AGREEMENT AMENDMENT
City Manager's Office
701 Laurel St., Menlo Park, CA 94025
tel 650-330-6620

AGREEMENT FOR SERVICES BETWEEN
THE CITY OF MENLO PARK AND ICF JONES & STOKES, INC.

THIS SECOND AMENDMENT is made and entered into this 23rd day of September, 2019, by and between the CITY OF MENLO PARK, a Municipal Corporation, hereinafter referred to as "CITY," and ICF JONES & STOKES, INC., hereinafter referred to as "FIRST PARTY."

1. Pursuant to Agreement number 2251 (Agreement), payment amendment section to read as follows:

"CITY shall pay FIRST PARTY an all-inclusive fee that shall not exceed $1,181,423 ($67,565 + $1,113,858) with the previous first budget amendment including a request of $1,113,858 to be added to the approved contract as described in Exhibit "A-1," Scope of Services. This compensation shall be based on the rates described in Exhibit "A." All payments, including fixed hourly rates, shall be inclusive of all indirect and direct charges to the Project incurred by FIRST PARTY. The CITY reserves the right to withhold payment if the City determines that the quantity or quality of the work performed is unacceptable"

Except as modified by this Amendment, all other terms and conditions of Agreement No. 2251 remain the same.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

SIGNATURE PAGE TO FOLLOW
FOR FIRST PARTY:

Jodi Young
Printed name
94-1730361
Tax ID#

APPROVED AS TO FORM:

William L. McClure, City Attorney

FOR CITY OF MENLO PARK:

Starla Jerome-Robinson, City Manager

ATTEST:

Judi A. Herren, City Clerk
August 6, 2019

Kyle Perata, Principal Planner
City of Menlo Park Community Development Department
701 Laurel Street
Menlo Park, CA 94025

SUBJECT: Proposal to Prepare an Environmental Impact Report for the Willow Village Master Plan Project – Phase II/Budget Amendment 2

Dear Mr. Perata:

ICF Jones & Stokes, Inc. ("ICF") is pleased to present this scope and budget to prepare Phase II of an Environmental Impact Report (EIR) for the proposed Willow Village Master Plan Project (hereafter referred to as the Project). ICF submitted a Scope of Work (scope) for Phase I of the Project EIR in December 2017. With Budget Amendment 1 (approved May 2019), the current approved budget for the EIR is $67,565.

This scope and budget ($1,113,858) focuses on Phase II of the EIR, which includes the completion of the Notice of Preparation, Draft EIR, and Final EIR. In addition, this Phase II scope and budget includes tasks for the transportation subconsultants Hexagon (Attachment A), the Housing Needs Assessment subconsultant KMA (Attachment B), and the Fiscal Impact Analysis subconsultant BAE (Attachment C). Including Budget Amendment 1 and 2, the total budget for the EIR would be $1,181,423 ICF proposes to invoice costs monthly, on a time and materials basis.

This proposal is valid for a period of 90 days, at which time ICF reserves the right to revise the contents or extend the validity date, if needed. ICF shall provide services, as outlined in the attachment, under the terms and conditions of its existing agreement number 2251 with the City dated January 26, 2018. If you have any questions regarding this proposal, please feel free to contact Kirsten Chapman at 415.537.1702 or kirsten.chapman@icf.com. We look forward to working with you on this project.

Sincerely,

Jodi Young
Manager, Contracts
Attachments

A. Hexagon Scope of Work
B. Keyser Marston Associates Scope of Work
C. BAE Urban Scope of Work
D. Budget – Phase II
A. Project Understanding and General Approach

ICF has reviewed the information provided by the City and Peninsula Innovation Partners, LLC and Signature Development Group, on behalf of Facebook, Inc. (Project Sponsor). Based on our review of project materials and experience with similar projects, we understand that an EIR is needed.

Project Understanding

The Project involves the redevelopment of the existing Menlo Park Science and Technology Park. The Project would demolish existing onsite buildings and landscaping and construct new buildings within a Town Square District, a Residential/Shopping District, and a Campus District. The Project would result in a net increase of approximately 1 million square feet (sf) of nonresidential uses (office space and non-office commercial/retail), for a total of approximately 2 million sf of nonresidential uses at the Project site. In addition, the Project would include housing units, a limited-service hotel, a community center, and open space. (The square footage of the hotel, community center, and park buildings are in addition to the increase of 1 million square feet of nonresidential square footage.) The Project site would be bisected by the north-south Main Street, which would provide access to all three districts. The Project site would also include a circulation network for vehicles, bicycles, and pedestrians with approximately 4.6 acres of public rights-of-way and 1.4 acres of private streets, generally aligned in an east-to-west and a north-to-south grid.

The Residential/Shopping District would be located in the southwestern portion of the Project Site, while the Town Square District would be located in the northwestern portion of the Project Site. Together, these two districts would include: approximately 1,735 residential units; a maximum of 200,000 sf of nonresidential/retail uses (including a grocery store, pharmacy, and restaurant); a hotel with 200-250 rooms and food services; and an approximately 10,000 sf indoor community center adjacent to a 4-acre public park. In addition, a 0.5-acre Town Square and 0.3-acre dog park would be accessible to the public.

The 37-acre Campus District, located in the eastern portion of the Project site, would include approximately 1.75 million sf of office uses and employee-serving amenity space, along with two above-ground parking structures with approximately 3,000 parking spaces. Both parking structures would include a ground-level Transit Center for commuter shuttles and campus trams. Open spaces would include a chain of publicly-accessible urban spaces and gardens along Main Street, a landscaped area off of O'Brien Street, and various secure, interior open spaces for the Campus District users.

The Willow Village Master Plan was designed to implement the guiding principles and policies adopted as part of ConnectMenlo such as including new affordable and market-rate housing units for local workers, opportunities for future transit connections, and construction of a grocery store. The Project is meant to align with ConnectMenlo's development and zoning standards and is consistent with ConnectMenlo's density and height limits for bonus development. The Project would develop an area that is transit-ready, with new infrastructure, housing, sustainability features, circulation, open spaces, office and mixed-uses, and pedestrian boulevards. New housing and community-serving retail would include a collection of
varied-scale public spaces, restaurants, and public gathering spaces. The Project would seek to develop using the bonus level allowance of the Zoning Ordinance and as such, would incorporate community amenities selected from the adopted Community Amenities List, consistent with the Zoning Ordinance requirements. As appropriate, this analysis would assess the possible environmental effects of the physical community amenities, provided as part of the Project.

General Approach

ConnectMenlo, which updated the City's General Plan Land Use and Circulation Elements and the Zoning in the M-2 (Bayfront) Area, was approved on November 29, 2016. This serves as the City's comprehensive and long-range guide to land use and infrastructure development. Because of the long-term planning horizon of ConnectMenlo, the ConnectMenlo EIR was prepared as a program EIR, pursuant to Section 15168 of the CEQA Guidelines. Once a program EIR has been certified, subsequent activities within the program must be evaluated to determine whether additional CEQA review needs to be prepared. However, if the program EIR addresses the program's effects as specifically and comprehensively as possible, subsequent activities could be found to be within the program EIR scope, and additional environmental review would not be required (CEQA Guidelines Section 15168[c]). When a program EIR is relied on for a subsequent activity, the lead agency must incorporate feasible mitigation measures and alternatives developed in the program EIR into the subsequent activities (CEQA Guidelines Section 15168[c][3]). If a subsequent activity would have potentially significant environmental effects that are not within the scope of a program EIR, the lead agency must prepare an Initial Study leading to a Negative Declaration, a Mitigated Negative Declaration, or an EIR. The ConnectMenlo Program EIR will serve as the first-tier environmental analysis for the CEQA evaluation of the Project.

ConnectMenlo analyzed an increase in net new development in the Bayfront Area of up to 2.3 million square feet of non-residential uses, up to 4,500 residential units, and up to 400 hotel rooms, and up to 5,500 new employees. As mentioned above, the Project includes a net of approximately 750,000 sf of office uses, 200,000 sf of retail, a 10,000 sf indoor community center, approximately 1,735 residential units, and up to 250 hotel rooms, and approximately 9,500 employees. In total, the Project would include a net increase of approximately 1.04 million sf of non-residential uses (not including the hotel gross square footage), which is within the buildout projections of ConnectMenlo and within the parameters of what was analyzed in the ConnectMenlo EIR. However, it is anticipated that the Project would result in more employees than what was analyzed in the ConnectMenlo EIR. In addition, the Project will be implemented through a Master Plan, the specifics of which were unknown during the preparation of ConnectMenlo.

Due to the General Plan Amendments required to implement the Project, the Settlement Agreement with East Palo Alto (discussed further below), the Master Plan across zoning districts, and the potential increase in on-site employees over what was assumed in the ConnectMenlo EIR, a full EIR is proposed to analyze the Project. The EIR will tier from and utilize the ConnectMenlo program EIR where appropriate.
On December 5, 2017, the City Council approved the proposed Settlement Agreement between the City of Menlo Park and the City of East Palo Alto to fully and finally resolve the litigation initiated by East Palo Alto regarding the environmental review for ConnectMenlo. The Settlement Agreement will serve to inform the scope of the analysis for several topics in the EIR and provide guidance on the requirements for the Project's Housing Needs Assessment (HNA) (Attachment B).

B. Scope of Work - Phase II

The Phase I scope of work was approved in January 2018 and included the following tasks: Project Initiation (Task 1), EIR Project Description (Task 2), EIR Scope Definition (Task 3), and Project Management and Meetings (Task 4). The following tasks were conducted by ICF from January to April 2018, prior to the Project going on hold: attendance at team kick-off meeting; review of all project materials; preparation of several iterations of the data needs lists; preparation of the first draft of the Project Description; review of City/applicant comments on the Project Description and preliminary edits; preparation of the first draft of the Notice of Preparation; ongoing conversations about the transportation scope; and scoping, contracting, and coordination with the transportation subconsultants. Some of the work that was generated during this time period can be applied; however, due to the change in site plans and the year-long hold on the Project, many of the tasks need to be revisited and revised.

Therefore, below scope of work for the EIR includes Tasks 1 through 4 (as amendments to the tasks in the Phase I scope of work), and additional tasks through the certification of the EIR.

Task 1. Project Initiation

Project Initiation will continue by discussing key issues, reviewing completed environmental documents, reviewing revised Project materials, attending a site visit, and continuing to refine the schedule for completion of individual tasks. In addition, ICF will work with the City and Project Sponsor on the data needs list by obtaining the necessary information to conduct the EIR analysis. This task assumes that an in-person "re-kick-off meeting" will occur with City of Menlo Park staff, the Project Sponsor team, and the traffic subconsultant. All other Project Initiation tasks were covered and/or will be covered by the existing Phase I scope of work and budget.

Task 2. EIR Project Description

ICF prepared a draft Project Description and submitted it to the City in February 2018. Comments were received in April 2018. This was included in the Phase I scope of work. However, substantial revisions need to be applied to the Project Description due to the changes in the site plan, pending data needs responses, and changes in existing conditions. Based on discussions with City staff and on the Project Sponsor's application and plans, ICF will update the Project Description. This task assumes that one additional draft of the Project Description will be submitted to the City. Revisions to the Project Description based on City/Project Sponsor comments, and additional data needs responses from the Project Sponsor, will be included in the submittal of the Administrative Draft EIR (Task 5).
Task 3. EIR Scope Definition

ICF prepared the first draft of the Notice of Preparation (NOP) in April 2018 under the Phase I scope and budget. However, this draft was not submitted to the City before the Project went on hold. ICF will prepare the revised NOP for City staff review and revise per City/Project Sponsor edits. Our budget assumes that ICF will distribute to the State Clearinghouse and that the City will oversee mailing to other interested parties and public agencies. ICF will attend and be present at one scoping meeting (held as part of a regular Planning Commission meeting) and record comments received during the meeting. The principle objective of this scoping meeting will be to confirm or revise the list of environmental issues and the range of alternatives to be examined in the EIR. At the close of the comment period, ICF will review all comments and consider and address them while preparing the EIR. The hours for the scoping meeting are included in Task 5 of our budget.

Deliverables

- Electronic copies of draft and revised NOP in MS Word and Adobe PDF format
- Electronic copies of the final NOP in MS Word and Adobe PDF format
- Fifteen hard copies of the final NOP to the State Clearinghouse
- One PowerPoint presentation for scoping meeting.

Task 4. Project Management and Meetings

The purpose of this task is to continue to effectively manage the below 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 EIR 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 below tasks. Team members will attend and participate in meetings on an as-needed basis. For purposes of the cost estimates, ICF has assumed ten City staff and/or Project Sponsor face-to-face meetings and 30 phone 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, below.

Task 5. Administrative Draft EIR

The purpose of this task is to prepare the Administrative Draft EIR. This task will synthesize background information for use in the existing setting, evaluate changes to those baseline conditions resulting from implementation of the Project, identify significant impacts, and identify mitigation measures to reduce potentially significant impacts to a less-than-significant level.
For this task, there will be four principal activities:

- Determine, by individual resource topic, the significance criteria to be used in the analysis.
- Present the analysis at full buildout of the Project.
- Compare the Project against analysis and conclusions in the ConnectMenlo EIR.
- Perform the analysis and make determinations of impact significance.
- Recommend mitigation measures to reduce impacts, if needed.

The ICF team will collect the information necessary to define baseline conditions in the Project area. Based on our understanding of the Project and discussions with City staff, baseline conditions will reflect the conditions at the time of the NOP release, unless as the analysis progresses an adjusted baseline is determined to be appropriate. ICF will also refer to the ConnectMenlo EIR (2016) and the Facebook Expansion Project EIR (2016)/EIR Addendum (2017) for applicable background data and impact areas. In particular, ICF will use the mitigation measures from the ConnectMenlo EIR, as applicable.

