



PLANNING COMMISSION MINUTES

Regular Meeting
March 24, 2014 at 7:00 p.m.
City Council Chambers
701 Laurel Street, Menlo Park, CA 94025

CALL TO ORDER – 7:06 p.m.

ROLL CALL – Bressler, Eiref (Vice Chair), Ferrick, Kadvany (Chair - absent), Onken (absent), Riggs, Strehl

INTRODUCTION OF STAFF – David Hogan, Contract Planner; Justin Murphy, Development Services Manager; Thomas Rogers, Senior Planner; Corinna Sandmeier, Contract Planner; Elizabeth Schuller, Assistant Planner

A. REPORTS AND ANNOUNCEMENTS

A1. Update on Pending Planning Items

- a. 389 El Camino Real – BMR Amendment – City Council – March 18, 2014

Senior Planner Rogers said the City Council at their March 18, 2014 meeting made a slight revision to the Below Market Rate Housing Agreement (BMR) for the 389 El Camino Real project changing the timing of when the first BMR unit would need to receive its final building permit inspection relative to the sale of other units. He said all other terms of the original BMR Agreement remained unchanged.

- b. Housing Element – City Council – April 1, 2014
- c. SRI – Burgess Drive Reserved ROW Abandonment - City Council Study Session - April 1, 2014

Senior Planner Rogers said the City Council at their April 1, 2014 meeting would introduce the ordinances associated with the Housing Element Update. He said Housing Element law required an annual report on the Housing Element and the Council would also at this meeting have an opportunity to review a report on the current Housing Element.

Senior Planner Rogers said as part of the SRI project, the City Council would conduct a study session on a portion of Burgess Drive that was reserved as right-of-way (ROW) and consider options related to bicycle paths.

Vice Chair Eiref noted the Commissioners were still receiving emails from people concerned about a doctor's office project on El Camino Real. Senior Planner Rogers said that he had signed off on the building permit for the project noting that nothing in the project required Planning Commission review.

B. PUBLIC COMMENTS

There were none.

C. CONSENT

C1. Approval of minutes from the February 24, 2014 Planning Commission meeting

Commission Action: M/S Ferrick/Strehl to approve the minutes as submitted.

Motion carried 4-0 with Commissioner Riggs abstaining and Commissioners Kadvany and Onken absent.

D. REGULAR BUSINESS #1

D1. Architectural Control and Use Permit/Houston Striggow/642 Santa Cruz Avenue: Request for architectural control for exterior modifications to apply an opaque film to a portion of the left side façade (along the breezeway) of an existing bakery in the SP-ECR/D (El Camino Real/Downtown Specific Plan) zoning district. ~~**The application also includes a request for a use permit for outside seating along Santa Cruz Avenue.**~~ The project was previously reviewed and continued by the Planning Commission at its meeting of July 22, 2013. The revised proposal was initially scheduled for the meeting of February 24, 2014, but continued to March 24 at the request of the applicant.

Staff Comment: Senior Planner Rogers said there was extraneous language in the agenda title for this item related to use permit and should be deleted as the Commission had previously approved the use permit for outside seating along Santa Cruz Avenue. He said color photos of the proposed work were being distributed to the Commission. He said there were also some file copies if any of the members of the public would like to view them.

Public Comment: Mr. Houston Striggow, co-founder of Susie Cakes, said the Commission had previously provided direction on improving the aesthetics of the rear entry to the bakery. He said they worked with staff and their neighbor at ReMax on a solution. He said the proposal they were making felt aligned with the Commission comments, and the community and their business needs.

In response to questions about the office/IT room, Mr. Striggow said the installers of some equipment had left a mess. He showed the Commission photos of before and after the installation. He said he had cleaned most of this up after 2 p.m. that day. He said the office/IT room has a blind that they close for security and privacy. Vice Chair Eiref asked if they had thought about bringing the opaque striping around on the window into the office/IT room. Mr. Striggow said he would be happy to add that.

Ms. Penelope Huang, RE/MAX Distinctive Properties, said for the record that she was generally supportive of the graduated opaque glass. She said if the IT equipment could be covered that would be great. She said she liked the idea of the planters and she and the applicant agreed that those would not drain, in order to prevent staining on the pavement in the breezeway.

Replying to a question from Commissioner Riggs, Ms. Huang said there was a track on the sidewalk from the parking lot to the rear entry but it was unknown what caused or causes that. She said the sidewalk pavement in front of her office door for some reason tended to get very dirty and grimy looking. She suggested the concrete might be very porous and needed to be pressure washed more often. Mr. Houston said they were jointly going to ask the landlord to do more cleaning.

Replying to a question from Commissioner Strehl, Ms. Huang said she did not think the view into the office was particularly nice but did not know whether extending the opaque glass was desirable. She said that the applicant had addressed her concerns.

Vice Chair Eiref closed the public hearing.

Commission Comment: Commissioner Riggs noted the improvements to the display case. He said he particularly liked that it was now apparent there was a bakery there when entering through the breezeway. He said the office/IT room needed screening. He said the building façade has a depressed area with dirt in it and the occasional piece of litter. He suggested that might be filled in with river rock or something similar. He moved to make the findings and approve the architectural control as recommended by staff with the addition of some type of screening of the IT box, and to work with the landlord to remedy the pit on the Santa Cruz Avenue sidewalk. Commissioner Strehl said she would second the motion if the horizontal opaque striping went across the office/IT room window. Commissioner Riggs accepted her modification.

Senior Planner Rogers said there was a limit of 50% opaque glass for a façade, and this project as proposed was at about 18%, so it was likely that extending the striping would still comply. However, he recommended that the condition should explicitly indicate that the striping would be done if it fit within that 50% limit as stated in Specific Plan Standard E.3.5.16.

Commissioners Riggs and Strehl as the makers of the motion and second indicated that should be added to the condition.

Commission Action: M/S Riggs/Strehl to approve the item with the following modifications.

1. Make a finding that the project is categorically exempt under Class 1 (Section 15301, "Existing Facilities") of the current CEQA Guidelines.

2. Adopt the following findings, as per Section 16.68.020 of the Zoning Ordinance, pertaining to architectural control approval:
 - a. The general appearance of the structure is in keeping with the character of the neighborhood.
 - b. The development will not be detrimental to the harmonious and orderly growth of the City.
 - c. The development will not impair the desirability of investment or occupation in the neighborhood.
 - d. The development provides adequate parking as required in all applicable City Ordinances and has made adequate provisions for access to such parking.
 - e. The development is consistent with the El Camino Real/Downtown Specific Plan. In particular:
 - i. The project complies with the 50 percent limit for opaque glass on a façade (Standard E.3.5.16).
 - ii. The project complies with the minimum 50 percent transparency requirement for opaque glass (Standard E.3.5.02).
3. Approve the architectural control requests subject to the following **standard** conditions of approval:
 - a. Development of the project shall be substantially in conformance with the plans prepared by John Clarke Architects, dated received January 29, 2014, consisting of three plan sheets and approved by the Planning Commission on March 24, 2014, except as modified by the conditions contained herein, subject to review and approval of the Planning Division.
 - b. The applicant shall comply with all West Bay Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project.
 - c. Prior to building permit issuance, the applicant shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.

4. ***Approve the architectural control requests subject to the following project specific conditions of approval.***
 - a. ***Simultaneous with the submittal of a complete building permit application, the applicant shall revise the plans to include screening for the computer/IT equipment in the office, subject to review and approval of the Planning Division. The screening shall remain in place at all times, except during limited periods necessary to access the equipment.***
 - b. ***Simultaneous with the submittal of a complete building permit application, the applicant shall revise the plans to specify an improved aesthetic treatment for the small open well adjacent to 640 Santa Cruz Avenue, subject to review and approval of the Planning Division.***
 - c. ***Simultaneous with the submittal of a complete building permit application, the applicant shall revise the plans to include horizontal stripes on the full office windows, to match the other windows on this facade, subject to review and approval of the Planning Division. This condition shall not be required if it would result in non-compliance with Specific Plan Standard E.3.5.16.***

Motion carried 5-0 with Commissioners Kadvany and Onken absent.

E. PUBLIC HEARING

Commissioner Riggs recused himself from the dais as the applicant for Agenda Item E1.

- E1. Use Permit Revision/Henry L. Riggs/903 Peggy Lane:** Request for a revision to a previously approved use permit, originally granted in May 2007 to construct a single-story addition and conduct interior modifications to a single-story, single-family residence. The current proposal includes the addition of a second floor and a remodel of the first floor, and would exceed 50 percent of the replacement value of the existing nonconforming structure in a 12-month period. The proposed remodeling and expansion would also exceed 50 percent of the existing floor area, and is considered equivalent to a new structure. The subject parcel is located in the R-1-U (Single-Family Urban) zoning district.

Staff Comment: Planner Sandmeier said there were no additions to the written report.

Public Comment: Mr. Henry Riggs, applicant and project architect, noted that the property owners, Carol and Brandon Brosious, were present. He said they had originally come to the Commission in 2006 to add a family room and master bedroom to

their 800-square foot home. He said the plan was not completely successful and the property owners were now proposing a design to provide some more space. He said Peggy Lane was predominately one-story homes with some second-stories on the east end of the block. He said they were proposing to build a two-story with the minimum disruption of the existing structure. He said the proposal kept the existing perimeter and protected the Oak that extended into the left rear yard.

Commissioner Strehl asked about the windows. Mr. Riggs said they were double glazed with no dividers, clad casement windows. Commissioner Strehl confirmed that the fireplace was a gas fireplace.

Commissioner Ferrick asked about the public outreach and specifically of the right hand neighbor where there was a substandard setback. Ms. Carol Brosious, property owner, said she spoke to both next door neighbors, and the neighbors to the rear of the property and across the street. Commissioner Ferrick said that there was a four-foot intrusion into the daylight plane. Ms. Brosious said she had shared the plans with them and noted their homes were already very close to one another.

Commissioner Strehl said it appeared on the right side the second story was stepped back. Mr. Riggs said the house currently has a jog and the front half the second floor would step back as the bottom floor was at three and a half feet and the second story had to have a five foot setback. He said the second story was then set back again on the rear half of the house.

Vice Chair Eiref said he visited the property this evening as the sun was setting and thought there might be some shadowing of the neighbor's home. Mr. Riggs said that initially he was concerned about that but noted there were two Oaks on the property – one at the front of the house and then another on another property in close proximity. He said the Oaks were taller than the proposed home. He said they tried to not make the effect any worse than necessary. He said for instance there were only eight foot ceilings on the first floor, and the plate height on parts of the second floor were actually seven-foot, six-inches, which was unusually low. He noted the intrusion was a gable.

Vice Chair Eiref closed the public hearing.

Commission Comment: Commissioner Ferrick said the intrusion into the daylight plane was a concern. She said the Commission reviewed projects on Hedge Road and had required the applicants to bring the first floor into compliance and adhere to the daylight plane. She said she could support allowing this project to keep its first story as it was but to have the second story smaller so the gable would not intrude into the daylight plane. She said she appreciated how low the overall height was and said the design was thoughtful and proportional.

Vice Chair Eiref said the gable appeared to be about a quarter or a third of the depth of the house, and was a pointed triangular feature which ameliorated the impact

somewhat. Commissioner Ferrick said it was a matter of precedence noting the Hedge Road properties. She said recently they had been discussing secondary dwelling units and the concern about privacy. She noted those type units were required to have five foot setbacks.

In reply to Vice Chair Eiref, Senior Planner Rogers said this did not require a variance action and was bundled under the use permit action. He said the daylight plane intrusion conformed to the mathematical standards for both the latitudinal and longitudinal directions. He said the maximum allowable intrusion for the front elevation side was 10 feet and this was at 4.6 feet. He said from the side elevation the ordinance sets a maximum total 30-foot long intrusion and this was 25.5 foot. He said the ordinance seemed to support allowing these smaller and more restrained lots some flexibility with the daylight plane but within certain mathematical parameters.

In response to Vice Chair Eiref, Mr. Riggs said a significant factor was that the second floor was limited to an L-shape. He said they paid most attention into keeping enough space for the Oak to spread its limbs and because of that they deleted almost one-quarter of the second floor in the beginning design.

Commissioner Bressler acknowledged the second story would intrude into the daylight plane but that the first floor was closer and an existing nonconformance. He said if he were living next door to the project site, he thought the proximity of the first floor would be more noticeable than the gable. He complimented Mr. Riggs on his drawings.

Vice Chair Eiref said he liked the look and the balance of the design and materials.

In response to Commissioner Strehl, Mr. Riggs said the garage door was wood and would imply a barn door, and composition shingles would be used for the roof.

Commissioner Strehl moved to approve as recommended in the staff report. She noted that they tried to mitigate the impact of the second story. Vice Chair Eiref seconded the motion and noted that the intrusion was a relatively small portion of the wall but he understood Commissioner Ferrick's concern.

Commissioner Ferrick said that the intrusion was four feet into the daylight plane. She said overall the project was a nice design but it was unfortunate to be so close to the setback. She said fortunately the house was situated such that the intrusion was not be as impactful as it might be if the house were differently situated noting the rising and setting directions of the sun. She said she did not want this project approval to set precedence for future similar projects because of the potential negative impact to light.

Commission Action: M/S Strehl/Eiref to approve the use permit as recommended in the staff report.

1. Make a finding that the project is categorically exempt under Class 3 (Section 15303, "New Construction or Conversion of Small Structures") of the current CEQA Guidelines.
2. Make findings, as per Section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
3. Approve the use permit subject to the following **standard** conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by Henry L. Riggs, consisting of 8 plan sheets, dated received March 11, 2014, and approved by the Planning Commission on March 24, 2014, except as modified by the conditions contained herein, subject to review and approval by the Planning Division.
 - b. Prior to building permit issuance, the applicants shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project.
 - c. Prior to building permit issuance, the applicants shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
 - d. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval by the Planning, Engineering and Building Divisions. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
 - e. Simultaneous with the submittal of a complete building permit application, the applicant shall submit plans indicating that the applicant shall remove and replace any damaged and significantly worn sections of frontage improvements. The plans shall be submitted for review and approval of the Engineering Division.
 - f. Simultaneous with the submittal of a complete building permit application, the applicant shall submit a Grading and Drainage Plan for review and approval of the Engineering Division. The Grading and Drainage Plan shall be approved prior to the issuance of grading, demolition or building permits.
 - g. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance.

Motion carried 3-1 with Commissioner Ferrick in opposition, Commissioner Riggs recused, and Commissioners Kadvany and Onken absent.

E2. Use Permit/Ryan Cockrell/1550 El Camino Real: Request for a use permit for a new wireless telecommunications facility and an associated equipment enclosure mounted on top of an existing two-story commercial building. The twelve proposed directional panel antennas, located in three groups of four antennas, would be screened with wooden screen walls consistent with the existing rooftop equipment screening at the site. The existing building is located in the SP-ECR-D (El Camino Real/Downtown Specific Plan) zoning district.

Staff Comment: Planner Schuller noted that the color photo simulations and coverage maps had been distributed to the Commission. She said there were also exhibit boards being set up and copies of the exhibits on the back table for the public.

Public Comment: Mr. Ryan Cockrell said he was representing AT&T wireless. He said the site at 1550 El Camino Real for this new wireless telecommunications facility was set back from El Camino Real and the surrounding uses, most of which were commercial. He said there were also several mature trees that mitigated the potential visual impact of the proposed facility. He said the proposed directional panel antennas would be screened with wood screen walls consistent with the existing rooftop mechanical equipment screening at the site.

Vice Chair Eiref closed the public hearing.

Commission Comment: Commissioner Ferrick moved to approve the use permit as recommended in the staff report. Commissioner Strehl seconded the motion.

Commissioner Riggs said the equipment was about one story high, and asked if the applicant had considered putting the equipment on the side walls of the buildings. Mr. Cockrell said the building itself was not that tall and the antenna needed some height technologically. He said they were using fiberglass reinforced plastic for the materials. He said the vendor would photograph and take color samples of the existing redwood screening to create matching materials for this additional screening.

Commission Action: M/S Ferrick/Strehl to approve the item as recommended in the staff report.

1. Make a finding that the project is categorically exempt Class 1 (Section 15301, "Existing Facilities") of the current CEQA Guidelines.

2. Make necessary findings, pursuant to section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of the proposed use, and will not be detrimental to property and improvements in the neighborhood or general welfare of the City. *(Due to the Federal Communications Commission (FCC) preemption over local law regarding concerns over health where the proposed facility meets FCC requirements, staff has eliminated the standard finding for "health" with respect to the subject use permit.)*
3. Approve the use permit subject to the following **standard** conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by L.D. Strobel Co. Inc., dated received February, 28, 2014, consisting of seven plan sheets and approved by the Planning Commission on March, 24, 2014 except as modified by the conditions contained herein.
 - b. Prior to building permit issuance, the applicant shall comply with all County, State, and Federal regulations that are directly applicable to the project.
 - c. Prior to building permit issuance, the applicant shall comply with all requirements of the Building Division that are directly applicable to the new construction.

Motion carried 5-0 with Commissioners Kadvany and Onken absent.

E3. Draft Environmental Impact Report for the Commonwealth Corporate Center located at 151 Commonwealth Drive and 164 Jefferson Drive: Public Hearing to receive public comments on the Draft Environmental Impact Report. The Draft EIR prepared for the Project identifies potentially significant environmental effects that can be mitigated to a less than significant level in the following categories: Aesthetics, Biological Resources, Cultural Resources, Geology and Soils, Greenhouse Gas Emissions, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use, Population and Housing, Public Services, and Public Utilities. The Draft EIR identifies potentially significant environmental effects that are significant and unavoidable in the following categories: Air Quality, Noise, and Transportation & Traffic. The California Environmental Quality Act (CEQA) requires this notice to disclose whether any listed toxic sites are present at the location. The project location does not contain a toxic site pursuant to Section 65962.5 of the Government Code. The review period for the Draft EIR is Friday, February 28, 2014 through 5:30 p.m. Monday, April 14, 2014.

The applicant used a professional shorthand reporter to provide a transcript of the proceedings for this item E3, and Items F.1 and G.1. The transcript is included with these minutes.

F. REGULAR BUSINESS #2

- F1. Draft Fiscal Impact Analysis for the Commonwealth Corporate Center located at 151 Commonwealth Drive and 164 Jefferson Drive:** Public Meeting to receive public comments on the Draft Fiscal Impact Analysis.

See transcript.

