ unit apartment properties within those areas. These trends are presented in the charts below with additional details provided in Appendix Table 3.



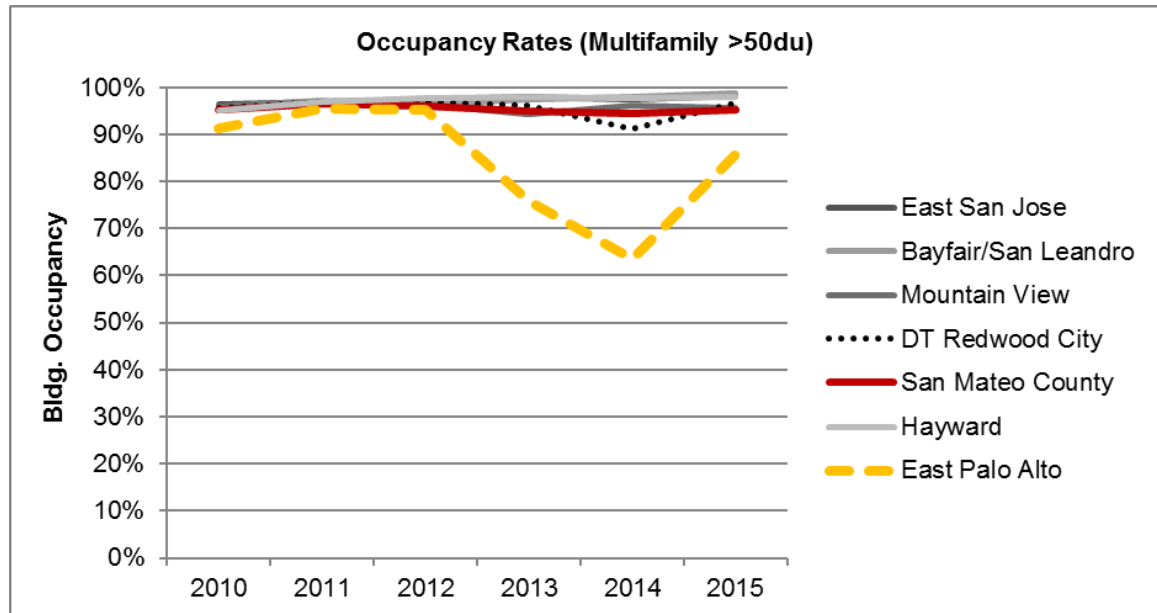
Source: RealFacts



Source: RealFacts

These rental rates reflect asking rents for units that have been vacated and available for rent. For communities that have rent control, including East Palo Alto, existing tenants in multifamily buildings are shielded from increases in market rents in excess of 80% of CPI as long as they remain in their current unit.

The chart below presents vacancy trends in the comparison communities.



Source: RealFacts

In East Palo Alto, approximately 40% of the rental housing stock is within a single large rental property, Woodland Park, which has over 1,800 units in multiple buildings situated on both sides of University Avenue to the West of U.S. 101 along the boundary with the City of Palo Alto. As previously noted, this is the only property reflected in the RealFacts data for East Palo Alto. In December 2011, the property was acquired by Equity Residential who is reported to have issued significant numbers of eviction notices<sup>8</sup> in an effort to vacate existing tenants and allow rents to reset to market. Equity Residential is also reported to have made a number of improvements to the property. This effort by Equity Residential to evict tenants may explain the significant and anomalous drop in occupancy rates over the period for East Palo Alto and also likely explains the more rapid escalation in market rents.

<sup>8</sup> In Silicon Valley, a New Investment: Eviction. Bloomberg News. April 7, 2014.  
<http://www.bloomberg.com/news/articles/2014-04-07/silicon-valley-cooks-to-housekeepers-facing-home-eviction>

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Rent and home price trends indicate that historically affordable communities in central areas of the Peninsula/ Silicon Valley housing submarket have experienced among the largest increases in housing prices for both rental and ownership products relative to comparable areas elsewhere in the South Bay and East Bay. Housing prices in East Palo Alto, Belle Haven and Downtown Redwood City have outpaced the average for San Mateo County, as well as growth in Mountain View, East San Jose, San Leandro and Hayward. Following a period of robust job growth and limited housing production, market conditions across the Bay Area have tightened with reduced vacancy and rising pricing/rents. Under these conditions, housing prices in East Palo Alto, Belle Haven, and Downtown Redwood City have increased more rapidly, narrowing the gap in pricing between these communities and the County as a whole.



### 3.0 DIRECT HOUSING DEMAND FROM PROJECT

The Project's potential to directly impact housing conditions in East Palo Alto and Menlo Park's Belle Haven neighborhood or cause displacement of existing residents is driven by the extent to which workers at the Project are likely to seek housing in either community. Direct displacement impacts will be minimal if a very limited number of workers seek housing in East Palo Alto or Belle Haven; conversely, if many Facebook workers seek housing in East Palo Alto and Belle Haven, impacts would be greater.

The following section summarizes data on the number of workers at the existing Facebook Campus who live in East Palo Alto and the Belle Haven neighborhood. This data is then combined with the estimate of total housing demand from the Housing Needs Analysis, included as part of the EIR, to estimate the Project's direct impact on housing demand in the two communities.

#### 1. Commute Data for Existing Facebook Campus

Data provided by Facebook indicates that approximately 0.37% of Facebook's 7,475 direct employees (28 workers) currently reside in East Palo Alto, while another 0.24% (18 workers) reside in Menlo Park's Belle Haven neighborhood. These percentages relate to direct employees of Facebook only; data for contract employees has not been provided.

**Percent of Facebook Workers Residing in East Palo Alto and Belle Haven**

	Number	Percent
<b>Facebook Employees at Existing Campus</b>		
Live in East Palo Alto	28	0.37%
Live in Belle Haven	18	0.24%
Live Elsewhere in Bay Area and Beyond	<u>7,429</u>	<u>99.38%</u>
Total	7,475	100%

Source: Facebook

Since many of Facebook's employees are new, it is possible that the existing pattern could shift as employees become more established in the area, possibly resulting in an increased share in East Palo Alto and the Belle Haven neighborhood of Menlo Park. In addition, Facebook is reportedly offering a \$10,000 to \$15,000 cash incentive for employees who rent or purchase a residence within a 10-mile radius of the headquarters

campus<sup>9</sup>. This incentive could induce a greater share of employees to seek housing within 10 miles of the campus. However, Facebook has indicated that beginning in July 2016, the company will exclude the communities of East Palo Alto, Belle Haven and North Fair Oaks from its relocation program (i.e., will not provide any incentives for employees to relocate into existing housing in these communities). Facebook will analyze whether to include new construction within the program on a case by case basis. In the event that Facebook elects to include some housing options in East Palo Alto and Belle Haven as part of its relocation program, it is still not clear that the share of workers seeking housing in each community would be materially altered because of the range of other housing options that also meet the 10-mile radius criteria and currently house a far greater share of Facebook's workforce. Examples of other communities partially or entirely within a 10-mile radius are listed below along with their current share of Facebook's workforce:

- Foster City (1.4%);
- Redwood City (5.7%);
- Palo Alto (6%);
- Mountain View (9.8%);
- Sunnyvale (6.8%);
- Union City (1.1%); and
- Fremont (5.6%).

Since it is difficult to predict the extent to which commute shares may evolve over the long term, for purposes of the estimates below, existing shares are applied.

## *2. Estimated Direct Housing Demand in East Palo Alto and the Belle Haven Neighborhood*

The commute pattern for the existing Facebook Campus is used to estimate the East Palo Alto and the Belle Haven neighborhood shares of total housing demand from the Project. Since commute data specific to contract employees was not available, Census averages are applied to estimate commute shares for contract employees.

The total housing demand within commuting distance to the Project estimated in the Housing Needs Analysis is 3,638 units. Based on current commute shares, the portion of this aggregate housing demand in East Palo Alto is estimated at 21 units and for Belle Haven, 10 units. This estimate of direct Project-related housing demand in East Palo

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<sup>9</sup> Reuters, December 17, 2015. Facebook puts a price on suburban living for employees.  
<http://www.reuters.com/article/facebook-benefits-idUSKBN0U02PC20151218>

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Alto and Belle Haven represents approximately 0.27% and 0.67% of the existing housing stock in the two communities, respectively.