For each environmental topic, significance thresholds or criteria will be defined in consultation with the City so that it is clear how the EIR classifies an impact. These criteria will be based on CEQA Guidelines, Appendix G, standards used by the City, and our experience in developing performance standards and planning guidelines to minimize impacts.

The analysis will be based on standard methodologies and techniques and will focus on the net changes anticipated at the Project site. The text will clearly link measures to impacts and indicate their effectiveness (i.e., ability to reduce an impact to a less-than-significant level), identify the responsible agency or party, and distinguish whether measures are proposed as part of the Project, are already being implemented (such as existing regulations), or are to be considered. This approach facilitates preparation of the Mitigation Monitoring and Reporting Program (MMRP) that follows certification of an EIR.

The Administrative Draft EIR will also incorporate the alternatives and other CEQA considerations described in Task 7 (below). It is envisioned that the City’s initial review of the document will consider content, accuracy, validity of assumptions, classification of impacts, feasibility of mitigation measures, and alternatives analyses. Because the impacts and mitigations are subject to revision based on staff review of the Administrative Draft EIR, the Executive Summary will be prepared only for the Screencheck Draft. The following task descriptions summarize the data to be collected, impact assessment methodologies to be used, and types of mitigation measures to be considered, by environmental issue.

Project Description
The revised draft of the Project Description was submitted to the City and Project Sponsor as part of Task 2, above. The second draft of the Project Description will be included in the Administrative Draft EIR. This will include revisions to the Project Description based on comments from the City and Project Sponsor on the first draft. ICF will also incorporate the data needs responses from the City and Project Sponsor into this draft of the Project Description.
Issues Anticipated to be Less Than Significant

To streamline the EIR process, ICF will "scope out" some environmental topics that do not require detailed discussion in the EIR. These topics will not be evaluated at the level of detail specified for the issues below, but at a level adequate to fully assess the potential effects. This discussion will be presented in the Impacts Found to be Less Than Significant chapter of the EIR.

Based on our preliminary review, the following environmental topics may be scoped out from detailed analysis in the EIR.

- **Agricultural and Forestry Resources.** ICF will describe existing conditions at the Project site, identify General Plan designation and zoning districts, and indicate lack of agricultural and forestry uses at the Project site.

- **Mineral Resources.** ICF will describe existing conditions at the Project site and identify the mineral resources zone classification for soils at the site. It is anticipated that the site does not contain significant mineral resources.

- **Wildfire.** The Project site is not located in or near state responsibility areas, or in an area classified as very high fire hazard severity zones.

Aesthetics

The ConnectMenlo EIR considers views to the Santa Cruz Mountain Range, views to the Bay, and views of the foothills as scenic vistas. The ConnectMenlo EIR determined that no publically accessible views of scenic resources would be blocked by the increasing height limits. The ConnectMenlo EIR determined that buildout in the area would not impact scenic vistas/resources, would not degrade the existing visual character of the area, and would not introduce a significant source of light and glare. The ConnectMenlo EIR conclusions relate to a wide geographic area; the conclusions in the EIR for the Project are anticipated to be consistent with the ConnectMenlo EIR.

The analysis will consider Project site-specific impacts and impacts as viewed from Willow Road, Bayfront Expressway, and the Bay Trail. Data needs to complete the section include massing studies/visual simulations, landscape plans, lighting plans, and building architectural styles. It is assumed that this information will be provided by the Project Sponsor. ICF will prepare the Aesthetics section of the EIR based on the information provided and will conduct the following tasks:

- Visit the Project site and surroundings to identify and photo-document existing visual character and quality conditions, views to and from the Project site, and other urban design features.

- Peer review the massing studies/visual simulations, landscape plans, lighting plans, and shadow diagrams provided by the Project Sponsor.

- Based on scenic resources and scenic vistas identified in ConnectMenlo and the Project Sponsor’s massing studies, analyze potential adverse aesthetic effects resulting from the Project:
  - The surrounding scenic vista locations that could be affected by the proposed development include the Bay Trail, and the BCDC Public Shoreline Trail.
Scenic vistas in the immediate vicinity that could be affected include the tidal mudflats and marshes of the San Francisco Bay and the Santa Cruz Mountain Range.

- Analyze potential adverse effects on scenic vistas from adjacent uses and other sensitive viewer locations.

- Review existing and proposed General Plan goals, policies, and programs related to visual quality to determine conflicts with any relevant plans and policies.

- Using the visual simulations and field observations, analyze whether the Project would conflict with applicable zoning and other regulations governing scenic quality due to grading, height, bulk, massing, architectural style, building materials, and other site alterations.

- Analyze lighting and glare impacts created by the proposed buildings, focusing on motorists on Bayfront Expressway and residents of the Belle Haven neighborhood.

**Air Quality**

ICF will compose the Air Quality section of the EIR using the quantitative and qualitative analyses to be provided by Ramboll (the Project Sponsor’s consultant). ICF assumes that the CEQA Technical Analysis Documentation (Task A.14 [Tech Report] in Ramboll’s scope of work) will contain sufficient information to complete the EIR section. ICF will conduct a peer review of the Technical Report to ensure that the data, analyses, and conclusions are valid.

In the setting section of the EIR, ICF will summarize meteorological and climatological data for the Project study area, as well as ambient air quality near the Project. Existing state and federal regulations, as well as the locations of sensitive receptors, will also be described. For the discussion of impacts, the analysis will be comprised of the following components:

- Consistency with the BAAQMD’s 2017 Clean Air Plan
- Construction emissions inventory of criteria air pollutants
- Operational emissions inventory of criteria air pollutants
- Discussion of the health outcomes associated with the project’s construction and operational criteria pollutant emissions.
- Construction health risk assessment based on the project’s toxic air contaminants
- Operational health risk assessment based on the project’s toxic air contaminants
- Localized carbon monoxide impact analysis
- Odor impact analysis
- Cumulative analysis of toxic air contaminants, carbon monoxide, and odor

As described in Ramboll’s scope of work, ICF is assuming that each of the components above will be fully analyzed quantitatively or qualitatively, as applicable, with the results presented in the Tech Report. We are also assuming that the results in the Tech Report will include an analysis of the existing uses at the Project site and that the net effect of the Project will be clearly discernable (i.e., Project emissions - existing site emissions = net emissions). Based on the analysis results of the Tech Report, ICF will use the Bay Area Air Quality Management District’s (BAAQMD) most recent CEQA Air Quality Guidelines to...
evaluate project impacts. The ultimate determination of impact significance will be evaluated with respect to the BAAQMD CEQA Guidelines or other relevant agency guidance. In the EIR, we will describe the air quality thresholds used to identify significant impacts based on the BAAQMD's CEQA Guidelines and guidance provided by BAAQMD staff. The methodology write-up used to analyze Project impacts will be a high-level overview in the EIR section, and readers of the EIR will be referred to the detailed discussion of methods in the Tech Report, which will be included as an Appendix to the EIR.

In the event that the impact results of any of the components listed above would lead to significant impacts, ICF will review the mitigation recommended by Ramboll in the Tech Report. As discussed in the Ramboll scope of work, ICF will participate in discussions with Ramboll, the City, and the Project Sponsor as needed to determine appropriate, feasible mitigation. ICF also assumes that any revised analyses and/or results that would be needed for a mitigated analysis will be provided by Ramboll. If Project impacts cannot be mitigated by the recommended mitigation measures, ICF would report this conclusion in the EIR.

In addition to the tasks described above, ICF will also review the work products described in Ramboll's scope of work. We are assuming that Ramboll will submit relevant modeling files to ICF for Quality Assurance (QA) purposes, and that the relevant files will be suitable for an air quality expert to determine the overall modeling procedures. ICF will review the Methodology Documentation and Tech Report prepared by Ramboll and will provide input on these documents as applicable.

**Biological Resources**

The ConnectMenlo EIR determined that development could have an impact on special status species, sensitive habitats, migratory wildlife, and wetlands. ConnectMenlo Mitigation Measure BIO-1 requires that prior to individual project approval, project applicants shall prepare and submit project-specific baseline biological resources assessments on sites with features such as mature trees or unused structures that could support special-status species. The existing site is developed with buildings and surface parking lots. As such, natural biological resources are likely to be minimal. Nonetheless, the Project site is in close proximity to the Bay and the Don Edwards San Francisco Bay National Wildlife Refuge and could have an indirect impact on special-status species inhabiting these areas. In addition, buildings and trees currently exist on the campus, which could provide habitat for nesting birds and/or roosting bats. Consistent with the requirements in Mitigation Measure BIO-1, ICF's qualified biologists will conduct the following tasks:

- The Project Sponsor has conducted a baseline Biological Assessment. ICF will peer review the Biological Assessment and provide one round of comments in a memorandum. In addition to technical accuracy, ICF will verify whether the Biological Assessment is adequate for CEQA purposes. If necessary, an ICF biologist will visit the site to verify existing conditions. Once final, ICF will incorporate the Biological Assessment in the Setting section of the Biological Resources EIR chapter. It is assumed that the assessment will determine if any sensitive biological resources are present on the Project site and will include review of Menlo Park's heritage tree
ordinance, the California Department of Fish and Wildlife’s Natural Diversity Database (CNDDB), the U.S. Fish and Wildlife Service’s Special-Status Species Online Database, and the California Native Plant Society’s online inventory. ICF will also conduct a site visit to aid in the peer review.

- Based on the Biological Assessment and site visit, ICF will evaluate the Project’s effects on the identified biological resources, and recommend mitigation as warranted. Based on prior experience in the region, and the urban nature of the site, ICF anticipates that the prominent issues for the Project will be limited to nesting migratory birds, roosting bats, and protected trees, per the City of Menlo Park heritage tree ordinance. However, with the proximity of Ravenswood Slough, the Don Edwards San Francisco Bay National Wildlife Refuge, and the associated salt marsh habitat, ICF also will address the possibility that special-status species associated with this habitat could be affected by the Project.

- Per Mitigation Measure BIO-1, if sensitive biological resources are determined to be present, appropriate measures should be included in the Biological Assessment, such as preconstruction surveys, establishing no-disturbance zones during construction, and applying bird-safe building design practices and materials. ICF will incorporate the mitigation measures, as applicable.

**Greenhouse Gas Emissions**

As discussed above for Air Quality, ICF will compose the Greenhouse Gas Emissions section of the EIR using the quantitative and qualitative analyses to be provided by Ramboll. ICF assumes that the CEQA Technical Analysis Documentation (Task A.14 [Tech Report] of Ramboll’s scope of work) will contain sufficient information to complete the EIR section.

In the setting section of the EIR, ICF will summarize the GHGs of greatest concern, including carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) that directly and indirectly result from the proposed project. The project setting will describe these pollutants and their relationship to global climate change. ICF will include information on applicable federal, state, and local goals, policies, and regulations adopted to reduce GHG emissions. ICF will use the BAAQMD’s most recent CEQA Air Quality Guidelines to evaluate Project impacts. For the discussion of impacts, the analysis will be comprised of the following components:

- Construction emissions inventory
- Operational emissions inventory
- Greenhouse gas consistency analysis with applicable plans and regulations

As described in Ramboll’s scope of work, ICF is assuming that each of the components above will be fully analyzed quantitatively or qualitatively, as applicable, with the results presented in the Tech Report. We are also assuming that the results in the Tech Report will include an analysis of the existing uses at the Project site and that the net effect of the Project will be clearly discernable (i.e. project emissions – existing site emissions = net emissions). As discussed in Ramboll’s scope of work, Ramboll will prepare a memorandum that summarizes the available BAAQMD thresholds and presents alternative GHG.
thresholds that respond to recent court cases and are based on local conditions. ICF will review the memorandum prepared by Ramboll and will evaluate the findings of their memo.

ICF notes that the BAAQMD’s current CEQA Guidelines that include operational GHG thresholds for land use development and stationary source projects are tailored to the state’s 2020 GHG reduction goal, and therefore may not be appropriate to evaluate project-level emissions generated after 2020. BAAQMD is currently working on an update to their CEQA Guidelines, which is expected to include GHG thresholds to project-level GHG emissions relative to the state’s post-2020 GHG reduction targets. Because the regulatory environment for GHG emissions is evolving, the significant threshold(s) for evaluating the operational GHG impacts for the Project will be finalized at the time of analysis preparation. The ultimate threshold(s) will be selected in coordination with BAAQMD, the City, and Ramboll, and consider all applicable case law and air district and expert agency guidance. ICF will use the GHG threshold(s) to evaluate the Project’s significance based on the considerations above, which may or may not be consistent with the findings of Ramboll’s memorandum.

ICF expects that because the decision on the appropriate GHG threshold to be used will be developed in concert with the Project Sponsor, City, and Ramboll, all parties will ultimately be in agreement on the appropriate approach. ICF will also review the consistency table to be provided by Ramboll that outlines the Project’s consistency with applicable regulations, plans, policies, etc. ICF will provide feedback on this consistency on this analysis as applicable.

The methodology write-up used to analyze Project impacts will be a high-level overview in the EIR section, and readers of the EIR will be referred to the detailed discussion of methods in the Tech Report, which will be included as an Appendix to the EIR.

In the event that the impact results of any of the components listed above would lead to significant impacts, ICF will review the mitigation recommended by Ramboll in the Tech Report. As discussed in the Ramboll scope of work, ICF will participate in discussions with Ramboll, the City, and the Project Sponsor as needed to determine appropriate mitigation. ICF also assumes that any revised analyses and/or results that would be needed for a mitigated analysis will be provided by Ramboll. If Project impacts cannot be mitigated by the recommended mitigation measures, ICF would report this conclusion in the EIR.