G. STUDY SESSION

- G1. Conditional Development Permit, Rezoning, Tentative Parcel Map, Tree Removal Permit, and Below Market Rate Housing Agreement for the Commonwealth Corporate Center located at 151 Commonwealth Drive and 164 Jefferson Drive:** Study Session to provide comments on the Commonwealth Corporate Center Project consisting of a Conditional Development Permit for the construction of two four-story office buildings totaling 259,920 square feet; a Rezoning from M-2 - General Industrial to M-2(X) - General Industrial with Conditional Development District to exceed the standard M-2 zoning district's 35-foot height limit and construct office buildings up to 62 feet in height; a Tentative Parcel Map to reconfigure the site into a separate parcel for each building and a common parcel containing parking, landscaping, recreational amenities and other site improvements; a Tree Removal Permit to remove 22 heritage trees; and a Below Market Rate Housing Agreement for the payment of in-lieu fees associated with the City's Below Market Rate Housing Program.

See transcript.

H. COMMISSION BUSINESS

There was none.

ADJOURNMENT –

The meeting was adjourned at 10:30 p.m.

Staff Liaison: Thomas Rogers, Senior Planner

Recording Secretary: Brenda Bennett*

*Except for agenda items E3, F1 and G1.

Approved by the Planning Commission on April 21, 2014

CITY OF MENLO PARK
PLANNING COMMISSION

DRAFT EIR, DRAFT FIA and)
STUDY SESSION RE:)
COMMONWEALTH CORPORATE)
CENTER)
_____)

REGULAR MEETING
REPORTER'S TRANSCRIPT OF PROCEEDINGS
MONDAY, MARCH 24, 2014
MENLO PARK CITY COUNCIL CHAMBERS

Reported by: MARK I. BRICKMAN, CSR RPR
License No. 5527

1 ATTENDEES
2 THE PLANNING COMMISSION:
3 John Kadwany - Chairperson (Not present)
4 Ben Eiref - Vice Chairperson
5 Katie Ferrick
6 Ben Eiref
7 Vincent Bressler
8 Henry Riggs
9 John Onken - Not present
10 Katherine Strehl
11
12 THE CITY STAFF:
13 Justin Murphy - Development Services Manager
14 David Hogan - Contract Planner
15 Nicole Nagaya - Transportation Manager
16
17 SUPPORT CONSULTANTS:
18 Erin Efner
19 Kirsten Chapman
20 Ron Golem
21 Stephanie Hager
22
23 ---o0o---
24
25 BE IT REMEMBERED that, pursuant to Notice
of the Meeting, and on March 24, 2014, 8:16 PM at the
Menlo Park City Council Chambers, 701 Laurel Street,
Menlo Park, California, before me, MARK I. BRICKMAN, CSR
No. 5527, State of California, there commenced a Planning
Commission meeting under the provisions of the City of
Menlo Park.
---o0o---

Page 2

1 COMMISSIONER EIREF: Moving along here, I
2 think this is the big event of the evening. We have the
3 Commonwealth Corporate Center, which is divided into into
4 three different -- three different discussions, so to
5 speak.
6 So item E3 is the Draft Environmental Impact
7 Report for the Commonwealth Corporate Center, located at
8 151 Commonwealth Drive and 164 Jefferson Drive, and we
9 have a separate item I think for the fiscal impact report
10 and separate item for just generally discussing the --
11 the permit, rezoning and so forth.
12 So with regard to item E3, it's a public
13 hearing to review public comments on the Draft
14 Environmental Impact Report. The Draft EIR prepared for
15 the project identifies potentially significant
16 environmental facts that can be mitigated to a less than
17 significant level in the following categories:
18 Aesthetics, biologic resources, cultural resources,
19 geology and soils, greenhouse gas emissions, hazardous
20 hazardous materials, hydrology, motor quality, land use
21 population and housing, public services and public
22 services and public utilities.
23 The Draft EIR identifies potentially
24 significant environmental effects that are significant
25 and unavoidable in the following areas: Air quality,

Page 4

1 MEETING DETAILS (re Commonwealth Corporate discussion)
2
3 Page
4 Presentation by Justin Murphy 5
5 Presentation by David Hogan 5, 20
6 Presentation by Nicole Nagaya 11
7 Presentation by Mr. Golem 57
8 Presentation by Ms. Hager 58
9 Presentation by Rich Truempier 75
10 Presentation by Craig Almeleh 76
11 Presentation by Paul Lettieri 91
12 Adjourned 110
13
14
15
16
17
18
19
20
21
22
23
24
25

Page 3

1 noise and traffic and -- transportation and traffic.
2 The California Environmental Quality Act,
3 CEQA, requires this notice to close -- disclose whether
4 any listed toxic sites are present at the location. The
5 project location does not contain a toxic site pursuant
6 to Section 65962.5 of the Government Code.
7 The review period for the Draft EIR is Friday,
8 February 28th, 2014 through 5:30 PM on Monday, April
9 14th. So I guess it's really another month. They get
10 till the day before tax day if anyone wants to add any
11 other -- additional comments beyond what we're here
12 tonight.
13 Any updates or comments from the staff side?
14 MR. MURPHY: Ah, yes. We do have
15 presentations that will be provided by staff. One will
16 be David Hogan, our contract planner, and the other is
17 Nikki Nagaya, Transportation Engineer, Senior
18 Transportation Engineer.
19 So I'll turn it over to them, and then we do
20 have other consultants available at the appropriate time.
21 COMMISSIONER EIREF: Okay.
22 MR. HOGAN: Okay. Mr. Chairman, members of
23 the Commission, I had a chance to introduce myself to
24 three of you before the meeting started, and for the
25 other two, I'm Dave Hogan. I'm a contract planner

Page 5

<p>1 working for the City. I've got the privilege of working 2 on this project as well as helping on the Facebook 3 project.</p> <p>4 What we're doing tonight is we are going over 5 the Environmental Impact Report, giving -- allowing the 6 public and members of the community to provide formal 7 comments.</p> <p>8 Also, the commission's having a chance to 9 review on the Draft Fiscal Impact Report, and then our 10 meeting will end with a study session, which is an app -- 11 presentation by the applicant of the project.</p> <p>12 Members of the Commission, some of you saw 13 this about a year ago, and now that we've got the project 14 moving and really heading through the approval process, 15 we wanted to touch base with the members of the 16 Commission again to make sure that we're all kind of 17 going in the same direction.</p> <p>18 For the first -- the first part of the 19 meeting, which is the EIR, Nikki and I will be giving 20 kind of an overview to the members of the Commission and 21 the public.</p> <p>22 We'll then be available to answer any 23 questions, and we do have -- the EIR consultant is also 24 here available if you have other technical questions on 25 the EIR, and then staff would recommend that you open the</p> <p style="text-align: right;">Page 6</p>	<p>1 buildings, and you've got a recreation area up off of -- 2 by Jefferson.</p> <p>3 And here's a -- kind of a picture of what the 4 building will look like. Please note the freeway 5 representation is not completely accurate and all the 6 trees that are there that will normally stay have been 7 removed from the picture so that you can see the 8 building.</p> <p>9 Otherwise, you would -- you would see 10 basically the trees with the building hidden behind it. 11 This gives a good I think image of what the facility 12 actually look like when it's built.</p> <p>13 Well, where we are in the process is the 14 Notice of Preparation, which is the first step in the EIR 15 process, went out in August of 2012.</p> <p>16 There was a community scoping meeting. Based 17 upon the feedback we got during the comment period from 18 the scoping meeting, the analysis in the EIR was built 19 around that.</p> <p>20 The comment period started, as the chairman 21 notes, February 28th. It ends on April 14th unless 22 it's -- for some reason it's extended.</p> <p>23 As you can see, we're right in the middle of 24 this process. After the comment period ends, we'll be 25 working on the formal responses to comments and then</p> <p style="text-align: right;">Page 8</p>
<p>1 public hearing, receive public testimony, provide any of 2 your own, then close the hearing and then we can move on.</p> <p>3 If you have comments on the project, we 4 request that you provide that at the end during the study 5 session just so we can keep all the pieces separate.</p> <p>6 The Commonwealth Corporate Center is located 7 and east side of -- or the north side of 101, depending 8 on which way the freeway's going.</p> <p>9 It's the old Diageo North American Distillery 10 site and then a small one acre parcel fronting on 11 Jefferson.</p> <p>12 It's a 13.28 acre site. Their -- Applicant's 13 proposing to build two four-story office buildings, a 14 total of 259,920 square feet, which puts them at an FAR 15 of 44.9, which is below the -- the 45 limit, and the 16 project has 867 parking spaces, which meets the city 17 standard of 3.3 per thousand or one for every 300 square 18 feet, and here's the -- the proposed site plan.</p> <p>19 You can see there's two large buildings 20 oriented primarily to 101, and you have a connecting 21 driveway that runs from Commonwealth Drive on -- at the 22 bottom up to Jefferson.</p> <p>23 So it will actually improve site access, and 24 you can see the parking area.</p> <p>25 There's a -- an activity space between the two</p> <p style="text-align: right;">Page 7</p>	<p>1 we're kind of anticipating certification, which is 2 considered a recommendation by the Commission and 3 approval by the City Council later in the summer.</p> <p>4 Given where we are in the stage, we don't have 5 exact dates on those yet.</p> <p>6 Here's the topics that we're -- that were 7 considered, and the chairman's already read these out, so 8 I won't burden anybody with going over them again, but 9 there were three issue areas that were not analyzed 10 because we didn't -- they didn't really apply, and those 11 are agricultural resources, forestry resources and 12 mineral resources.</p> <p>13 Those three were not evaluated because those 14 resources are not present on the property.</p> <p>15 The EIR concluded that there was three 16 significant impacts that couldn't be mitigated to a level 17 of insignificance: Air quality from construction, noise 18 and vibration, which is construction, and then 19 transportation once the facility was built.</p> <p>20 Here we go. And even though mitigation 21 measure for the oxides of nitrogen for during 22 construction and then cumulatively throughout the area, 23 those both exceeded the Air Quality Management District's 24 criteria.</p> <p>25 The mitigation measure reduced it quite a bit.</p> <p style="text-align: right;">Page 9</p>

<p>1 It re -- took off about two-thirds of the days of 2 exceeding the standard, but the mitigation measures 3 available to us weren't -- weren't able to get the impact 4 down below a significant level for all the days. 5 For noise and vibration, there is a 6 potentially sensitive land use in the adjacent building 7 that has very sensitive lab equipment, and that was 8 pointed out during the scoping process. 9 As -- try as we could, we couldn't be 10 convinced at a professional level that we would be able 11 to guarantee no impact. 12 We have a couple of mitigation measures to 13 notify them when the work's going to -- when the work's 14 going to be done. 15 It's primarily during building demolition is 16 the primary time that they're going to be impacted. 17 But we couldn't guarantee it, so that we're -- 18 our professional judgment is that it's going to be 19 significant and unavoidable, as well. 20 But once the facility's built, there shouldn't 21 be any. 22 Most of the impacts are with the -- in the 23 realm of transportation, and I'm going to let Nikki take 24 us through that. 25 MS. NAGAYA: Great. Thank you.</p> <p style="text-align: right;">Page 10</p>	<p>1 the proposed project. 2 The reason I wanted to -- to touch on this 3 very briefly is the background traffic growth includes 4 regional growth and assumed one percent per year on the 5 adjacent streets and intersection, and then also includes 6 approved and planned projects in the vicinity of the City 7 and adjacent cities. 8 So in the cumulative scenario -- scenario, we 9 do have quite a bit more regional growth expected because 10 it's a longer time horizon, and then we also have a 11 longer list of projects where traffic volumes go up 12 significantly in -- in the future. 13 And then the project -- traffic increment is 14 added on top of -- of each of those baseline conditions, 15 and that's how we assess the -- the overall 16 transportation impact. 17 So in terms of the actual study intersection 18 that are included, you can see the 28 intersections 19 numbered here on the map in the area generally bounded by 20 Bayfront Expressway, Marsh Road and Willow Roads, kind of 21 the north and south, and then Middlefield Road over to 22 the west. 23 So in general, I just wanted to mention here 24 one thing that's a little bit different with the 25 transportation analysis we call 101 north/south and then</p> <p style="text-align: right;">Page 12</p>
<p>1 So first I'm just going to touch on the scope 2 of the analysis that was covered in the transportation 3 chapter. 4 So at a high level, what's included are 28 5 intersections, and we'll look -- look at them in a little 6 bit more detail at those in a second, and then twelve 7 roadway segments that are controlled by the City of Menlo 8 Park and then nine routes of regional significance that 9 are routes that are controlled by Caltrans or the County 10 that are State facilities or not controlled by the City. 11 We also looked at transit service and 12 pedestrian bicycle facilities near the -- near the 13 project, as well. 14 And then in terms of the timeline that was 15 analyzed, I just want to take a moment and explain what 16 these different scenarios include. 17 So we have existing conditions that were 18 collected traffic counts out -- out in the study 19 intersections in 2012 and then we also have near-term 20 and -- and cumulative scenarios. 21 So in near-term and a long-term traffic volume 22 scenarios that we're looking at. 23 So the near-term project -- excuse me. With 24 and without project includes both background growth and 25 the plus project scenario includes traffic generated by</p> <p style="text-align: right;">Page 11</p>	<p>1 all streets parallel to north/south, so just to -- to 2 reinforce that convention as we go through subsequent 3 slides. 4 So in the -- in the study, just in summary, 5 looking at the intersections, roadway segments, routes of 6 regional signif -- significance that were analyzed, you 7 can see that we do have intersections that are impacted, 8 ten in the near-term scenario and thirteen in the 9 cumulative scenario. 10 There are fourteen total intersections, which 11 is a little bit counterintuitive, but we have one that's 12 impacted in the near-term, that's not in the long-term 13 and vice versa. 14 So fourteen total intersections that are -- 15 that are impacted, and then ten roadway segments in both 16 scenarios. Those are the same ten segments between the 17 two, and then five routes of regional significance that 18 are impacted. 19 The transit bicycle and pedestrian impacts 20 were all reviewed and found to be less than significant 21 with the -- the measures that the project's already 22 proposing. 23 So we won't go into more detail on those 24 unless you have particular questions, but we'll touch on 25 the impacts of significance moving forward.</p> <p style="text-align: right;">Page 13</p>

<p>1 So first looking at the intersections, here we 2 have -- show with the red dots on the screen the ten 3 intersections that are impacted in the near-term 4 scenario. 5 You can really see they're focused around the 6 project sites, looking kind of at the -- the local 7 intersections around the area in the M2 zone, and then 8 the intersections along Bayfront Expressway and Marsh 9 Road kind of right close to -- to where the project is 10 located. 11 And then we have three intersections farther 12 to the south or -- or east on Bayfront Expressway and 13 Willow Road, and for anyone familiar with the area, those 14 are three of the more constrained intersections operating 15 in the region, and so we -- it's not -- not surprising 16 that we're seeing impacts at those locations, as well, 17 because they have -- serve so much traffic there. 18 And then in the long-term scenario, we add 19 four additional impacted intersections to the east -- or 20 excuse me. To the west of 101 on Marsh Road and -- and 21 the Middlefield corridors. 22 In terms of roadway segment impacts, we focus 23 most of the analysis on the local streets surrounding the 24 project site in the -- the immediate vicinity. 25 There are a few of these that are collector</p> <p style="text-align: right;">Page 14</p>	<p>1 the City's identified in prior planning documents or has 2 been identified through the EIR. 3 For this particular project, we also have 4 bicycle and pedestrian facility improvements in a few 5 locations that we'll touch on, and then the project will 6 also be responsible for paying into the City's traffic 7 impact fee for the proposed square footage of -- of 8 office space coming forward. 9 So we're in a -- the next few slides will 10 touch on the intersection improvements and the bicycle 11 and pedestrian improvements in a little bit more detail 12 to give you some background on what -- what's proposed. 13 So there are four intersections that have been 14 impacted in the an -- were identified as impacted in the 15 analysis that the Commonwealth project will be 16 contributing mitigation for. 17 So the kind of most significant one of these 18 is the Marsh and Bayfront intersection where we're 19 looking to add a third right turn lane from Marsh Road on 20 to Bayfront Expressway, so if you're headed head out 21 towards the bay, it would be a third right turn lane 22 facilitating that heavy kind of commuter traffic headed 23 back toward the East Bay in the evening commute hour. 24 The other three intersections that are 25 impacted and -- and mitigation measures are proposed</p> <p style="text-align: right;">Page 16</p>
<p>1 streets, as well, and then looking at a few segments on 2 Marsh Road as you head away from US 101 towards Atherton 3 and Menlo Park. 4 So the blue-gray color -- it's a little bit 5 hard to -- to see on the screen -- represents all of the 6 roadway segments that are impacted on a daily basis, and 7 then there are two that are either not impacted or exempt 8 from -- from this analysis that are called out in the tan 9 color. 10 And then finally the routes of regional 11 significance impacts. In -- in this region -- excuse me. 12 In this area of the analysis, we look at the freeways and 13 State controlled facilities, US 101 and Bayfront 14 Expressway, and we're seeing five again segments impacted 15 on a daily basis for the routes of regional significance 16 according to C/CAG, the regional monitoring agency's 17 criteria. 18 So in order to address these impacts for the 19 intersections, roadway segments and routes of regional 20 significance, we're looking at three main categories of 21 mitigation measures that the project can -- can do that 22 the EIR requires to reduce or eliminate these impacts as 23 much as possible. 24 In general, the intersection impacts is 25 actually construction of capacity enhancing improvements</p> <p style="text-align: right;">Page 15</p>	<p>1 include Chilco and Constitution. So that's a T 2 intersection close to the project site where there's some 3 restriping that can happen to mitigate that peak hour 4 impact of the intersection, and then the -- the other two 5 on Chrysler Drive at Jefferson and Independence were two 6 that had been called out in the EIR as needing traffic 7 signals in the future, but they only meet one of the 8 eight criteria that traffic engineers use to decide 9 whether or not a signal is actually warranted. 10 And so the City didn't feel comfortable 11 recommending installation of that improvement at this 12 time for this project, so what will be required is 13 installation -- excuse me. A fair -- fair share 14 contribution towards the future improvement. 15 If a signal is deemed warranted in the future, 16 we'll collect funds to -- to help offset that cost, and 17 then also the project will be installing some sidewalk 18 along the frontage of Jefferson and Chrysler to provide 19 pedestrian connections along -- along that section. 20 In addition to those four intersections that 21 the Commonwealth project will be directly improving, 22 there are four additional intersections that other 23 projects that have already come forward and been approved 24 are pursuing improvements at, and there -- are moving 25 forward on separate timelines and will be implemented</p> <p style="text-align: right;">Page 17</p>

