March 13, 2017

City of Menlo Park
Community Development Department
Attn: Kyle Perata, Associate Planner

Re: Budget Amendment 6 for the Facebook Expansion Project Environmental Impact Report

Dear Mr. Perata

ICF Jones & Stokes, Inc. (an ICF company, hereafter "ICF") submitted a Scope of Work (scope) for the environmental review of the Facebook Expansion Project Environmental Impact Report (EIR) on April 29, 2015, with Budget Amendment 1 (also known as Phase II) submitted on June 11, 2015; Budget Amendment 2 submitted on October 19, 2015; Budget Amendment 3 submitted on February 29, 2016; Budget Amendment 4 submitted on June 6, 2016; and Budget Amendment 5 submitted on August 26, 2016. As outlined in the attachment, this budget amendment is for ICF and some of ICF's subconsultant team to prepare an Addendum to the EIR.

With the previous five budget amendments, the current approved budget for the EIR is $956,568.26. ICF requests $154,694 be added to our contract (including $13,000 for TJKM, $3,500 for KMA, and $14,610 for BAE, plus ICF's 10% markup), for a total budget of $1,111,262.26.

ICF will provide these services under the terms and conditions of its existing contract with the City dated May 18, 2015. If you agree to authorize the tasks and costs associated with these items, please indicate your acceptance of this notice to proceed by signing this letter and returning it to me. If you have any questions, please contact Erin Efner at 415-677-7181 or at erin.efner@icf.com.

Sincerely,

Trina L. Prince
Contracts Administrator

Acceptance for City of Menlo Park:

Signature

ALEX D. MCINTYRE, CITY MANAGER
Name and Title

[Signature]
Date 6/7/17

620 Folsom Street, 2nd Floor, San Francisco, CA 94107 USA  +1.415.677.7100  +1.415.677.7177 fax  icf.com
Scope of Work

Facebook Campus Expansion Project Addendum

Revised March 17, 2017

Project Understanding and General Approach

The Previously Proposed Project analyzed under the certified Facebook Campus Expansion Project (Project) Environmental Impact Report (EIR) (the previous EIR) included two office buildings (Buildings 21 and 22), a 200-room hotel, a pedestrian and bicycle bridge across the Bayfront Expressway and a new, approximately 2-acre publically accessible plaza and open space. The Revised Project, primarily involves modifying the design of the proposed Building 22 to accommodate temporarily leaving Building 305 in place until employees vacate rather than demolishing it prior to any construction activities related to Building 22. Once vacated, Building 305 would be demolished. A 7-story parking garage (not part of the Previously Proposed Project) would also be built on the site between Building 22 and the hotel. Building 21 will be built as previously planned. The construction phasing for Building 21 would not change; however, Phase 2 of the Revised Project would be constructed as follows: 1) demolition of onsite buildings other than Building 305, 2) begin construction of the parking garage, 3) begin construction of Building 22, 4) Building 305 is vacated and demolished in 2023, 5) begin construction of hotel upon completion of parking structure and demolition of Building 305. If Building 305 is vacated and demolished by 2020, the hotel could be constructed and operational by 2022. Building 305 will be demolished no later than September 2023. No change in the intensity of use is anticipated since, because while Building 305 would remain occupied for a limited time while Building 22 is occupied, the total number of employees associated with Building 305 is below the approximately 150 employees anticipated for hotel. The site would remain subject to the peak hour and daily trip caps outlined in the EIR. Under the Revised Project, additional landscaped open space is proposed and new recharging facilities for Facebook’s fleet of shuttle buses and trams would be installed.

ICF has reviewed the information provided by the City. Based on our preliminary review and discussions, we understand that an Addendum to the Facebook Campus Expansion Project (Project) Environmental Impact Report (EIR) will provide the required level of environmental review under CEQA. To this end, the following scope of work includes the work that would be conducted by ICF to prepare an Addendum. Please note that a subsequent or supplemental EIR will be required if substantial changes are proposed to the Project or if substantial changes with respect to the circumstances under which the Project is undertaken could result in new significant environmental effects or a substantial increase in the severity of previously identified
environmental effects, or if new information of substantial importance becomes available per State CEQA Guidelines Section 15162. If a subsequent or supplemental EIR is required, ICF will submit an amended scope of work and budget.