**Estimated East Palo Alto and Belle Haven Share of Housing Demand from Project  
Estimated based on Existing Commute Shares**

	Total <sup>(1)</sup>	East Palo Alto Share of Housing Demand		Belle Haven Share of Housing Demand	
		<u>commute</u>	<u>No.</u>	<u>commute</u>	<u>No.</u>
		<u>share(2)</u>	<u>Units</u>	<u>share(2)</u>	<u>Units</u>
<b>Housing Demand from Project</b>					
Direct Employees	3,387	0.37%	13 Units	0.24%	8 Units
Contract Employees	<u>251</u>	3.33%	<u>8</u> Units	0.70%	<u>2</u> Units
Total	3,638		21 Units		10 Units
Total Existing Housing Stock			7,754 Units	1,466 Units	
Project Related Demand as % of Housing Stock			0.27%	0.67%	

(1) From Housing Needs Analysis; Facebook Campus Expansion Project. Keyser Marston Associates, Inc. May 2016. Total housing need allocated between direct employees and contract employees based upon estimated number of employees from Table 8 of the Housing Needs Analysis.

(2) Commute share for direct employees is based upon data for the existing Facebook Campus provided by Facebook. Commute shares for contract employees reflects averages derived from Census data. For East Palo Alto, Census averages from the 2006-2010 American Community Survey are used. For Belle Haven, U.S. Census Longitudinal Employer-Household Dynamics data is used (ACS commute data specific to Belle Haven is not available).

Assuming Facebook reaches full occupancy of the Project over an approximately five-year period, the estimated housing demand would represent an annual absorption rate of approximately 4 units per year in East Palo Alto and 2 units per year in the Belle Haven neighborhood for the next five years.

This estimate reflects the direct demand within the existing housing stock. New construction may attract additional workers to live in or near the Belle Haven neighborhood and East Palo Alto.

#### **4.0 HOUSING SUPPLY: NEW CONSTRUCTION & TURNOVER OF EXISTING UNITS**

##### **4.1. Turnover of Existing Units**

*Turnover of Existing Housing Units in East Palo Alto* - The East Palo Alto housing stock is comprised of approximately 7,180 occupied housing units (see Section 6). KMA estimates East Palo Alto experiences an average turnover rate of approximately 6% of the occupied housing stock each year, based on Census data regarding the length of occupancy for housing units. This 6% turnover rate equates to approximately 450 units each year available through regular turnover. The estimated four units per year of direct housing demand from the Project in East Palo Alto (per Section 3) would represent roughly 1% of the units coming available through regular turnover.

*Turnover of Existing Housing Units in the Belle Haven neighborhood* - The Belle Haven neighborhood housing stock is comprised of approximately 1,400 occupied housing units (see Section 6). KMA estimates that Belle Haven experiences an average turnover rate of approximately 6% of the occupied housing stock per year based on Census data regarding the length of occupancy for housing units. This 6% turnover rate equates to approximately 90 units per year available each year through regular turnover. The estimated two units per year of direct housing demand from the Project in Belle Haven (per Section 3) represents 2% of the units estimated to come available through regular turnover over the next five years.

The Project is estimated to represent 1% - 2% of the market for units that come available through regular turnover in East Palo Alto and the Belle Haven neighborhood over the next five years as described above. This would mean that, as rental units come available through regular turnover, or as homeowners make the decision to sell, Facebook workers could be competing for about 1%- 2% of the units that are available, along with others seeking housing within the two communities. This suggests a minimal direct impact on local housing market conditions.

##### **4.2. New Construction**

The following section reviews new housing that is either planned or under construction within East Palo Alto and Menlo Park. A portion of local housing demand from the Project may potentially be absorbed through new housing production. New units in close proximity to the Project may also attract a greater share of direct housing demand from Facebook workers than does the existing local housing stock.



*1. New Housing Planned and Under Construction in East Palo Alto*

According to the City of East Palo Alto, there are 51 housing units currently under construction and another 55 to 57 units in planning, of which 41 are designated for seniors. Altogether, 41 below market senior units and 65 to 67 market rate units are projected as summarized in the table below.

**Current and Planned Residential Construction: East Palo Alto**

	Status	Type	No. of Units
<b>Montage Homes</b>	Under Construction	SFD	51
<b>Senior Affordable Project (BMR Project)</b>	Entitled	MF	41
<b>Other / Small Scale (&lt;10 du)</b>	Planning	SFD	14-16
<b>Total</b>			<b>106-108</b>

Source: City of East Palo Alto

The proposed Ravenswood / 4 Corners Transit Oriented Specific Plan within East Palo Alto could potentially add another 835 residential units, which represents about a 10% increase in the existing housing stock of the City. Development is contingent on the City securing additional sources of water. Per the draft 2035 East Palo General Plan, there is currently a shortage of water sources available to the meet anticipated needs of new development.

*2. New Housing Planned and Under Construction in Menlo Park*

According to the City of Menlo Park, there are 885 housing units currently under construction citywide and an additional 495 in planning. Of the total 1,380 units under construction and in planning, 1,182 are anticipated to be market rate, and 198 are anticipated to be below market rate. Of units under construction, all are multifamily and 825 (over 90%) are located in or near Belle Haven (285 units in Belle Haven and 540 units in two residential projects at 3639 and 3645 Haven Avenue). The pipeline of new units in or near Belle Haven to be delivered over the next two years represents more than a 50% increase in the housing stock of the Belle Haven Census tract.

**Current and Planned Residential Construction: Menlo Park**

				No. of Projects	Status	Type	BMR <sup>1</sup>	<u>Unit Mix</u> Market	Total
<b>Large Scale (&gt;50 du) In / Near Belle Haven</b>									
In Belle Haven	2	Construction	MF	90	195	285			
Near Belle Haven	2	Construction	MF	37	503	540			
				127	698	825			
<b>Large Scale (&gt;50 du) Outside Belle Haven</b>									
	1	Construction	MF	59	1	60			
	2	Planning	MF	8	409	417			
				67	410	477			
<b>Mid Scale (10-50 du)</b>									
	3	Planning	MF	4	35	39			
			SRO <sup>2</sup>	-	16	16			
				4	51	55			
<b>Small Scale (&lt;10 du)</b>									
	6	Planning	MF	N/A	23	23			
<b>Total - Menlo Park</b>				<b>198</b>	<b>1,182</b>	<b>1,380</b>			

<sup>1</sup> For projects in planning, allocation of on-site BMR units subject to change.

<sup>2</sup> Proposed boarding house with common kitchen.

<sup>3</sup> Includes 90 senior units in 1221 Willow and 195 market rate units in 777 Hamilton.

<sup>4</sup> Haven Avenue residential projects also located in Census Tract 6117.

Source: City of Menlo Park

In addition to permitted and planned units, the City of Menlo Park is moving forward with its General Plan update, "ConnectMenlo," which focuses on land use changes in the City's M-2 (Industrial) district that is adjacent to Belle Haven. Per the Draft Land Use Element (revised April 14, 2016), portions of the City's M-2 district would be designated as Residential Mixed Use Districts, permitting residential densities of 20 to 30 units per acre by right and up to 100 units per acre for projects that secure a conditional use permit and provide 15% of units as affordable housing. Approval of the changes would allow for the construction of up to 4,500 housing units in the M-2 district, including up to 3,500 units on properties owned or controlled by Facebook. This includes the potential addition of employee housing integrated within Facebook's campus.

Land use changes in Menlo Park's M-2 industrial district have the potential to influence demand for housing in the Belle Haven neighborhood and East Palo Alto. If changes are ultimately adopted and residential construction can be timed with the buildout of the Project, multifamily development within proposed Residential Mixed Use Districts would

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likely absorb a share of demand from workers of the Project. On the other hand, large-scale residential developments in Menlo Park's M-2 district could potentially act as "catalyst" projects attracting additional interest in the Belle Haven neighborhood and East Palo Alto as a place to live.

## **5.0 INDIRECT HOUSING MARKET EFFECTS**

This section examines the potential for the Project to contribute to displacement through an indirect influence on housing market conditions in East Palo Alto and the Belle Haven neighborhood of Menlo Park. To the extent the Project generates upward pressure on the regional housing market, effects are also likely to be experienced locally within the subject communities. Facebook's expanding workforce will compete for a share of available housing within commuting distance of the Project. Rents and home prices may be "bid up" as a result to the extent housing supply does not expand to meet the new demand. This can drive other households to seek less expensive housing elsewhere. The resulting chain of events may be factor in increased home prices and rents within the housing markets of East Palo Alto and Belle Haven.

To put the potential for the Project to create indirect housing market effects into context, Section 5.1 examines Facebook's employment growth over the last five years in the context of overall trends in Silicon Valley and the Peninsula.

### **5.1 Facebook's Contribution to Regional Employment Growth – 2010 to 2015**

Employment growth is an important driver of housing demand both at the localized level and regionally. The tech-driven boom over the past several years has resulted in significant job growth in the Peninsula / Silicon Valley and contributed to equally significant upward pressure on the housing market as evidenced in the rent and price increases documented in Section 2. Facebook's expansion has been a highly visible component of this broader trend. To understand Facebook's contribution to these conditions in a broader context, this section examines job growth at Facebook in comparison to totals for Santa Clara and San Mateo Counties.