<p>1 independent of this project.</p> <p>2 And so those include improvements that</p> <p>3 Facebook is -- is responsible for as well as St. Anton,</p> <p>4 the housing development on Oak Haven that was identified</p> <p>5 in the housing element.</p> <p>6 So those will be improved separate from --</p> <p>7 from the Commonwealth project, and those improvements</p> <p>8 would also mitigate the impacts that this projects would</p> <p>9 have.</p> <p>10 And then there's one intersection, Willow and</p> <p>11 Middlefield, where the payment of the traffic impact fee</p> <p>12 will mitigate the impact.</p> <p>13 It's a long-term cumulative impact, so the</p> <p>14 improvement that was identified in the EIR, the portion</p> <p>15 of what the City had identified in the traffic impact fee</p> <p>16 study that was prepared in 2009 is a piece of the -- the</p> <p>17 intersection improvement that we don't have full right-</p> <p>18 of-way yet to build.</p> <p>19 So we thought it was appropriate to collect</p> <p>20 the fee to improve that intersection in the future when</p> <p>21 the full intersection would be improved at fir -- at this</p> <p>22 particular intersection.</p> <p>23 And then there are five intersections that are</p> <p>24 impacted that there is not feasible mitigation to</p> <p>25 improve. Several of these have been impacted from other</p> <p style="text-align: right;">Page 18</p>	<p>1 facilities will overall help to improve the - the traffic</p> <p>2 situation.</p> <p>3 We don't think that it will be enough to</p> <p>4 mitigate and re -- and completely eliminate the impact,</p> <p>5 and so that's why they're still called out as significant</p> <p>6 and unavoidable.</p> <p>7 And then finally, the sidewalk construction</p> <p>8 that we mentioned earlier along Jefferson and Chrysler to</p> <p>9 provide those connections to the local shuttle stops and</p> <p>10 then also provide general pedestrian conductivity</p> <p>11 adjacent to the Bay Trail and the adjacent properties.</p> <p>12 So with that, I will turn back to -- to Dave</p> <p>13 to continue on.</p> <p>14 MR. HOGAN: Thank you.</p> <p>15 That's -- between Nikki and I, that summarized</p> <p>16 the significant impacts identified in the Draft EIR.</p> <p>17 The next thing we wanted to touch on is the</p> <p>18 alternatives being considered. There were two</p> <p>19 alternatives that were considered and rejected as</p> <p>20 infeasible.</p> <p>21 The first is an alternate location. The</p> <p>22 applicant doesn't own property in this area that's ready</p> <p>23 for redevelopment.</p> <p>24 Alternate locations more applicable is some of</p> <p>25 the larger statewide projects where you may be looking at</p> <p style="text-align: right;">Page 20</p>
<p>1 studies in the past.</p> <p>2 Bayfront and University is one where an</p> <p>3 additional through lane headed towards the Dumbarton</p> <p>4 Bridge has been identified as a need, but there's not</p> <p>5 right-of-way to -- to construct that lane and any</p> <p>6 widening of Bayfront Expressway would potentially add</p> <p>7 environmental impacts to the adjacent wetlands, and so</p> <p>8 that's not something that we're looking to -- to pursue</p> <p>9 at the reasonably foreseeable future because of the</p> <p>10 environmental impacts.</p> <p>11 And the last -- last but not least, the</p> <p>12 pedestrian and bicycle facility impacts that were</p> <p>13 identified and mitigation measures identified for the</p> <p>14 project.</p> <p>15 So these are to mitigate or partially mitigate</p> <p>16 and reduce the impacts along the roadway segments, the</p> <p>17 daily traffic issues that we were seeing along</p> <p>18 Constitution, the installation of the class 3 bicycle</p> <p>19 route with sharrow markings, which is the -- what you'd</p> <p>20 see similar to the Menlo Avenue and University Drive</p> <p>21 streets near the downtown.</p> <p>22 That will potentially help reduce the amount</p> <p>23 of traffic generated by the project and help contribute</p> <p>24 to lowering the overall traffic in the area.</p> <p>25 So adding the pedestrian and bicycle</p> <p style="text-align: right;">Page 19</p>	<p>1 a major freeway alignment or a bridge location or school</p> <p>2 construction.</p> <p>3 The alternate land use, we were also somewhat</p> <p>4 limited because the General Plan and zoning identified</p> <p>5 this area for industrial and office. The current land</p> <p>6 use before the building was -- was left was industrial.</p> <p>7 The only other alternative we really had,</p> <p>8 which is office, which is what's come in for the project.</p> <p>9 So for that reason, the alternative land use was also not</p> <p>10 considered in the document.</p> <p>11 The two alternatives that are considered, the</p> <p>12 first is a no project alternative, which assumes that the</p> <p>13 existing unused distillery building just stays where it</p> <p>14 is, there's no development on the site, and then the</p> <p>15 small building off of Jefferson also remains.</p> <p>16 The -- the other is a reduced alternative.</p> <p>17 The FAR in the -- the M2 zone is .45. We went at like</p> <p>18 2 -- .325, you'd end up with a about 75 percent building,</p> <p>19 and in an effort to try to see if we could eliminate any</p> <p>20 of the significant impacts, that seemed like a reasonable</p> <p>21 level, still provided development potential for the</p> <p>22 property owner and had the potential to reduce impacts.</p> <p>23 Unfortunately, it didn't when we were done</p> <p>24 with the analysis, so those are the two discussions.</p> <p>25 Now, because we have significant impacts that</p> <p style="text-align: right;">Page 21</p>

<p>1 we can't mitigate that Council will be making the 2 Statement of Overriding Consideration to approve the 3 project, and though -- what they'll be doing is they will 4 be evaluating the benefits of the project versus project 5 impacts, and the City Council will be deciding on this 6 based on the input and recommendation from the Planning 7 Commission, so that's -- you -- you have an important 8 role in all of this.</p> <p>9 At this point, this concludes our hopefully 10 quick presentation on the Draft EIR, and Nikki and I and 11 the consultants are available to answer any questions you 12 may have.</p> <p>13 COMMISSIONER EIREF: Thank you.</p> <p>14 Can I get a recommendation that we -- I could 15 continue -- at the beginning use a recommendation to hold 16 off our questions till the and after the public or 17 even --</p> <p>18 MR. HOGAN: If you have questions on the 19 document in general about how it was prepared or the 20 issues that were discussed --</p> <p>21 COMMISSIONER EIREF: Mm-hmm.</p> <p>22 MR. HOGAN: -- we'd like to get those now.</p> <p>23 If there are comments as to whether the 24 document is adequate or an issue that you think should be 25 addressed differently, that's what we'd like to get</p> <p style="text-align: right;">Page 22</p>	<p>1 project, which I was somebody that was very critical of 2 and thought that we should -- and we also thought that we 3 should have in-lieu sales tax so guarantee of that kind 4 of revenue, that was significant.</p> <p>5 We -- we have a hotel going up there. We know 6 what that is, a significant amount of office -- offices 7 worth a lot to the person that's going to -- that owns 8 the land, is going to build it, and we have unmitigated 9 impacts here.</p> <p>10 Another thing that I brought up -- and I'm 11 going to use this as an opportunity to bring it up 12 again -- is we have very poor infrastructure to get 13 people from a place like this to the Caltrain station, 14 for instance, and there are technologies that could be 15 used to do that.</p> <p>16 I'm not saying that this project should bear 17 the entire burden for that, but I think there needs to be 18 some -- something in place that this could feed into that 19 could turn some kind of people mover system or non-car 20 mode of transportation that could benefit not only this 21 project, but all the other projects that might want to go 22 out there, could be a conduit for that sort of funding, 23 and I don't see that here.</p> <p>24 So -- I mean, I'm giving you the opportunity 25 to respond to any of that. I'm telling you I didn't see</p> <p style="text-align: right;">Page 24</p>
<p>1 during the public hearing.</p> <p>2 So right now, we're looking for 3 clarifications.</p> <p>4 If there's something about the Draft EIR that 5 doesn't seem clear or you have questions about, this 6 would be the time to ask us.</p> <p>7 COMMISSIONER EIREF: Okay.</p> <p>8 MR. HOGAN: And I apologize if I --</p> <p>9 COMMISSIONER EIREF: I've got several lights.</p> <p>10 COMMISSIONER BRESSLER: Okay. Given that 11 we're looking at a situation where we have unmitigated 12 impacts -- and you just went through this -- we need to 13 come up with a justification.</p> <p>14 I'm just going to rephrase in my own terms.</p> <p>15 We have to justify why these impacts are worth enduring.</p> <p>16 So I'm going to ask you. What are the 17 benefits of this project for the City and the residents 18 of Menlo Park? I don't see that. I mean, I see a fiscal 19 report that's got a few things in it.</p> <p>20 I haven't seen a Development Agreement which 21 may include language, but -- I mean, I think that the -- 22 the political reality that we're looking at now in the 23 extended area, not just Menlo Park, is that we really 24 need to see this.</p> <p>25 When I look at this compared to the Bohannon</p> <p style="text-align: right;">Page 23</p>	<p>1 these things in the report.</p> <p>2 MR. MURPHY: Right, so I'll give a little bit 3 of overview of just where we are. So we're not at that 4 stage yet. We're trying to just make sure that the 5 Commission is aware that that's something that will be 6 coming later as part of the Final EIR and the findings 7 and certification in the Statement of Overriding 8 Considerations.</p> <p>9 So it's part of I think the overall action of 10 the project. So that's going to be at a later date.</p> <p>11 It's a matter of -- in general, you can -- you 12 can -- the -- the staff report will include what -- it 13 will actually include the specific benefits that would be 14 considered, and then that would be evaluated by the 15 Planning Commission and ultimately by -- by the City 16 Council.</p> <p>17 It's a matter of the comparison of what's -- 18 what's the request against some of these impacts and what 19 is actually, you know, financially feasible for -- for 20 such a project.</p> <p>21 So some of the projects that you identify, 22 especially Menlo Gateway, that was a request to triple 23 densities and intensities, including General Plan 24 Amendment.</p> <p>25 It's in a different type of category, I'd he</p> <p style="text-align: right;">Page 25</p>

<p>1 say. So some of that background information of comparing 2 the request of this project compared to other projects is 3 helpful for the Commission. We can put that together in 4 the future staff reports. 5 So that's ultimately going to be a future 6 topic in terms of the hearing tonight on the adequacy of 7 the -- the Draft EIR, that's not -- that's not part of 8 the -- the scope of tonight's meeting. 9 COMMISSIONER BRESSLER: Okay. 10 COMMISSIONER EIREF: Just a quick 11 clarification. When you say there are other things 12 coming in the future or other opportunities to have that 13 kind of information come in, when -- how -- when does 14 that happen? 15 What I hear is a pretty rapid timeline which 16 starts about starting this project this summer and 17 finishing it like next -- the middle of next year, if I 18 saw the -- 19 MR. MURPHY: In terms of starting -- oh, in 20 terms of the -- 21 COMMISSIONER EIREF: There's not a lot of -- 22 it appeared that the project -- 23 MR. MURPHY: Which part? 24 COMMISSIONER EIREF: Really it almost 25 appeared like the project was supposed to start in the</p> <p style="text-align: right;">Page 26</p>	<p>1 that -- that schedule will be a longer schedule. 2 It would be challenging to do anything faster 3 than that to actually work its way through the process. 4 So if -- if we stick with this schedule, then 5 the Planning Commission would be seeing the overall 6 project, including the land use entitlements, which 7 includes the conditional development permit, the -- the 8 subdivision map and other -- other items in the summer of 9 2014, and that's the point where the Commission will be 10 making a recommendation to -- regarding the Statement of 11 Overriding Considerations, one aspect, and then that 12 recommendation would go on to the City Council for final 13 decision. 14 COMMISSIONER EIREF: Okay. Fair enough. 15 MR. MURPHY: So we've been through this 16 routine with other development projects. What's unique 17 compared to some of the other development projects that 18 the -- this Commission has seen most -- more recently is 19 that the two Facebook projects. 20 Both had development agreements. Menlo 21 Gateway had a development project. 22 An applicant needs to request a Development 23 Agreement. There's no -- the City cannot force an 24 applicant to propose a Development Agreement. 25 So this -- this project is trying to comply</p> <p style="text-align: right;">Page 28</p>
<p>1 middle of 2014. 2 MR. MURPHY: So part of that, if you could go 3 back to the earlier -- earlier time frames of when the 4 Notice of Preparation was put out over -- in the summer 5 of 2012 -- yeah. 6 That -- it took quite -- given the overall 7 workload that the City is facing, it took quite a bit of 8 effort to actually be able to produce this Draft EIR. 9 So from the Applicant's perspective, it's 10 taken quite a long time to -- 11 COMMISSIONER EIREF: Okay. 12 MR. MURPHY: -- get to this point, yes. 13 COMMISSIONER EIREF: Okay. Then can you 14 clarify? Is there another review? So this is the Draft 15 EIR. I assume we don't have another review that -- 16 MR. MURPHY: Above us, David has put the 17 slide up on the screen. So there's the Draft EIR. 18 There's a comment period. 19 There's the -- the City will respond to those 20 comments, and then that will constitute the Final EIR. 21 So this is a projected schedule based off of 22 where we are today. I mean, we definitely have the end 23 of the comment period identified. 24 If there's, you know, substantial comments 25 that require much more time to respond to those, then</p> <p style="text-align: right;">Page 27</p>	<p>1 with the zoning requirements, except for that height 2 increase, that's the -- the main issue for which they're 3 pursuing an exception. 4 And so that's a -- it's kind of a -- in a 5 slightly different realm in 2000 -- in a different -- the 6 City has reviewed other projects that did -- did not 7 involve development agreements, but those maybe predate 8 some of the current Commissioners. 9 COMMISSIONER EIREF: Okay. I'll entertain 10 questions. I'll go down the line here. 11 COMMISSIONER RIGGS: Thank you. 12 So I have a question on the background of the 13 traffic and transportation impacts. We've had two, 14 really three large projects between Marsh Road and Willow 15 Road across the last four years, and -- I mean really 16 large. 17 So wanted to -- through the chair, if I could 18 ask staff, would not the Bohannon project and if not the 19 first Facebook project, the second Facebook project for 20 its height exception have already attempted to mitigate 21 the intersections in question here tonight? 22 MR. MURPHY: I can certainly have Nikki 23 definitely follow up with this. Maybe if we can get the 24 slides up that kind of showed it geographically. 25 So all of that was factored into -- into this</p> <p style="text-align: right;">Page 29</p>

<p>1 analysis. So there is a difference between the Facebook 2 project, which is currently moving forward.</p> <p>3 They've applied to Caltrans. They're in the 4 process of getting comments on -- on intersection 5 improvements versus Menlo Gateway, which is still waiting 6 to come forward.</p> <p>7 So there's a timing issue there, but Nikki can 8 go into more specifically if you'd like. But generally 9 question yes, those were all kind of factored in.</p> <p>10 COMMISSIONER RIGGS: I understand they were 11 factored in, but I guess what I'm saying is: We are 12 facing the third or fourth project, which -- for the 13 Ci -- in terms of transportation is presenting 14 significant and unavoidable impacts.</p> <p>15 That's -- you know, this won't be my best 16 analogy, but if you're waiting for a bus and the bus that 17 comes by is full, you can't get on. A common occurrence 18 in San Francisco certain times of the day.</p> <p>19 If the bus then goes to the next stop and 20 again doesn't open its doors, it still can't take on 21 anybody, and it goes to the third stop. You kind of stop 22 and ask: What's wrong with this picture?</p> <p>23 So correct me if I'm wrong. I'm testing this, 24 but it seems as though we were not able to meet -- 25 address and mitigate all the traffic impacts of Bohannon</p> <p style="text-align: right;">Page 30</p>	<p>1 leg of the intersection as you're leaving Bedwell 2 Bayfront Park.</p> <p>3 So it's a pretty easy restripe. You know can 4 go out and paint essentially a left-turn lane and a 5 through lane to separate out that traffic and make things 6 flow a little bit better.</p> <p>7 The second project that came through was the 8 housing element and subsequently St. Anton for the 9 residential uses that are planned on Haven and the 10 portion of the improvements that they're responsible for 11 are a change to the Haven Avenue leg where they're adding 12 the bulk of their traffic and making some pedestrian 13 improvements along that particular stretch, as well.</p> <p>14 The improvement itself is changing through 15 only lanes with through right turn lanes, so it adds some 16 additional right turn capacity for people coming from 17 Haven headed on to Marsh Road and headed on to 101. So 18 that will benefit traffic primarily for the Haven 19 projects.</p> <p>20 Then when Commonwealth came through, the 21 improvement that's identified in the EIR is the third 22 right turn lane from Marsh on to Bayfront.</p> <p>23 That's one that's been identified as -- by the 24 City since about 2009 or earlier and the traffic impact 25 fee. And so that's been on -- on the City's books as</p> <p style="text-align: right;">Page 32</p>
<p>1 project.</p> <p>2 Subsequently, we were not able to mitigate all 3 the impacts of the Facebook height increase. In -- in 4 theory, they met their impacts with ridesharing for their 5 increased number of employees on Facebook East.</p> <p>6 So how was it that there's still an 7 intersection that we can change the traffic lights or add 8 a right turn lane that hasn't already been promised? I 9 guess that's what I'm asking.</p> <p>10 MS. NAGAYA: That's -- that's a great -- 11 great question, and I do like the analogy of the bus. I 12 think that actually works pretty well.</p> <p>13 Let me use the Bayfront and Marsh intersection 14 as an example because that's one that we talked about 15 specifically earlier and one that I think is a good 16 example, because each of the -- the three projects that 17 you mentioned is improving it in some way.</p> <p>18 There are three different improvements planned 19 for that particular location, and each development is -- 20 is doing a part of it.</p> <p>21 So that's kind of the piece of the puzzle that 22 is important to -- to recognize.</p> <p>23 So for -- for Marsh and Bayfront specifically, 24 when Facebook came -- came through, the improvement that 25 they were responsible for a restriping improvement of the</p> <p style="text-align: right;">Page 31</p>	<p>1 something that is -- was going to eventually be needed to 2 serve the developments in -- in particular the M2 area 3 and the regional growth that's coming forward.</p> <p>4 This particular project adds traffic in 5 particular to that right turn movement, and so that will 6 be serving a good portion of the traffic for this 7 particular project.</p> <p>8 And so that's -- that's one example of an 9 intersection where incrementally it's being improved by 10 different projects coming forward.</p> <p>11 On the other end of the spectrum -- for 12 example University and Bayfront, is one that -- none of 13 the projects have been able to mitigate because the 14 right-of-way is so constrained because of the wetlands on 15 both sides and the overall configuration of the 16 intersection, plus the fact that it serves significant 17 regional traffic.</p> <p>18 So there are places that are constraint 19 points, and it has been acknowledged by both the City and 20 the regional agencies as constraint points in the system, 21 but short major grade separation improvements that a lot 22 of folks don't want to see move forward or don't have the 23 funding for to move forward, those would be kind of the 24 next steps in terms of increasing traffic capacity for -- 25 for the system.</p> <p style="text-align: right;">Page 33</p>