This scope includes the following subconsultants for technical analyses: Keyser Marston Associates (KMA) for a supplement to the Housing Needs Analysis (HNA) prepared for the previous EIR, Bay Area Economics (BAE) for a revised Fiscal Impact Analysis (FIA), and TJKM Transportation Consultants for a transportation analysis memorandum.

**Scope of Work**

**Task 1. Project Initiation/Data Collection**

ICF will initiate the Addendum effort by discussing key issues, reviewing the completed Facebook Campus Expansion Project EIR, planning data collection efforts, and reviewing revised site plans and preliminary studies (if any) from the applicant. Please note that some of this work (such as reviewing site plans) has already occurred.

At the outset of the Addendum process, ICF will conduct a conference call with the City and the applicant. At this meeting, the team will:

- Discuss the revised site plans and preliminary studies (if any). Provide comments.
- Discuss the proposed baseline for the Addendum.
- Discuss the format of the Addendum.

The project initiation effort also includes review of up to two versions of the revised site plans, the submittal of up to two iterations of the data needs list, and the submittal of up to three versions of the scope of work. ICF will provide comments and ensure that all necessary information of the environmental review is included. Our scope of work assumes that the City will conduct any necessary review of the memorandum prepared by TJKM.

**Deliverables**

Data request for the City and applicant. Comments on site plans and studies.

**Task 2. Revised Project Description**

ICF will prepare a revised Project Description based on input from City staff and review of the revised site plans and other application materials.

To prepare the Addendum, a clear and accurate Project Description is essential. The Project Description will be included in the Addendum and will clearly call out the major differences
between the original and revised site plans. ICF will prepare a Project Description to incorporate the following topics: ¹

- Project Overview and Background, including the former EIR process and rationale for the revised project and associated CEQA review
- Project Site Location
- Project Objectives (if they differ from the original objectives)
- Project Characteristics (and comparison to Previously Proposed Project) including:
  - Revised site plan
  - Development area and uses
  - Employment levels
  - Site access, circulation, and parking
  - Design, architectural themes, massing, building design, potential sustainable design features, and materials
  - Amenities such as landscaping, lighting, signage, and open space
  - Utilities
  - Recycling and Waste
- Project Phasing (and comparison to previously proposed project)
- Project Construction (and comparison to previously proposed project)
- Project Approvals and Entitlements (and comparison to previously proposed project)

**Deliverables**

A draft and final version of the revised Project Description that incorporates comments from the City and the data need responses from the applicant.

**Task 3. Administrative Draft Addendum**

ICF will prepare an Addendum to the EIR based on input from City staff and the revised Project Description. ICF will disclose each of the CEQA environmental topics to determine which would require additional discussion in the Addendum and which would present no change from the previous EIR, and, therefore, would be scoped out from any additional analysis. The discussion below presents ICF’s recommendations as to which topics are likely to be scoped out and which are likely to be evaluated as a result of the design changes.

**Impacts Not to Be Evaluated**

The proposed design changes would not change the analysis of the following topics as analyzed in the previous EIR. These topics will include a summary of the findings in the

¹ Assumes that data needs outlined in ICF’s data request have been fulfilled.
previous EIR and will explain why the impacts have not changed due to the revised site plan. Based on additional discussions with the City, it may be determined that additional topics can be scoped out from further review.

Land Use
The land use and policies impacts as well as the required discretionary approvals for the Revised Project are expected to be the same as for the Previously Proposed Project. As such, no change in the analysis is warranted and this topic will not be evaluated in the Addendum.

Cultural Resources
Although the Revised Project would include the construction of a parking garage, total building coverage under the Revised Project would be reduced from the Previously Proposed Project. Thus, the magnitude of potential impacts would not increase and the same mitigation measures presented in the previous EIR would apply to the Revised Project. These mitigation measures would be reproduced or referenced in the Addendum. No change in the analysis is warranted and this topic will not be evaluated in the Addendum.

Geology and Soils
It is anticipated that construction of the Revised Project would have impacts related to geology and soils similar to the Previously Proposed Project. Construction of the Revised Project would adhere to the 2016 California Building Standards Code (effective January 1, 2017), City building permit requirements, and the required design-level geotechnical studies during the development of the construction plans and associated recommendations, similar to the Previously Proposed Project. As such, no change in the analysis is warranted and this topic will not be evaluated in the Addendum.