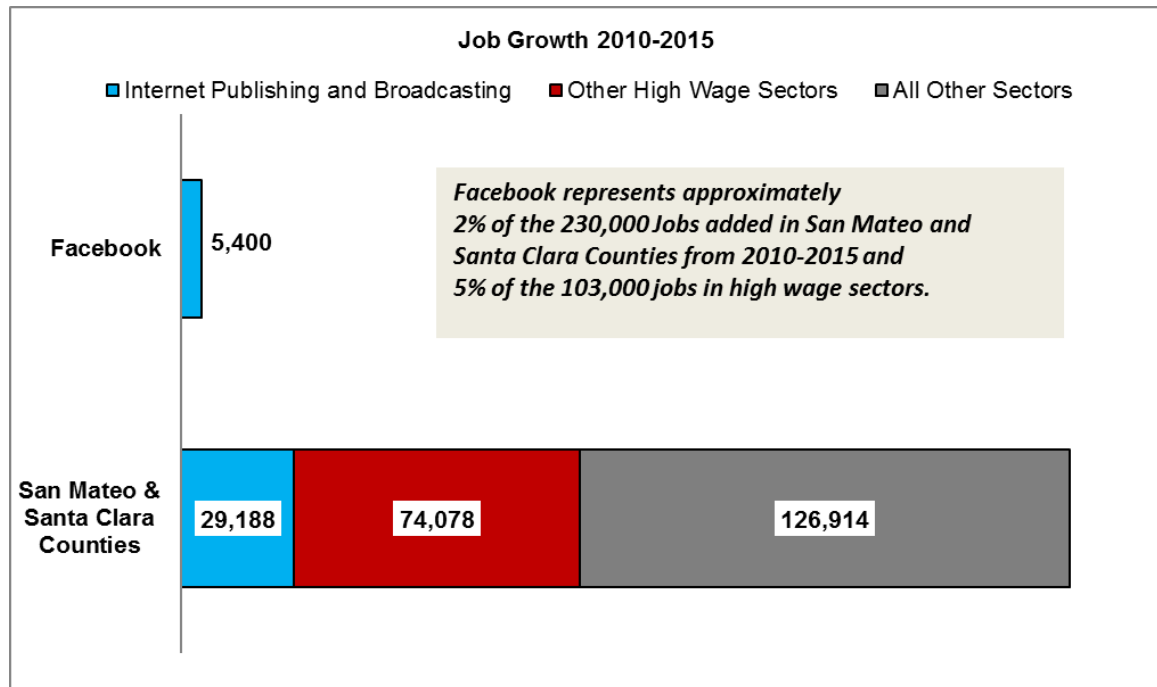
According to the Quarterly Census of Employment and Wages, over the period from 2010 to 2015, a total of approximately 230,000 jobs were added in Santa Clara and San Mateo Counties. Of this total, approximately 29,000 jobs were in the Internet Publishing and Broadcasting Sector applicable to Facebook and an additional 74,000 jobs were in other high-wage sectors for a combined 103,000 jobs added in high wage sectors. For purposes of this analysis "high wage" industry sectors were defined as those with average annual employee compensation above \$100,000.

Facebook added approximately 5,400 jobs during the period from 2010 to 2015 (7,475 Facebook employees currently reported at the Menlo Park campus, less approximately 2,100 employees in 2010). As a share of employment growth in San Mateo and Santa



Clara counties over the 2010-2015 period, growth at Facebook represents approximately:

- 2% of total job growth; and
- 5% of job growth in high-wage sectors.



Sources: Quarterly Census of Employment and Wages, Facebook, Inc.

Housing production has not kept pace with job growth as illustrated in Appendix Table 4, attached, which identifies how the ratio of jobs to housing units has increased in San Mateo, Santa Clara, San Francisco, and Alameda counties from 2010 to 2015. An imbalance that has undoubtedly contributed to increasing prices and rents. Interestingly, the ratio of jobs to housing units has not yet returned to the level in 2000 at the peak of the previous boom cycle.

## 5.2 Indirect Housing Market Effects of the Project

Given the scale of the Project, which expands employment by an additional 6,550 jobs, it is reasonable to anticipate an indirect influence on market rents and home prices, regionally and in the subject communities. Facebook's 5% contribution to the overall high-wage job growth occurring in Silicon Valley / the Peninsula over the past five years could serve as a course proxy for Facebook's relative contribution to recent upward trends in the regional housing market. Facebook will likely continue to be a contributing factor in housing market trends in the future with the further expansion of employment

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levels that is accommodated by the Project. Indirect housing market effects will likely be dispersed throughout the region, mirroring the dispersion of Facebook's workforce (see Table 18-B of the Housing Needs Analysis appended to the EIR). The Project will likely represent a modest contributing factor to upward pressure on prices and rents within East Palo Alto and Menlo Park's Belle Haven neighborhood which adds incrementally to the displacement pressures that are present in the two communities. A precise quantification of indirect effects is difficult and effects may vary depending on factors such as future regional economic conditions, future housing production, and the future pace of employment growth at Facebook.

## 6.0 SUMMARY OF CENSUS DATA FOR EAST PALO ALTO AND BELLE HAVEN

The following section summarizes U.S. Census data on housing conditions and demographics for East Palo Alto and the Belle Haven neighborhood of Menlo Park. In addition, data for San Mateo County as a whole is provided as a point of comparison. East Palo Alto and Belle Haven differ in several respects from San Mateo County averages including: a higher share of renter households, a concentration of households overspending on housing, a higher percentage living in overcrowded conditions, larger household sizes, a younger population, lower incomes, and an above average percentage of households below the poverty level.

### 1. Number of Housing Units and Tenure

East Palo Alto has an estimated 7,754 housing units. Approximately 62% of occupied units are rental and 38% are owner-occupied. The Belle Haven neighborhood has approximately 1,466 housing units. Approximately 54% of the occupied units are rental and 46% are owner-occupied.

#### Housing Units by Tenure

Housing Units by Tenure	East Palo Alto		Belle Haven <sup>(1)</sup>		San Mateo County	
	Number	% of Occupied Units	Number	% of Occupied Units	Number	% of Occupied Units
Renter Occupied	4,469	62%	759	54%	104,623	41%
Owner Occupied	2,713	38%	657	46%	153,318	59%
Total Occupied Housing Units	7,182	100%	1,416	100%	257,941	100%
Vacant	572		50		13,558	
Total Housing Units	7,754		1,466		271,499	
Percent of County-wide Housing Stock	2.9%		0.5%			

(1) Reflects data for Census Tract 6117 which includes the Belle Haven neighborhood.

Source: 2009-2013 American Community Survey estimates, Table QT-H1: General Housing Characteristics.

East Palo Alto represents about 2.9% of the total housing stock in San Mateo County and less than 1% of the more than 900,000 housing units in San Mateo and Santa Clara counties combined. The Belle Haven neighborhood represents approximately 0.5% of the total housing stock in San Mateo County and a fraction of the combined housing stock in the two counties.

## 2. Housing Units by Type

Approximately 57% of units in East Palo Alto are single family compared to 72% in the Belle Haven neighborhood and 66% County-wide. The balance of units are in multi-family and other structures.

### Housing Units by Type

	<u>East Palo Alto</u>		<u>Belle Haven<sup>(1)</sup></u>		<u>San Mateo</u>	
	Housing Units	% of Total	Housing Units	% of Total	Housing Units	% of Total
Single Family	4,453	57%	1,051	72%	177,957	66%
2- 4 unit buildings	315	4%	217	15%	19,895	7%
Five+ unit buildings	2,816	36%	198	14%	70,370	26%
Mobile Home, Boat, RV, etc.	170	2%	-	0%	3,277	1%
Total Housing Units	7,754	100%	1,466	100%	271,499	100%

(1) Reflects data for Census Tract 6117 corresponding to the Belle Haven neighborhood.  
Source: 2009-2013 American Community Survey 5-Year Estimates.

## 3. Percent of Income Spent on Housing

In East Palo Alto, approximately 59% of renter households and 41% of homeowner households spend more than 35% of their income on housing, a general criterion for overspending, particularly for renters.