<p>1 COMMISSIONER RIGGS: All right. And I 2 appreciate your deep knowledge on this, Nikki. 3 So of the three improvements to Marsh Road at 4 Bayfront, did each one of those completely mitigate the 5 impact of the respective project? 6 MS. NAGAYA: For Facebook and Commonwealth, I 7 can see with certainty. I'm not positive on the housing 8 element just because I don't have as much background on 9 that particular project, but they are called out as 10 significant and unavoidable resulting impacts in all 11 three studies because the City does not control that 12 intersection. 13 So Caltrans is the ultimate decision-making 14 body over whether something could be constructed or not. 15 And so we cannot guarantee that any of these improvements 16 that have been identified -- even though they would 17 mitigate project's impact, we can't guarantee that they 18 would be constructed because Caltrans has final say on 19 whether or not they can be built. 20 COMMISSIONER RIGGS: I'm aware of that, and 21 it's always really bugged me that we get a copout just 22 because we don't control it when of course we should be 23 working with these respective agencies to make things 24 happen. 25 MS. NAGAYA: And all the -- all three</p> <p style="text-align: right;">Page 34</p>	<p>1 several hundred thousand square feet at a time in the M2, 2 that can only get worse, and it's already -- you know, at 3 a certain hour, it's pretty non-functional. 4 So I realize this is not a project decision 5 point, but in terms of the EIR, it -- it does seem to me 6 that there are cumulative impacts, and I realize that 7 Marsh Road was called out in the EIR. 8 There are cumulative impacts that are not 9 being reasonably addressed. I think I've seen three 10 times the recommendation that a -- I don't remember if 11 it's a liquid amber or a sycamore tree -- be cut down to 12 provide a right turn lane on to Florence. 13 Particularly annoying since the right turn 14 lane already exists there, and cutting down the tree is 15 not necessary and would not improve much of anything. 16 So there are no mitigations being proposed for 17 one of the prime entries into Menlo Park. I mean, it's 18 not just being fully addressed. It's being listed -- 19 listed as infeasible and then we -- you know, then we 20 pass on. At least if I understand correctly. 21 MS. NAGAYA: The -- the ramp terminal 22 intersections were -- were both impacted, as you noted. 23 The southbound ramp is one where we looked at an 24 improvement, which would be essentially widening the 25 southbound off-ramp as you come from 101 heading toward</p> <p style="text-align: right;">Page 36</p>
<p>1 applicants are -- for Facebook and for St. Anton, they're 2 currently in -- in that process or beginning that 3 process, and then Commonwealth would be held to that 4 theme, same environment. 5 COMMISSIONER RIGGS: All right, but it's your 6 understanding if they are successful in working with 7 Caltrans, that it will actually mitigate the impacts -- 8 MS. NAGAYA: Correct. 9 COMMISSIONER RIGGS: -- at that intersection. 10 I have to propose that the impacts to Marsh 11 Road cannot be so mitigated. Some I guess about fifteen 12 years ago, Caltrans took out the cloverleaf at Marsh Road 13 and installed a pair of traffic lights in order to have a 14 northbound and a southbound only terminus. 15 The result is that for through traffic on 16 Marsh Road to reach Bayfront Expressway, they not only 17 have to go past Scott and Florence or -- what is it? 18 Florence, Bohannon and then Scott traffic lights, they 19 also have to go through these two added traffic lights. 20 And since the traffic is weaving or crossing 21 or basket-weaving, whatever we might call it, there is no 22 way to keep traffic flowing when it's going both ways, 23 which it does. 24 So at 5:00 PM, the traffic jam is on the 25 relatively new 15-year-old bridge. If we keep adding</p> <p style="text-align: right;">Page 35</p>	<p>1 Marsh Road, but what that would require is actually 2 additional receiving capacity. 3 So for folks coming off of Marsh -- or excuse 4 me. Off of 101, making a left on Marsh, heading across 5 101 to get to the M2, you need a wider bridge is what it 6 comes down to. You can't fit any additional lanes on the 7 bridge without having a wider bridge. 8 And so that's the constraining point at -- at 9 this point in time, and so if Caltrans is looking to 10 widen the bridge, our hands are essentially tied for 11 what -- how much traffic can get across the bridge 12 itself. 13 COMMISSIONER RIGGS: Yeah. Well, when that 14 becomes an eight-lane bridge, I think we can all throw up 15 our hands. 16 But anyway, thank you. 17 COMMISSIONER EIREF: Okay. 18 COMMISSIONER FERRICK: Thanks. I just have a 19 quick thing. 20 You touched on it just now, too, with the -- 21 you said one of the improvements or mitigation to the 22 Marsh and Bayfront Expressway right turn lane from Marsh 23 and on to Bayfront Expressway was to make three lanes 24 turn right. 25 I think they do that today, so I'm unclear on</p> <p style="text-align: right;">Page 37</p>

<p>1 what the change would be.</p> <p>2 MS. NAGAYA: So these are just a few images</p> <p>3 that -- schematics that are in an appendix to the -- the</p> <p>4 EIR.</p> <p>5 But this is the -- what the intersection looks</p> <p>6 like today. So coming from the bottom left is Marsh Road</p> <p>7 and Bayfront Expressway and Haven Avenue running left to</p> <p>8 right.</p> <p>9 As you can see faintly, there are two right</p> <p>10 turn lanes on -- on that section today, and what's</p> <p>11 proposed, if we flip forward, is fitting a third right</p> <p>12 turn lane as you come around corner.</p> <p>13 So it -- it may take some moving of the curb.</p> <p>14 We're working out the design details right now, but</p> <p>15 Caltrans owns that corner. So it wouldn't be --</p> <p>16 right-of-way acquisition, it's within Caltrans' right-of-</p> <p>17 way already.</p> <p>18 COMMISSIONER FERRICK: Thank you. That</p> <p>19 helps.</p> <p>20 I guess maybe like there's a -- that sight</p> <p>21 line is already kind of there made up, but not really</p> <p>22 actually there or something, but I feel there's --</p> <p>23 because I go over there relatively frequently and -- but</p> <p>24 maybe I'm just --</p> <p>25 MS. NAGAYA: Yeah. There's a bit of a wide</p> <p style="text-align: right;">Page 38</p>	<p>1 touches down, and then there are on-street either</p> <p>2 neighborhood streets or on-street bike lanes on Chilco</p> <p>3 that facilitate getting to Constitution, and then</p> <p>4 Constitution would take you part of the rest of the way.</p> <p>5 And then Jefferson is a fairly low volume</p> <p>6 street that wasn't identified for bicycle improvements in</p> <p>7 the City's bike plan that was prepared -- prepared in</p> <p>8 2005.</p> <p>9 And so Constitution was identified as the</p> <p>10 primary remaining need in -- in this area for bicycle</p> <p>11 facility.</p> <p>12 COMMISSIONER FERRICK: Great. Thank you.</p> <p>13 And then I think this one might be for David.</p> <p>14 Could you tell me about the sea level rise</p> <p>15 section of the EIR and the -- or is that for later to</p> <p>16 talk more about --</p> <p>17 MR. HOGAN: Do you have a clarification on</p> <p>18 what's in the EIR or do you have a comment that I'm --</p> <p>19 COMMISSIONER FERRICK: I guess a little --</p> <p>20 it's a kind of clarification to tell us -- you know, they</p> <p>21 called out that as a -- as an issue in the EIR and I'm</p> <p>22 trying to understand what the description was about what</p> <p>23 the project is doing --</p> <p>24 MR. HOGAN: Do --</p> <p>25 COMMISSIONER FERRICK: -- to prevent damage</p> <p style="text-align: right;">Page 40</p>
<p>1 shoulder and kind of a flare as you --</p> <p>2 COMMISSIONER FERRICK: Yeah.</p> <p>3 MS. NAGAYA: -- approach the intersection, so</p> <p>4 it looks wider than it is.</p> <p>5 COMMISSIONER FERRICK: Uh-huh.</p> <p>6 MS. NAGAYA: Which is an advantage if we want</p> <p>7 to add a third turn lane.</p> <p>8 COMMISSIONER FERRICK: Yeah. So just</p> <p>9 striping it adding just a little bit more space. That's</p> <p>10 good.</p> <p>11 On the bike and pedestrian connectivity</p> <p>12 arrow -- improvements, sharrows and whatnot, I know that</p> <p>13 this project location is close to the overcrossing of 101</p> <p>14 for bike and pedestrian, the bridge.</p> <p>15 Is there going to be some sort of like -- I</p> <p>16 don't know -- bike connectivity from the -- where that</p> <p>17 lands on the -- on the east side of 101 to the project</p> <p>18 site?</p> <p>19 MS. NAGAYA: So that -- that's one primary</p> <p>20 reason for looking at the Constitution bicycle route is</p> <p>21 that -- so coming from Ringwood.</p> <p>22 I apologize it's not on this map, but it</p> <p>23 essentially drops in near where all of the roads converge</p> <p>24 over by what says Pierce Road.</p> <p>25 So that where the Ringwood overcrossing</p> <p style="text-align: right;">Page 39</p>	<p>1 to property, or is that going to be covered in your</p> <p>2 presentation later?</p> <p>3 MS. EFNER: Well, I -- Erin Efner for ICF,</p> <p>4 your EIR preparers.</p> <p>5 Overlaying the various sea level rise maps on</p> <p>6 to the project site, it's really only the very northern</p> <p>7 portion of the Jefferson site that is subject to</p> <p>8 inundation over the long-term.</p> <p>9 So there's no risk to the -- to the -- the</p> <p>10 Commonwealth buildings related to sea level rise.</p> <p>11 COMMISSIONER FERRICK: Okay. So the soccer</p> <p>12 field could just like become a pond or something?</p> <p>13 MS. EFNER: And I don't think it goes that far</p> <p>14 south.</p> <p>15 COMMISSIONER FERRICK: Okay.</p> <p>16 MS. EFNER: It's really the upper tip.</p> <p>17 COMMISSIONER FERRICK: All right.</p> <p>18 MS. EFNER: Yeah.</p> <p>19 COMMISSIONER FERRICK: Great. Thanks.</p> <p>20 COMMISSIONER EIREF: That will really affect</p> <p>21 traffic when that happens.</p> <p>22 Any other comments up here? We'll go to</p> <p>23 Commissioner Strehl.</p> <p>24 COMMISSIONER STREHL: Thank you.</p> <p>25 I'm -- I have to echo the comments that my</p> <p style="text-align: right;">Page 41</p>

<p>1 other Commissioners made about traffic and 2 transportation, and I guess my question is: A long, 3 long, long time ago, I worked for a developer and it was 4 a very large development in the East Bay, two 5 developments, residential and office complex side by 6 side, and they had to negotiate and have an agreement 7 with Caltrans to build an over -- overpass or broaden an 8 overpass as part of their permit to move forward. 9 Is that something -- and they had to help pay 10 for it. Is that something that we anticipate will happen 11 going forward with this project or other projects? 12 MS. NAGAYA: I -- I think it's primarily 13 related to -- to the size and scale of the development. 14 So it's -- while it's certainly something that we could 15 consider, I think the potential place that we might want 16 to do it is through the General Plan update. 17 In looking at the M2 area as a whole, if 18 there's a need to widen the Marsh Road overcrossing, that 19 might be a better mechanism so that we can potentially 20 collect fees from individual projects towards a major 21 system improvement that would be otherwise too much of a 22 burden for any one project. 23 COMMISSIONER STREHL: I understand that, but 24 if this project is approved -- I mean, how do you apply 25 fees?</p> <p style="text-align: right;">Page 42</p>	<p>1 You had indicated that part of the traffic 2 flow -- and I don't remember whether this was on 3 Willow -- I don't think it was on the expressway -- would 4 be handled by adding sharrows with the implication that 5 that way, some people would get out of their cars and be 6 on bikes. 7 I'm trying to imagine how if your baseline is 8 30,000, 35,000 cars per day and dozens of bicycles, if 9 you insert on one of those traffic lanes, which -- say 10 you could assign eight or 9,000 cars per day, if you 11 insert a bicycle doing 18 miles an hour, how this 12 improves the flow on that stretch of roadway. 13 MS. NAGAYA: So the -- the stretch that we're 14 looking at adding a bicycle routes and sharrows is -- is 15 Constitution. 16 The Willow is -- is separate. There are bike 17 lines existing on the majority of Willow Road, and those 18 aren't being proposed to change as part of -- of this 19 project. 20 So Constitution serves a much lesser volume 21 and a lesser speed of traffic, so 22 COMMISSIONER RIGGS: I clearly missed a key 23 part of that. 24 MS. NAGAYA: Yeah. 25 COMMISSIONER RIGGS: Thank you.</p> <p style="text-align: right;">Page 44</p>
<p>1 I mean, you have now, as we've noted, three 2 pretty good size projects, and the -- their impacts have 3 already been identified in the mitigation. 4 So it's the cumulative of all of these 5 projects together, and it's like the last guy in is the 6 one that really gets hammered, or gal who really gets 7 hammered. 8 So how do you spread that across all the M2? 9 MS. NAGAYA: Looking at the General Plan 10 update would be a way that we'd be looking at all 11 cumulative development in the M2 region and what's 12 planned for the future, and then looking at 13 infrastructure needs as part of that assessment. 14 So -- 15 COMMISSIONER STREHL: But -- 16 MS. NAGAYA: But the projects that are 17 already through would not be included in -- in that 18 potential fee. 19 COMMISSIONER STREHL: That's what I thought. 20 Thank you. 21 COMMISSIONER EIREF: Okay. Henry had another 22 thought. 23 COMMISSIONER RIGGS: Yeah. I have to admit, 24 because I didn't have my glasses on, I couldn't ask my 25 second question.</p> <p style="text-align: right;">Page 43</p>	<p>1 MS. NAGAYA: No problem. 2 COMMISSIONER EIREF: I have a couple quick 3 ones and then maybe we can ask the public for comment. 4 So one is: Does the -- does the traffic 5 analysis assume the benefit of the TDM measures that are 6 proposed, or is it kind of like before you do any TDM, 7 this is what it looks like, everyone driving cars, 8 whatever, and then you apply TDM to that? 9 MS. NAGAYA: Yes. The second. 10 COMMISSIONER EIREF: Okay. So it's kind of 11 like worst case -- 12 MS. NAGAYA: Worst case scenario. 13 COMMISSIONER EIREF: -- with the TDM. 14 MS. NAGAYA: The TDM program would be 15 improving things from -- from where they're analyzed in 16 the EIR. 17 So that includes the amenities that are 18 proposed onsite, bicycle parking, the showers in the 19 building as well as the project sponsor proposed to -- 20 and agrees to pay the City's shuttle fees which will 21 improve the Caltrain to M2 Marsh Road shuttle and support 22 that program so that folks have a way to get that last 23 mile from Caltrain to the M2. 24 COMMISSIONER EIREF: Okay. And that's 25 interesting, because -- I mean, we have other projects</p> <p style="text-align: right;">Page 45</p>

<p>1 like Facebook who, you know, arguably added thousands of 2 new workers, but not thousands of new car trips because 3 they have very aggressive TDM. 4 So hypothetically we could -- we could have a 5 discussion in the City about the idea of req -- making 6 requirements on how -- the kinds of employees that are 7 going to come to the site, the kinds of companies that 8 we'd put in there and that sort of thing, so -- 9 MS. NAGAYA: Right. There's a TDM plan 10 that's proposed. It's a little bit harder to implement 11 some of those aggressive programs when you have a multi- 12 tenant facility -- 13 COMMISSIONER EIREF: Yeah. 14 MS. NAGAYA: -- as opposed to a single -- 15 single employer and they can kind of control things a 16 little bit more. 17 COMMISSIONER EIREF: Sure. 18 MS. NAGAYA: But nonetheless, the TDM -- 19 COMMISSIONER EIREF: We can have a 20 requirement that says we don't want lots of individual 21 tenants that don't have any -- I have -- having read the 22 TDM plan here briefly, I have -- I mean, we'll save that 23 for later, I guess. 24 Anything further? 25 COMMISSIONER STREHL: I just have one other</p> <p style="text-align: right;">Page 46</p>	<p>1 maps into kind of good environmental kind of standards 2 and all that kind of thing. 3 MR. HOGAN: I think that's correct. We're 4 looking for any traditional EIR comments from the members 5 of the public or the -- or the Commission that would need 6 to be add -- that you think need to be addressed in the 7 final. 8 If you think there's a component of the 9 analysis that may not be accurate or reflective, this 10 would be the type of comment we'd be looking for. 11 COMMISSIONER EIREF: Okay. 12 MR. HOGAN: And on the other hand, if you 13 think it looks great, we'd be -- we'd be -- we'd be happy 14 to hear that, too. 15 COMMISSIONER EIREF: Mm-hmm. 16 COMMISSIONER STREHL: So I just have a quick 17 question. 18 Will the comments that the Commission's made 19 to this point be included or do we have to reiterate 20 those comments for the public record? 21 MR. HOGAN: Some of them there are -- EIR 22 comments we can include. Some of them were really more 23 questions. 24 So if one of your comments you feel was in the 25 IR -- an EIR comment question, per se, you could</p> <p style="text-align: right;">Page 48</p>
<p>1 question. 2 So what other amenities -- you have a shower. 3 Is there going to be any eating facilities, cafeteria or 4 anything of that sort? I missed it. 5 MR. HOGAN: We don't have -- at this point, 6 the applicant hasn't let us know if they're proposing 7 those type of facilities or not. 8 COMMISSIONER STREHL: I just know that there 9 isn't anything out there to -- 10 COMMISSIONER EIREF: We should definitely 11 bring that up in the -- 12 COMMISSIONER STREHL: Okay. 13 COMMISSIONER EIREF: -- third part of the 14 discussion. That's a good question. 15 So we'll maybe ask if there are any questions 16 from the public. I don't have any cards up here. Is 17 there anyone from the general public that wants to make 18 any comments or ask questions? 19 Okay. All right. So maybe we'll kind of 20 bring it back up here. 21 So again, I think what you're looking for at 22 this point is just an assessment from the Planning 23 Commission on whether there are -- anything that wasn't 24 covered in the EIR, the methodology, that kind of thing. 25 Not comments about what we think how the project itself</p> <p style="text-align: right;">Page 47</p>	<p>1 highlight that for us to make sure that we are including 2 it properly in the record. 3 That would -- that would help us just to make 4 sure we had everything. 5 COMMISSIONER FERRICK: Okay. The -- pardon 6 me. Through the chair, it does say right up here in the 7 seating area. 8 COMMISSIONER EIREF: I had a couple of 9 maybe -- couple of finer like bit bucket items here. One 10 is -- I think it's something that part of the topics, 11 but tell me if not. Lighting at night. 12 So we're considering a building that's going 13 to be quite tall, and there are -- there's a residential 14 neighborhood right across the freeway, also kind of -- 15 several residential -- residential neighborhoods. 16 I didn't see anything in here that said that 17 the lighting at night was going to be kind of a quote 18 unquote glaring or concern. 19 Are there any lighting related at night things 20 that we should be aware of here? There's no other 21 buildings that are really quite this tall I think in the 22 area. 23 A lot of office buildings tend to leave lights 24 on all night long, for some reason. 25 MS. EFNER: We did identi -- Erin Efner with</p> <p style="text-align: right;">Page 49</p>