Hazards and Hazardous Materials
It is anticipated that construction of the Revised Project would have impacts related to hazards and hazardous materials similar to the Previously Proposed Project. Compliance with existing laws, regulations, and Certified Unified Program Agency programs is mandatory, operation of the Revised Project, similar to the Previously Proposed Project, is not expected to create a significant hazard to public health or the environment through the routine transport, use, or disposal of hazardous materials. As such, no change in the analysis is warranted and this topic will not be evaluated in the Addendum.

Population and Housing
It is anticipated that the Revised Project would have impacts related to population and housing similar to the Previously Proposed Project if the number of existing Building 305 employees is equal to or less than the number of employees generated by the proposed hotel. As such, no change in the analysis is warranted and this topic will not be evaluated in detail in the Addendum. If the number of employees on-site during the Interim Phase increases compared to the number of employees analyzed in the previous EIR, then ICF will prepare an updated quantitative analysis of the Revised Project’s impacts during the Interim Phase related to
employment growth, indirect population growth, housing growth, geographic distribution of housing demand, and income distribution of housing demand. Similar to the previous EIR, the Addendum would not evaluate direct population growth and displacement of housing nor displacement of people in detail. If employees on the site would not exceed EIR projections, then no additional analysis would be required.

Public Services
It is anticipated that the Revised Project would have impacts related to public services similar to the Previously Proposed Project if the number of existing Building 305 employees is equal to or less than the number of employees generated by the proposed hotel. As such, no change in the analysis is warranted and this topic will not be evaluated in detail in the Addendum. If the number of employees on-site during the Interim Phase increases compared to the number of employees analyzed in the previous EIR, then the Revised Project’s demand for public services could increase. If this is the case, ICF will prepare an updated quantitative analysis of the Revised Project’s impacts during the Interim Phase related to its demand for public services, including police, fire, recreation, schools, and libraries. ICF does not anticipate that any additional information would need to be requested from public service providers. If employees on the site would not exceed EIR projections then no additional analysis would be required.

Utilities and Service Systems
It is anticipated that the Revised Project would have impacts related to utilities and service systems similar to the Previously Proposed Project if the number of existing Building 305 employees is equal to or less than the number of employees generated by the proposed hotel. As such, no change in the analysis is warranted and this topic will not be evaluated in detail in the Addendum. If the number of employees on-site during the Interim Phase increases compared to the number of employees analyzed in the previous EIR, then the Revised Project’s demand for water and energy as well as its generation of wastewater and solid waste could increase. However, this scope of work assumes that there is no need for a revised Water Supply Assessment because there is a cap on water usage at the Project site and the applicant has agreed to comply with the cap. If the number of employees on-site during the Interim Phase increases compared to the number of employees analyzed in the previous EIR, then ICF will prepare an updated quantitative analysis of the Revised Project’s impacts during the Interim Phase related to its wastewater generation, solid waste generation, and energy demand.

Addendum Topics to Be Evaluated
The following topics are expected to result in minor changes to the analysis presented in the previous EIR. Although most impact conclusions are not anticipated to substantially change from those in the previous EIR, they require further discussion based on the proposed changes under the Revised Project.
Aesthetics
This scope of work assumes that revised photosimulations will be prepared by the applicant. ICF will review the revised photosimulations to determine whether new visual impacts would be created by the Revised Project, particularly with regard to the parking garage. The Addendum will discuss whether the Revised Project could affect views, the visual quality of the surrounding areas, and light/glare as seen from Bayfront Expressway, Chilco Street, and the Belle Haven neighborhood beyond what was discussed in the previous EIR. For comparison purposes, the Addendum will include figures depicting the existing conditions, the photosimulations from the previous EIR, and the new photosimulations for the Revised Project.

Transportation/Traffic
TJKM will prepare a memorandum comparing the findings of the transportation impact assessment included in the previous EIR to the potential impacts of the Revised Project, including a revised vehicle miles traveled (VMT) analysis. The revised VMT analysis will only be prepared if it is determined that VMT associated with Building 305 exceeds the VMT associated with the proposed hotel. The memorandum will be included as an appendix to the Addendum and the results will be incorporated into the Transportation/Traffic section of the Addendum. This scope of work assumes the applicant will provide a precise parking count.