In addition to the tasks described above, ICF will also review the work products described in Ramboll’s scope of work. We are assuming that Ramboll will submit relevant modeling files to ICF for Quality Assurance (QA) purposes, and that the relevant files will be suitable for an air quality expert to determine the overall modeling procedures. ICF will review the Methodology Documentation and Tech Report prepared by Ramboll and will provide input on these documents as applicable.

Cultural and Tribal Resources
ICF will prepare the Cultural Resources section of the EIR and will conduct the following tasks:
Where applicable, ICF will use information presented in the ConnectMenlo EIR in the Cultural Resources analysis.

It is ICF's understanding that an Archeology Report is being prepared by the Project Sponsor. Therefore, ICF’s senior archaeologist will peer review the archaeological technical report prepared for the Project to assess whether there are any substantive data gaps or items that require additional clarification as well as assess the report for CEQA adequacy. ICF will provide comments in the form of a memorandum, and participate in up to two one-hour teleconference calls to discuss the technical report with the client and/or their archaeological consultant. ICF will also conduct a site visit to aid in the peer review. Once the Archeology Report is considered final, ICF will incorporate it into the EIR and include mitigation measures, as applicable.

This scope of work assumes that the Archeology Report conducted by the Project Sponsor will include an updated records search at the Northwest Information Center (NWIC). As needed, ICF can conduct records searches and archival research, if not included in the Archeology Report, to identify any previously documented cultural resources and cultural resources studies that have previously occurred within the vicinity of the Project site. ICF will review historic maps, ethnographic literature, and any related documents on-file with the City.

The Project would demolish all 21 buildings at the Project site, which includes a mix of office, research and development (R&D), and warehousing uses. Of these, five buildings are 45 years or older. Per ConnectMenlo Mitigation Measure CULT-1 and best practices for built environment resource evaluation, ICF will prepare State of California, Department of Parks and Recreation (DPR) 523 Form A and B forms for the five properties that are 45 years or older. The DPR forms will document the eligibility of the properties under California Register of Historical Resources (CRHR) and the National Register of Historic Places (NRHP) criteria. Each DPR form set will include a detailed description of the respective property, construction history, sketch map, historic context, and an evaluation of the property for listing under CRHR/NRHP criteria. Archival research and pedestrian survey will inform the documentation of current conditions of the properties and the significance evaluations in the DPR forms. This scope assumes that the buildings will be found to not be historic resources. If it is determined that these buildings are historic resources, then a revised scope of work and budget amendment will be needed to complete the work.

ICF will contact the California Native American Heritage Commission and interested Native American Representatives to help identify any locations of concern to the local Native American community. The results of this review will be integrated into the EIR. If requested by the City, ICF will assist with the City’s outreach to Native Americans in accordance with the project’s AB-52 and SB-18 obligations. Assistance will include writing correspondence on behalf of the city, tracking and compiling correspondence, and identifying critical path items that arise as a result of the correspondence, including consultation. The results of this correspondence will be integrated into the project’s EIR and ICF will analyze whether the Project would cause a substantial adverse change in the significance of a tribal resource.
Pursuant to ConnectMenlo Mitigation Measure CULT-1, the Cultural Resources section of the EIR will summarize the historic context of the Project site, methods employed in the documentation and evaluation of built environment resources, and CRHR evaluations documented in the DPR form sets. If it is determined that any building within the Project site is a historical resource, ICF will prepare a scope amendment to incorporate appropriate mitigation measures in the EIR.

**Energy Resources**

ICF will use the quantitative energy values for building energy (electricity and natural gas) and transportation fuel (construction and operational equipment/vehicles) provided by Ramboll, as part of their air quality and greenhouse gas analyses. ICF will make a determination as to whether the Project would result in the inefficient, wasteful, or unnecessary consumption of energy pursuant to Appendix G of the CEQA Guidelines. ICF will also evaluate whether the Project would conflict with or obstruct a state or local plan for renewable energy or energy efficiency. The review of Ramboll’s energy resources calculations is included in the Air Quality and Greenhouse Gas scopes, above.

**Geology/Soils**

The ConnectMenlo EIR found impacts related to geology and soils to be less than significant. ICF will use the discussion and findings in the ConnectMenlo EIR, but supplement the analysis with site-specific information. Based on the ConnectMenlo EIR technical information received for the Project site, ICF will prepare the Geology/Soils section of the EIR and will conduct the following tasks:

- Obtain the Geotechnical Report from the Project Sponsor and review.
- Evaluate the geohazard risks from development at the Project site, using the Geotechnical Report, available geologic and/or soils maps, published literature, and other information, reports, and/or plans. The main issue that will be analyzed is the seismic and geotechnical safety of the proposed buildings.
- Assess potential geohazard impacts of the Project in light of existing regulations and policies that would serve to minimize potential impacts. Pertinent regulatory requirements, as outlined in ConnectMenlo, will be identified so that the nexus between regulations and minimized impacts is apparent. In general, construction of development similar to the Project has little or no effect on the geology of an area, but is still subject to seismic ground shaking and local soil conditions, including ground oscillation and long-term and differential settlement.
- ICF will also consider impacts on paleontological resources and human remains. Standard mitigation measures, as outlined in the ConnectMenlo EIR, will be identified.

**Hazards and Hazardous Materials**

This scope assumes that a Phase I Environmental Site Assessment (ESA) will be provided to ICF. Based on the information in the Phase I ESA, ICF will conduct the following tasks:
• Describe applicable federal, state, and local regulations and how these regulations apply to the Project and reduce the potential for impact. Information in the ConnectMenlo EIR will be used, as appropriate.

• Identify potential exposure to hazardous materials or waste during construction activities and during long-term operation at the Project site. Demolition of the existing structures could potentially result in the release of hazardous materials (asbestos or lead-based paint). ICF will consider this in the analysis.

• Evaluate potential public health risks at the site from groundwater and soil contamination from prior land uses. In addition, the analysis will focus on any potentially poor hazardous materials “housekeeping” practices at the site or from nearby uses. This information will be augmented by the Phase I ESA. The Project site is not listed as a hazardous materials site. However, according to the ConnectMenlo EIR, an open hazardous materials site listed on EnviroStor is located at 990 O’Brien Drive, to the south of the Project site. In addition, in 2017, a site at 1010 O’Brien Drive, also to the south of the Project site, was listed as an open cleanup program site on GeoTracker. ICF will consider this in the analysis.

• Include a discussion of the potential hazardous materials that could be used during the operation of the Project and any potential releases of these materials.

• Include a discussion of the potential public health risk from exposure to hazardous building components in the structures to be demolished at the Project site (e.g., asbestos, PCBs, etc.). Our scope does not assume the preparation of a quantitative health risk from hazards and hazardous materials.

• As needed, the Project will be required to comply with ConnectMenlo Mitigation Measure HAZ-4a and HAZ-4b which require a project-specific Environmental Site Management Plan and a vapor intrusion assessment, respectively. As necessary, compliance with these mitigation measures will be described in the EIR.

• Consider how the Project could interfere with an adopted emergency response plan and/or the airport land use plan for the Palo Alto Airport.

Hydrology/Water Quality

Based on technical information received from the Project Sponsor (such as a hydrology/drainage report), ICF will prepare the Hydrology/Water Quality section of the EIR and will conduct the following tasks:

• Describe the existing regulatory environment at the local, state, and federal levels, including, but not limited to, the Construction General Permit, Municipal Regional Permit for stormwater discharges (including how the project relates to C.3 requirements), the City of Menlo Park Municipal Code, and the California Building Code. ICF will incorporate information from ConnectMenlo, as applicable. These regulations require specific measures for reducing potential impacts on hydrology and water quality as well as from flooding.
Proposal to Prepare the Willow Village Master Plan EIR – Phase II

Page 16

- Assess potential Project hydrology and water quality impacts in light of existing regulations and policies that would serve to minimize potential impacts. Pertinent regulatory requirements will be explicitly identified so that the nexus between regulations and minimized impacts is apparent.
- Per ConnectMenlo EIR, each new development project is required, as part of the CEQA process, to demonstrate that stormwater runoff from the site would not result in an increase from pre-development flows. ICF will discuss compliance with these requirements.
- Discuss sea level rise and evaluate future flooding scenarios.

**Land Use**

Land use and planning analysis generally considers division of an established community and consistency of a proposed project with relevant local land use policies that have been adopted with the intent to mitigate or avoid an environmental effect. With respect to land use conflicts, the magnitude of these impacts depends on how a proposed project affects the existing development pattern, development intensity, traffic circulation, noise, and visual setting in the immediately surrounding area, which are generally discussed in the respective sections. However, per the ConnectMenlo EIR (Mitigation Measure LU-2), all proposed development is required to demonstrate consistency with the applicable goals, policies, and programs in the General Plan and supporting zoning standards. Therefore, ICF will conduct the following tasks:

- The ConnectMenlo EIR considered the compatibility of the proposed land uses and zoning with current onsite and offsite development. The EIR will reiterate the findings of the ConnectMenlo EIR; it is not anticipated that further land use compatibility discussion will be needed.
- Tiering from the discussion in the Impact LU-1 in the ConnectMenlo EIR, describe the Project’s potential to divide an established community highlighting any site-specific features that were not already considered in the ConnectMenlo analysis.
- For applicable plans other than the General Plan and zoning standards, a policy consistency analysis (only for policy conflicts that could result in environmental impacts) will be conducted and will focus only on those Project features that differ from what was considered in the ConnectMenlo EIR since that analysis did a comprehensive policy consistency analysis. The EIR will, however, evaluate the Project against relevant General Plan (including ConnectMenlo) policies and supporting zoning standards, in accordance with Mitigation Measure LU-2.

**Noise**

ICF will prepare a noise and vibration impact analysis that employs standard noise and vibration modeling techniques consistent with the requirements of the City of Menlo Park General Plan Noise Element and noise section of the City’s municipal code. As appropriate, data and analyses from the General Plan Update effort as well as the ConnectMenlo EIR can be used to complete this chapter of the EIR.

Primary noise sources in the Project vicinity include local and regional roadway traffic on nearby roads, including Bayfront Expressway and Willow Road. Noise-sensitive receptors in the Project vicinity include residential uses located directly across Willow Road to the west of the Project site. Other sensitive
receptors could be identified during the screening process. Due to the development intensity at the Project site, the Project would be expected to result in greater noise levels compared to existing conditions.

The discussion of construction noise and vibration impacts will rely on the analysis in the ConnectMenlo EIR, and will include applicable mitigation measures from that EIR that would be required for the Project. Therefore, construction noise (ConnectMenlo Mitigation Measure NOISE-1c), construction vibration (ConnectMenlo Mitigation Measure NOISE-2a), and potential noise impacts to future on-site land uses (ConnectMenlo Mitigation Measures NOISE-1a and NOISE-1b) will be mitigated through the application of relevant mitigation measures. If desired by the City, ICF can prepare the specific vibration analysis required by Mitigation Measures NOISE-2a and NOISE-2b and/or the acoustical study for future on-site uses required by Mitigation Measure NOISE-1a during the CEQA process for integration into the EIR. If desired, our scope and budget will be modified accordingly.

ICF will address the following key noise issues:

- Exposure of existing noise sensitive land uses to Project-related changes in traffic noise. Although the Project was considered in the ConnectMenlo EIR, the access points for vehicles have changed. In addition, the Project was not analyzed in the ConnectMenlo EIR at the Project level (only cumulative traffic noise impacts of all expected future projects were discussed). As a result, traffic noise for roadway segments in the Project vicinity will need to be analyzed based on new Project-specific traffic numbers.
- Exposure of existing noise sensitive land uses to operational noise from the Project site (mechanical equipment, parking lots, loading docks, etc.).

Although one noise measurement for the ConnectMenlo EIR is located adjacent to the Project site, additional noise measurements would help to characterize the existing noise environment in the Project area for a proposed development of this size. Existing noise levels in the Project area will be characterized based on noise monitoring to be conducted at selected locations and traffic noise modeling, as follows:

- It is anticipated that short-term (15 minutes or less) noise monitoring will be conducted at up to two locations in the Project area. Continuous long-term monitoring (24 hours or more) will be conducted at up to two locations in the Project area.
- Existing traffic noise conditions in the Project area will be modeled using the FHWA Traffic Noise Model (TNM) version 2.5 and traffic data to be provided by the Project traffic engineer.

Traffic noise will be evaluated under the conditions analyzed in the Transportation section, which should include: Existing, Near Term Conditions, Near Term + Project Conditions, and Cumulative with and without the Project. Traffic noise along as many as 10 roadway segments will be modeled. The significance of traffic noise impacts will be evaluated using significance thresholds established based on
applicable City noise standards. Where significant impacts are identified, mitigation measures to reduce impacts will be identified.

Impacts on adjacent uses from noise generated by facility operation including a possible on-site cogeneration plant, loading docks, parking lots, and mechanical equipment will be evaluated using standard acoustical modeling methods and operational data provided by the Project Sponsor. The significance of noise impacts will be evaluated using the significance thresholds. Where significant impacts are identified, mitigation measures to reduce impacts, as feasible, will be identified.