<p>1 ICF International. We identified -- we did an analysis 2 of light and glare on page -- well, I don't know if 3 you've got the document in front of you, but we did 4 conclude that there can be potentially significant 5 impacts related to lighting, night lighting specifically, 6 and then we've got a mitigation measure where we sort of 7 lay out the ways to reduce, you know, the impact of -- of 8 night lighting, and we ultimately conclude less than 9 significant.</p> <p>10 Does that answer your question?</p> <p>11 COMMISSIONER EIREF: Okay, Yeah. I think it 12 was in section 3.2 dash -- somewhere around there, dash 13 12 or something?</p> <p>14 MR. EFNER: Yeah, exactly.</p> <p>15 COMMISSIONER EIREF: And you talked about 16 materials and like making the parking lights face down 17 and everything. I'm thinking like inside the building, a 18 lot of buildings -- office buildings at night, I see they 19 just -- they kind of leave a certain number of lights on 20 inside the building all night long.</p> <p>21 So are you -- are you saying that you don't 22 think that's a significant issue there?</p> <p>23 MS. EFNER: We didn't do an analysis based on 24 the lighting left inside the building.</p> <p>25 COMMISSIONER EIREF: Okay.</p> <p style="text-align: right;">Page 50</p>	<p>1 commercial buildings, like I would assume this -- this 2 one would -- would have mostly opaque pulldown shades 3 because there's -- it's so much brightness that they need 4 it on the inside during the light hours, and it does 5 offset some of the light pollution, if you will from --</p> <p>6 COMMISSIONER EIREF: Okay.</p> <p>7 COMMISSIONER FERRICK: To the outside.</p> <p>8 COMMISSIONER EIREF: Maybe we can talk about 9 that later. That was 3.2-8 where you show a home in the 10 Suburban Park low lying manner, Park Triangle. Where 11 you're really looking at this bungalow and you see this 12 building behind you. I think it's -- must be across the 13 freeway, so it seems --</p> <p>14 MS. EFNER: That's right. It's across the 15 freeway.</p> <p>16 COMMISSIONER EIREF: -- quite imposing given 17 the fact that it's on the other side of the freeway, but 18 that would imply that there'd be a lot of light kind of 19 shining out into Sub Park area, so --</p> <p>20 MS. EFNER: I just saw the text from the 21 mitigation measure in the biology -- biological resources 22 section.</p> <p>23 COMMISSIONER EIREF: Okay.</p> <p>24 MS. EFNER: This is also related to the bird 25 safe design guidelines. But we -- we do require "include Page 52</p>
<p>1 MS. EFNER: We do have in our bio section 2 some mitigation measures related to -- I know this isn't 3 entirely answering your question, but some of the bird 4 safe design standards which do require some of the 5 glare -- you know, the treatment of the windows to --</p> <p>6 COMMISSIONER EIREF: Okay.</p> <p>7 MS. EFNER: -- reduce glare -- you know, for 8 bird collisions.</p> <p>9 COMMISSIONER EIREF: Mm-hmm.</p> <p>10 MS. EFNER: So that sort of gets to what 11 you're asking, but we didn't do an analysis or have any 12 discussions of the lights left on in the building.</p> <p>13 COMMISSIONER FERRICK: Through the chair, can 14 I comment on that?</p> <p>15 COMMISSIONER EIREF: Yes.</p> <p>16 COMMISSIONER FERRICK: We may be able to talk 17 about this more later on in the process, but one thing we 18 could do is there are systems that a lot of commercial 19 buildings use that companies like Enlighted makes that is 20 like a little sensor and it just turns out the light 21 after there's non-use of that room.</p> <p>22 So it be wouldn't be on for more than ten or 23 fifteen minutes after the occupant leaves that space, so 24 then it wouldn't be left on all night.</p> <p>25 And then the other thing is a lot of</p> <p style="text-align: right;">Page 51</p>	<p>1 window coverings on rooms or interior lighting as used at 2 night that adequately blocks light transmission and 3 motion sensors or controls to exting -- extinguish lights 4 in unoccupied space."</p> <p>5 COMMISSIONER EIREF: Good. Got it. Perfect.</p> <p>6 I had some questions about things like 7 drainage and other stuff. I guess we'll talk about that 8 in the specifics of the project, maybe.</p> <p>9 MS. EFNER: If it's related to the EIR 10 analysis, I can do my best to answer.</p> <p>11 COMMISSIONER EIREF: Well, I'll ask you a 12 question. There is a comment in -- somewhere in there 13 under the drainage section that says that, you know, once 14 drainage -- once flooding reaches a certain point, 15 drainage is basically just going to go straight out to 16 Jefferson, section 2-7.</p> <p>17 I thought there was a requirement that 18 drainage has to be -- you have to design for drainage on 19 the site for pretty much any property, including 20 potential properties in Menlo Park.</p> <p>21 Is there -- is there an idea at a certain 22 point, you just can't handle what you got. You send it 23 out into the public streets or --</p> <p>24 MR. HOGAN: Yes. The current stormwater 25 treatment assumes -- I believe it's a ten-year design Page 53</p>

<p>1 storm.</p> <p>2 And so for the majority of storms, it's going</p> <p>3 to handle, but if you get an unusually large storm, it</p> <p>4 wasn't -- I don't think they thought it was cost-</p> <p>5 effective to design for the biggest conceivable storm.</p> <p>6 So your small storms, your average storms it</p> <p>7 will handle. When you get to a larger one, yeah, the</p> <p>8 system is designed to let the other stuff go into the</p> <p>9 storm drains directly.</p> <p>10 COMMISSIONER EIREF: And that's just kind of</p> <p>11 code type thing. You have to design for a ten-year --</p> <p>12 MR. HOGAN: I believe -- I believe it's the</p> <p>13 ten-year storm.</p> <p>14 COMMISSIONER EIREF: Okay.</p> <p>15 MR. HOGAN: And I don't remember the other --</p> <p>16 there's a certain amount of inches per hour, and that --</p> <p>17 those numbers I don't recall.</p> <p>18 COMMISSIONER EIREF: Okay. All right. I</p> <p>19 think that's it. I share --</p> <p>20 MS. EFNER: Can I just -- oh, pardon me. I</p> <p>21 would say that's something we could clarify in the Final</p> <p>22 EIR, give some more information on that.</p> <p>23 COMMISSIONER EIREF: Okay. I -- you know, in</p> <p>24 aggregate, I share I could think, I think, a feeling that</p> <p>25 I heard other Commissioners say, which that we seem to be</p> <p style="text-align: right;">Page 54</p>	<p>1 COMMISSIONER FERRICK: Can I just make a</p> <p>2 comment that the section of the EIR on Menlo Park history</p> <p>3 and the Ohlone Native Americans and the subsequent</p> <p>4 historical development of this -- of Menlo Park was</p> <p>5 fascinating and a great read. I recommend it to</p> <p>6 everyone.</p> <p>7 Thank you.</p> <p>8 COMMISSIONER EIREF: Yeah. I'll second that,</p> <p>9 actually, and I -- this document is like a treasure trove</p> <p>10 of information about our town, and I think we can</p> <p>11 probably use these for other purposes, public schools or</p> <p>12 something like that, so -- okay.</p> <p>13 I think we can say we're done with this topic.</p> <p>14 Anything from staff respectively that we need to</p> <p>15 identify?</p> <p>16 MR. MURPHY: Just to be clear, and we</p> <p>17 appreciate everything that you just did with that agenda</p> <p>18 item. So one reason why we're divvying things up is then</p> <p>19 the EIR consultants may then be leaving the room.</p> <p>20 We'll switch over to the FIA consultant. When</p> <p>21 the FIA item is done, that consultant may be leaving. so</p> <p>22 we've got this progression.</p> <p>23 So just making sure. But they may just opt to</p> <p>24 stick around for a little bit, but if you see people</p> <p>25 leaving, so I just want to recognize that as we</p> <p style="text-align: right;">Page 56</p>
<p>1 point optimizing for each project.</p> <p>2 So each project comes in, we try to make an</p> <p>3 incremental improvement to a bunch of intersections, and</p> <p>4 then another project comes in.</p> <p>5 Maybe the General Plan's the right way to kind</p> <p>6 of look at that, but, you know, I share Commissioner</p> <p>7 Strehl's feeling, which is once these projects are</p> <p>8 improved, you have a lot less kind of negotiating</p> <p>9 position to go back and say, "Well, you know, we have a</p> <p>10 TOT type of situation. We need to raise -- you know, get</p> <p>11 some qualitative fund to improving the overall space."</p> <p>12 So if that somehow come in -- if anyone has a</p> <p>13 different opinion, but if that can somehow come through</p> <p>14 in a way we communicate this back to the -- to the City</p> <p>15 Council, I think that would be a helpful --</p> <p>16 MR. HOGAN: I think when the Commission</p> <p>17 considers this project formally, that -- that might be</p> <p>18 something for the Commission to consider making a</p> <p>19 supplemental recommendation to the Council.</p> <p>20 COMMISSIONER EIREF: Okay. Great. I don't</p> <p>21 see any other -- we've heard from the general public.</p> <p>22 We've heard from the Commission.</p> <p>23 Any other -- we have plenty of opportunity</p> <p>24 later in the discussion here to talk about specifics of</p> <p>25 the project.</p> <p style="text-align: right;">Page 55</p>	<p>1 transition to the next agenda item, F1.</p> <p>2 COMMISSIONER EIREF: Okay. I think we're</p> <p>3 good. I'm not hearing any questions up here, so thank</p> <p>4 you very much for an extremely thorough --</p> <p>5 MS. HOGAN: Thank you, sir.</p> <p>6 The next item will be a presentation on the</p> <p>7 review of the Draft Fiscal Impact Analysis report. I</p> <p>8 have Ron Golem and Stephanie, I think, Hager with BEA who</p> <p>9 prepared the document, and they have a Power Point, as</p> <p>10 well, that they'll be sharing with you.</p> <p>11 MR. GOLEM: Good evening, Mr. Chairman,</p> <p>12 members of the Commission. I'm Ron Golem. I'm a</p> <p>13 principal of BEA Urban Economics and I'm here tonight.</p> <p>14 My colleague, Stephanie Hager, is a senior associate with</p> <p>15 BEA who worked with me extensively on the analysis.</p> <p>16 We can give her a chance to talk to you about</p> <p>17 the report that she did in doing the analysis.</p> <p>18 As you know, we are an urban economics firm.</p> <p>19 we completed a number of fiscal impact analyses for the</p> <p>20 City on previous projects.</p> <p>21 I think most recently I was before the</p> <p>22 Commission in connection with the previous housing</p> <p>23 element update, fiscal impact, which also was included in</p> <p>24 the analysis of the General Plan at that time.</p> <p>25 So what we'll do tonight is Stephanie will go</p> <p style="text-align: right;">Page 57</p>

<p>1 through kind of our approach to the analysis and the 2 finds that we did. 3 So with that, I'll turn it over to Stephanie. 4 MS. HAGER: Hi. I'm Stephanie Hager with BEA 5 Economics. 6 So to give you a little bit of background on 7 why we do fiscal impact analysis and what we're doing, 8 it's -- the purpose of the analysis is to assess the 9 estimated net fiscal impacts to the City as well as other 10 jurisdictions that are -- that serve the project site 11 that would be caused by the proposed project. 12 So the jurisdictions that we look at are of 13 course the City of Menlo Park general fund. We also look 14 at the Menlo Park Fire Protection District, the school 15 district that serves the project site and a few other 16 special districts that also serve the project site, which 17 includes the Mid-Peninsula Regional Open Space District, 18 the San Mateo Community College District, San Mateo 19 Office -- San Mateo County Office of Education, and for 20 all of those jurisdictions, we look at the revenues that 21 would be generated by the project as well as the costs 22 that we would expect to be associated with development of 23 the project. 24 Like the EIR, we also looked at a project 25 alternative that was about 75 percent or exactly 75</p> <p style="text-align: right;">Page 58</p>	<p>1 People who work in the City are typically 2 considered to have about one-third of the impacts of 3 residents. So when we're calculating the service 4 population, we take that into account. 5 And then after going through the budget and 6 looking at what your existing service costs -- what you 7 existing costs are and your existing service population, 8 we then go back to the agency and the department heads 9 and fine-tune our estimates and make sure that our 10 assumptions are in line with what they would expect. 11 So on the revenue side, we look at your major 12 revenue sources that we would expect to be impacted by 13 this project. So property taxes, transient occupancy 14 taxes and sales taxes. 15 We also look at some of the smaller revenue 16 sources like your vehicle license fees, your utility user 17 taxes, licenses and permits and franchise fees, and those 18 are all of your ongoing revenue sources. So you'd see 19 those each year. 20 We also looked at one-time fees like your -- I 21 think in this case it was all impact and development fees 22 that you would get as the project gets developed. 23 So here I'm going to walk you through the 24 impacts to your general fund. After this, I'll go 25 through the impacts to the special districts that also</p> <p style="text-align: right;">Page 60</p>
<p>1 percent of the size of the proposed project. 2 So as you saw in the last presentation, that's 3 about 195,000 square feet. 4 To get a sense of what the costs generated by 5 the project would be, we started out by looking at the 6 budgets for all the departments for the -- for both the 7 City of Menlo Park and the other jurisdictions that serve 8 the project site to get a sense of what existing costs 9 are for service delivery. 10 We followed that up with interviews with 11 department and agency heads in order to identify whether 12 or not there are any marginal costs that would be 13 associated with the project. 14 By "marginal costs," we're thinking about 15 specific items that would be expected to be needed as a 16 result of development of the project. 17 So if there were, say, a new program that the 18 City would need to run or a staff person or something 19 along those lines directly related to the project, then 20 we'd want to incorporate that cost into our analysis. 21 In cases where there were no marginal costs 22 identified, we used a service population approach. 23 The City service population is composed of the 24 residents of the City as well as people who work in the 25 City.</p> <p style="text-align: right;">Page 59</p>	<p>1 serve the project site. 2 The left-hand bar here up on the screen shows 3 the revenues that would be generated by the project, and 4 this is on an annual basis, and as you can see, it's 5 about \$311,000. 6 The middle red bar there shows the 7 expenditures that would be associated with the project, 8 and that would total about \$172,000 per year, and then 9 the final bar on the right-hand side would be the net, 10 and so that -- so your net fiscal impact fiscal to the 11 City's general fund on an ongoing annual basis would be 12 positive approximately \$139,000. 13 In addition to that, those one-time 14 development impact fees would total about 2.7 million 15 dollars. 16 So -- and then here we go. This site has the 17 impacts to the schools. The two school districts that 18 serve the project site are the Ravenswood Elementary 19 School District and the Sequoia Union School District. 20 Since there's no residential component to this 21 project, it wouldn't generate any new students, so really 22 what we're looking at here is how would -- the property 23 tax revenues would impact the school district budget. 24 Ravenswood is a revenue limit school district, 25 so what that means is that any additional property tax</p> <p style="text-align: right;">Page 61</p>