Air Quality
ICF will prepare a memorandum that will discuss any changes in air quality impacts resulting from construction and operation of the Revised Project and compare those impacts with the impacts presented in the previous EIR. Any changes in the significance level of the impacts will be discussed. The memorandum will be included as an appendix to the Addendum and the results will be incorporated into the Air Quality section of the Addendum. The memorandum will consider the following impacts for construction and operation:

- The construction schedule and amount of construction activity are anticipated to change relative to the assumptions used in the previous EIR because an additional parking structure will be constructed and the demolition of Building 305 will be delayed. Because of the change in construction schedule and activity, the amount of criteria pollutant emissions will also change relative to the previous EIR. The Addendum will require a new analysis of construction emissions using the 2016 version of CalEEMod to quantify the impacts from construction activities. The 2013 version of CalEEMod was used in the previous EIR. A revised set of construction data with a level of detail equivalent to the dataset provided for the previous EIR analysis will be required.
- Because the schedule and intensity of construction activities would change under the Revised Project, the PM2.5 concentration analysis and health risk assessment (HRA) analysis need to be revised to reflect the changes in the amount of emissions during construction. Using the re-modeled mass emissions from CalEEMod, ICF will conduct an
analysis of PM2.5 concentration and health risks for the project-level and cumulative level analyses.

- Criteria pollutant emissions associated with operation of a project are determined based on the square footage of the new development and VMT. The size of Building 22 would not change to accommodate the delayed demolition of Building 305 under the Revised Project. However, a reassessment of criteria pollutant emissions is required to evaluate emissions resulting from the operation of Building 305 at the project site until 2023. Additionally, emissions from delivery vehicles and other distribution activities associated with Building 305 will need to be included in the analysis. This re-evaluation of operational emissions will require a new analysis using the 2016 version of CalEEMod and/or ICF-developed spreadsheet models.

- The number of project-generated vehicle trips would not differ from the previous EIR since the Project Site would be subject to the peak hour and daily trips assumed in the EIR. If a revised VMT analysis is required, then a revision of mobile source emissions is warranted for the interim condition (i.e., 2020) before Building 305 is demolished. The mobile source emissions in 2040 would not need to be reassessed, because it is assumed that Building 305 will be demolished by that time. If no changes to Project-generated trip lengths or VMT occurs, no re-analysis of operational mobile sources will be necessary.

- The previous EIR concluded that a detailed assessment of health risks during project operation was not necessary because the Previously Proposed Project would not be a substantial source of diesel vehicles. The Project’s emergency generators would be regulated by the BAAQMD and would not be issued permits if the equipment contributes to a risk greater than 10 in one million. These assumptions would not change with the Revised Project. However, potential health risks resulting from diesel delivery trucks and other distribution operations associated with Building 305 will be evaluated for the years until demolition in 2023. An operational HRA will be necessary to assess the PM2.5 concentrations. The operational HRA will be conducted using the same general methodology as the construction HRA. If new impacts would result from Building 305 diesel emissions, then a subsequent IS/MND or EIR must be required.

- Odor impacts for the Revised Project would not change relative to the previous EIR.

- The previous EIR analyzed the demolition of Buildings 307-309, which is considered to be a separate project, in the cumulative analysis because those demolition activities were a reasonably foreseeable project. This scope of work assumes that the Revised Project would not affect the demolition of Buildings 307-309, but these activities and the Revised Project construction activities would be re-assessed as part of the cumulative.
analysis to determine if any overlap would occur. No overlap of the demolition activities and the project construction activities was assumed for the previous EIR analysis.

Greenhouse Gas Emissions
ICF will prepare a memorandum that will discuss any changes in greenhouse gas emissions impacts resulting from construction and operation of the Revised Project and compare those impacts with the impacts presented in the previous EIR. The memorandum will consider the following impacts for construction and operation:

- The construction schedule and amount of construction activity are anticipated to change relative to the assumptions used in the previous EIR because an additional parking structure would be constructed under the Revised Project and the demolition of Building 305 will be delayed. Because of the change in construction schedule and activity, the amount of greenhouse gas emissions will also change relative to the previous EIR. The Addendum will require a new analysis of construction emissions using the 2016 version of CalEEMod to quantify the impacts from construction activities. A revised set of construction data with a level of detail equivalent to the dataset provided for the previous EIR analysis will be required.