**Population/Housing**

Due to the Settlement Agreement with East Palo Alto, the increase in the number of employees anticipated at the site from the ConnectMenlo EIR, and the public interest in this topic, ICF proposes to do a full analysis of potential impacts to population and housing. The Project would include office, retail, and hotel uses, which would generate new employees at the Project site. In addition, the Project would include approximately 1,735 housing units, directly increasing the population in the City consistent with growth planned in Connect Menlo. ICF will analyze the impact of the increase in employees and residents. The Population and Housing chapter of the EIR will examine the Project’s effect on population and housing in the City, and to a lesser extent, the region. This analysis will focus on the increase in population and the secondary effects associated with housing needed to accommodate the increased employment that would result from the Project. ICF, with assistance from Keyser Marston Associates (KMA), will undertake the following tasks:

- ICF will obtain additional information from the Project Sponsor, including the number of existing employees at the Project site and the assumptions for how many employees could also live at the proposed housing, if available.
- A Housing Needs Assessment (HNA) will be prepared by Keyser Marston Associates (Attachment B). ICF will work closely with the KMA throughout the process and will peer review the HNA and incorporate the findings into the analysis.
- Discuss the housing effect resulting from the Project in the context with the Association of Bay Area Governments (ABAG) regional household forecasts and fair share housing allocations.
- ICF will evaluate the direct population impacts from the proposed housing at the Project site.
- Similar to other job intensive projects, the EIR will examine the secondary housing demands based on future residential patterns for Project employees.
- One of the key terms of the Settlement Agreement between the City of Menlo Park and the City of East Palo Alto is that an HNA will be prepared when the preparation of an EIR is required. As required by the Settlement Agreement, the HNA prepared for the Project will include an analysis of the multiplier effect for indirect and induced employment to the extent possible.

**Public Services and Recreation**

It is ICF’s understanding that the population increases associated with the Project site as assumed in the ConnectMenlo EIR may be less than what is now anticipated. Thus, ICF proposes to not tier from the
ConnectMenlo EIR and conduct a full analysis for the impacts to public services and utilities since the magnitude of impacts could be greater than what was previously disclosed. Based on information received from various service providers, ICF will prepare the Public Services section of the EIR. BAE will conduct an FIA (Attachment C) and ICF will coordinate the FIA findings with the Public Services section to ensure that we are efficient in our requests for information from the public service providers. As appropriate, ICF will utilize existing data gathered as part of the ConnectMenlo EIR. ICF will conduct the following tasks:

- As necessary, send public service questionnaires to the City’s police department, community services department, library, fire district, and the school district to determine current service levels and capacity to serve increased demand. For efficiency, ICF will coordinate these questionnaires with BAE.
- Estimate Project-generated demand for public services based on existing operational standards obtained from the service providers. Other measures of demand will also be considered, such as the projected increase in the calls for service and the projected demand of recreational facilities and library services. ICF will consider the direct impacts from the residents living at the Project site and the secondary effects of adding to the residential population due to employment growth.
- In accordance with CEQA, evaluate the extent to which Project demands would trigger the need for new public facilities whose construction might result in physical environmental effects.

**Transportation**

The scope of work for the Transportation analysis is included as Attachment A (Hexagon). Note that the appropriate standards for the transportation analysis will be identified at a later time, based on the legal requirements.

**Utilities/Service Systems**

As appropriate, the ConnectMenlo EIR will be summarized. However, the EIR will evaluate the site-specific nature of certain utilities such as storm drain and wastewater infrastructure. The Utilities/Service Systems section of the EIR will examine the Project’s effect on water supply, wastewater treatment, storm drainage, solid waste disposal, telecommunications facilities, and energy generation and transmission. Information for these analyses is expected to come from the Project Sponsor and the City. Per discussions with the Project Sponsor, ICF will assume a Code-compliant project for a conservative analysis. Based on technical information for the Project site, and information received from the utility providers, ICF will prepare the Utilities/Service Systems section of the EIR and will conduct the following tasks:

- Discuss applicable regulations at the local, state, and federal level, using the ConnectMenlo EIR where applicable.
- Peer review utilities data prepared by the Project Sponsor for adequacy and use in the EIR.
- ICF assumes the City will require a Water Supply Assessment for the Project. ICF will peer review the WSA which will be provided by the City and incorporate the WSA into the analysis.
Describe existing utility providers, system capacity, and improvement plans, using the ConnectMenlo EIR where applicable.

- Evaluate the net change in the demand for water, wastewater, storm drainage, solid waste, telecommunications, and energy, relative to existing and planned capacity for the utilities and using the ConnectMenlo EIR where applicable.
- Discuss whether Project impacts would require the expansion or construction of new infrastructure or facilities.
- Include a discussion of fuel and energy consumption pursuant to Appendix F of the CEQA Guidelines.

Deliverables

- Five hard copies of Administrative Draft EIR
- One electronic copy of Administrative Draft EIR in MS Word
- One electronic copy of Administrative Draft EIR in Adobe PDF format

Task 6. Project Variants

The Project could include additional and/or alternative access to/from the Project site, along with other onsite features than currently proposed. All potential variants to the Project will be analyzed as a separate chapter in the EIR. As needed, the analysis will be quantitative; however, this scope and budget assumes that the variants would not be analyzed at the same level of detail as the Project.

- **Increased Housing Variant.** A maximum of 2,000 dwelling units could be constructed at the Project Site, as permitted with the density bonus. The EIR will analyze the development of up to 1,735 housing units as part of the Project, but to provide development flexibility, a variant will be analyzed to include the construction and operation of up to 2,000 units.

- **Decreased Housing Variant.** A minimum of 1,500 units, as required by the development agreement for the Facebook Expansion Project, would be analyzed in order to provide development flexibility.

- **Hamilton Realignment.** Hamilton Avenue could be realigned at the intersection with Willow Road. ICF would consider the environmental impacts associated with the construction of the realignment. In addition, as a result of the realignment, an existing gas station would need to be relocated across the street. ICF would analyze the environmental impacts associated with demolition and construction of a gas station. For purposes of this analysis, it is assumed that the replacement gas station would be the same size as existing; therefore, operational impacts would not be considered since there would be no change compared to existing conditions.

- **Willow Road/Dumbarton Rail Corridor Crossing.** A grade-separate crossing is proposed for bicycles, pedestrians, and campus trams. It is currently unknown whether this proposed crossing would be above or below grade. The EIR will analyze one of the options as part of the Project, while the other option will be analyzed in the Variants chapter.
Recycled Water. It is currently unknown whether the recycled water system would be used at the Project site only, or if it should be a public utility. The onsite system will be analyzed as part of the Project, while the system as a public utility would be analyzed in the Variants chapter.

Others. Other potential variants could include different programming for the proposed park and community amenities.

Task 7. Project Alternatives and Other CEQA Considerations

The purpose of this task is to complete drafts of the remaining sections (Alternatives and Other CEQA Considerations) of the EIR for City staff review. This task involves preparation of other required sections examining particular aspects of the Project's effects and the identification and comparison of Project alternatives.

Other CEQA Considerations

This task involves documenting unavoidable adverse impacts, growth-inducing effects, and cumulative effects of the Project:

- The unavoidable effects will be summarized from analyses performed in Task 6.
- Growth-inducing effects will be based on economic multipliers for the proposed uses, as well as comparisons with ABAG projections for the City. Growth inducement will be discussed in the context of population increases, utility and public services demands, infrastructure, and land use. Effects associated with increased housing demand in the City and region will be discussed.
- Cumulative effects where relevant will be addressed in Task 6 and summarized as part of this section of the EIR. The future projects in the vicinity of the Project site will be considered as they relate to potential cumulative impacts. This scope assumes the City will help develop the approach for analyzing cumulative effects, typically a combination of using the General Plan and a list of reasonably foreseeable planned projects.

Alternatives

The alternatives to the Project must serve to substantially reduce impacts identified for the Project while feasibly attaining most of the Project objectives. ICF assumes that one Reduced Project Alternative will be quantitatively analyzed and will be based on a sensitivity analysis to reduce identified impacts, unless the Project Sponsor has a preferred alternative. The No Project Alternative will also be analyzed. Up to two additional alternatives could be developed by ICF, the City, and/or the Project Sponsor and evaluated qualitatively. This scope assumes that the City/Project Sponsor will provide justification for dismissing offsite alternatives and other alternatives considered but rejected.

Deliverables

- Other CEQA Considerations chapter to be submitted with Administrative Draft EIR
- Alternatives chapter to be submitted with Administrative Draft EIR
Task 8. Screencheck Draft

The purpose of this task is to prepare the Screencheck Draft EIR for City staff review. ICF will prepare a Screencheck Draft EIR to respond to the City’s and Project Sponsor’s comments on the Administrative Draft EIR. This scope assumes that comments from multiple reviewers will be consolidated with any conflicting comments resolved, and that comments do not result in substantial revisions or additional analyses. The Screencheck Draft EIR will include an Executive Summary section, which will summarize the Project Description, impacts and mitigations, and alternatives. Impacts and mitigations will be presented in a table that identifies each impact, its significance, and proposed mitigation as well as the level of significance following adoption for the mitigation measures.

Deliverables

- Five hard copies of Screencheck Draft EIR
- Electronic copies of Screencheck Draft EIR in MS Word and Adobe PDF format

Task 9. Public Draft EIR

The purpose of this task is to prepare and submit the Draft EIR to the City for distribution to the public. ICF will revise the Screencheck Draft to incorporate modifications identified by the City. The revised document will be a Draft EIR, fully in compliance with State CEQA Guidelines and City guidelines, and will be circulated among the public agencies and the general public as well as specific individuals, organizations, and agencies expressing an interest in receiving the document. During this task, ICF will also compile the appendices that will be distributed with the Draft EIR and produce a version of the full document that can be uploaded onto the City’s website. ICF will also prepare a Notice of Completion (NOC) to accompany the copies that must be sent to the State Clearinghouse. This scope of work and budget assumes that ICF will send the required documents to the State Clearinghouse and that the City will distribute the Draft EIRs to all other recipients.

Once the City has been notified of the intent to pursue AB 900 certification, ICF will concurrently prepare the Administrative Record. In addition, ICF will show compliance with AB 900 requirements regarding the posting on the City’s website.

Deliverables

- Thirty-five hard copies of the Draft EIR with appendices in CDs
- Electronic copies of the Draft EIR in MS Word and in Adobe PDF format
- Notice of Completion
- Fifteen hard copies of the Executive Summary, along with 15 electronic copies of the entire Draft EIR on CD, for the State Clearinghouse
- One electronic copy of the Draft EIR Administrative Record, pursuant to AB 900.

City Involvement
Review the Notice of Completion. Prepare and file the Notice of Availability with the County Clerk. Distribute the NOA and Draft EIRs (other than to the State Clearinghouse), and handle any additional noticing (e.g., newspaper, posting at site).

Task 10. Public Review and Hearing
The City will provide a 45-day review period during which the public will have an opportunity to review and comment on the Draft EIR. During the 45-day review period, the City will hold a public hearing to receive comments on the Draft EIR. ICF key team members will attend and participate as requested. This scope of work assumes the preparation of meeting materials (e.g., PowerPoint presentations and handouts) but does not assume the labor needed to provide meeting transcript/minutes.

Task 11. Draft Responses to Comments and Administrative Final EIR
The purpose of this task is to prepare responses to the comments received on the Draft EIR and incorporate these responses into an Administrative Final EIR for City review. The Administrative Final EIR will include:

- Comments received on the Draft EIR, including a list of all commenters and the full comment letters and public meeting transcripts with individual comments marked and numbered;
- Responses to all comments; and
- Revisions to the Draft EIR in errata format as necessary in response to comments.

All substantive comments for each written and oral comment will be reviewed, bracketed, and coded for a response. Prior to preparing responses, ICF will meet with staff to review the comments and suggest strategies for preparing responses. This step is desirable to ensure that all substantive comments are being addressed and that the appropriate level of response will be prepared. This scope of work and budget assumes ICF will prepare responses for up to 100 substantive discrete, non-repeating comments and will coordinate integrating the responses prepared by other consultants. However, the number and content of public comments is unknown at this time. Therefore, following the close of the Draft EIR public review period and receipt of all public comments, ICF will meet with the City to revisit the budget associated with this effort to determine if additional hours are needed. Very roughly, each additional substantive discrete comment may cost an additional $350.

Frequently raised comments of a substantive nature may be responded to in a Master Response, which allows for a comprehensive response to be presented upfront for all interested commenters. ICF will identify and recommend possible Master Responses for City consideration during the initial meeting to discuss strategies for preparing responses.

Following the strategy session, ICF will prepare Master Responses (as appropriate) and individual responses to the bracketed and coded comments. Individual responses to each comment letter will be placed immediately after the comment letter. As necessary, responses may indicate text revisions, in addition to clarifications and explanations. All text changes stemming from the responses to the
comments, as well as those suggested by City staff, will be compiled into an errata included as part of the Final EIR.

Following City’s review of the Administrative Final EIR, ICF will address all comments received and prepare a Screencheck Final EIR for City review to ensure that all comments on the Draft were adequately addressed.

**Deliverables**

- Five hard copies of the Administrative Final EIR
- Electronic copies of the Administrative Final EIR in MS Word and in Adobe PDF format
- Five hard copies of the Screencheck Final EIR
- Electronic copies of the Screencheck Final EIR in MS Word and in Adobe PDF format

**Task 12. Screencheck and Final EIR**

Based on comments received from City staff, the Screencheck Responses to Comments will be revised and appropriate revisions to the Draft EIR will be noted. This scope assumes that comments from multiple reviewers will be consolidated with any conflicting comments resolved, and that comments do not result in substantial revisions or additional analyses. The Final EIR will then consist of the Draft EIR and the Responses to Comments document. Revisions to the Draft EIR will be presented as a separate chapter in the Final EIR. The revised Responses to Comments document will be submitted to the City for discussion by the Planning Commission and subsequent certification by the City Council.