<p>1 that's generated within the school district boundaries is 2 offset by a reduction in State aid, so there would be no 3 net gain or loss to the school district based on this 4 project.</p> <p>5 Sequoia Union on the other hand is a basic aid 6 district, and so that means that any additional property 7 taxes that go -- that get generated within the school 8 district boundaries go directly -- go to the school 9 district.</p> <p>10 Their share of those property taxes go to the 11 school district, and it -- some minimal State funding in 12 addition to that.</p> <p>13 So they would see a net benefit of about 14 112,000 per year from this project.</p> <p>15 And now this graph shows the Fire District 16 impacts. Again, the bar on the left-hand side shows you 17 the revenues, so that would total about \$103,000 per year 18 on an ongoing annual basis.</p> <p>19 The middle bar shows expenditures, and that 20 would total approximately \$88,000 per year on an ongoing 21 basis. So the net on an ongoing annual basis is about 22 \$15,000.</p> <p>23 And the Fire Protection District has been 24 working on implementing a fire -- what is it? Fire 25 services development impact fee. That work has been</p> <p style="text-align: right;">Page 62</p>	<p>1 would see an impact totaling positive \$6,000 per year.</p> <p>2 In both cases, this is a very small portion of 3 their overall budget, which is why we say it's a minimal 4 impact.</p> <p>5 It's well within the range of what you would 6 expect to see from one budget year to the next in total 7 variation.</p> <p>8 And we're happy to answer any questions that 9 you have about our methodology or our findings.</p> <p>10 Thank you.</p> <p>11 COMMISSIONER EIREF: Katie.</p> <p>12 COMMISSIONER FERRICK: Thanks. Just a really 13 quick one on the very last point. I was surprised that 14 even though it's very, very minimal, like you said, 15 the -- why would the fee impact -- why would the impact 16 be negative to the Community College District when there 17 would be an increase in the tax revenue generated from 18 the project site?</p> <p>19 MS. HAGER: There's an assumption that a 20 small portion of workers would also choose to attend 21 school at the community college.</p> <p>22 It's formally being fairly conservative to -- 23 we did look at what their current rates of attendance are 24 for residents versus people who work in the City and made 25 an assumption that there would be some -- a slight uptick</p> <p style="text-align: right;">Page 64</p>
<p>1 ongoing.</p> <p>2 If that fee was implemented prior to when work 3 starts on this project, then the project would be 4 responsible for payment of that fee, also.</p> <p>5 For the other special districts that serve the 6 project site, the impact is either minimal or -- or non- 7 existent.</p> <p>8 The -- the water and sewer districts recover 9 their fees through charges for service. So on an ongoing 10 basis, there would be no impact.</p> <p>11 Connection fees are used to covering capital 12 costs that the water sewer district would need to pay 13 for. So there -- the one-time impact is also -- it's not 14 there.</p> <p>15 The San Mateo County Office of Education is a 16 revenue limit district similar to Ravenswood, so any 17 increase in revenue would be offset by an in -- by a 18 decrease in State aid resulting in no net impacts to the 19 San Mateo County of Education.</p> <p>20 There would be minimal impacts to the San 21 Mateo Community College District and Mid-Peninsula 22 Regional Open Space District.</p> <p>23 San Mateo Community College District would see 24 a negative fiscal impact totaling about a thousand 25 dollars per year. The Mid-Peninsula Open Space District</p> <p style="text-align: right;">Page 63</p>	<p>1 in attendance based on more people working here.</p> <p>2 COMMISSIONER EIREF: Okay. I'm not seeing a 3 lot of lights here.</p> <p>4 Vince.</p> <p>5 COMMISSIONER BRESSLER: I'm just curious. 6 saw that there's an expected almost 1,100 employee 7 increase in Menlo Park's jobs.</p> <p>8 So when I -- when I hear that, I think jobs/ 9 housing, and typically, what are we in ten percent jobs/ 10 housing balance? Something along those lines. It's very 11 hard to get specific numbers now.</p> <p>12 But what that means is that our housing 13 requirements to build for the State mandate would go up 14 by approximately 110 units as a result of this.</p> <p>15 Is there anything in the impact report that -- 16 that takes that into consideration?</p> <p>17 MS. HAGER: Well, we -- we actually did the 18 fiscal impact analysis for the housing element update for 19 the last round.</p> <p>20 I'm not sure if I understand how you're 21 relating the State requirements to this project.</p> <p>22 COMMISSIONER BRESSLER: I'm relating it in 23 that usually the gearing ratio is around ten percent.</p> <p>24 MR. GOLEM: So two things that you're brining 25 up. One part has to do with the related RHNA</p> <p style="text-align: right;">Page 65</p>

<p>1 calculation, and I would have to defer to staff as to the 2 RHNA allocation. That's really outside our expertise on 3 this topic. 4 The other part of this is just that -- and 5 this is part of these analyses -- is that when there is 6 additional housing that potentially is induced by 7 development, that may have also have a fiscal impact on 8 the City. 9 And so, you know, what we're just noting is 10 that in the previous round of the housing element update 11 in the General Plan, we had actually analyzed all the 12 fiscal impacts for all the sites in Menlo Park that are 13 authorizing housing development. 14 So at least with respect to the fiscal 15 implications, those questions you're asking, we have 16 addressed that in previous analyses even though it's not 17 indicated in this report. 18 But certainly with respect to how this project 19 would affect the future RHNA calculations, I would have 20 to defer to staff to -- to really answer that. 21 COMMISSIONER BRESSLER: Okay. I mean, I'm 22 fine that it's not there. I just want to establish that 23 it's not there, because I'm going to be asked this 24 question. 25 MR. GOLEM: Sure.</p> <p style="text-align: right;">Page 66</p>	<p>1 COMMISSIONER EIREF: Do you know specifically 2 which businesses opened between 2002 and 2003 that 3 fall -- 4 MR. GOLEM: A couple things. One is that I 5 don't have individual businesses, and if I did, I really 6 would not be allowed to disclose that by law. Because 7 what we're doing is we're using a confidential sales tax 8 data. We are sworn to secrecyes from the State when we 9 do that analysis. 10 COMMISSIONER EIREF: Oh, I see. 11 MR. GOLEM: And one of the confidentiality 12 requirements is that we cannot discuss, we cannot 13 disclose sort of the individual firms of in terms of how 14 they change. 15 We haven't studied this data in terms of 16 trying to identify tracking individual firms and their 17 changes. What we received from the City is the 18 confidential data associated with the class A office 19 space so that we can look at that on a year by year 20 basis, measure that against the square footage of class A 21 buildings and really kind of help the metric of sales per 22 square foot, and that's what you see in that table. 23 So because we have not really tried to go in 24 depth, I'm sort of reduced to sort of saying well, where 25 is the reasons why it might change, and there's several</p> <p style="text-align: right;">Page 68</p>
<p>1 COMMISSIONER BRESSLER: When people see this 2 many jobs coming to the City, they do think about these 3 things, and what you're saying is that's taken into 4 consideration independently because we do a fiscal impact 5 analysis in association with the housing element update. 6 MS. HAGER: Yes. 7 COMMISSIONER BRESSLER: Thank you. 8 COMMISSIONER EIREF: All right. I've got a 9 question. So the -- you know, the largest elements of 10 the General Plan or general funds revenue kind of come 11 from things like the sales tax and -- and property taxes, 12 so forth. 13 You have this very interesting chart, table 5 14 talks about business to business sales tax generation 15 from existing large office developments, which has huge 16 variation from year to year. I mean, it's like it goes 17 from everything -- as low as 75,000 to as high as 360 -- 18 to 760 -- went from 75,000 to 763,000. Went up by 19 \$700,000 in one year, 2002-2003. 20 Can you give -- I mean, seven years, that's 21 because there were like businesses that opened and closed 22 from year to year. 23 Can you give a little more context of that? 24 Because that's like a huge variable in this -- 25 MR. GOLEM: Um --</p> <p style="text-align: right;">Page 67</p>	<p>1 of them. 2 I mean, there's the obvious reasons about 3 tenants moving in and tenants moving out. You know, 4 you're dealing with multi-tenant buildings. 5 So aside from tenancy transitions, you're also 6 dealing with corporations, and the way that sales tax 7 generation works is that it's recorded as of a point of 8 sale. 9 So again, this is speculation on any part, but 10 I'm not saying this is a specific factor, I can't 11 quantify it, but it is entirely possible that just in the 12 course of corporate realignments and changes, how 13 functions work, you may have some of that activity going 14 on. 15 And of course, as we know, the high-tech 16 economy is very dynamic and very fluid, and so it just -- 17 in its nature, it just tends not to be a -- sort of a 18 static sorts of thing. 19 So I realize that's not a very deep answer, 20 but, you know, that's kind of as far as we've been able 21 to go with that analysis. 22 COMMISSIONER EIREF: Okay. I think -- I 23 guess the thing I find most interesting about the F -- 24 financial analysis part is what kinds of things 25 ultimately would you like to see happening in these</p> <p style="text-align: right;">Page 69</p>

<p>1 buildings.</p> <p>2 I mean, it was a very interesting point that</p> <p>3 business to business sales tax actually does generate</p> <p>4 lots of potential revenue for a city versus, say, a</p> <p>5 company that's a retailer that's doing its business</p> <p>6 elsewhere or a provider or something like that that</p> <p>7 doesn't really have any sales tax.</p> <p>8 And so the variability of this -- you know,</p> <p>9 you show, you know, that it's likely to be a hundred</p> <p>10 thousand and -- \$138,000 for the City's general fund on</p> <p>11 an annual basis, but here alone, we can see numbers going</p> <p>12 up and down by a hundred -- \$500,000 in sales tax alone.</p> <p>13 So --</p> <p>14 MR. GOLEM: And I think you bring up a good</p> <p>15 point.</p> <p>16 COMMISSIONER EIREF: It's a little scary,</p> <p>17 actually, because, you know, let's pretend that it wasn't</p> <p>18 the median, it was something below the median. All of a</p> <p>19 sudden that \$138,000 goes to zero or negative to the</p> <p>20 City.</p> <p>21 MR. GOLEM: Well, I think just to be clear</p> <p>22 about this, and you bring up an excellent point, which is</p> <p>23 that, you know, we had to make an assumption for what the</p> <p>24 business to business sales tax generation would, and so</p> <p>25 our approach was to choose the median value.</p> <p style="text-align: right;">Page 70</p>	<p>1 economy goes up and down, there's just a lot of factors</p> <p>2 that sort of tend to cause sales tax revenues to go up</p> <p>3 and down, you know, between the combination of tenants,</p> <p>4 economic cycles, shifts in the economy and so on.</p> <p>5 COMMISSIONER EIREF: Mm-hmm.</p> <p>6 MR. GOLEM: So it inherently is a somewhat</p> <p>7 variable source of revenue.</p> <p>8 COMMISSIONER EIREF: Yeah. It's interesting,</p> <p>9 because these revenues presumably are diversified across</p> <p>10 maybe hundreds of businesses in Menlo Park. You see that</p> <p>11 level of -- that level of -- well, maybe not. Maybe it's</p> <p>12 just from the --</p> <p>13 MR. GOLEM: Yeah. For the business to</p> <p>14 business, it's for the tenants in the approximately dozen</p> <p>15 or so class A office buildings in the City.</p> <p>16 COMMISSIONER EIREF: Sort of large office</p> <p>17 developments. Okay.</p> <p>18 Any other -- Vince.</p> <p>19 COMMISSIONER BRESSLER: Thank you.</p> <p>20 Do you have the inside scoop on that? You'll</p> <p>21 find that when Sun Microsystems was out there, they had a</p> <p>22 lot to do with that variation.</p> <p>23 But this is -- I mean, there's a real</p> <p>24 disconnect between the most valuable thing for the owner</p> <p>25 to build and something that brings in the most revenue to</p> <p style="text-align: right;">Page 72</p>
<p>1 COMMISSIONER EIREF: Mm-hmm.</p> <p>2 MR. GOLEM: And so to the extent that that</p> <p>3 median value turns out to be high and you have a</p> <p>4 collection tenants that generate below that, you're</p> <p>5 right. That would decrease the number that we quoted.</p> <p>6 Even if it goes to the lowest number that we</p> <p>7 outlined in that table, you would still be considerably</p> <p>8 positive. I believe that the dip would be something on</p> <p>9 the order of about 29 or \$30,000 per year.</p> <p>10 On the other hand, in the combination of</p> <p>11 tenants end up being more favorable, then of course the</p> <p>12 number would go up above the figure that we quoted, and</p> <p>13 this is one of the challenges in dealing with sales tax</p> <p>14 generation.</p> <p>15 I would say it's just business to business,</p> <p>16 it's also retail. You know, it's a function of who's</p> <p>17 there and what they're doing and whether they remain.</p> <p>18 So just to put it in historical context -- we</p> <p>19 looked at this recently in other projects -- is that when</p> <p>20 you look at sort of the City's business to business sales</p> <p>21 taxes and its overall sales taxes, they're actually quite</p> <p>22 a bit below what they've been historically in the past.</p> <p>23 I'm going back to 2000.</p> <p>24 So it's when auto dealers move out of town,</p> <p>25 you know, other retailers leave -- you know, when the</p> <p style="text-align: right;">Page 71</p>	<p>1 the City.</p> <p>2 We like to think of M2 is generating revenue.</p> <p>3 This is why we proposed an in-lieu sales tax. To the</p> <p>4 extent that there are sales tax, it would be deducted</p> <p>5 from the in-lieu.</p> <p>6 But we tried to get that on Gateway, and part</p> <p>7 of the reason not to do that was well, they're building a</p> <p>8 hotel, and they're -- they have to build a hotel, you</p> <p>9 know.</p> <p>10 COMMISSIONER EIREF: Mm-hmm.</p> <p>11 COMMISSIONER BRESSLER: I'm sure we'll have</p> <p>12 more opportunity to talk about that.</p> <p>13 COMMISSIONER EIREF: I'm not seeing any other</p> <p>14 questions. I -- I just feel like, you know, we're adding</p> <p>15 a thousand people. We're looking at just excruciating</p> <p>16 traffic situations, and I want to make sure that we think</p> <p>17 through kind of the engagement process with the</p> <p>18 developer, that we think through what can we do that's</p> <p>19 good for the City and balance out some of the tensions</p> <p>20 that will be created by this project.</p> <p>21 So the other thing that I thought was a</p> <p>22 potential linkage between this and development of a hotel</p> <p>23 and stuff like was what was needed to support these kinds</p> <p>24 of business complex. So obviously a plan to build a</p> <p>25 hotel hopefully in the Gateway project.</p> <p style="text-align: right;">Page 73</p>

<p>1 So -- all right. I'm not seeing any other --</p> <p>2 I guess so we should pass to the public input on this, as</p> <p>3 well, right?</p> <p>4 MR. MURPHY: Yes. Just to</p> <p>5 COMMISSIONER EIREF: Anyone --</p> <p>6 MR. MURPHY: -- confirm.</p> <p>7 COMMISSIONER EIREF: Anyone from the general</p> <p>8 public have any comments on the financial impact</p> <p>9 analysis?</p> <p>10 All right. We're moving on.</p> <p>11 So the third part of the discussion is the</p> <p>12 actual project. So I think we're on to study session</p> <p>13 now.</p> <p>14 All right.</p> <p>15 MR. HOGAN: Yes, sir, we are. Before I</p> <p>16 introduce the applicant's lead rep, and then they will</p> <p>17 come in to speak to you, I wanted to summarize that the</p> <p>18 project involves a rezoning from M2 to M2, the</p> <p>19 Conditional Development District, a Conditional</p> <p>20 Development Permit to allow the complex attendant parcel</p> <p>21 map.</p> <p>22 They're going from two existing parcels. They</p> <p>23 want to go to three.</p> <p>24 The tree removal permits have already gone to</p> <p>25 the EQC. There's a BMR agreement, and as you've heard,</p> <p style="text-align: right;">Page 74</p>	<p>1 the existing land use and goal was envisioned as an M2</p> <p>2 District.</p> <p>3 So we stayed within the FAR limitations,</p> <p>4 excepting height, but we think that's in context with</p> <p>5 what's existing around us, what's been approved and what</p> <p>6 we understand the vision for the area is.</p> <p>7 And with that, I'd like to turn the</p> <p>8 presentation over to my architect, Craig Almeleh, who</p> <p>9 designed the office -- the R&D office campus for us.</p> <p>10 MR. ALMELEH: Good evening. My name's Craig</p> <p>11 Almeleh. I'm the president of Arc Tec. We're the</p> <p>12 architects on the project.</p> <p>13 I do have eleven by seventeen color</p> <p>14 presentation sets here that represent -- what you're</p> <p>15 about to see the screen. If you'd like hard copies.</p> <p>16 COMMISSIONER EIREF: This is -- yeah. We</p> <p>17 don't have anything large.</p> <p>18 Is there any three-dimensional stuff in it?</p> <p>19 MR. ALMELEH: There is some color presentation</p> <p>20 documentation here, as well.</p> <p>21 COMMISSIONER EIREF: I'll necessarily work</p> <p>22 with that.</p> <p>23 MR. ALMELEH: You pretty have everything</p> <p>24 documented on the screen.</p> <p>25 COMMISSIONER EIREF: Okay.</p> <p style="text-align: right;">Page 76</p>
<p>1 the Environmental Impact Report.</p> <p>2 And at this point, I'd ask that Rich</p> <p>3 Truempier, the key representative for the -- for the</p> <p>4 applicant to come forward and introduce the rest of his</p> <p>5 team.</p> <p>6 COMMISSIONER EIREF: Thank you.</p> <p>7 MR. TRUEEMPLER: Good evening and thank you</p> <p>8 for your time. Can you hear me okay?</p> <p>9 I'm Rich Truempier and I'm the director of</p> <p>10 development for the Sobrato organization, and tonight I'm</p> <p>11 with my architect for both the building and the sitescape</p> <p>12 area, and we're here to answer any questions you may</p> <p>13 have.</p> <p>14 And in a minute, I'll go ahead and turn it</p> <p>15 over to the more important part of the presentation.</p> <p>16 We bought the site a couple years ago from</p> <p>17 Diageo, and Diageo was in the midst of closing down, and</p> <p>18 we were excited to have the opportunity to make a</p> <p>19 significant investment in Menlo Park.</p> <p>20 And once we acquired the Diageo site, we</p> <p>21 acquired the little building on Jefferson for</p> <p>22 circulation, so now we can both have access to</p> <p>23 Commonwealth and Jefferson. We thought that improved how</p> <p>24 the site worked.</p> <p>25 Our strategy has been to try and conform with</p> <p style="text-align: right;">Page 75</p>	<p>1 MR. ALMELEH: A lot of time you'd like to</p> <p>2 look at it up close.</p> <p>3 COMMISSIONER EIREF: One thing I kind of</p> <p>4 struggled with in the plans was not a lot of</p> <p>5 three-dimensional views. It was kind of like very flat.</p> <p>6 Most of it --</p> <p>7 MR. ALMELEH: Yeah. There's --</p> <p>8 COMMISSIONER EIREF: -- was very flat.</p> <p>9 MR. ALMELEH: You're going to see those</p> <p>10 renderings here. Obviously there's some boards right</p> <p>11 here of the renderings, as well.</p> <p>12 COMMISSIONER EIREF: Okay. Yeah, we have</p> <p>13 these. This is exactly what we have.</p> <p>14 MR. ALMELEH: Yeah. The presentations, the</p> <p>15 3D renderings are on the screen we're about to see.</p> <p>16 COMMISSIONER EIREF: Okay.</p> <p>17 MR. ALMELEH: And --</p> <p>18 COMMISSIONER EIREF: Yeah. We kind of got</p> <p>19 this look.</p> <p>20 MR. ALMELEH: Yeah. That's -- that's just</p> <p>21 the Planning submittal construction document.</p> <p>22 The renderings, you can kind of see them on</p> <p>23 the boards here and maybe -- yeah. You can see them up</p> <p>24 close three-dimensionally. Let me get this right.</p> <p>25 Okay. The first thing I'd like to say is that</p> <p style="text-align: right;">Page 77</p>