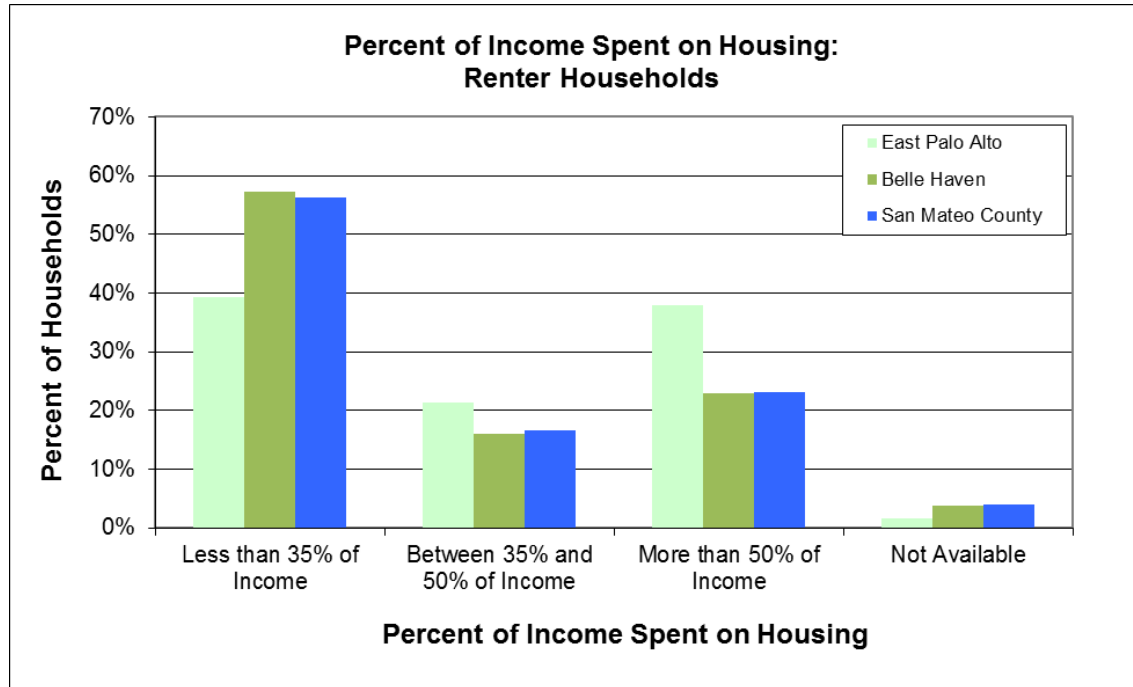
In the Belle Haven neighborhood, the share of renters spending more than 35% of their income on housing mirrors the County average. The share of homeowners overspending on housing, at 66%, is more than double that for the County as a whole.

### Percent of Income Spent on Housing

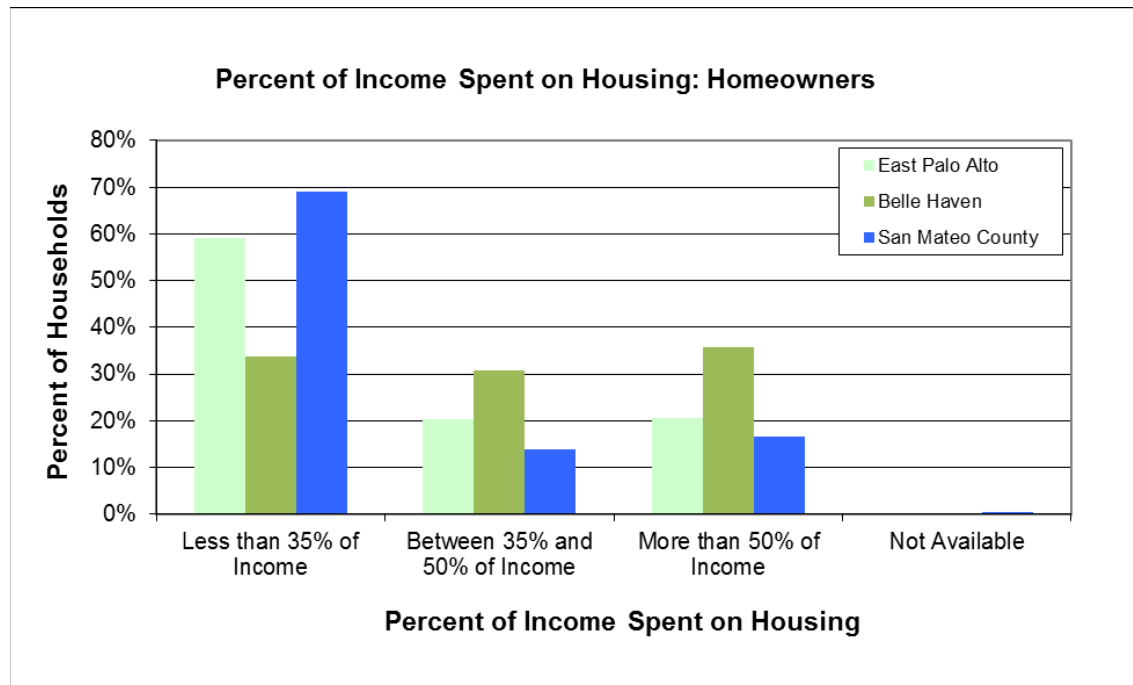
	<u>East Palo Alto</u>		<u>Belle Haven<sup>(1)</sup></u>		<u>San Mateo County</u>	
	Renter	Homeowner	Renter	Homeowner	Renter	Homeowner
Less than 35% of Income	39%	59%	57%	34%	56%	69%
Between 35% and 50% of Income	21%	20%	16%	31%	17%	14%
More than 50% of Income	<u>38%</u>	<u>21%</u>	<u>23%</u>	<u>36%</u>	<u>23%</u>	<u>17%</u>
Subtotal Over 35% of Income	59%	41%	39%	66%	40%	30%
Not Available	2%	0%	4%	0%	4%	1%

(1) Reflects data for Census Tract 6117 corresponding to the Belle Haven neighborhood.  
Source: 2009-2013 American Community Survey 5-Year Estimates.





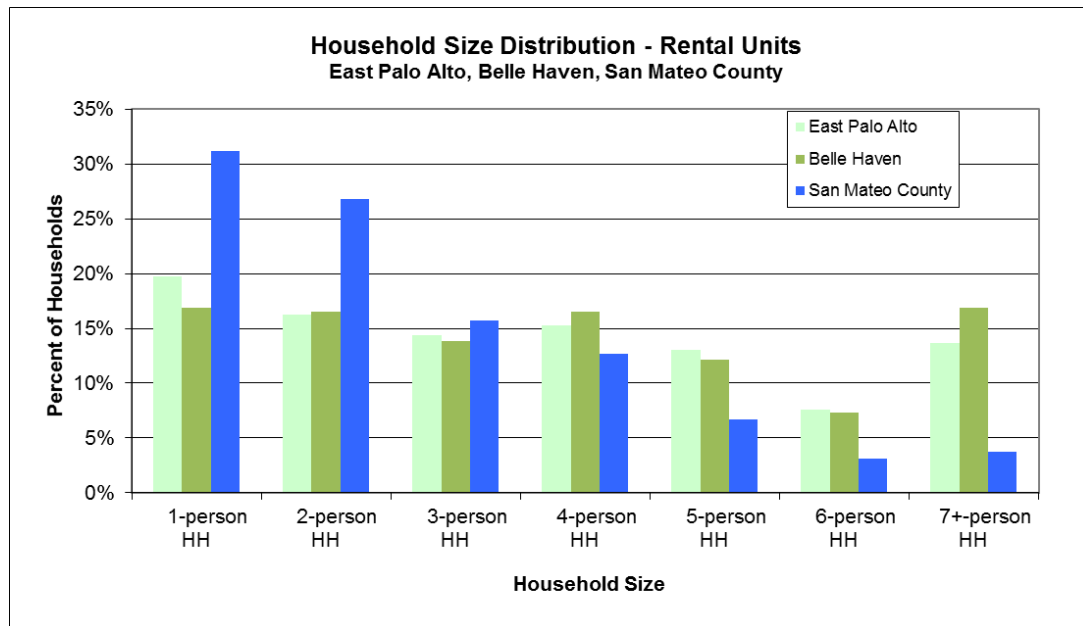
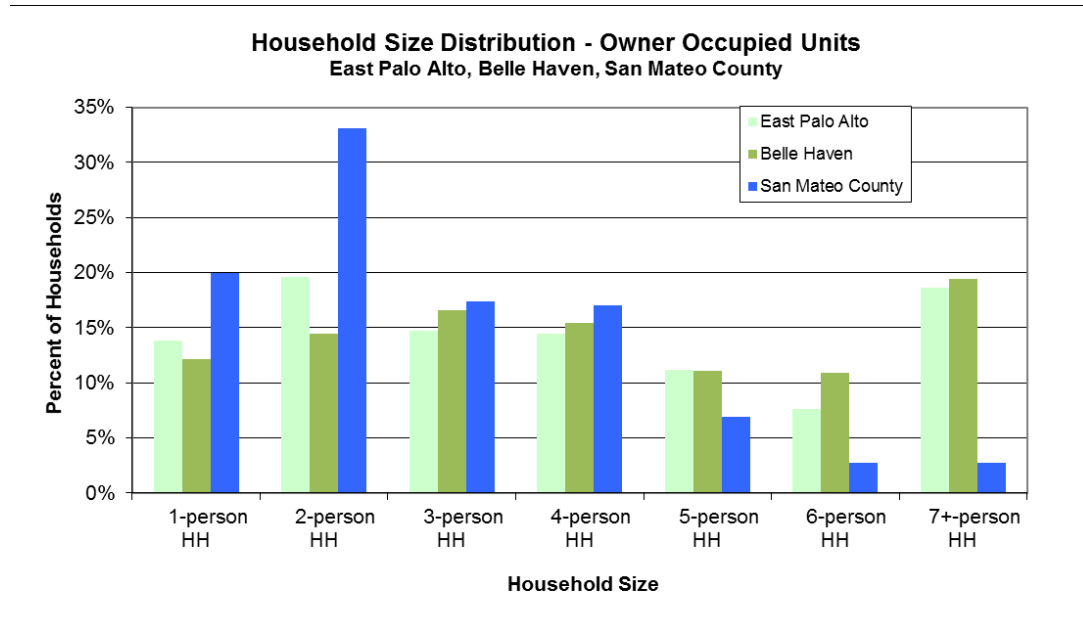
Source: 2009-2013 American Community Survey 5-Year Estimates.