**Deliverables**

- Twenty hard copies of the Final EIR with appendices in CDs
- Electronic copies of the Final EIR in MS Word and Adobe PDF format

**Task 13. Certification Hearings, MMRP, Statement of Overriding Considerations, and Final Administrative Record**

The purpose of this task is to attend meetings to certify the EIR. Team members will attend and participate in up to two meetings to certify the EIR. If requested by City staff, ICF will present the conclusions of the EIR and a summary of the comments and responses.

As part of this task, ICF will also prepare a draft and final MMRP for the Project, as required by Section 15097 of the State CEQA Guidelines. The MMRP will be in a tabular format and include:

- The mitigation measures to be implemented
- The entity responsible for implementing a particular measure
- The entity responsible for verifying that a particular measure has been completed
- A monitoring milestone(s) or action(s) to mark implementation/completion of the mitigation measure
ICF will prepare the Statement of Overriding Considerations pursuant to Section 15093 of the CEQA Guidelines, if required based on the impacts of the Project. CEQA requires the decision-making agency to balance the economic, legal, social, and technological benefits of a proposed project against its unavoidable environmental impacts. The Statement of Overriding Considerations includes the specific reasons to support its action based on the Final EIR and other information in the record.

ICF will also compile the Administrative Record, assembling background documents as well as correspondence or telephone notes that are cited as sources in the EIR.

**Deliverables**

- Electronic copies of the Draft MMRP in MS Word and Adobe PDF format
- Five hard copies of the Final MMRP
- Electronic copies of the Final MMRP in MS Word and Adobe PDF format
- Electronic copies of the Draft Statement of Overriding Considerations in MS Word and Adobe PDF format
- Electronic copies of the Final Statement of Overriding Considerations
- One electronic copy (on CD or DVD) of the final Administrative Record

**C. Cost**

The cost estimate to implement Phase II of the EIR is $1,113,858 as detailed in Attachment D.
June 26, 2019

Ms. Kirsten Chapman
ICF
201 Mission Street, Suite 1500
San Francisco, CA 94105

Re: Proposal to Prepare a Transportation Impact Analysis for the Proposed Willow Village Project in Menlo Park, CA.

Dear Ms. Chapman:

Hexagon Transportation Consultants, Inc. is pleased to submit this proposal to prepare a Transportation Impact Analysis (TIA) for the proposed Willow Village project in Menlo Park, CA. The approximately 59-acre project site is bounded to the north by the Dumbarton rail corridor, to the south by the Hetch Hetchy right-of-way and Mid-Peninsula High School, Willow Road to the west and existing life science complex to the east. The project proposes to demolish the existing approximately one million s.f. of industrial/office/warehouse buildings on site and build a mixed-use development including approximately 1,735 residential units, 125,000 to 200,000 s.f. of retail (non-office commercial) uses, a 200- to 250-room hotel and a 1.75 million s.f. office campus. A variant project description increasing the residential component to up to 2,000 units (as permitted with the density bonus) is being considered. Another variant where the project will include no less than 1,500 residential units (in order to comply with the Development Agreement for the Facebook Expansion Project) is also being considered.

Site access to the project site would be provided by three intersections on Willow Road (at Hamilton Avenue, and two new driveways south of Hamilton Avenue), a new intersection on O’Brien Drive at the southeast corner of the project site, and Adams Court. A variant to re-align the Hamilton Avenue intersection is also being considered.

Scope of Services

The purpose of the traffic study is to satisfy the requirements of the City of Menlo Park and the City/County Associations of Governments (C/CAG) Congestion Management Program (CMP). The traffic analysis will include an analysis of weekday AM and PM peak-hour traffic conditions and will determine the traffic impacts of the proposed project on 49 key intersections, 20 freeway segments and 8 freeway ramps in the vicinity of the site. The study will also analyze 10 roadways segments for Average Annual Daily Traffic (AADT) analysis. All internal intersections and driveways proposed on the project site (approximately 20 intersections/driveways based on the February 8, 2019 site plan) will also be evaluated. The external intersections, freeway segments and freeway ramps that we propose to study are identified below.

Study Intersections

1. Marsh Road & Bayfront Expressway [CMP]
2. Marsh Road & US 101 Northbound Off-Ramp
3. Marsh Road & US 101 Southbound Off-Ramp
4. Marsh Road & Scott Drive
5. Marsh Road & Bohannon Drive/Florence Street
6. Marsh Road & Bay Road
7. Marsh Road & Middlefield Road [Atherton]
8. Chrysler Drive & Bayfront Expressway
9. Chilco Street & Bayfront Expressway
10. MPK 21 Driveway (west) & Bayfront Expressway
11. MPK 20 Driveway (east) & Bayfront Expressway
12. Chrysler Drive & Constitution Drive
13. Chilco Street & Constitution Drive/MPK 22 Driveway (unsignalized)
14. Chilco Street & Hamilton Avenue (unsignalized)
15. Ravenswood Avenue & Middlefield Road
16. Ringwood Avenue & Middlefield Road
17. Willow Road & Bayfront Expressway [CMP]
18. Willow Road & Hamilton Avenue
19. Willow Road & North Street (future intersection)
20. Willow Road & Park Street (future intersection)
21. Willow Road & Ivy Drive
22. Willow Road & O’Brien Drive
23. Willow Road & Newbridge Street [East Palo Alto]
24. Willow Road & US 101 Northbound Ramps [East Palo Alto]
25. Willow Road & US 101 Southbound Ramps
26. Willow Road & Bay Road
27. Willow Road & Hospital Plaza/Durham Street
28. Willow Road & Coleman Avenue
29. Willow Road & Gilbert Avenue
30. Willow Road & Middlefield Road
31. O’Brien Drive/Loop Road & Main Street/O’Brien Drive (future intersection)
32. O’Brien Drive & Kavanaugh Drive (unsignalized)
33. Adams Drive & Adams Court (unsignalized)
34. Adams Drive & O’Brien Drive (unsignalized)
35. University Avenue & Bayfront Expressway [CMP]
36. University Avenue & Purdue Avenue (unsignalized)
37. University Avenue & Adams Drive (unsignalized) [East Palo Alto]
38. University Avenue & O’Brien Drive [East Palo Alto]
39. University Avenue & Kavanaugh Drive/Notre Dame Avenue [East Palo Alto]
40. University Avenue & Bay Road [East Palo Alto]
41. University Avenue & Runnymede Street [East Palo Alto]
42. University Avenue & Bell Street [East Palo Alto]
43. University Avenue & Donohoe Street [East Palo Alto]
44. US 101 Northbound Off-Ramp & Donohoe Street [East Palo Alto]
45. Cooley Avenue & Donohoe Street [East Palo Alto]
46. University Avenue & US 101 Southbound Ramps [East Palo Alto]
47. University Avenue & Woodland Avenue [East Palo Alto]
48. University Avenue & Middlefield Road [Palo Alto]
49. Lytton Avenue & Middlefield Road [Palo Alto]

Note: This proposal includes budget to study a few additional intersections if necessary.
CMP Roadway Segments

San Mateo County:
- SR 84 – 4 CMP segments between Alameda de las Pulgas and Alameda County Line
- US 101 – 2 CMP segments between SR 92 and Santa Clara County Line
- SR 109 – 1 CMP segment between Kavanaugh Drive and SR 84
- SR 114 – 1 CMP segment between US 101 and SR 84

Santa Clara County:
- US 101 – 8 CMP segments between Embarcadero Road and SR 85

Alameda County
- SR 84 – 4 CMP segments between San Mateo County Line and I-880

Freeway Ramps
- US 101/Marsh Road Interchange – 2 ramps
- US 101/Willow Road Interchange – 4 ramps
- US 101/University Avenue Interchange – 2 ramps

Roadway Segments for AADT Analysis

Minor Arterials
1. Willow Road, north of Durham Street [Avenue – Mixed Use]
2. Willow Road, north of Blackburn Avenue [Avenue – Mixed Use]
3. Middlefield Road, west of Willow Road [Avenue – Mixed Use]
4. Middlefield Road, east of Willow Road [Avenue – Mixed Use]

Collectors
5. Marsh Road, north of Bohannon Drive [Mixed Use Collector]
6. Hamilton Avenue, east of Madera Avenue [Neighborhood Collector]
7. O’Brien Drive, east of Willow Road [Mixed Use Collector]
8. O’Brien Drive, west of University Avenue [Mixed Use Collector]
9. Adams Drive, west of University Avenue [Mixed use Collector]
10. Bay Road, west of Willow Road [Neighborhood Collector]

It should be noted that Hexagon has prepared an interim proposal for this project to collect travel time data on Willow Road and conduct field observations for approximately 30 to 35 intersections. The interim proposal has a budget of $16,000. These tasks will not be repeated in the scope below and will not be reflected in this proposal’s budget or schedule breakdowns.

The tasks to be included in this proposal are:

1. **Site Reconnaissance**. The physical characteristics of the site and the surrounding roadway network will be reviewed to identify existing roadway cross-sections, intersection lane configurations, traffic control devices, and surrounding land uses.
2. **Observation of Existing Traffic Conditions in the Study Area.** Existing traffic conditions will be observed in the field in order to identify any operational deficiencies and to confirm the accuracy of calculated levels of service. This task includes conducting field observations for the remaining approximately 20 study intersections not covered by the interim proposal.

3. **Data Collection.** It is assumed that intersection counts at all study intersections and AADT counts at all 10 study roadway segments will be provided by City staff. This task does not include conducting additional counts. Freeway segment traffic counts will be obtained from the latest Congestion Management Program (CMP) monitoring report.

4. **Evaluation of Existing Conditions.** Existing traffic conditions will be evaluated based on existing traffic volumes at the study intersections. Study intersections within each jurisdiction will be evaluated using the jurisdiction’s approved software and analysis methodologies. Due to the close proximity of the intersections at University Avenue and Donohoe Street, at US 101 Northbound Off-Ramp and Donohoe Street and at University Avenue and US 101 Southbound Ramps, these three intersections will be analyzed using the Synchro/SimTraffic software using the latest micro-simulation model built for the University Avenue corridor.

5. **Willow Road Simulation.** Hexagon proposes to develop a micro-simulation model of all study intersections along Willow Road north of Durham Street using the City-preferred simulation software (SimTraffic 10). The micro-simulation model will simulate travel of individual vehicles and pedestrians along the corridor and will allow us to generate a visual animation of the existing traffic operations. Separate simulation models will be developed for the AM and PM peak hours. In order to closely simulate existing conditions, it is assumed that City staff and Caltrans staff will provide detailed signal timing plans as inputs into the simulation model. Hexagon will utilize the collected travel time data (outlined in the interim proposal) and field observations to calibrate the model to closely represent existing traffic operations. The progression analysis will be run for existing conditions as well as for each fully studied scenario.

Hexagon will report LOS results from Vistro for intersections along Willow Road that are being analyzed using simulation models. To ensure consistency, Vistro parameters at each intersection under each scenario will be adjusted so the Vistro results and the simulation results are consistent. Hexagon will prepare an initial technical memorandum summarizing our simulation calibration methodology and results for existing conditions. Upon receiving City approval on the existing simulation model, Hexagon will provide subsequent memorandums documenting all parameter adjustments made to the Vistro file. Separate memorandums will be provided for existing and existing project conditions, background and background project conditions, cumulative and cumulative plus project conditions, and cumulative with Dumbarton conditions (if needed). Impact discussions for each project scenario will begin only after receiving City approval on the respective technical memorandum documenting the Vistro parameter adjustments.
6. **Model Validation.** Hexagon will start with the ConnectMenlo model to be provided by the City. It is assumed that the land use data for existing conditions is relatively up to date and would not require modifications. It is assumed that the model is set up to run daily, AM and PM 4-hour trip assignments, and that it includes most of the study intersections. The model network will be updated to ensure any study intersections not included in the model are also coded. We will check the model validation for the study area, and we will make adjustments to model parameters to get a good match with traffic counts. Because the model will be running 4-hour trip assignments but traffic counts are only 2-hour counts, additional 24-hour roadway traffic counts within or near Menlo Park will be needed to validate the model and derive conversion factors for the intersection counts. Hexagon will provide a list of up to 25 street segments where daily roadway traffic counts are needed. It is assumed that City will provide Hexagon with the counts. We will expect the City to critically evaluate the land use data in the ConnectMenlo model and advise Hexagon about any necessary changes to reflect current existing conditions. Hexagon will input the land use data into the model files. Hexagon will prepare a memorandum documenting our assumptions, inputs and adjustments to the model as well as the validation results.

7. **Future Land Use Data.** Hexagon will rely on the City to provide land use data for the future scenarios, which include Background and Cumulative (2040). The Background scenario will include projects that have been approved and may be under construction but not yet occupied. For zones outside of Menlo Park, Hexagon will use the existing model data for year 2025 for Background conditions. The 2040 scenario will use the current model's 2040 land use data set, except as modified by the City in Menlo Park. This task budget includes some time for Hexagon to assist City staff with allocating development into the model's zones and land use categories.

8. **Trip Generation.** Hexagon will prepare trip generation estimates for the project using various sources. For the Office District, Hexagon will rely on data to be supplied by the project applicant based on driveway counts and in-house mode-split data. For other uses in the project (residential and retail), Hexagon will use ITE trip generation rates. Hexagon will rely on input from the City/project applicant regarding the different land use categories (for the non-residential and office components) and the amount of development in each land use category for trip generation purposes. For internal and any transit-oriented reductions, Hexagon will run the MXD model and derive appropriate trip reductions. Trips generated by existing uses on site will be credited using ITE trip generation rates. Hexagon will run the travel demand forecasting model to determine the trip distribution pattern for the project. It is assumed that a detailed site plan including parking management plan will be provided by the applicant. This information is needed for trip assignment assumptions. Hexagon will prepare a memo with the trip generation estimates and trip assignment pattern for review and approval by City staff prior to completing the following tasks. This task will be completed for only the main project description.