- Greenhouse gas emissions associated with operation of a project are determined based on the square footage of the new development, potential changes to VMT, and stationary sources. Stationary sources are not anticipated to change and the square footage of Building 22 is not expected to change. However, if it is determined that VMT would increase then operational greenhouse gas emissions would need to be reassessed. Operational GHG emissions will be evaluated using the 2016 version of CalEEMod.

- The number of project-generated vehicle trips would not differ from the previous EIR. If a revised VMT analysis is required, then a revision of mobile source emissions is warranted for the interim condition (i.e., 2020) before Building 305 is demolished. The mobile source emissions in 2040 would not need to be reassessed because it is assumed that Building 305 will be demolished by that time. If no changes to trip lengths or VMT occurs, no re-analysis of mobile sources will be necessary.

- Because construction GHG emissions will change and operational GHG emissions may change, the Revised Project’s consistency with applicable plans would need to be reassessed. ICF will discuss the consistency of the Revised Project with AB 32, the City’s Climate Action Plan, and Executive Orders EO S-3-05 and EO B-30-15.

Noise
Although the construction schedule and amount of construction activity are anticipated to change relative to the assumptions used in the previous EIR, this scope of work assumes that
the amount of construction occurring on a given day and the location of construction equipment on the project site would not change under the Revised Project. Thus, this scope of work assumes that construction noise impacts would be the same as those discussed in the previous EIR. The Addendum will restate the conclusions of the previous EIR related to construction noise. If construction equipment would be located closer to nearby residences under the Revised Project, then construction noise would need to be analyzed and the scope of work and budget would be amended to include construction noise modeling.

This scope of work assumes that total trips (peak-hour/average daily traffic [ADT]) will not change under the Revised Project. As such, it is anticipated that traffic-related noise on roadway segments evaluated in the previous EIR would not change. The Addendum will restate the conclusions of the previous EIR related to traffic noise.

This scope of work assumes that on-site operational noise sources (such as HVAC equipment, emergency generators, truck loading docks, parking lots, recycled water system, on-site gathering areas, etc.) would not be moved closer to off-site noise sensitive receptors under the Revised Project compared to the Previously Proposed Project. If these or other equipment would be located closer to nearby residences under the Revised Project, then non-transportation operational noise sources may need to be analyzed and the scope of work and budget would be amended to include noise modeling for these operational noise sources.

Biological Resources
No additional trees would be removed with the implementation of the Revised Project beyond what was evaluated in the previous EIR. There would be more solar canopies under the Revised Project compared to the Previously Proposed Project. Thus, the Addendum will evaluate whether or not the increase in canopy coverage, and the corresponding increase in reflective material, could increase hazards to birds beyond what was analyzed in the previous EIR. The Addendum will also confirm that other potential impacts to biological resources under the Revised Project would be similar to the Previously Proposed Project. Thus, other than potential hazards to birds, it is assumed that the magnitude of potential impacts would not change and the same mitigation measures presented in the previous EIR would apply to the Revised Project. These mitigation measures would be reproduced or referenced in the Addendum.

Hydrology and Water Quality
It is anticipated that the Revised Project would have similar impacts related to hydrology and water quality similar to the Previously Proposed Project. The site coverage would reduce under the Revised Project but the Addendum will explore how the Revised Project would comply with stormwater regulations and relevant policies. This scope of work assumes that the findings of the hydrology and hydraulics report prepared for the Previously Proposed Project apply to the Revised Project. While not anticipated, if greater peak flows would result from the Revised
Project, ICF will prepare a qualitative discussion of the effect on local drainage capacity problems compared to the plans for the Previously Proposed Project.

Housing Needs Analysis
The full text of KMA’s scope of work is included in Attachment C. KMA will prepare a memorandum describing the Revised Project’s consistency with the HNA prepared for the Previously Proposed Project. The memorandum will be included as an appendix to the Addendum and the memorandum will be referenced into the Population and Housing section of the Addendum.

Fiscal Impact Analysis
The full text of BAE’s scope of work is included in Attachment D. BAE will prepare a revised FIA that will analyze the fiscal impacts of the revised Project, including two different phasing scenarios to reflect two potential completion dates for the hotel portion of the Revised Project and will prepare estimates of the fiscal impacts of both phasing scenarios. The revised FIA will be included as an appendix to the Addendum and the results will be incorporated into the Public Services section of the Addendum.