<p>1 we've been working on this project for about a year and a 2 half with staff, and staff's been great to work with, 3 through Justin and other staff members, and the product 4 you're about to see is the result of all the energy that 5 was spent by the city team and developer's team. 6 And we're very happy with where we are at this 7 point. We think it's a very exciting project that we're 8 looking very forward to moving forward with. 9 First what you're looking at here, these 10 photographs, this is one of the renderings that you -- 11 you're asking about. 12 This is done from a helicopter fly-over, so 13 it's real. You can see the Bohannon project behind it. 14 It -- you can see the -- what I call the Failure Analysis 15 campus right next to it which used to be there, 101 16 between us and 101 and the residential, and the other 17 side of the freeway is the railroad track system there 18 that's in place. 19 Kind of deceptive because as David mentioned 20 earlier, trees have been scaled way back on these designs 21 specifically to show you the buildings. So we can go a 22 little bit farther from that standpoint. 23 Currently the project has two four-story 24 buildings, 259,000 square feet. Maintaining the 45 25 percent FAR, we have 3.3 cars per thousand.</p> <p style="text-align: right;">Page 78</p>	<p>1 Now what you're looking at, we have a 2 reduction -- I should say reduction of 43 and an increase 3 of 470 trees. So we've -- we've increased the amount of 4 trees on the site by over 400. 5 And when we met with staff and with Planning 6 Commission over a year ago, the tree count has increased 7 largely in part to an attempt to bring the shade 8 coefficient to the parking lot to fifty percent for 9 parking which helps the heat island and other aspects of 10 greater onsite. 11 Around the building is the immediate amenity 12 space, which includes amphitheaters, it includes large 13 patio spaces for onsite cafeterias that would support 14 these tenants, as you see typically see in a lot of these 15 campuses. 16 That helps traffic mitigate, as well, because 17 it keeps your people onsite. 18 And then we have a very accessway over to the 19 Jefferson Street site, which initially had parking lot 20 and other things. 21 Now it is a straight secondary amenities-based 22 greenbelt that can be used for volleyball, barbecue areas 23 and other like amenities that are not what you would put 24 right immediately next to the building, but what would be 25 a nice feature to the campus users.</p> <p style="text-align: right;">Page 80</p>
<p>1 When we met with the staff and Planning 2 Commission over a year ago, there was a request to reduce 3 the amount of parking. This reflects a reduction to the 4 numbers that you see that's there as a result of working 5 with the staff to reach that goal. 6 The landscaping, it shows 37,000 square feet 7 there. Based on the amount of landscaping that you see, 8 the number is broken up differently in Menlo Park to 9 include permeable surfaces and non-permeable surfaces. 10 So, for example, when you see the colored site 11 plan, you're going to see water features and amenities, 12 spaces that are plazas for eating areas, and those aren't 13 in the landscape numbers because of the way the City of 14 Menlo Park calculates those numbers. 15 This is a picture of the existing building 16 that you see in place. The U-shaped building is what I 17 call the Failure Analysis building. 18 Directly up above to the left, you'll see two 19 buildings. The one to the right is our site that's on 20 Jefferson. There's a small one-story concrete tilt-up 21 building. 22 We plan to remove that, and when you get to 23 the new site plan, you'll see the creative way that we've 24 attempted to create a secondary amenity facility for the 25 site.</p> <p style="text-align: right;">Page 79</p>	<p>1 Typical -- this is a typical floor plan. It's 2 a standard 30,000 foot floor plate. Right now we don't 3 have a tenant in place. We're trying to create a 4 building that will be a great user to the City of Menlo 5 Park. That's what our plan is. 6 A sample. We've done series of things when we 7 worked with David before. The ones were sample layouts 8 and whether it was an office use or whether it was a 9 biotech user, we've explored the opportunities for all 10 these types of users that we can put on to the site and 11 build a class A facility, more of an office user that you 12 might see, like a Facebook or things like that. 13 These are the renderings -- the elevations 14 that you're talking about, which are necessary when we're 15 determining all our calculations for floor areas, height, 16 everything to that effect, and as David mentioned, we are 17 conforming to all the zoning ordinances, with the 18 exception of height, not by a significant violation, but 19 it is a violation request, minimal to get the fourth 20 floor in place, and what that does is it allows us to 21 bring the campus together, which allows us to have more 22 greenery, more space in a closer proximity that will make 23 for a better campus. This is what all the incorporate 24 users are looking for. 25 Section profile. The -- the interesting thing</p> <p style="text-align: right;">Page 81</p>

<p>1 about this profile, one of the ways that we mitigated the 2 height on this particular design is you'll see what looks 3 like a window on top and you'll see a terraced level from 4 the third floor to the fourth floor with a small balcony 5 out there, and what that does is it helps the building 6 terrace back.</p> <p>7 And then as you look up to the fourth floor, 8 you don't see past the lane, which is this very 9 interesting wing you see right through here, which 10 screens the roof screen, that was on purpose. That was 11 one of the mitigating things that we addressed to do 12 that.</p> <p>13 So that when you look at an elevation in two 14 dimensions, like you see on the right, you can see the 15 roof stream, but in reality, you really can't see it 16 because it's set back, and that's sort of like what you 17 see on that house that you see in the EIR.</p> <p>18 But you don't see it there because it's 19 two-dimensional, except there's a railroad track, a 20 freeway, another freeway and the planting.</p> <p>21 Three-dimensional renderings, as you were 22 talking about before earlier. This is a photograph taken 23 from 101, and as David says, the trees have been 24 mitigated, but the freeway's real and the building's 25 real.</p> <p style="text-align: right;">Page 82</p>	<p>1 provided the space for that.</p> <p>2 There's also a series of terracing water 3 features and there's an outdoor amenities space that 4 would be an amphitheater right adjacent to the building, 5 as well.</p> <p>6 As I mentioned at the beginning of this 7 conversation, architecturally we're very excited about 8 the opportunity. We're very proud of the architecture. 9 The staff's been intimately involved in our processes.</p> <p>10 So I'd be glad to answer any architectural 11 questions that you might have. If you have -- you guys 12 asked some questions about light, I can answer those, 13 too, if you want to ask those.</p> <p>14 Thank you very much for your time.</p> <p>15 COMMISSIONER EIREF: I'll kick it off a 16 little bit.</p> <p>17 The -- can you comment on the -- so you have 18 what looks like light glass and clear glass and dark 19 grass?</p> <p>20 MR. ALMELEH: Yes.</p> <p>21 COMMISSIONER EIREF: What's going on there? 22 Is that -- is the glass tinted differently?</p> <p>23 MR. ALMELEH: Yeah. There's -- there's a 24 series of materials on this building. I'll make this 25 interesting. You have these aluminum metal panels that</p> <p style="text-align: right;">Page 84</p>
<p>1 Another new -- this is as you're coming out 2 from underneath the overpass, coming from this -- say the 3 San Jose direction and as you come across.</p> <p>4 One of the things that we've tried to do here 5 architecturally is even though these buildings are 6 identical, one building is mirrored, reflected and 7 flipped so that you actually get to see all four 8 elevations from each direction even though if you look at 9 one building, you got the backside.</p> <p>10 The building is fatter on one end, narrower on 11 the other and you get the bene -- the benefit of seeing 12 all these interesting features on the buildings, which 13 includes the clear glass that you see up on the fourth 14 floor of the balconies on this side, you don't see on the 15 building on the right.</p> <p>16 Instead, you see the recessed stairwell, which 17 is designed to activate the building and it's visual from 18 the freeway.</p> <p>19 This is the -- what I call the amenity 20 priority space that's right adjacent to the building. As 21 I mentioned, we fully anticipate that a food service 22 cafeteria would be provided here of some sort, but we 23 don't have a tenant.</p> <p>24 We don't have those things secured, but it's 25 fairly dependable from this type of use, and we've</p> <p style="text-align: right;">Page 83</p>	<p>1 create -- let's call it the lean up above that circles 2 around the building.</p> <p>3 Up on the fourth floor, that wraps -- where 4 you see that clear glass, that will be -- it's low iron 5 glass. It's a very, very efficient glass.</p> <p>6 As the new energy codes comes into effect, 7 these things are being -- they're actually becoming -- 8 they're more flexible architecturally to us.</p> <p>9 We like the product. They're a little bit 10 more expensive, but they do amazing things for energy, 11 and they allow the clears to be more clear and it gives 12 us a lot more freedom in what we can do architecturally.</p> <p>13 So you're seeing that fourth floor. That is 14 a -- I'll call it -- there no such thing as clear glass 15 in California with our energy requirement.</p> <p>16 It's a very lightly tinted glass, almost 17 clear. Comes down to a four story element that has a 18 floating colonnade in front of it. You've identified the 19 entrance, and that same element wraps around the bottom 20 of the first floor.</p> <p>21 You can kind of see it in the foreground of 22 the building, if you can just kind of see the clear 23 glass.</p> <p>24 Our intent right now is that the darker 25 colored glass is -- this doesn't do justice to the color.</p> <p style="text-align: right;">Page 85</p>

<p>1 We have some beautiful color renderings and you can see 2 it. 3 That's a blue glass as it's planned right now 4 from the standpoint, and when we made our initial 5 submittal to Planning, we actually have material boards. 6 I -- some of you look familiar from when we 7 were here before, but the board did get passed around. 8 COMMISSIONER EIREF: Okay. 9 MR. ALMELEH: Okay. 10 COMMISSIONER EIREF: Okay. It just looks 11 like the -- the darker glass would have a very different 12 experience on the side of the building from light glass, 13 but -- 14 MR. ALMELEH: The inside of the buildings is 15 amazing. When you're inside the building and you look 16 out, the exterior sunlight pretty much obliterates all 17 color almost anyway from that standpoint. 18 Now, we're also dealing with bird friendly 19 building issues which allow us -- with the glass, 20 Planning Commissioner Eiref had asked about lighting 21 controls. 22 Pretty much a standard. I don't think we've 23 done a building of this type without those kind of 24 lighting controls, basically set up with the sensors 25 that -- that turn off for energy Title 24, California</p> <p style="text-align: right;">Page 86</p>	<p>1 COMMISSIONER EIREF: Yeah. 2 MR. TRUEMLER: So, you know, it's 3 interesting -- and we've seen that, too -- is this is a 4 speculative office development. It's one of the things I 5 failed to share. 6 We're going to be under some new code 7 requirements and we're learning about those. 8 COMMISSIONER EIREF: Mm-hmm. 9 MR. TRUEMLER: It's the Title 24. They 10 deferred the adoption, which is thirty percent more or 11 less more stringent than today's Title 24, and at the 12 same time they're updating Title 24, they're updating the 13 LEED. 14 And so we're going from LEED B3 to LEED B4, 15 and so it was one of the things that we're studying is 16 what does that mean. 17 So obviously when we're going to have to do 18 Title 24 regulations, which will address all the concerns 19 that you brought up, the need for smart building 20 management systems. Your -- your lighting's going to be 21 tied into your air conditioning and all of those 22 wonderful things, but, you know, the -- the designation 23 of LEED's changing. 24 So we're studying that actively right now. 25 COMMISSIONER EIREF: Okay. All right. So</p> <p style="text-align: right;">Page 88</p>
<p>1 pretty much a requirement. 2 The only lights that stay on at night, as you 3 were concerned with, will be emergency lighting that the 4 Fire Department requires. That's minimal lighting. When 5 someone goes in, lights go on, and they turn them off 6 when they're done. 7 COMMISSIONER EIREF: Okay. I'll hit you with 8 a bunch of quick questions. 9 MR. ALMELEH: Sure. 10 COMMISSIONER EIREF: So I haven't heard the 11 word "LEED" mentioned at all in all this. I'm going to 12 walk through it really quickly, and then you can kind 13 of -- 44 bikes -- 44 bike racks seems like kind of a 14 small number of bike racks for 1,100 people. 15 The 74 percent impervious surface in the 16 parking area, I was just thinking there were also one -- 17 we do have one Planning Commissioner who's not here who 18 had mentioned that he had a question about this -- can 19 there be more options or more pervious parking. I wanted 20 to touch on drainage. Let's start with those ones. 21 So this is kind of unusual, like most big 22 projects we've see had some sort of a common value LEED 23 certifications. This doesn't seem to be -- 24 MR. TRUEMLER: Sorry. Was that a question 25 about LEED?</p> <p style="text-align: right;">Page 87</p>	<p>1 it's sort of in flux. 2 MR. TRUEMLER: Yeah. 3 COMMISSIONER EIREF: The parking I think -- 4 I'm going to guess a number of people have questions 5 about the parking area. 6 I had two -- a couple of problems. One was 7 just about the level of the amount of asphalt, sort of 8 jumps right out at you when you look at the aerial view 9 of the project. 10 And so, you know, an obvious question would 11 be: Is there anything else you can do to make that more 12 pervious? I had a question about -- I think I brought up 13 the very first time you came. 14 Would it be possible to have a walking circuit 15 that goes around the outside of the project? 16 MR. ALMELEH: Par course. 17 COMMISSIONER EIREF: A lot of -- I see this 18 all the time in large office complexes. People go for a 19 walk at lunch, and it's really nice if there's a -- kind 20 of a place for them to walk as opposed to just kind of 21 like walking through parking lots. 22 MR. TRUEMLER: You know, we looked at the -- 23 we looked at the par course, and there's a couple of 24 things that we've done here. 25 One is our mitigation measures, we're going to</p> <p style="text-align: right;">Page 89</p>

<p>1 be completing a sidewalk area along Jefferson and 2 Chrysler. So if you do want to walk during lunch, we're 3 going to have a completed sidewalk -- sidewalk network 4 that we're going to be contributing to; in fact, 5 responsible to build. 6 The other things is -- I'll have Craig point 7 that -- this out -- we have a strong pedestrian 8 connection from the buildings to the amenity area. 9 So you can certainly walk from the building to 10 the amenity area and around that way. 11 COMMISSIONER EIREF: Okay. One thing I would 12 say I -- I work in a really large building complex. 13 MR. TRUEMLER: Sure. 14 COMMISSIONER EIREF: And people absolutely 15 look for places to go for a walking lunch. It's a very 16 common. They go on a run, they get lunch, they go for a 17 walk. It's the healthy thing to do. 18 So anything you can do to kind of create more 19 of a holistic place for that to happen would be great. 20 It seems like you have an opportunity to create a really 21 cool like loop there, but I don't see it in the -- the 22 current plans. 23 MR. TRUEMLER: Well there -- you'll have the 24 big loop in the neighborhood, and we started running into 25 some planting and parking issues.</p> <p style="text-align: right;">Page 90</p>	<p>1 twenty percent of them are going to walk out that 2 building at lunch to look for somewhere they can -- 3 MR. LETTIERI: We -- the walking -- the 4 walking idea's pretty good. The par course part of this 5 is less successful in terms of having exercise stations, 6 you know, along the way. 7 But seating locations, we have an -- we have 8 an oak that we're saving in that top portion -- 9 COMMISSIONER EIREF: Okay. 10 MR. LETTIERI: -- of green that we'd be able 11 to -- I think we can get our way through there with an 12 opportunity to have some seating right there. 13 So there may be a possible way to -- to add 14 some component of what you're talking about. 15 And then one of the alternate destinations, of 16 course, the amenity space that's there on the upper left, 17 which has some open lawn and basketball and -- and some 18 seating spaces, picnic table. 19 COMMISSIONER EIREF: Something to think 20 about. 21 MR. LETTIERI: There's some -- and then you 22 can also go offsite as Rich was saying with walkways that 23 are being added. 24 COMMISSIONER EIREF: There were several 25 comments I saw before coming in tonight about just the --</p> <p style="text-align: right;">Page 92</p>
<p>1 COMMISSIONER EIREF: Yeah. 2 MR. LETTIERI: Paul Lettieri with the 3 Guzzardo Partnership, landscape architect. 4 It might be possible to do a partial circuit. 5 The reason we haven't looked at one now is along the 6 bottom of the site of the angle, we would decimate all 7 the tree planting there and we're creating -- you know, 8 there's a three-dimensional aspect that you don't see. 9 There is some greening issues. 10 There's a possibility that we might be able to 11 do something that completed the -- there's a diag -- a 12 diagonal line that sort of splits the parking. 13 You would be able -- you could walk out 14 through that -- out to that -- where that stormwater 15 treatment area is and be able to loop around the upper 16 portion of the site. 17 Because that's -- a railroad used it. We 18 can't plant trees in it. It's utilities. 19 It may be a -- it may be a compatible way to 20 do it, but it would not be the grand -- the grand loop 21 idea that you're talking about. 22 COMMISSIONER EIREF: Okay. 23 MR. LETTIERI: It could be a -- 24 COMMISSIONER EIREF: I'm -- I guarantee you 25 people -- you know, a thousand people are going to --</p> <p style="text-align: right;">Page 91</p>	<p>1 yeah, level of impervious pavement. 2 You know, is there anything that you can do 3 there with impervious materials or maybe landscaping 4 preserve or -- 5 MR. LETTIERI: The landscape preserve that 6 was talked about, and I think we're talking about the 7 parking level that the site needs in terms of viability, 8 and we've taken some of that -- the reduction from 3.5 to 9 3.3 has been put into the -- the green spaces that are 10 near the buildings now, which are fairly urban in their 11 character and they have -- they have some variety in 12 terms of use. 13 I -- I don't know about -- more permeability 14 in terms of -- of just parking sections. 15 COMMISSIONER EIREF: Okay. 16 MR. LETTIERI: Okay. 17 MR. ALMELEH: At this point, what you're 18 looking at right now represents about twenty something 19 percent reduction or increase of impervious products. 20 COMMISSIONER EIREF: Okay. 21 MR. ALMELEH: Because -- from what was there 22 currently. All the greenscape. By consolidating 23 everything, we created a lot of green areas that have 24 addressed some of those concerns. 25 COMMISSIONER EIREF: Are there actually</p> <p style="text-align: right;">Page 93</p>