9. **Background Scenarios.** Hexagon will run the travel forecasting model to produce link-level and intersection turning movement forecasts for the study intersections and freeway segments. The model will be used to produce 4-hour forecasts. Hexagon will convert the 4-hour link forecasts into forecasts of peak-hour intersection turning movements. Hexagon will produce model forecasts both with and without the project. Hexagon will also produce forecasts of vehicle miles traveled (VMT). Model forecasts for the two residential variants
will be analyzed and documented in the same fashion. This task will be completed for only the main project description.

10. **Cumulative (2040) Scenarios.** In the same fashion as Task 9, Hexagon will produce year 2040 forecasts with and without the project. Hexagon will work with City staff to identify the transportation network to be used in the Cumulative scenario, and potentially include a scenario that includes rail service in the Dumbarton corridor. Hexagon will work with the City to determine how to analyze a Dumbarton scenario. This task will be completed for only the main project description.

11. **Intersection Analysis.** For all background, cumulative and Dumbarton scenarios with and without the project, Hexagon will evaluate intersection levels of service using adjusted model forecast volumes. Intersection impacts will be identified by comparing the project scenarios to the without-project scenarios in accordance with the appropriate jurisdiction’s adopted significant impact criteria. For intersections analyzed using the micro-simulation models, this task assumes adjustments to signal timing and corridor coordination under the without-project scenarios. The adjustments will be made based on several key measures of effectiveness (i.e. travel time, stops, queues, etc.) to be determined in coordination with City staff. The with-project scenarios will use the same models as the without-project models. This task will be completed for only the main project description.

12. **Intersection Variant Analysis.** It is our understanding that the project applicant is considering a variant scheme at the Willow Road and Hamilton Avenue intersection. This variant scheme would realign Hamilton Avenue south of the current Chevron gas station. As a result, the current signalized intersection at Willow Road and Hamilton Avenue would be moved south by about 200 feet. Under this scheme, the original Hamilton Avenue site access point will become a right-in-right-out only access point. Hexagon will conduct intersection level of service analysis under all project scenarios at these two intersections using the simulation model. The evaluation will include reassigning traffic volumes at these two intersections as necessary. This task will be completed for only the main project description.

13. **Freeway Analysis.** For all background and cumulative scenarios with and without the project, freeway levels of service will be evaluated using adjusted model forecast volumes. Freeway impacts will be identified by comparing the project scenarios to the without-project scenarios in accordance with the appropriate jurisdiction’s adopted significant impact criteria. This task will be completed for only the main project description.

14. **Freeway Ramp Analysis.** The freeway ramp analysis will consist of a volume-to-capacity analysis of the study freeway ramps under all study scenarios. Hexagon will conduct field observations at existing on-ramps with ramp meters to determine the existing ramp meter rates and queuing. Queuing at the study on-ramps will be analyzed under background and background plus project scenarios assuming the same ramp meter rates. Freeway ramp analysis will be presented only for information. This task will be completed for only the main project description.

15. **Roadway AADT Analysis.** For all background and cumulative scenarios with and without the project, Hexagon will evaluate the project impacts on roadway AADT using adjusted model forecast volumes. Impacts will be identified by comparing the project scenarios to
the without-project scenarios in accordance with the appropriate jurisdiction’s adopted significant impact criteria. This task will be completed for only the main project description.

16. Signal Warrant Analysis. The need for future signalization of the unsignalized study intersections will be evaluated on the basis of the Peak Hour Warrant (Warrant 3 – Part B) in the California Manual on Uniform Traffic Control Devices. The warrant will be evaluated using peak-hour volumes for all study scenarios. This task will be completed for only the main project description.

17. Alternative Metrics. This task provides a budget allowance for Hexagon to calculate other potential transportation metrics. These could include travel time and speed, mode split, transit ridership, or others. This task could also be used to test different mitigation strategies such as congestion pricing, trip caps, parking charges, or others. This task will be completed for only the main project description.

18. Project Alternatives. Hexagon will estimate the trip generation of project alternatives for reporting in the EIR. Estimates will be done using ITE trip rates and the MXD model. This task does not include running the travel forecasting model for the project alternatives. Hexagon will qualitatively discuss whether the potential project impacts would differ as a result of the different land use alternatives. This discussion will be based on only the impact conclusions of the main project description. This task assumes analyzing up to four project alternatives. Two of the project alternatives will be the increased residential variant (up to 2,000 units) and the decreased residential variant (no less than 1,500 units). It is envisioned that the two residential variants will be analyzed in greater detail than the other two project alternatives budgeted in this task, but the level of analysis required for the two residential variants is unknown at this time. Therefore, this task assumes up to 80 hours of Hexagon staff time.

19. Sensitivity Analysis. Hexagon will conduct a qualitative sensitivity analysis to determine the extent to which the project would need to be modified to eliminate all significant intersection and freeway impacts. This task will be completed for only the main project description.

20. Phasing Analysis. It is our understanding that the project is anticipated to be completed in three phases. Hexagon will conduct a trip generation analysis to estimate the project trips after completion of each phase. Hexagon will provide a qualitative discussion of the intersection and freeway impacts expected during the two interim phases. This task will be completed for only the main project description.
21. **Internal Intersection Analysis.** Hexagon will conduct an operations analysis of the proposed internal roadway network. This task will be completed for only the main project description. This analysis will include intersection levels of service analysis using the Vistro software. Intersection controls will be assumed as proposed. For proposed unsignalized intersections, a signal warrant analysis will be conducted in accordance with Task 16. A queueing analysis will also be conducted to determine the need, and if so length of turn pockets, as well as to identify any potential spillback issues.

For the variant scheme, it is expected that traffic operations at the four internal intersection on West Street and on Main Street at Hamilton Avenue and at North Street will be affected. The intersection levels of service analysis, queuing analysis and potential signal warrant analysis will be evaluated just for these four intersections under the variant scheme.

22. **Site Plan Review.** A review of the project site plan will be performed to determine the overall adequacy of the site access and on-site circulation in accordance with generally accepted traffic engineering standards and to identify and access or circulation issues that should be improved.

Hexagon will also review any proposed bus/shuttle routes on site for site access and site circulation. Proposed bus/shuttle stops will be reviewed to determine potential circulation issues. This task will be completed for only the main project description.

23. **Parking and Peer Review of Shared Parking Analysis.** Parking will be evaluated relative to the City of Menlo Park parking requirements. It is our understanding that a shared parking analysis will be prepared by the project applicant. This task includes two rounds of peer review of the shared parking analysis (one round of review for the draft and one round of review for the final report). This task will be completed for only the main project description.

24. **Evaluation of Vehicle Queuing.** For selected locations where the project would add a significant number of left-turning vehicles, the adequacy of existing/planned storage at turn pockets will be assessed by means of comparison with expected maximum vehicle queues. Vehicle queues will be estimated using a Poisson probability distribution. This task will be completed for only the main project description.

25. **Bicycle, Pedestrian, and Transit Facilities.** A qualitative analysis of the project's effect on transit service in the area and on bicycle and pedestrian circulation in the study area will be included in the traffic report. This includes sidewalks, bicycle lanes, and amenities to promote the safe use of alternate modes of transportation, and connections to the existing bicycle and pedestrian network. The analysis will consider the project's proposed elements with respect to the City's currently adopted Bicycle Plan and Sidewalk Master Plan as well as the Transportation Master Plan currently in development. This task will be completed for only the main project description.
26. **Peer Review of TDM Plan.** Hexagon will conduct a comprehensive peer review of the applicant-provided Transportation Demand Management (TDM) Plan. Hexagon will summarize our comments in a draft memorandum and will respond to one round of comments from City of Menlo Park and ICF and prepare a final memorandum. This task also includes a peer review of the Final TDM Plan. This task will be completed for only the main project description.

27. **Description of Impacts and Recommendations.** Based on the results of the level of service calculations, impacts of the site-generated traffic will be identified and described. Recommendations will be formulated that identify the locations and types of improvements or modifications necessary to mitigate significant near-term or long-range project impacts. Potential secondary impacts associated with any proposed improvements will be discussed as well. Hexagon will also determine whether the requirement of specific TDM measures could mitigate project impacts. This task will be completed for only the main project description.

28. **C/CAG Checklist.** For developments generating over 100 net peak hour trips, the San Mateo County CMP require the completion of a C/CAG checklist. Hexagon will prepare the required C/CAG checklist based on the final TDM Plan provided by the project applicant. This task will be completed for only the main project description.

29. **Meetings.** The fee estimate includes Hexagon staff attendance at ten meetings in connection with the project. It also includes Hexagon staff attendance at four public hearings in connection with the project.

30. **Reports.** Hexagon will prepare the Transportation chapter of the EIR as well as a stand-alone TIA report. The TIA report will include all analysis included in the Transportation chapter of the EIR and will include other non-CEQA related analysis. The TIA report will serve as the technical appendix to the Transportation chapter of the EIR. This task includes preparation of two rounds of the Administrative Draft and one round of the Draft Transportation Chapter and TIA. Hexagon will respond to editorial comments on each round of the reports from both City staff and ICF. It is assumed that ICF will provide the outline of the format to be used for the EIR Transportation Chapter.

31. **Final EIR.** Hexagon will respond in writing to comments received on the Draft EIR Transportation Chapter. As it is unknown at this time the level of effort required in responding to these comments, this task assumes up to 80 hours of Hexagon staff time.

**Additional Services**

Any work not specified in the above Scope of Work Tasks 1-31 – for example analyzing a different project description, reviewing a different site plan, analyzing additional intersections, or conducting progression analysis for other corridors – shall be considered additional services. Additional services will require additional budget and additional time and will be conducted upon receipt of authorization to proceed.
Time of Performance

Barring any unforeseen delays, an administrative Transportation Chapter and the technical appendix will be submitted approximately 30 weeks after: (1) authorization to proceed, (2) receipt of all required data (such as new count data, model's land use input assumptions, and project related information), and (3) field observations. It should be noted that the field observations included in this proposal cannot be conducted until school resumes in September. Upon receiving budget authorization, Hexagon will provide a detailed schedule outlining a list of milestones needed to maintain the 32-week schedule.

Cost of Services

The fee for the scope of services will be based on time and expenses up to a maximum budget of $367,000.

We appreciate your consideration of Hexagon Transportation Consultants for this assignment. If you have any questions, please do not hesitate to call.

Sincerely,

HEXAGON TRANSPORTATION CONSULTANTS, INC.

[Signature]

Gary K. Black
President

[Signature]

Ollie Zhou, T.E.
Senior Associate
# Table 1
## Budget Breakdown

**Project**: Willow Village EIR  

<table>
<thead>
<tr>
<th>Number</th>
<th>Item</th>
<th>Rate</th>
<th>Black</th>
<th>Van Den Hoof</th>
<th>Zhou</th>
<th>Engineers</th>
<th>Admin/Graphics</th>
<th>Expenses</th>
<th>Labor Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Site Reconnaissance</td>
<td></td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Field Observations</td>
<td></td>
<td></td>
<td>40</td>
<td></td>
<td></td>
<td></td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Data Collection</td>
<td></td>
<td></td>
<td></td>
<td>8</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Evaluation of Existing Conditions</td>
<td></td>
<td></td>
<td>20</td>
<td>40</td>
<td></td>
<td></td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Willow Road Simulation</td>
<td>6</td>
<td></td>
<td>100</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Model Validation</td>
<td></td>
<td></td>
<td></td>
<td>40</td>
<td></td>
<td></td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Future Land Use Data</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Trip Generation</td>
<td>8</td>
<td></td>
<td>8</td>
<td>32</td>
<td></td>
<td></td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Background (2025)</td>
<td>6</td>
<td></td>
<td>16</td>
<td>40</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Cumulative (2040)</td>
<td></td>
<td></td>
<td></td>
<td>32</td>
<td>80</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Intersection Analysis</td>
<td></td>
<td></td>
<td>60</td>
<td>60</td>
<td></td>
<td></td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Intersection Variant Analysis</td>
<td></td>
<td></td>
<td></td>
<td>10</td>
<td>20</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Freeway Analysis</td>
<td></td>
<td></td>
<td></td>
<td>40</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Freeway Ramp Analysis</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$ 200</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Roadway AADT Analysis</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Signal Warrant Analysis</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Alternative Metrics</td>
<td>16</td>
<td></td>
<td>24</td>
<td>60</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Project Alternatives</td>
<td>20</td>
<td></td>
<td>69</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Sensitivity Analysis</td>
<td></td>
<td></td>
<td>20</td>
<td>20</td>
<td></td>
<td></td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Phasing Analysis</td>
<td></td>
<td></td>
<td>10</td>
<td>20</td>
<td></td>
<td></td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Internal Intersection Analysis</td>
<td></td>
<td></td>
<td>20</td>
<td>40</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Site Plan Review</td>
<td></td>
<td></td>
<td>10</td>
<td>20</td>
<td></td>
<td></td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Parking and Shared Parking Peer Review</td>
<td>2</td>
<td></td>
<td>10</td>
<td>40</td>
<td></td>
<td></td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Dueing</td>
<td></td>
<td></td>
<td></td>
<td>20</td>
<td></td>
<td></td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Bicycle, Pedestrian and Transit</td>
<td></td>
<td></td>
<td></td>
<td>20</td>
<td></td>
<td></td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Peer Review of TDM Plan</td>
<td></td>
<td></td>
<td></td>
<td>20</td>
<td></td>
<td></td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>Impact and Recommendations</td>
<td>8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>C/CAG Checklist</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Meetings</td>
<td>24</td>
<td></td>
<td>16</td>
<td>80</td>
<td>100</td>
<td>20</td>
<td>$ 100</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>Reports</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>Final EIR</td>
<td></td>
<td></td>
<td></td>
<td>40</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Stage</th>
<th>Number</th>
<th>Black</th>
<th>Van Den Hoof</th>
<th>Zhou</th>
<th>Engineers</th>
<th>Admin/Graphics</th>
<th>Expenses</th>
<th>Labor Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>210</td>
<td>136</td>
<td>856</td>
<td>738</td>
<td>20</td>
<td></td>
<td>$ 1,050</td>
<td>$ 365,550</td>
</tr>
</tbody>
</table>

**Total Contract Cost**: $366,600.00
August 1, 2019

Erin Efner and Kirsten Chapman
ICF International
201 Mission Street, Suite 1500
San Francisco, CA 94105

Re: Proposed Scope of Services to Prepare a Housing Needs Assessment for the Willow Village Master Plan

Dear Ms. Efner and Ms. Chapman:

Keyser Marston Associates, Inc. ("KMA") is pleased to present the enclosed proposed scope of services to prepare a Housing Needs Assessment ("HNA") for the City of Menlo Park addressing the proposed Willow Village Master Plan Project ("Project"). The Project is a mixed-use development encompassing up to 1,735 units of housing, 1.75 million square feet of office space, 250 hotel rooms, up to 200,000 square feet of retail, as well as parks and open space. The Project replaces the existing Menlo Science and Technology Park encompassing approximately 1 million square feet of existing office, R&D and warehouse space in 21 separate buildings.