Deliverables
- Five hard copies of the Administrative Draft Addendum
- One electronic copy of the Administrative Draft Addendum in MS Word
- One electronic copy of the Administrative Draft Addendum in Adobe PDF

Task 4. Screencheck and Final Addendum
ICF will prepare a Screencheck Addendum to respond to the City’s comments on the Administrative Draft Addendum. Based on comments received from City staff, ICF will revise the Screencheck Addendum as necessary and will prepare the Final Addendum.

The level of effort is highly variable and depends on City comments on the Administrative Draft Addendum. The level of effort included in the cost estimate reflects the duration of the task and the available time to revise the supplemental reports. During those periods when ICF is responding to comments on Administrative Draft and the Screencheck, we expect to be fully engaged and committed at the hours estimated to meet the schedule deadlines.

Deliverables
- Five hard copies of the Screencheck Addendum
- One electronic copy of the Screencheck Addendum in MS Word
- One electronic copy of the Screencheck Addendum in Adobe PDF
- Thirty-five hard copies of the Final Addendum
- One electronic copy of the Final Addendum in MS Word

ICF
Use or disclosure of data contained on this sheet is subject to the restrictions on the title page of this proposal.
Task 5. Project Management/Meetings
The purpose of this task is to effectively manage the above tasks and maintain communication with City staff. ICF project management will be responsible for coordination activities, will maintain QA/QC requirements for document preparation, and will monitor schedule and performance for all Addendum work tasks. Project management subtasks also include maintaining internal communications among ICF staff and subconsultants and with City staff and other team members through emails and frequent phone contact, as well as the preparation of all correspondence. The Project Manager will coordinate internal staff, project guidance, and analysis criteria.

The purpose of this task is to attend meetings to accomplish the above tasks. Team members will attend and participate in meetings on an as-needed basis. For purposes of the cost estimates, ICF has assumed no in-person meetings and up to 10 conference calls. Additional meetings may be appropriate during the course of this effort, and will be invoiced on a time-and-materials basis. The estimated cost for additional meetings is included in the discussion of the project budget.

Cost Estimate
The cost estimate for the Addendum is included in Attachment A. ICF proposes to invoice the City monthly on a time and materials basis.

Schedule
The preliminary schedule for the Addendum is included in Attachment B.
Facebook Campus Expansion Project Addendum
Scope

ATTACHMENT A – COST ESTIMATE
<table>
<thead>
<tr>
<th>Task</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task 1. Project Inflation/Data Collection</td>
</tr>
<tr>
<td>Task 2. Revising project Description</td>
</tr>
<tr>
<td>Task 3. Administrative Staff Addendum</td>
</tr>
<tr>
<td>Task 4. Scheduling and Final Addendum</td>
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<td>Task 5. Project Management/Meetings</td>
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<tr>
<td>Total Hours</td>
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<td>ICF E&amp;P 2017 Billing Rates</td>
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<td>Subtotals</td>
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<table>
<thead>
<tr>
<th>Direct Expenses</th>
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<tr>
<td>$23.02 Reproductions</td>
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<tr>
<td>$23.04 Postage and Delivery</td>
</tr>
<tr>
<td>$23.05 Travel, Auto, Incd. Mileage at current IRS rate ($0.55/mile)</td>
</tr>
</tbody>
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| Mark up on all non-labor costs and subcontractors: |
| 10% |

| Direct expense subtotal |
| $5,521 |

| Total price |
| $154,694 |

Optional Task: BAE to update FIA to reflect current budgets and fee schedules |

$5,140
Facebook Campus Expansion Project Addendum
Scope

ATTACHMENT B – SCHEDULE
<table>
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<th>ID</th>
<th>Task Name</th>
<th>Duration</th>
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<td>Wed 9/6/17</td>
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<td>Conference Call with the City &amp; Applicant</td>
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<td>City/Applicant Reviews Revised Project Description</td>
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<td>Addendum</td>
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<td>Wed 9/6/17</td>
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<td>10</td>
<td>KMA Prepares HNA Memo (assumes all data needs received)</td>
<td>15 days</td>
<td>Thu 9/11/17</td>
<td>Wed 9/31/17</td>
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<td>11</td>
<td>TKK Prepares Transportation Memorandum (assumes all data needs received)</td>
<td>15 days</td>
<td>Thu 5/11/17</td>
<td>Wed 5/31/17</td>
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<td>BAE Revises FIA (assumes all data needs received)</td>
<td>20 days</td>
<td>Thu 5/11/17</td>
<td>Wed 6/7/17</td>
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<td>30 days</td>
<td>Thu 6/8/17</td>
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<td>Wed 9/6/17</td>
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ATTACHMENT C – KMA’S SCOPE OF WORK
March 8, 2017