<p>1 asphalt materials, though, that are themselves pervious? 2 I mean, I've heard of -- 3 MR. ALMELEH: There are products out there -- 4 absolutely there are products like that. 5 COMMISSIONER EIREF: Is that part of the plan 6 or -- 7 MR. ALMELEH: Well, we have -- we have plaza 8 areas that you see along that go from Jefferson all the 9 way to Commonwealth, those rectangular areas and other 10 areas that can be made into those products once we get 11 into further development on the site, absolutely. 12 COMMISSIONER EIREF: I was thinking more the 13 parking itself, which is the majority of that expanse. 14 MR. TRUEMLER: No. I mean, we've taken a 15 look at this. We have increased the perviousness of the 16 area, and so the water's designed to be all landscaping 17 treated. 18 So that pervious area, you know, is shedding 19 water into the biotreatment areas right now -- 20 COMMISSIONER EIREF: Mm-hmm. 21 MR. TRUEMLER: And the -- and the -- to go 22 all pervious in a parking lots would be cost prohibitive. 23 So we do have some permeable pavers. We've 24 increased the landscaping quite a bit, and we're treating 25 ah all of our onsite stormdrain water through bio-</p> <p style="text-align: right;">Page 94</p>	<p>1 putting in -- I mean, if you take a look at what we're -- 2 we're transforming the site. We're significantly 3 improving it. 4 Can we go back to the slide where -- 5 Yeah, I mean, so if you look at some of the 6 project data and take a look at that -- 7 COMMISSIONER EIREF: Sure. Clearly relative 8 to what's there today, it's like -- 9 MR. TRUEMLER: Sure. 10 COMMISSIONER EIREF: -- night and day, but 11 I -- one last question, which is: Is it your 12 expectation -- what's your expectation in terms of type 13 of tenant? 14 I mean, you talked a little bit earlier about 15 different types of tenants would have dramatically 16 different impact on Menlo Park. 17 Forget about the site itself, but you've got 18 tenants at one end of the spectrum like Facebook who 19 strive for very high rideshare and bus systems. 20 Because they have scope over such -- so much 21 property, they can actually really change the behavior of 22 all the traffic and impact -- really have a big impact on 23 the community as a company. 24 Versus you have other special -- we have lots 25 and lots of little companies that really -- you know, at</p> <p style="text-align: right;">Page 96</p>
<p>1 retention areas. 2 COMMISSIONER EIREF: Okay. The tension I 3 felt that was when I saw this comment about if - if the 4 drainage is -- if the storm events exceed a certain 5 amount, it's going to go to Jefferson. So I was kind of 6 like, okay. Well, we're not putting in impervious 7 pavement and there's also this notion that it's just 8 going to all flow out to Jefferson. 9 MR. TRUEMLER: So it -- my understanding, so 10 we're meeting the C3 requirement. And so they're just 11 small normal storms. They're storm events that they look 12 at. 13 COMMISSIONER EIREF: Sure. 14 MR. TRUEMLER: And so there -- it would be a 15 significant storm. 16 COMMISSIONER EIREF: Mm-hmm. 17 MR. TRUEMLER: So a one in ten-year event, 18 you know, where you have some of that negative oversight 19 COMMISSIONER EIREF: Okay. 20 MR. ALMELEH: What you see there -- 21 MR. TRUEMLER: But I understand the comment. 22 COMMISSIONER EIREF: Yeah. It's like you're 23 putting a lot of impervious pavement in and then you're 24 saying, well -- 25 MR. TRUEMLER: Well, we're ac -- we're</p> <p style="text-align: right;">Page 95</p>	<p>1 the end of the way, you're just giving out park -- you're 2 giving out like train passes and doing some of the 3 obvious stuff, but it's really kind of a -- it's hard to 4 influence the aggregate behavior. 5 MR. TRUEMLER: No. I mean, unfortunately, 6 we're in the latter. I mean, we're going to be -- we're 7 going to -- we're proposing to build a speculative office 8 building, and it's not on the Facebook or Google, Samsung 9 that ha critical mass and they're able to really, really 10 push -- or even Apple. Apple's another one, really able 11 to have TDM programs that are effective, you know. 12 The type of uses we're trying -- when I 13 worked with -- what we worked with Craig Almeleh on is 14 trying to -- to develop buildings that can attract a 15 variety of tenants, from high-tech to biotech. 16 We've had the EIR take a look at a range of 17 uses so that we kind of create an envelope and can market 18 the building to -- to attract either a high-tech tenant 19 or office tenant or biotech tenant. 20 COMMISSIONER EIREF: So is it -- would you 21 say it's fairly low probability that you'd have one large 22 tenant in each building or something like that? 23 MR. TRUEMLER: No. Our -- my goal -- well 24 my goal would be to have one large tenant. 25 COMMISSIONER EIREF: Okay.</p> <p style="text-align: right;">Page 97</p>

<p>1 MR. TRUEMLER: But even if I have one large 2 tenant in each building -- and I'd probably look at -- 3 and I think you can talk a little bit about effectiveness 4 of TDMs, your transportation staff. 5 But what I've -- you know, what we have found 6 is if you're not the employer, it's hard to have 7 stringent TDM measures, and you have a building that's 8 not marketable. 9 COMMISSIONER EIREF: Mm-hmm. 10 MR. TRUEMLER: And so that's the viability 11 of it. 12 If you have a bunch of collection of tenants, 13 which is something that may happen at this -- this 14 building, then having something where a -- you know, an 15 employer's funding a shuttle system to San Francisco or 16 what have you, it's -- 17 COMMISSIONER EIREF: Right. 18 MR. TRUEMLER: -- just not that effective or 19 viable. 20 COMMISSIONER EIREF: There's got to be some 21 lights here. All right. What are your thoughts? 22 COMMISSIONER RIGGS: I -- I continue to like 23 where the project is going, and it's well thought out and 24 it's also nice to see a very realistic project that I 25 think is clearly going to be successful.</p> <p style="text-align: right;">Page 98</p>	<p>1 speak. 2 Now -- and as the energy codes keep cranking 3 up, there's less and less difference between a LEED 4 Silver building and what you have to build just -- what 5 you have to draw just to get a permit. 6 COMMISSIONER EIREF: Kathy. 7 COMMISSIONER STREHL: I'm sorry, but my 8 eyesight, I need new glasses. 9 Where is the eating amenities? Where are they 10 located? And is that indoor or outdoor or both? 11 MR. ALMELEH: Right now it's outdoor. 12 COMMISSIONER STREHL: Yeah. Okay. 13 MR. ALMELEH: (Inaudible). 14 COMMISSIONER STREHL: Okay. 15 MR. ALMELEH: (Inaudible). 16 COMMISSIONER STREHL: So there's not any 17 real -- I mean, if you have a thousand people up there, 18 there's not any -- there's nothing within the facility 19 itself except for on one floor. I guess the 20 anticipated -- 21 MR. ALMELEH: It would be anticipated that 22 there would be a food service cafeteria. On the type of 23 users that we'd be look at this building, you'd expect to 24 serve -- that cafeteria to serve approximately third to 25 forty percent.</p> <p style="text-align: right;">Page 100</p>
<p>1 And they don't have to do structured parking 2 or underground parking, so they're not. They on the 3 other hand are looking at -- targeting fifty percent 4 coverage of the heat island. I think that's appropriate 5 response to surface parking. 6 The general forms of the building I think are 7 working. They're -- they're simple, but it's been -- 8 you've developed some nice if minimal articulation and a 9 nice composition with the glass. 10 And I -- certainly the wing up top, that's the 11 modern equivalent of the cornices is a nice touch, great 12 idea. 13 So I do want to just throw a little weight 14 behind -- Paul, you see it up in the City. People 15 definitely go up for a walk, and you can get -- you can 16 get cabin fever working on a -- working on a campus, and 17 yes, I've seen it. 18 People walk a lot around a campus, and they 19 will find a route, and if that includes going through the 20 parking lot at lunchtime, that's not ideal. 21 So it's just -- just an opportunity for you. 22 So not too much else to say at this point. 23 I'm certainly aware that the water is being handled, 24 and -- I mean, that's what the bioswales are for. So 25 what doesn't soak in ends up under the parking lot, so to</p> <p style="text-align: right;">Page 99</p>	<p>1 COMMISSIONER STREHL: Mm-hmm. 2 MR. ALMELEH: Because there are -- like Mr. 3 Riggs mentioned, people get cabin fever. Some of them -- 4 a third of people just want to leave. 5 COMMISSIONER STREHL: I know. 6 MR. ALMELEH: And a third want to stay and 7 third work. 8 COMMISSIONER STREHL: Having worked on a 9 25,000 person campus, I can appreciate that. 10 MR. ALMELEH: Yeah, exactly. 11 COMMISSIONER STREHL: But the problem is that 12 traffic. I mean, if they're not walking, they're 13 driving. 14 MR. ALMELEH: Yeah. That's why we tried to 15 hold thirty to forty percent of them onsite. That's a 16 big mitigation when we can -- 17 COMMISSIONER STREHL: Thank you. 18 MR. ALMELEH: -- by creating beautiful space, 19 we're hoping it helps. 20 COMMISSIONER STREHL: Okay. 21 COMMISSIONER FERRICK: Thanks. I actually -- 22 Commissioner Strehl said not quite my experience -- my 23 current position, but -- because we're -- I work at a 24 company that's landlocked, you really can't leave the 25 campus and expect to be back and also stop somewhere.</p> <p style="text-align: right;">Page 101</p>

<p>1 So I think it's more of a 95 percent retention 2 rate where I work for lunch.</p> <p>3 The -- plus we have a really good cafe, which 4 is another kind of tenant thing that, you know, if that's 5 potentially something that I know is something that they 6 may contract on their own, but my comments really had 7 more to do with that I was really pleased that -- that 8 you have the water retention and the bioswale, but also, 9 you know, I like the -- the development of how building 10 forms are looking. I think they're going to be really 11 nice, nice looking buildings.</p> <p>12 And then I was just going to encourage you to 13 go for the greatest energy efficiency level possible 14 because it really does I think attract a better tenant 15 and would be better for everybody. You guys, us, the 16 whole -- the whole thing.</p> <p>17 The -- the -- the -- you know, not aware of 18 what the market is right now for an 1,100 employee site, 19 but, you know, I don't know -- you know, hopefully 20 you're -- you're finding that there is one.</p> <p>21 But anyway, I just -- I just would encourage 22 the - the greatest energy efficiency. I think it is 23 becoming a really important aspect of what tenants look 24 for in renting a building, especially on a -- what would 25 be a campus type of environment where employees probably</p> <p style="text-align: right;">Page 102</p>	<p>1 really -- it's kind of unacceptable that we just keep 2 piling on the traffic, and the answer is well, we'll do 3 something on the next project, you know.</p> <p>4 It's like we really need to get our act 5 together with the Transportation Districts here and we 6 need a Development Agreement or something that connects 7 us to that.</p> <p>8 I just -- I don't know how you approve this 9 project unless something visible happens along those 10 lines.</p> <p>11 You know. Anyway, that's my point.</p> <p>12 COMMISSIONER EIREF: Does Sobrato own any 13 other properties in that area? You're a huge property; 14 right?</p> <p>15 MR. TRUEEMPLER: Well --</p> <p>16 COMMISSIONER EIREF: Do you have any 17 companies in that landlocked, roadlocked in area over 18 there?</p> <p>19 MR. TRUEEMPLER: No, we don't -- Sobrato 20 organization, they do have holdings, but not many 21 holdings in Menlo Park. So --</p> <p>22 COMMISSIONER EIREF: Okay.</p> <p>23 MR. TRUEEMPLER: -- this is our first foray 24 into your city.</p> <p>25 COMMISSIONER EIREF: Okay. Maybe I'm getting</p> <p style="text-align: right;">Page 104</p>
<p>1 wouldn't really leave all that often.</p> <p>2 I think your retention will be higher because 3 it is a difficult area to travel anywhere, that you'd go 4 for lunch from there.</p> <p>5 So that's great, and I'm glad to see that 6 there's some collaboration with traffic improvements on 7 those key intersections as well as the -- the bike and 8 ped kind of activity to the -- to the path that goes over 9 the freeway.</p> <p>10 And that's really all I have. I like the 11 where -- I like where it's going. I share many of the 12 same concerns with cumulative traffic impacts, but I 13 think, you know, during that section of the presentation, 14 we went over what could be done.</p> <p>15 Thanks.</p> <p>16 COMMISSIONER BRESSLER: I really don't have 17 anything to add to what's been said. It's a very 18 attractive campus. I do think people won't be leaving it 19 during the middle of the day. It's not easy to go 20 anywhere. You'd want to have lunch there, probably, at 21 least right now.</p> <p>22 In general, it's just disappointing that we 23 have a big office complex with parking, but I think 24 that's probably the reality.</p> <p>25 But I'll say it again. I -- it's also -- I</p> <p style="text-align: right;">Page 103</p>	<p>1 confused. I thought --</p> <p>2 MR. TRUEEMPLER: We tried. So we just -- we 3 weren't successful buying the property.</p> <p>4 COMMISSIONER EIREF: Okay. All right. All 5 right. I'm not seeing any other -- I think one last 6 comment is you said -- I notice there's provision for 7 conduit for electric car chargers and stuff in this 8 parking lots.</p> <p>9 I've noticed, and I'm guessing if you looked 10 around at Face -- granted Facebook's not your typical 11 company. Google's not your typical company, LinkedIn's 12 probably not your typical company.</p> <p>13 I'm at Cisco these days, and we're probably 14 not your typical company, but we have tons of electric 15 cars being charged now. It's like out of control.</p> <p>16 MR. TRUEEMPLER: No, absolutely. It's 17 something to look at. We just don't know if it's going 18 to be five cars or ten cars or fifteen cars.</p> <p>19 COMMISSIONER EIREF: It's hundreds.</p> <p>20 COMMISSIONER FERRICK: It's more than you can 21 build.</p> <p>22 MR. TRUEEMPLER: Those cars are very 23 expensive, too, and --</p> <p>24 COMMISSIONER EIREF: Yeah.</p> <p>25 MR. TRUEEMPLER: -- so we'll look at building</p> <p style="text-align: right;">Page 105</p>

<p>1 conduit. We'll be looking at things for infrastructure 2 for the panels, make sure that's taken into account. 3 COMMISSIONER EIREF: It's growing a lot 4 faster than you can imagine. 5 MR. TRUEMLER: Yeah. 6 COMMISSIONER EIREF: I'm overwhelmed with the 7 number. We keep putting more chargers and next week 8 there's more Leafs, more Volts, more Teslas -- 9 MR. TRUEMLER: I don't disagree with you. 10 It's always something, and even -- you know, one of the 11 things that I think we commented was just the number of 12 bike parking stalls. You know, we'll take a look at 13 that, I think. 14 COMMISSIONER EIREF: That could be -- that 15 one jumped out at me because that could be the most 16 inexpensive thing you can possibly put in there. It 17 seems like a very small number to me. 18 MR. TRUEMLER: Bike lockers. 19 COMMISSIONER EIREF: Bikes and lockers. 20 MR. TRUEMLER: But it's something I took 21 note of, so I appreciate the comment. 22 MR. LETTIERI: Right now, it's sort of -- it 23 meets the letter of the law because it's a speculative 24 building. 25 COMMISSIONER EIREF: Yeah.</p> <p style="text-align: right;">Page 106</p>	<p>1 one had to think of an electric car as being at least 2 \$30,000 and typically forty. 3 Besides Smart, the Fiat is now available as an 4 electric, and I know someone that comes over to Portola 5 Valley from Berkeley. Needless to say, he needs to 6 charge to get back. 7 COMMISSIONER EIREF: I think it's all going 8 to change once people start charging for electricity. 9 Right now, they don't charge for it. 10 COMMISSIONER RIGGS: They charge in Portola 11 Valley Town Center. You have to have a card. 12 COMMISSIONER EIREF: It's going to be a 13 chicken and -- well, we'll see what happens. 14 All right. I think we never really opened it 15 up for the general public. Is there anyone from the 16 general public that wants to make a comment? Fran, come 17 on. 18 AUDIENCE PARTICIPANT: No. I love the 19 project. 20 COMMISSIONER EIREF: You're happy? More 21 business for downtown. 22 Okay. I also, by the way, thought the about 23 the building -- finally seeing the 3D was really helpful. 24 The 2D was completely like monolithic looking, but seeing 25 the 3Ds was like -- the way you sculpted the top of the</p> <p style="text-align: right;">Page 108</p>
<p>1 MR. LETTIERI: We'll be able to add more to 2 it. We sort of built it into the campus design. We can 3 add more to it. 4 COMMISSIONER EIREF: Okay. 5 MR. LETTIERI: It's the kind of thing that 6 gets customized to essentially the folks coming in. It 7 doesn't turn the whole plan upside down. 8 COMMISSIONER EIREF: Okay. 9 MR. LETTIERI: So we can easily add more bike 10 parking. 11 COMMISSIONER FERRICK: Could I just redouble 12 the comment that Commissioner Eiref gave with my 13 anecdotal experience at my workplace, is that there's so 14 many people that want those car chargers that rely on 15 them or they won't be able to get home that they have 16 sort of an internal group where they have to move their 17 car at lunch so that the other person can charge their 18 car. 19 And so it's really a thing that, you know, 20 people are definitely going electric and they need those 21 charger stations, and you'll probably be able to get some 22 great tenants that already know that, you know, that -- 23 that are aware of that as a -- as a big amenity. 24 COMMISSIONER RIGGS: I'll add something. 25 Until -- before we're done, until less than a year ago,</p> <p style="text-align: right;">Page 107</p>	<p>1 buildings and stuff looks very handsome. It looks like 2 they'll be really exciting buildings. 3 All right. I'm -- let's see. I think that's 4 it on this project. I guess we'll -- you'll be coming 5 back with the final versions of all -- all of the above. 6 And there's no other Commission business. 7 Okay. So I think we can adjourn the meeting. 8 Thank you. 9 (The meeting concluded at 10:30 PM). 10 ---o0o--- 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p> <p style="text-align: right;">Page 109</p>

<div>1 STATE OF CALIFORNIA) 2 COUNTY OF SAN FRANCISCO) 3 4 I, the undersigned, hereby certify that the 5 discussion in the foregoing meeting was taken at the 6 time and place therein stated; that the foregoing is a 7 full, true and complete record of said matter. 8 I further certify that I am not of counsel or 9 attorney for either or any of the parties in the 10 foregoing meeting and caption named, or in any way 11 interested in the outcome of the cause named in said 12 action. 13 14 IN WITNESS WHEREOF, I have 15 hereunto set my hand this 16 _____ day of _____, 17 2014. 18 19 _____ 20 MARK I. BRICKMAN CSR 5527 21 22 23 24 25</div>	
Page 110	