KMA is exceptionally well qualified to prepare the HNA for the Project based on our broad expertise preparing housing impact studies and project-specific housing needs analyses. Our HNA experience includes three prior projects in Menlo Park: Menlo Gateway, the Facebook Campus, and the Facebook Campus Expansion Project. KMA is also currently engaged in preparation of HNAs for several additional development projects in Menlo Park.

The enclosed HNA scope of services includes preparation of an HNA addressing, to the extent possible, the following housing-related impacts of the proposed Project:

- Housing need by affordability level for on-site workers;
- Estimated geographic distribution of housing needs by jurisdiction; and
- Evaluation of the potential impacts on the regional housing market, including in connection with potential multiplier effects, and the degree to which the Project may contribute to rising housing costs and displacement of existing residents of lower income communities in the local area.
We understand that the HNA must be prepared consistent with the terms of the recent settlement agreement between the City of East Palo Alto and Menlo Park. The enclosed scope of service is designed to provide the analyses contemplated by the settlement agreement. However, we would be happy to discuss potential refinements to the scope of services and budget to ensure the HNA addresses the City’s needs and satisfies the intent of the agreement with East Palo Alto.

The scope of services and proposed budget for the HNA is enclosed as Attachment A. The HNA will provide similar analyses to the other HNAs KMA is currently engaged to prepare but will need to address the added complexity associated with the larger scale, greater range of non-residential uses, inclusion of a significant housing component, and analyses related to removal of the existing Menlo Science and Technology Park.

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

Sincerely,

KEYSER MARSTON ASSOCIATES, INC.

David Doezema

Attachment A: Scope of Services
Attachment B: KMA Rate Schedule
Scope of Services to Prepare a Housing Needs Assessment (HNA) for the Willow Village Master Plan Project

The following scope of services is for preparation of a Housing Needs Assessment (HNA) addressing the Willow Village Master Plan Project ("Project"). The HNA will address the following major housing-related topics, to the extent possible:

1) Housing need by affordability level for on-site Project workers;

2) Estimated geographic distribution of housing needs by jurisdiction; and

3) Evaluation of potential impacts of the Project on the regional housing market and the degree to which the Project may contribute to rising housing costs and displacement of existing residents of lower income communities in the local area. The analysis of housing market effects will include, to the extent possible, consideration of the potential "multiplier effect" for indirect and induced employment by the Project.

These housing-related impacts are not required to be analyzed under CEQA but may be of interest to decision-makers and/or the public in evaluating the merits of the Project. These analyses are being provided consistent with the terms of a 2017 settlement agreement with the City of East Palo Alto. The pertinent paragraph from the 2017 settlement agreement states the following:

When the preparation of an EIR is required pursuant to this Agreement, concurrent with the preparation of the EIR, Menlo Park or East Palo Alto, whichever is the lead agency for the Development Project, will conduct a Housing Needs Assessment ("HNA"). The scope of the HNA will, to the extent possible, include an analysis of the multiplier effect for indirect and induced employment by that Development Project and its relationship to the regional housing market and displacement. Nothing in this section indicates an agreement that such an analysis is required by CEQA.

Task 1 – Project Initiation and Data Collection

The purpose of this task is to identify the availability of data necessary to complete the HNA, identify key analysis inputs and assumptions, and refine the approach to the assignment. As part of this task, KMA will:

1) Provide a list of data needs to complete the HNA and work with ICF International and the City’s project team as necessary to gather the necessary data.
(2) Meet with City staff, its consultants, and the project sponsor team to: (a) discuss data and analysis alternatives (b) review technical methodology and approach (c) discuss and agree on schedule.

**Task 2 – Housing Needs Assessment for On-Site Workers**

KMA will quantify, by affordability level, the net new housing demand associated with on-site workers at the Project. The analysis will quantify total housing demand based on the estimated number of employees added by the Project (which are net new jobs in the region) and household size ratios developed from Census data. Employee compensation levels are estimated by linking generic occupational categories with local data on compensation levels. Employee compensation levels are then translated into housing need by affordability level using published income limits and accounting for the fact that households have more than one worker on average.

The primary data sources we will use for this component of the analysis are:

1. Data on occupations by industry from the Bureau of Labor Statistics. KMA will select the industry categories (or blend multiple categories) to represent each non-residential component of the Project.

2. Current employee compensation data specific to San Mateo County for the relevant occupational categories from the California Employment Development Department will be used in the analysis.

Each project component will need to be analyzed separately to address differences in compensation structure. In addition, existing housing needs associated with the Menlo Science and Technology Park will need to be analyzed to establish the net new housing demand considering removal of this existing use.

KMA has prepared similar analyses for other projects in Menlo Park including the existing Facebook Campus, the Facebook Campus Expansion Project, and the Menlo Gateway Project. We have also performed project-specific housing needs analyses for commercial and institutional development proposals in the cities of San Carlos, Palo Alto, Redwood City, and Napa County. Some of these analyses have been performed using employee occupation and compensation data provided by the applicant and some have been performed using generic data as is assumed in this proposal. KMA has also prepared affordable housing nexus fee studies in many cities and has developed a methodology to perform the nexus analyses using local, state and federal data sources. KMA has refined the nexus analysis methodology over the years and now has considerable experience adapting it to specific development projects.

The result of this task will be the estimated number of net new employee households, by affordability level, who will need housing within daily commute distance.
**Task 3 – Net Housing Need Considering 1,735 Added Housing Units**

In this task, KMA will take the 1,735 added housing units into consideration through completion of the following analyses:

a. **Housing Supply Addition by Income Level** – The 1,735 units to be added to the housing supply by the Project will be summarized based on the income level applicable to the proposed market rate and below market rate (BMR) affordable units. The income level for market rate units will utilize rent estimates provided by the applicant or will be estimated by KMA based on an analysis of rental market data. The income level for the BMR units will reflect City requirements.

b. **Off-site Jobs Supported by Residential** – Development of new residential units adds to the demand for services such as retail, restaurants, healthcare and education. Some of these services will be met through on-site retail, while others may be met at off-site establishments. KMA will prepare an analysis to estimate housing demand by income for workers associated with off-site services to residential units. The analysis will utilize the most current data available and will follow a series of steps linking the estimated incomes of residents living in the new units, their demand for goods and services estimated to be met off-site, the number of jobs associated with providing these off-site services, and the housing need by income level of the workers who fill those jobs. The analysis will adjust for non-local spending such as at on-line retailers. Multiplier effects will be considered as part of the analysis.

c. **Net Housing Demand / Supply Effect** – The net housing supply / demand effects will be computed by combining the findings of the above analyses with that of Task 2.

**Task 4 – Analysis of Commuting and Geographic Distribution of Housing Needs**

The prior tasks are to determine the total housing needs irrespective of where workers will live. This task develops information to help understand existing commute relationships and trends, and approaches to identifying how the total housing needs will be accommodated locally. KMA will analyze the commute relationships of existing jobs in Menlo Park and where job holders live (or commute from as a place of residence) using data from the U.S. Census. KMA will then apply the data to estimate Menlo Park’s share of increased housing needs and the estimated distribution of housing needs throughout the region. KMA will incorporate any tenant-specific commute data for Facebook and / or the existing tenants of the Menlo Science and Technology Park to be removed, to the extent it can be provided.
Task 5 – Relationship to Regional Housing Market and Potential to Contribute to Displacement

This task is designed to provide an evaluation, to the extent possible, of the potential for the Project to influence housing prices and rents and contribute to displacement pressures in the local area. Lower income communities in the Bay Area have become increasingly vulnerable to displacement of existing residents. Employment growth, constrained housing production, and rising income inequality are among the factors that have contributed to increased displacement pressures, especially within lower income communities in locations accessible to employment centers where many households are housing-cost burdened.

Given the complex array of factors that influence housing markets and neighborhood change, precise estimates or projections of impacts and outcomes are not feasible; rather, the analysis will seek to provide information and context that will be useful to understanding the likely magnitude or range of potential impacts. The estimated local housing demand absorbed by the 1,735 units of additional housing, including required BMR affordable units, will be considered as part of the evaluation.

KMA will complete the following tasks to inform an evaluation of potential impacts:

a) Historic Residential Real Estate trends – KMA will assemble data on historic home sales and rental trends for the County, the Belle Haven Neighborhood, the City of East Palo Alto, and up to seven other comparison communities within the Bay Area. Selection of comparison communities will be based on areas that are considered vulnerable to displacement or undergoing displacement as the most relevant context for trends in East Palo Alto and Belle Haven. KMA will utilize data readily available from commercial data providers such as CoStar and CoreLogic.

b) Comparative Analysis of Residential Real Estate Trends – Residential real estate market trends in East Palo Alto and Menlo Park’s Belle Haven neighborhood since the existing Facebook campus was first occupied will be compared to trends in the selected Bay Area comparison communities to inform an understanding of the extent to which localized market trends in the two communities diverged from other Bay Area locations since Facebook moved into its existing campus in 2011. This information will help inform an understanding of whether Facebook has had a localized impact on the housing market that is distinguishable from broader regional trends.

c) Review of employment trends – KMA will assemble data on historic employment trends for the same time frame as the historic review of real estate trends. Employment trends data will be distinguished by compensation level so that growth in higher-income and lower-income jobs can be separately understood. We will look at employment trends
across different geographic scales to enable relationships to be tested at the different geographic scales.

d) Analysis of historic relationships – KMA will analyze the extent to which employment growth and residential real estate trends have been correlated with one another. Separate findings specific to the influence of high compensation jobs will be provided as a proxy for consideration of the impacts associated with potential multiplier effects. These relationships will be drawn upon to provide context for understanding the degree of influence the Project may have on local home prices and rents.

e) Estimated increased housing demand in East Palo Alto and Belle Haven – KMA will draw on the commute shed data from Task 4 to describe the estimated share of new Project workers likely to seek and find housing in East Palo Alto and Belle Haven. The ability to isolate commute trends specific to Belle Haven will depend on the availability of commute data from the Project Sponsor.

KMA will discuss the likely impacts or range of impacts on displacement that could be experienced as a result of the Project based upon the information assembled in a) through e), above. Findings will be qualitative in nature but will reference the quantitative information assembled in the analysis tasks as part of the narrative.

**Task 6 – Evaluation of Project Variants**

The report will include a discussion of two Project variants regarding the number of added housing units, a 2,000-unit variant and a 1,500-unit variant. KMA will quantify the net impact on housing demand and supply for the Project variants consistent with Tasks 3 and 4. For the Task 5 analysis of displacement impacts, a limited qualitative discussion of Project variants will be provided.

**Task 7 – Report Preparation**

The methodology, data sources, results and implications of the HNA will be documented in a written report. This scope assumes one draft version of the report for review and one final report.

**Task 8 – Coordination with DEIR Population and Housing Section**

This task includes a time and materials budget allowance for review and coordination between the Population and Housing Section of the DEIR to be prepared by ICF and the HNA.
Task 9 – Responses to DEIR Comments

KMA anticipates assisting the City and ICF International in preparing responses to comments on the Draft EIR. KMA’s focus will be on comments that are directly related to the HNA. We have included a time and materials budget allowance for KMA to assist with preparation of responses to comments.

Budget

KMA proposes to complete this scope of services for the Willow Village Master Plan Project on a time and materials basis for an amount not to exceed $105,500 per the estimate below. A copy of our current rate schedule is attached.