Erin Efner
Jessica Viramontes
ICF International
620 Folsom Street, 2nd Floor
San Francisco, CA 94107

Re: Scope of Services to Prepare a Housing Needs Analysis Supplement for the Facebook Campus Expansion Project

Dear Ms. Efner and Ms. Viramontes:

Keyser Marston Associates, Inc. ("KMA") is pleased to present the following proposed scope of services to prepare a supplement to the May 2016 Housing Needs Analysis ("HNA") for the Facebook Campus Expansion Project in Menlo Park (the "Project").

Scope of Services

The following scope of services is for preparation of a supplemental memorandum to the 2016 Housing Needs Analysis (HNA) to address modified plans that include Building 305 remaining in place for an interim period. The City has indicated that modified plans for the Project will not increase employee counts above the levels analyzed in the HNA. Based on the assumption that employee counts will not increase, the findings of the 2016 HNA are expected to remain valid with the proposed modifications to the Project.

This scope of services includes KMA review of the updated project description and employee counts and preparation of a brief memorandum describing the revised project's consistency with the HNA findings in the certified EIR. No additional analysis will be prepared. KMA will prepare one draft and one final version of the supplemental memorandum.
Budget

KMA proposes to complete this scope of services on a time and materials basis for an amount not to exceed $3,500. No additional meetings are assumed. A copy of our current rate schedule is attached.

Timing

KMA proposes to complete a draft of the supplemental memorandum within two weeks of authorization to proceed and receipt of information regarding the revised project description and employee counts applicable to the interim period.

Please let me know if you have any questions or comments regarding this proposed scope of services.

Sincerely,

KEYSER MARSTON ASSOCIATES, INC.

[Signature]

David Doezeema
<table>
<thead>
<tr>
<th>Position</th>
<th>2016/2017</th>
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<tbody>
<tr>
<td>A. JERRY KEYSER*</td>
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<tr>
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<td>ADMINISTRATIVE STAFF</td>
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Directly related job expenses not included in the above rates are: auto mileage, parking, air fares, hotels and motels, meals, car rentals, taxes, telephone calls, delivery, electronic data processing, graphics and printing. Directly related job expenses will be billed at 110% of cost.

Monthly billings for staff time and expenses incurred during the period will be payable within thirty (30) days of invoice date.

* Rates for individuals in these categories will be increased by 50% for time spent in court testimony.
SCOPE OF SERVICES – FACEBOOK EXPANSION FIA UPDATE

This section outlines BAE’s proposed work program, including deliverables.

**Task 1: Start-Up Meeting and Review Background Materials**

BAE will meet with City staff to review the scope of services, methodologies, proposed schedule, and deliverables. BAE will review the revised project description and development program and any other relevant documents and plans pertaining to the revised project.

**Task 2: Revise Analysis of Fiscal Impacts**

BAE will update the fiscal impact analysis model that was used for the September 2016 Facebook Expansion FIA to provide revised revenue and cost estimates based on the revised project description and phasing. The revised analysis will account for any changes in building square footage, the proposed addition of a parking structure on the project site, any changes to assumptions related to the amount of future employment on site, and adjustments to incorporate revised phasing assumptions. BAE will analyze two different phasing scenarios to reflect two potential completion dates for the hotel portion of the Revised Project and will prepare estimates of the fiscal impacts of both phasing scenarios. BAE will revise the prior analysis of the Project using revised development programs provided to BAE by the City, based on information from the applicant. Any additional scenarios, including analysis of any Project Alternatives, would represent an addition to this scope of work and additional budget.

BAE will analyze the fiscal impacts of the Revised Project for the City, Menlo Park Fire Protection District, and affected school districts. As with the September 2016 Facebook Expansion FIA, the school district analysis will be limited to a calculation of net new revenues based on the revised development program and will not include an analysis of any induced housing demand.