Source: 2009-2013 American Community Survey 5-Year Estimates.

#### 4. Household Size

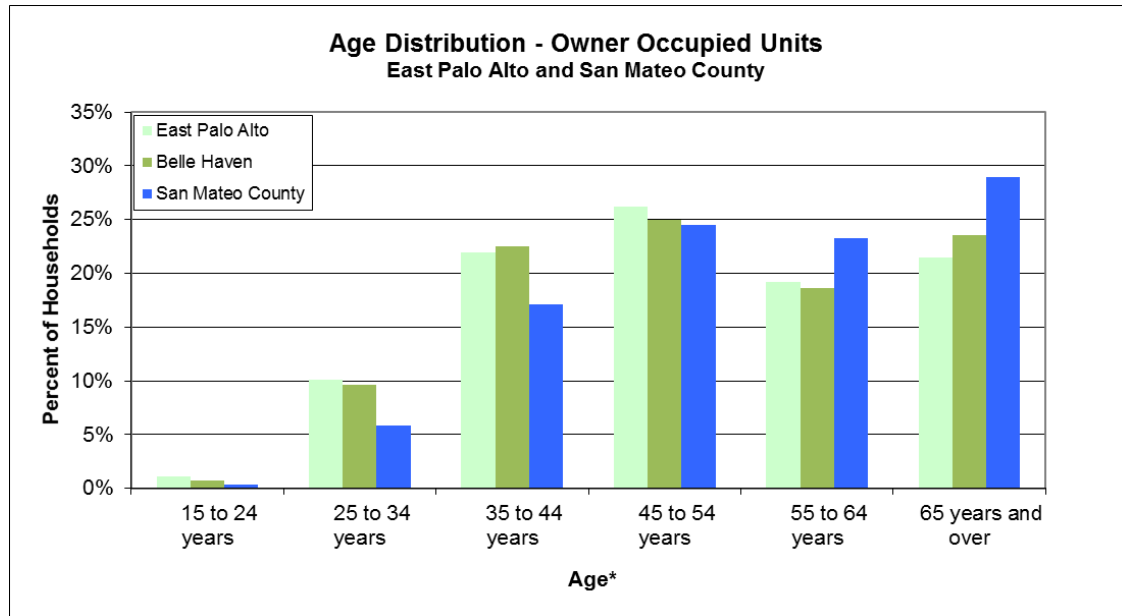
Household sizes in East Palo Alto and the Belle Haven neighborhood are larger than County averages as shown in the charts below:



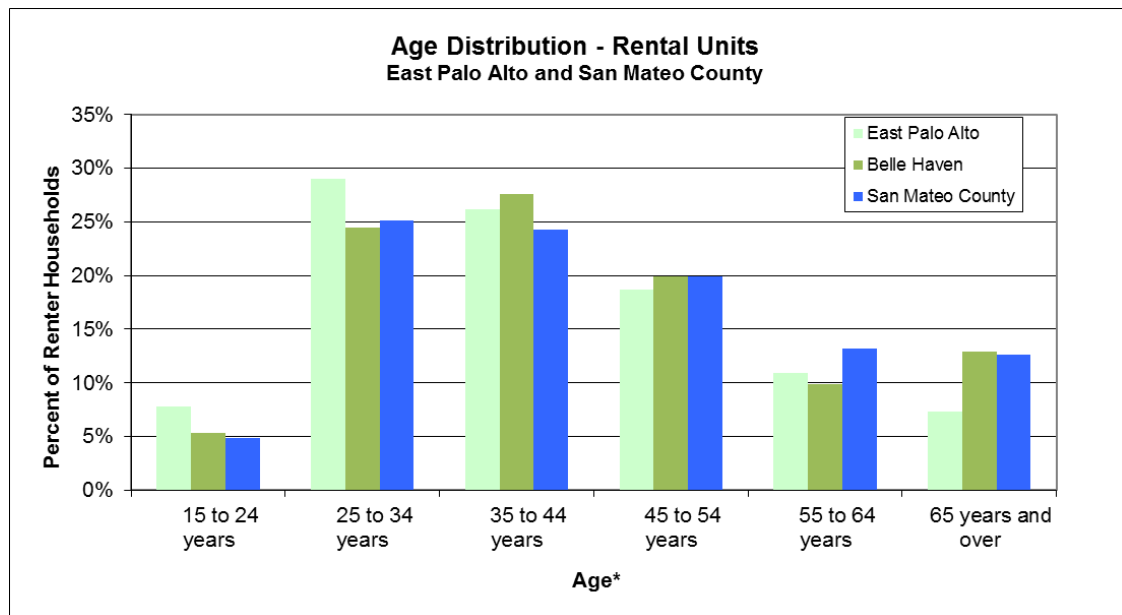
Source: 2010 US Census Summary File 1, QT-H2: Tenure, Household Size, and Age of Householder: 2010

## 5. Age

The population of East Palo Alto and the Belle Haven neighborhood is younger than for the County as a whole:



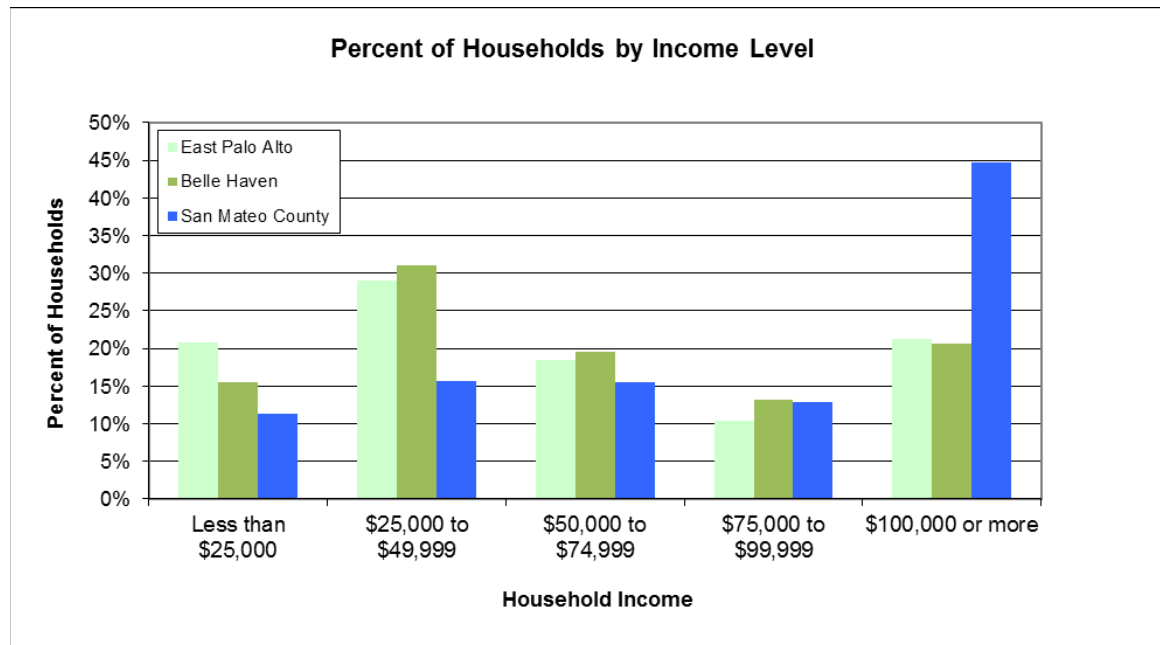
Source: 2010 US Census Summary File 1, QT-H2: Tenure, Household Size, and Age of Householder: 2010