Revenue items considered will include sales tax, property tax, property transfer tax, transient occupancy tax, business license revenue, franchise fees, and any other applicable taxes. BAE will also include an estimate of one-time revenue sources including impact fees (with any assumptions on impact fee increases due to increased facilities provided by City staff), construction period sales taxes. The analysis will not include any projections with respect to the value of other public benefits that would be provided by development agreements associated with the project, including in-lieu payments, one-time infrastructure contributions, potential fiscal impact offsets, or any other payments.

Cost items considered will include police, fire, and other services provided to the public, and general government services for both the City and Special Districts. The cost analysis will
assume that the relevant cost information gathered through interviews and written communication with local public service providers during the preparation of the September 2016 FIA generally applies to the revised development program with the exception of any additional information obtained by the City or ICF as part of the revised analysis.

BAE will conduct the revised analysis based on the FY 2015-2016 City and Special District budgets and fee schedules used in the September 2016 FIA. Updating the analysis to reflect the current (FY 2016-2017) budgets and fee schedules would represent an addition to this scope of work, as detailed in Optional Task 5.

Fiscal impacts will be presented in current dollars on a net annual and cumulative basis over a 20-year period presented in constant 2017 dollars.

Task 3: Prepare Revised Fiscal Impact Report

Task 3.1: Prepare Administrative Draft Fiscal and Economic Impact Analysis report. BAE will revise the September 2016 Facebook Expansion FIA and submit an Administrative Draft Fiscal Impact report to City staff based on the revised development program.

Task 3.2: Review Administrative Draft Report with Staff, Respond to Comments. Staff will provide one round of consolidated comments to BAE regarding the Administrative Draft. BAE will address all comments and make modifications as needed.

Task 3.3: Prepare Public Review Draft Report. BAE will prepare a Public Review Draft Report. This will be formatted so that it can be uploaded to the project page on the City’s website, with the City to provide a link for submittal of comments by email. After closure of the public review period, Staff will provide BAE with a written record of comments regarding the Public Review Draft.

Task 3.4: Prepare Public Review and Final Draft report. Staff will provide substantive written comments to BAE regarding the Public Review Draft. BAE will address all comments with staff and make modifications as needed. BAE will then submit a Final Draft for staff to review.

Task 4: Attend Meetings and Prepare Presentation

BAE will attend up to two public meetings or presentations, as selected by the City, to present the results of the revised fiscal impact analysis and answer questions. This allowance includes preparation of a PowerPoint presentation summarizing BAE’s work and findings for use at the meetings. Additional meetings would be charged as an additional task at the fee as shown in the budget.

Optional Task 5: Update Analysis to Reflect Current Budgets and Fee Schedules
At the City’s discretion, BAE can update the analysis to reflect the most current (FY 2016-2017) budgets and fee schedules for the City and special districts. BAE will review the City and special district budgets for Fiscal Year 2016-2017, City fee ordinances, and other financial documents from the City and affected special districts including fire and school districts. BAE will then update the cost and revenue assumptions for the Revised Fiscal Impact Analysis in Task 2 based on the current budgets and fee schedules.

DATA NEEDS

BAE will need additional details about the proposed project and the scenarios from the City’s environmental consultant, based on information provided to it by the applicant. If the City engages BAE to update the budget and fee schedule assumption as specified in Optional Task 5, BAE would work with the finance department to obtain electronic copies of relevant budget files.

BUDGET AND FEES

BAE would complete all basic work for the tasks as identified in the Scope of Services for the not-to-exceed amount of $14,610 including expenses, pursuant to the detailed budget worksheet, not including Optional Task 5. The additional cost for Optional Task 5 would total $5,140. This amount does not include any hours for attendance at additional public meetings/hearings beyond those identified in the scope, which, if required, would be billed separately against the contingency amount. All hours will be billed according to the following rates as listed below:

- Principal: $300/hour
- Director: $230/hour
- Vice President: $200/hour
- Senior Associate: $180/hour
- Associate: $135/hour
- Analyst: $95/hour
### Proposed BAE Budget: Revised Facebook Expansion Fiscal Impact Analysis

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<tr>
<th>Task</th>
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<th>Associate</th>
<th>Guerrero</th>
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Notes:
(a) Based on BAE 2015 hourly rates:
(b) Cost of attendance at additional public meetings = $1,500 + hourly rate for meetings over 4 hours.
(c) Includes travel to Menlo Park for meetings. All expenses billed at cost, with no markup.