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

## 6. Income and Employment status

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



Source: 2009-2013 American Community Survey 5-Year Estimates

### Employment Status, Median Income, Poverty

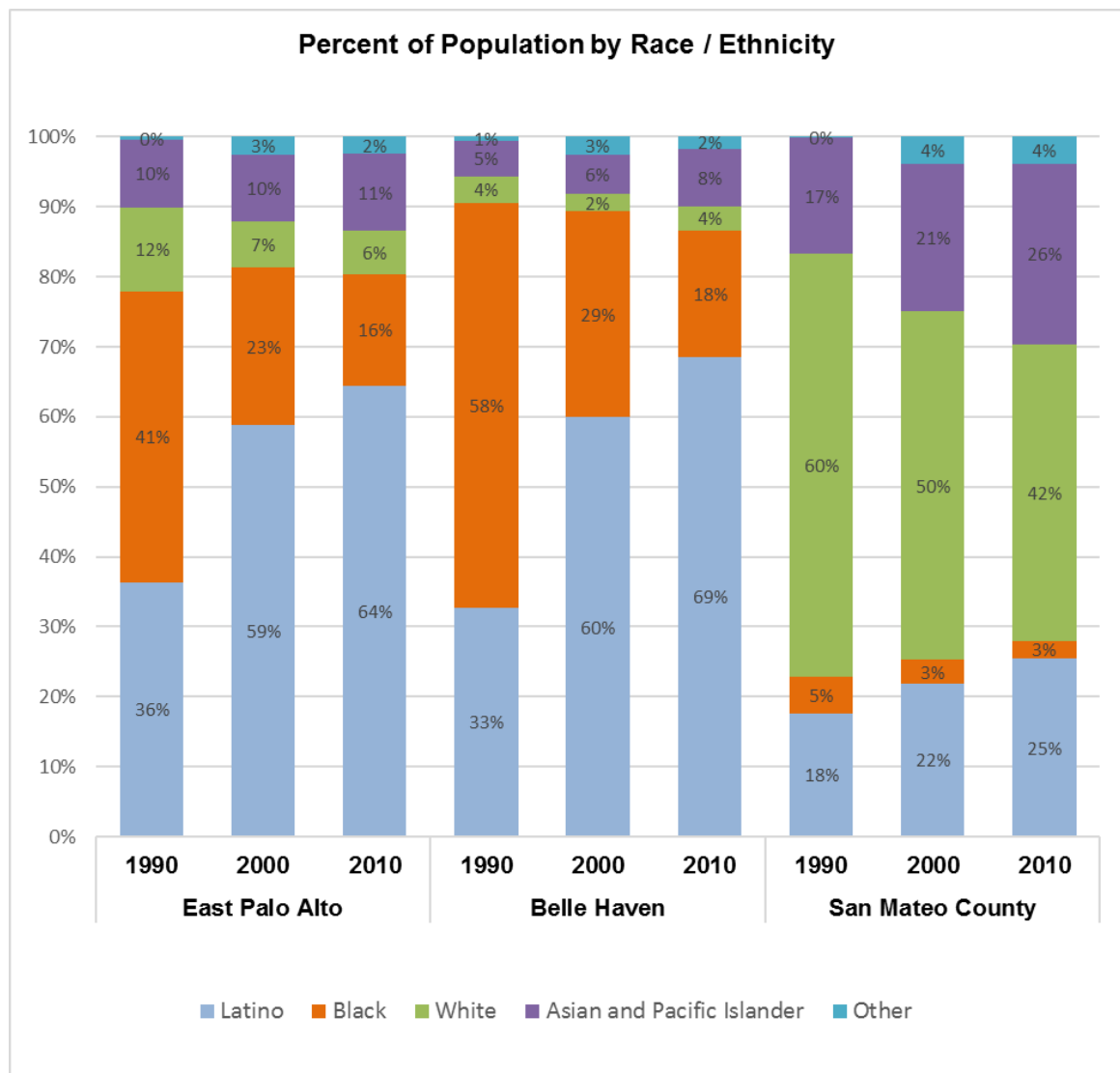
	<u>East Palo Alto</u>		<u>Belle Haven</u>		<u>San Mateo County</u>	
	Number	Percent	Number	Percent	Number	Percent
<u>Employment Status</u>						
Employed	12,424	59%	2,842	69%	371,212	63%
Unemployed	1,772	8%	231	6%	32,594	6%
Not in Labor Force	6,692	32%	1,060	26%	181,999	31%
Total Population Over 16 Years	20,888	100%	4,133	100%	585,979	100%
Median Household Income (2013 dollars)	\$50,142		\$57,558		\$88,202	
Percent of Families Below Poverty Level	15.60%		9.50%		4.80%	

Source: 2009-2013 American Community Survey 5-Year Estimates



## 7. Race and Ethnicity

Approximately two-thirds of East Palo Alto and Belle Haven residents are Latino, compared to the County average of 25%. African American residents represent 16% and 18% of the population in East Palo Alto and the Belle Haven neighborhood, respectively. The Latino population of both communities has increased since 1990 while the African American population has declined, as shown in the chart below.

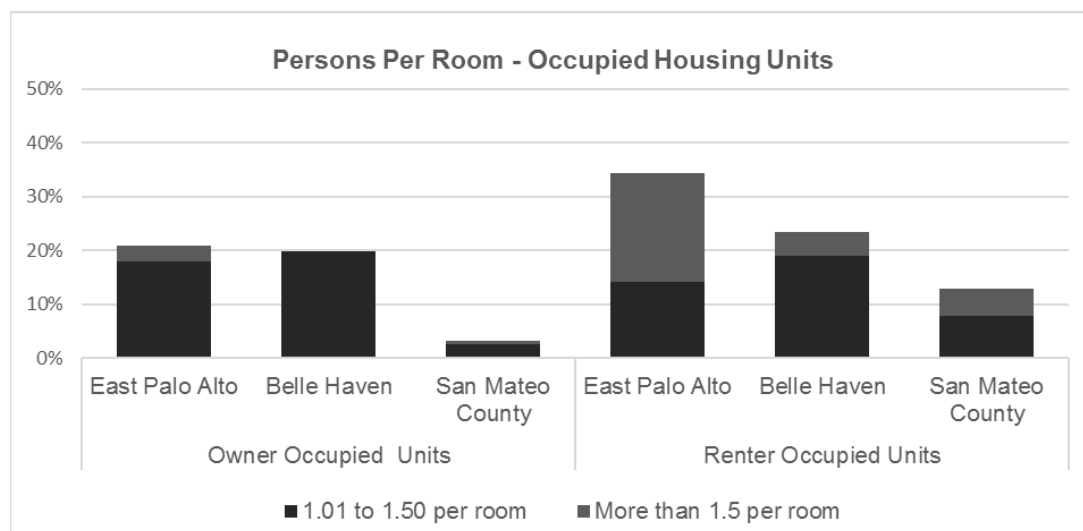


Sources: 1990, 2000, 2010 Census

## 8. Overcrowding

Overcrowding is generally defined as an occupancy level above one person per room. In East Palo Alto, about 21% of owner-occupied units and 34% of renter-occupied units have more than one person per room. The incidence of over-crowding in East Palo Alto is significantly greater than San Mateo County as a whole, especially in the over 1.5 persons per room category in the rental stock.

In the Belle Haven neighborhood, overcrowding in renter and owner occupied housing is also above the County average, although overcrowding is generally concentrated in the less than 1.5 persons per room category.



Source: 2009-2013 American Community Survey 5-Year Estimates.

### Occupants Per Room

Occupants Per Room	Owner Occupied			Renter Occupied		
	East Palo Alto	Belle Haven	San Mateo County	East Palo Alto	Belle Haven	San Mateo County
1 Person or fewer per room	79%	80%	97%	66%	77%	87%
1.01 to 1.50 per room	18%	20%	3%	14%	19%	8%
1.51 to 2.00 per room	2%	0%	0%	13%	4%	4%
2.01 or more per room	<u>1%</u>	<u>0%</u>	<u>0%</u>	<u>7%</u>	<u>0%</u>	<u>1%</u>
1.01 Per Room or more <sup>(1)</sup>	<b>21%</b>	<b>20%</b>	<b>3%</b>	<b>34%</b>	<b>23%</b>	<b>13%</b>
Total	100%	100%	100%	100%	100%	100%

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

Source: 2009-2013 American Community Survey 5-Year Estimates.

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Both conditions of overspending and overcrowding are directly linked to the high cost of housing relative to residents' incomes. Households are forced to spend a high percentage of their income on housing if lower cost housing is not available.

Overcrowding is a direct response to high housing costs, as households make do with smaller units or double up with other family members, roommates, etc.

## **7.0 HOUSING PRODUCTION AND JOBS-HOUSING BALANCE IN MENLO PARK**

Per the request of East Palo Alto, this section reviews historical trends in housing production in Menlo Park and calculates the jobs-housing ratio for the City of Menlo Park currently and with the Project. Information on housing production and the jobs-housing balance for Menlo Park is provided in Appendix Tables 5, 6 and 7.

### *Historical Housing Production in Menlo Park*

From 2011 to 2015, Menlo Park permitted 884 housing units, including 100 deed-restricted affordable units, according to the City's annual Housing Element progress reports (Appendix Table 6). Approximately 85% of building permits issued over the last five years occurred in 2015. There were well over twice as many building permits issued in 2015 than in the previous eight years combined (Appendix Table 6).

As part of the Regional Housing Needs Allocation (RHNA) Process, Menlo Park is responsible for accommodating 150 market rate units and 505 affordable units during the 2015 to 2023 RHNA cycle. Permitting activity in Menlo Park for this RHNA cycle has already exceeded the City's market rate goal and satisfied approximately one-quarter of the City's target for affordable housing, including a 90-unit senior housing project permitted in 2016 (Appendix Table 7).

The City's Below Market Rate Housing Program assists in meeting RHNA targets for low-income housing production. Residential developments of more than 5 units must set aside a portion of units to be sold at prices affordable to very low, low, and moderate income households, or pay an in-lieu fee.

### *Jobs-Housing Ratio*

Menlo Park's ratio of jobs to housing is higher relative to the Countywide average and East Palo Alto. According to the 2009 - 2013 American Community Survey, in Menlo Park, there are estimated to be approximately 2.35 jobs per housing unit. San Mateo County has an estimated 1.34 jobs per housing unit and East Palo Alto has 0.56 jobs per housing unit. Upon completion of the Project, it is anticipated that Menlo Park's jobs housing ratio will increase to 2.67, taking into consideration the 6,550 jobs to be generated by the Project as well as the 885 housing units currently under construction in Menlo Park. If all 495 units in planning are also built, the ratio with the Project would be 2.58. See Appendix Table 5 for additional details.

**To:** Kyle Perata, Senior Planner June 14, 2016  
**Subject:** Evaluation of Potential Displacement Impacts in East Palo Alto and  
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## **Appendix Tables**

The following is a list of tables attached as an appendix:

Table 1	Asking Rents and Building Occupancy (Multifamily): East Palo Alto and Comparison Jurisdictions
Table 2	Home Prices: East Palo Alto and Comparison Jurisdictions
Table 3	Home Sales: East Palo Alto and Comparison Jurisdictions
Table 4	Historical Jobs-Housing Ratio by County
Table 5	Jobs-Housing Ratio: San Mateo County, Menlo Park, and East Palo Alto
Table 6	Permitted Units in Menlo Park: 2007-2015
Table 7	Permitted Housing Units Versus RHNA Targets in Menlo Park (Current and Previous Cycle)



**Appendix Table 1**  
**Home Prices: East Palo Alto and Comparison Jurisdictions**  
**Housing Displacement Analysis**  
**Facebook Campus Expansion Project**  
**Menlo Park, CA**

<b>Median Sales Price</b>							<b>% Change <sup>(2)</sup></b>	
<b>Per Square Foot</b>								
<b>By Geography <sup>(1)</sup></b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2010-2015</b>	<b>2011-2015</b>
<b>A. Condos/Town Homes</b>								
East Palo Alto	\$470	\$466	\$521	\$557	\$635	\$795	69%	71%
Belle Haven	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Hayward	\$145	\$137	\$139	\$222	\$270	\$305	110%	122%
Fruitvale/Oakland	\$211	\$161	\$158	\$205	\$288	\$294	39%	83%
North Richmond	\$256	\$246	\$198	\$292	\$320	\$343	34%	39%
Bayfair/ San Leandro	\$176	\$132	\$144	\$201	\$257	\$323	84%	145%
East San Jose	\$178	\$174	\$180	\$259	\$311	\$367	107%	111%
DT Redwood City	\$268	\$246	\$292	\$489	\$523	\$602	125%	145%
Mountain View	\$411	\$398	\$442	\$519	\$637	\$754	83%	89%
San Mateo County	\$354	\$321	\$344	\$463	\$520	\$596	68%	86%
<b>B. Single Family</b>								
East Palo Alto	\$278	\$268	\$345	\$468	\$500	\$617	122%	130%
Belle Haven	\$288	\$279	\$302	\$460	\$500	\$645	124%	131%
Hayward	\$214	\$195	\$199	\$265	\$315	\$356	67%	83%
Fruitvale/Oakland	\$146	\$132	\$137	\$196	\$248	\$306	109%	131%
North Richmond	\$86	\$82	\$97	\$134	\$183	\$221	157%	171%
Bayfair/ San Leandro	\$237	\$207	\$211	\$273	\$320	\$360	52%	74%
East San Jose	\$235	\$233	\$245	\$295	\$354	\$394	68%	69%
DT Redwood City	\$321	\$314	\$362	\$471	\$553	\$635	98%	102%
Mountain View	\$579	\$584	\$645	\$735	\$895	\$1,049	81%	80%
San Mateo County	\$442	\$418	\$452	\$556	\$628	\$717	62%	71%

Source: CoreLogic, provided by DQ News

Notes

<sup>(1)</sup> See Section 2 for boundary definitions of comparison geographies.

<sup>(2)</sup> Percent change in home prices in Belle Haven, EPA, North Richmond and Redwood City may be partly attributable to fewer sales of foreclosed properties. Per Table 2, these locations experienced the largest decline in annual home sales in 2015 compared to 2010, when bank repossessions were at their peak.

**Appendix Table 2**  
**Home Sales: East Palo Alto and Comparison Jurisdictions**  
**Housing Displacement Analysis**  
**Facebook Campus Expansion Project**  
**Menlo Park, CA**

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Home Sales By Geography <sup>(1)</sup>							Change	
	2010	2011	2012	2013	2014	2015	2010-2015	2011-2015
<b>A. Condos/Townhomes</b>								
East Palo Alto	86	93	74	66	70	70	-19%	-25%
Belle Haven	0	0	0	0	0	0		
Hayward	327	388	447	320	305	341	4%	-12%
Fruitvale/Oakland	18	39	36	21	22	14	-22%	-64%
North Richmond	17	24	30	16	26	43	153%	79%
Bayfair/ San Leandro	88	82	79	48	59	51	-42%	-38%
East San Jose	281	271	196	193	176	195	-31%	-28%
DT Redwood City	9	6	11	12	22	23	156%	283%
Mountain View	342	357	433	412	356	350	2%	-2%
San Mateo County	1,242	1,335	1,495	1,655	1,581	1,518	22%	14%
<b>B. Single Family</b>								
East Palo Alto	418	389	379	261	276	270	-35%	-31%
Belle Haven	71	63	52	44	51	39	-45%	-38%
Hayward	1,061	1,081	1,048	939	881	914	-14%	-15%
Fruitvale/Oakland	323	266	291	265	268	242	-25%	-9%
North Richmond	434	351	294	251	219	244	-44%	-30%
Bayfair/ San Leandro	286	279	316	265	226	230	-20%	-18%
East San Jose	826	736	654	565	476	532	-36%	-28%
DT Redwood City	140	142	129	100	112	99	-29%	-30%
Mountain View	402	367	446	359	284	317	-21%	-14%
San Mateo County	5,442	5,669	6,484	6,265	5,905	5,564	2%	-2%

Source: CoreLogic, provided by DQ News

Notes

<sup>(1)</sup> See Section 2 for boundary definitions of comparison geographies.

**Appendix Table 3**  
**Asking Rents and Building Occupancy (Multifamily): East Palo Alto and Comparison Jurisdictions**  
**Housing Displacement Analysis**  
**Facebook Campus Expansion Project**  
**Menlo Park, CA**

Geography <sup>(1)</sup>	2010	2011	2012	2013	2014	2015	% Change	
							2010-2015	2011-2015
I. Monthly Asking Rent (One-Bedroom Apartments) <sup>(2)</sup>								
East Palo Alto <sup>(3)</sup>	\$996	\$979	\$1,108	\$1,439	\$1,545	\$1,846	85%	89%
Hayward	\$1,005	\$1,048	\$1,117	\$1,223	\$1,380	\$1,596	59%	52%
Bayfair/San Leandro	\$971	\$1,018	\$1,077	\$1,123	\$1,220	\$1,348	39%	32%
East San Jose	\$1,085	\$1,164	\$1,253	\$1,327	\$1,472	\$1,613	49%	39%
DT Redwood City	\$1,382	\$1,504	\$1,735	\$2,004	\$2,422	\$2,715	96%	81%
Mountain View	\$1,434	\$1,646	\$1,863	\$2,089	\$2,349	\$2,568	79%	56%
San Mateo County	\$1,487	\$1,644	\$1,882	\$2,054	\$2,266	\$2,519	69%	53%
II. Average Occupancy Rate (All Apartments)								
East Palo Alto <sup>(3)</sup>	91%	95%	95%	76%	64%	86%	-6%	-10%
Hayward	95%	97%	98%	98%	98%	98%	3%	1%
Bayfair/San Leandro	96%	97%	97%	97%	98%	99%	3%	1%
East San Jose	96%	97%	97%	98%	98%	98%	2%	1%
DT Redwood City	96%	97%	97%	96%	91%	97%	1%	0%
Mountain View	96%	97%	97%	94%	96%	96%	0%	-1%
San Mateo County	95%	97%	96%	95%	95%	95%	0%	-1%

Source: RealFacts data for rental housing complexes with at least 50 units

**Notes**

<sup>(1)</sup> See Section 2 for boundary definitions of comparison geographies.

<sup>(2)</sup> One-bedrooms and studios are the only rental types for which comparable data exists across geographies.

<sup>(3)</sup> Rent growth and volatility in occupancy rates in EPA since 2011 followed a change in ownership at Woodland Park, an 1,800 unit complex that comprises 40% of EPA's rental housing stock.

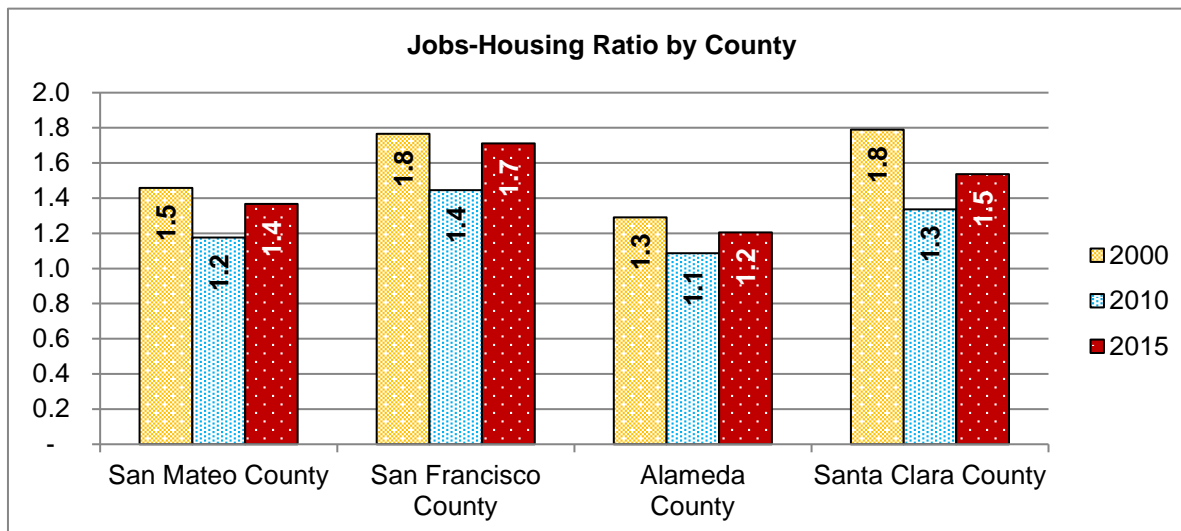
**Appendix Table 4**  
**Historical Jobs-Housing Ratio by County**  
**Housing Displacement Analysis**  
**Facebook Campus Expansion Project**  
**Menlo Park, CA**

	2000	2010	2015	% Change	
				2000-2015	2010-2015
<b>Jobs <sup>(1)</sup></b>					
San Mateo County	380,137	318,828	381,117	0%	20%
San Francisco County	611,676	544,695	667,911	9%	23%
Alameda County	697,215	633,400	727,700	4%	15%
Santa Clara County	1,036,582	844,674	1,012,564	-2%	20%
<b>Housing Units</b>					
San Mateo County	260,576	271,031	278,667	7%	3%
San Francisco County	346,527	376,942	390,229	13%	4%
Alameda County	540,183	582,549	603,727	12%	4%
Santa Clara County	579,329	631,920	658,898	14%	4%
<b>Jobs-Housing Ratio</b>					
San Mateo County	1.5	1.2	1.4	-6%	16%
San Francisco County	1.8	1.4	1.7	-3%	18%
Alameda County	1.3	1.1	1.2	-7%	11%
Santa Clara County	1.8	1.3	1.5	-14%	15%

Source: Quarterly Census of Employment and Wages, US Census 2010, ESRI Estimates 2015

Notes

<sup>(1)</sup> 2015 and 2010 figures reflect second quarter employment; 2000 figures reflect annual average, based on data availability.



**Appendix Table 5**  
**Jobs-Housing Ratio: San Mateo County, Menlo Park, and East Palo Alto**  
**Housing Displacement Analysis**  
**Facebook Campus Expansion Project**  
**Menlo Park, CA**

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	<b>Menlo Park (Existing)</b>	<b>Menlo Park (w/ Project)<sup>(3)</sup></b>	<b>San Mateo County</b>	<b>East Palo Alto</b>
Total Jobs <sup>(1)</sup>	30,945	37,495	364,989	4,313
Total Housing Units	13,172	14,057	271,499	7,754
Jobs-Housing Ratio <sup>(2)</sup>	2.35	2.67	1.34	0.56

Source: 2009-2013 American Community Survey.

Notes

<sup>(1)</sup> Includes home-based employment.

<sup>(2)</sup> County ratio differs slightly from the estimate in Table 4. The difference is explained by the use of QCEW for employment data and ESRI for current estimates of total housing units as of 2015.

<sup>(3)</sup> Includes 6,550 new jobs generated by Facebook campus expansion, as well as 739 housing units under construction Section 4. If housing projects under review are included, ratio falls to 2.58.



**Appendix Table 6**  
**Permitted Units in Menlo Park: 2007-2015**  
**Housing Displacement Analysis**  
**Facebook Campus Expansion Project**  
**Menlo Park, CA**

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	2007	2008	2009	2010	2011	2012	2013	2014	2015	2007-2015	2011-2015
<b>Moderate and Below (&lt;120% AMI)</b>											
Very Low Income <sup>1</sup>	2	-	-	1	-	-	3	60	25	91	88
Low Income	1	1	-	-	-	1	6	2	20	31	29
Moderate	19	3	-	1	1	-	-	-	-	24	1
	22	4	-	2	1	1	9	62	45	146	118
<b>Above Moderate (&gt;120% AMI)</b>	68	35	3	20	3	8	42	10	703	892	766
<b>Total Units</b>	<b>90</b>	<b>39</b>	<b>3</b>	<b>22</b>	<b>4</b>	<b>9</b>	<b>51</b>	<b>72</b>	<b>748</b>	<b>1,038</b>	<b>884</b>
<b>Deed Restrictions (Affordable Units)</b>											
Deed Restricted	19	3	-	1	1	-	3	59	37	123	100
Non-Deed Restricted	3	1	-	1	-	1	6	3	8	23	18

Source: City of Menlo Park, 2014 and 2015 Annual Reports on the Status and Progress in Implementing the City's Housing Element

Notes:

<sup>1</sup> A 90 unit deed-restricted senior housing project was permitted in 2016 (not reflected above).

**Appendix Table 7**  
**Permitted Housing Units Versus RHNA Targets in Menlo Park (Current and Previous Cycle)**  
**Housing Displacement Analysis**  
**Facebook Campus Expansion Project**  
**Menlo Park, CA**

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Menlo Park	2007-2014 RHNA Cycle			2015-2022 RHNA Cycle		
	Target 2007-14	Permitted 2007-14	% of Target	Target 2015-22	Permitted 2015 <sup>(1)</sup>	% of Target
<b>Moderate and Below</b>						
Very Low Income	226	66	29%	233	25	11%
Low Income	163	11	7%	129	20	16%
Moderate	192	24	13%	143	0	0%
	581	101	17%	505	45	9%
<b>Above Moderate</b>	412	189	46%	150	703	469%
<b>Total Units</b>	993	290	29%	655	748	114%

Source: City of Menlo Park, 2014 and 2015 Annual Reports on the Status and Progress in Implementing the City's Housing Element.

Notes:

<sup>(1)</sup> 90 deed-restricted units for very low income seniors were entitled at the close of 2015 and will be included in the City's 2016 annual report. In addition, the recently adopted El Camino Real/Downtown Specific Plan identifies development opportunities for approximately 680 housing units, including a significant number of affordable units.