<table>
<thead>
<tr>
<th>Task</th>
<th>Budget Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task 1 - Project Initiation and Data Collection</td>
<td>$4,000</td>
</tr>
<tr>
<td>Task 2 – Total Housing Need by Income, on-site workers</td>
<td>$22,000</td>
</tr>
<tr>
<td>Task 3 – Off-site jobs supported by residential and net new housing needs</td>
<td>$15,000</td>
</tr>
<tr>
<td>Task 4 – Geographic Distribution of Housing Needs</td>
<td>$4,000</td>
</tr>
<tr>
<td>Task 5 – Relationship to Regional Housing Market and Displacement</td>
<td>$27,000</td>
</tr>
<tr>
<td>Task 6 – Evaluation of Project Variants</td>
<td>$3,000</td>
</tr>
<tr>
<td>Task 7 – Report (Draft and Final)</td>
<td>$7,000</td>
</tr>
<tr>
<td>Task 8 – Coordination with DEIR Population and Housing Section</td>
<td>$1,500</td>
</tr>
<tr>
<td>Task 9 – T&amp;M Allowance for DEIR responses to comments</td>
<td>$12,000</td>
</tr>
<tr>
<td>Meetings in Menlo Park (one in addition to kickoff)</td>
<td>$1,000</td>
</tr>
<tr>
<td>Public hearings (assume two)*</td>
<td>$4,000</td>
</tr>
<tr>
<td>Reimbursable Expenses (market data)</td>
<td>$5,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$105,500</strong></td>
</tr>
</tbody>
</table>

* Includes related coordination and preparation.
ATTACHMENT B

KEYSER MARSTON ASSOCIATES, INC.
PUBLIC SECTOR HOURLY RATES

<table>
<thead>
<tr>
<th>Position</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHAIRMAN, PRESIDENT, MANAGING PRINCIPALS*</td>
<td>$280.00</td>
</tr>
<tr>
<td>SENIOR PRINCIPALS*</td>
<td>$270.00</td>
</tr>
<tr>
<td>PRINCIPALS*</td>
<td>$250.00</td>
</tr>
<tr>
<td>MANAGERS*</td>
<td>$225.00</td>
</tr>
<tr>
<td>SENIOR ASSOCIATES</td>
<td>$187.50</td>
</tr>
<tr>
<td>ASSOCIATES</td>
<td>$167.50</td>
</tr>
<tr>
<td>SENIOR ANALYSTS</td>
<td>$150.00</td>
</tr>
<tr>
<td>ANALYSTS</td>
<td>$130.00</td>
</tr>
<tr>
<td>TECHNICAL STAFF</td>
<td>$95.00</td>
</tr>
<tr>
<td>ADMINISTRATIVE STAFF</td>
<td>$80.00</td>
</tr>
</tbody>
</table>

2019/2020

Directly related job expenses not included in the above rates are: auto mileage, parking, airfares, hotels and motels, meals, car rentals, taxies, 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.
July 2, 2019

Kirsten Chapman  
Project Manager  
ICF  
201 Mission Street, Suite 1500  
San Francisco, CA 94105

Dear Ms. Chapman:

We appreciate the opportunity to submit this proposal to prepare a Fiscal Impact Analysis for the Willow Village Master Plan in the Bayfront Area of Menlo Park ("Project"). Our understanding is that the Base Project would consist of a 59-acre mixed-use neighborhood with 1,735 housing units, 125,000 to 200,000 square feet of retail that would include a grocery store and pharmacy (and possibly entertainment uses), a 200- to 250-room hotel and ancillary uses, a 1.75 million square foot office campus with ancillary uses, and public parks and open space. A 10,000 square foot community center is planned adjacent to the public park. The City of Menlo Park ("client") requires a Fiscal Impact Analysis study that will address impacts to the City’s General Fund, as well as Special Districts, including the Menlo Park Fire Protection District. In addition to an analysis of the fiscal impacts of the Base Project described above, the City of Menlo Park is requesting an analysis of two potential “Variants” of the Project: Variant 1, which would include up to 2,000 housing units, and Variant 2, which would include no less than 1,500 units.

BAE is an award-winning real estate economics and development advisory firm with a distinguished record of achievement over its 30+-year history. Headquartered in Berkeley, CA, BAE also has branch offices in Los Angeles, Sacramento, New York City, and Washington DC, enabling our 18 staff to contribute to and learn from best practices in urban sustainable development around the U.S. Our practice spans national and state policy studies to local strategic plans and public-private development projects. BAE has extensive experience assessing the fiscal impacts and economic impacts of proposed new development, including our previous work for the City of Menlo Park, as well as assisting local governments to negotiate for community benefits from proposed new development.

The following pages detail our proposed work program, schedule, and budget. This proposal remains effective for 90 days from the date of submittal of this letter. Please feel free to
contact me at stephaniehagar@bae1.com or 510.547.9380 if you have any questions or would like to further discuss this proposal.

Sincerely,

Stephanie Hagar
Vice President
SCOPE OF SERVICES

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

**Task 1: Meet with City Staff and Review Background Materials**

**Task 1A: Meet with City Staff and Tour Project Site.** BAE will meet with City staff to review the scope of services, proposed schedule, and deliverables. BAE will also tour the site and area.

**Task 1B: Review Key Financial, Planning, and Environmental Documents.** This task will include a review of relevant documents and plans pertaining to the proposed project including the Willow Village Project Description and Plans, the City’s General Plan and Zoning Ordinance, the project Environmental Impact Report (if applicable), and City staff reports. BAE will also review the City budget, the Comprehensive Annual Financial Report, City fee ordinances, and other financial documents from the City and affected special districts including fire and school districts.

**Task 2: Analyze Fiscal Impacts**

This analysis will consider revenue and cost implications of the Project, up to three Project Alternatives, and two Project Variants for the City, Menlo Park Fire Protection District, and affected special districts and school districts. BAE understands that the Project Variants analyzed under this task will be the Variants that includes up to 2,000 dwelling units and the Variant that includes no less than 1,500 dwelling units. BAE has included a contingency budget in this proposal, which would enable additional analysis of the fiscal impacts of Project Variants if determined necessary. BAE will utilize and update prior FIA models prepared for the City of Menlo Park to conduct this analysis.

BAE will estimate annual General Fund revenue sources, including sales tax, property tax, transient occupancy tax, business license revenue, franchise fees, and any other applicable taxes. BAE will also estimate one-time revenue sources including impact fees and property transfer tax. For key revenues, (e.g., transient occupancy taxes) BAE will estimate revenues within an expected low to high range as appropriate.

BAE will estimate annual General Fund expense items, including police, public works, recreation and library services, and general government services, as well as services provided by special districts. The cost analysis will, whenever feasible, study the marginal cost of providing additional service. As part of this process, BAE will contact local public service providers including the police department and Fire Protection District to assess existing service capacity and the potential impact of the proposed project. For police, BAE will work with the local department to examine the current beat structure and discuss how this may need to be altered to serve the new development. Any new patrol officers and/or equipment
would also be analyzed on a marginal basis. For fire, BAE will study existing capacity at the station that would serve the proposed project and assess any additional labor or equipment costs that the station would incur. Cost impacts for other city departments and school districts will also be analyzed.

Fiscal impacts will be presented in current dollars on a net annual and cumulative basis over a 20-year period presented in constant 2019 dollars. To determine an appropriate absorption rate for the various proposed land uses, BAE will review the project applicant's anticipated absorption schedule.

During the preparation of the FIA, all communication with the project sponsor will be with or through City staff.

**Task 3: Prepare Fiscal and Economic Impact Report**

**Task 3A: Prepare Administrative Draft Fiscal and Economic Impact Analysis Report.** BAE will prepare and submit an Administrative Draft Fiscal Impact Analysis report to City staff. The report will include a concise and highly-accessible executive summary, including a summary of the methodology and key findings from Tasks 1 and 2.

**Task 3B: Prepare Public Review and Final Draft Report.** Staff will provide written a single set of consolidated comments to BAE regarding the Administrative Draft. At the discretion of City Staff, BAE will also review any comments from the Project Applicant. BAE will address all comments with City staff and make modifications as needed. BAE will then submit a draft Public Review Draft for staff to review. Staff will note any minor corrections and BAE will submit a Public Review Draft.

**Task 3C: Prepare Presentation, Attend Two Meetings.** This task includes preparation of a PowerPoint presentation for use by staff, BAE, and posting to the City's website. BAE will discuss comments with City staff and make changes as necessary. BAE will then submit a Final report. BAE will attend up to two meetings to present its findings, anticipated to be one Planning Commission meeting and one City Council meeting.

**Task 4: Project Coordination**

BAE will coordinate this assignment and participate in team conference calls with ICF, as necessary.
DATA NEEDS

In order to complete this analysis BAE will require access to various City and special district staff to conduct brief interviews and confirm methodologies and assumptions. In particular, BAE would intend to speak with most department/district heads, or their designees, as well as the City finance director. BAE would work with the finance department to obtain electronic copies of relevant budget files if any of the files needed for this analysis are not publicly available on the City’s website.

BAE will acquire market, demographic, and other data from data vendors and publicly-accessible data sources. A budget for all data that BAE will purchase to undertake the above scope of work is included below.

From the project sponsor, BAE will request market studies and marketing plans, including pricing assumptions. If the project sponsor provides these studies and plans, BAE will use this information to supplement data from data vendors and publicly-accessible data sources to inform assumptions related to assessed property values as well as other revenue and cost assumptions, as appropriate. If the project sponsor does not provide market studies or marketing plans, BAE will rely on more general information provided by data vendors and publicly-available sources.

BUDGET AND FEES

BAE will complete the work described above for a fixed-fee budget of $35,800, or $39,050 including the proposed contingency budget, as shown in the budget provided below. BAE believes that it is prudent to include a contingency budget for this project given that there is little information currently available related to the Project Variants, and that it may be determined that analysis of the fiscal impacts of additional Project Variants is necessary as these Variants are defined over time. In no event shall BAE perform work under the contingency budget without prior written approval from City staff.

The budget shown below will include all consultant costs, including personnel, overhead, and miscellaneous reimbursable expenses. Miscellaneous expenses such as data purchase and travel are passed through to the client with no markup. This budget includes two public meetings as part of Task 3. Please note that attendance at additional public meetings/hearings is calculated at the rate of $1,500 for preparation, travel and up to three hours of meeting time, with hourly rates for all meeting time over three hours, as well as additional meetings beyond those set forth in the scope. In no event shall the total project cost exceed the fixed-fee budget, unless the client requests work beyond the agreed-upon scope.
# Hours by Staff

<table>
<thead>
<tr>
<th>Hours by Staff</th>
<th>Principal</th>
<th>Vice President</th>
<th>Associate</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shiver</td>
<td>$300</td>
<td>$210</td>
<td>$140</td>
<td></td>
</tr>
<tr>
<td>Hagar</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hourly Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 1: Start-up Meeting &amp; Review of Background Materials</td>
<td>4</td>
<td>8</td>
<td>6</td>
<td>$3,720</td>
</tr>
<tr>
<td>Task 2: Conduct Fiscal Impact Analysis</td>
<td>6</td>
<td>31</td>
<td>66</td>
<td>$17,550</td>
</tr>
<tr>
<td>Task 3: Prepare Draft &amp; Final FIA Reports (incl. 2 mtgs)</td>
<td>6</td>
<td>30</td>
<td>25</td>
<td>$11,600</td>
</tr>
<tr>
<td>Task 4: Project Coordination</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>$930</td>
</tr>
<tr>
<td>Subtotal Labor</td>
<td>17</td>
<td>72</td>
<td>97</td>
<td>$33,800</td>
</tr>
<tr>
<td>Expenses (a)</td>
<td></td>
<td></td>
<td></td>
<td>$2,000</td>
</tr>
<tr>
<td>Total (Labor + Expenses) before contingency</td>
<td></td>
<td></td>
<td></td>
<td>$35,800</td>
</tr>
<tr>
<td>Contingency (b)</td>
<td></td>
<td></td>
<td></td>
<td>$3,250</td>
</tr>
<tr>
<td>Total with Contingency</td>
<td></td>
<td></td>
<td></td>
<td>$39,050</td>
</tr>
<tr>
<td>Optional Task: BAE Attendance at Additional Public Meetings/Hearings - Each</td>
<td></td>
<td></td>
<td></td>
<td>$1,500</td>
</tr>
</tbody>
</table>

## Notes:

(a) Includes purchase of Smith Travel Research data for hotel market trends, other data expenses, and mileage for meetings.

(b) Contingency budget will cover any unanticipated additions to BAE's scope of work, which could include analysis of additional Project Variants. BAE will use the contingency budget only if authorized by City staff for specific additions to BAE's scope of work.

Costs for any additional work authorized by the client will be billed on an hourly time-and-materials basis, in accordance with BAE's standard hourly billing rates:

- Principal: $300/hour
- Senior Advisor: $300/hour
- Director: $235/hour
- Vice President: $210/hour
- Senior Associate: $185/hour
- Associate: $140/hour
- Sr. Analyst: $110/hour
- Analyst: $95/hour

These rates are subject to revision on or after January 1, 2020.

## PROJECT SCHEDULE

Assuming that BAE receives all requested data within the first two weeks following project start up, BAE will complete the Administrative Draft within eight weeks following project start up. BAE will prepare a Public Review Draft within two weeks of receiving a single set of combined written comments on the Administrative Draft. BAE will prepare a Final report within two weeks of receiving a single set of combined written comments on the Public Review Draft.
### Project Total

**$1,113,869**

### Jump to:

- [Hexagon](#)
- [BAE](#)
- [KMA](#)
- [Subcontractors - Markup](#)

### Table: Project Role, Last Name, First Name, Rate, Hours, Dollars

<table>
<thead>
<tr>
<th>Project Role</th>
<th>Last Name</th>
<th>First Name</th>
<th>Rate</th>
<th>Hours</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Advisor</td>
<td>Walter</td>
<td>Richard</td>
<td>0</td>
<td>2</td>
<td>$585.16</td>
</tr>
<tr>
<td>Project Director</td>
<td>Erin</td>
<td>Erin</td>
<td>0</td>
<td>6</td>
<td>$3,480.64</td>
</tr>
<tr>
<td>Deputy Project Manager</td>
<td>Lena</td>
<td>Lisa</td>
<td>0</td>
<td>4</td>
<td>$74,002.72</td>
</tr>
<tr>
<td>Analyst</td>
<td>Andersen</td>
<td>Jennifer</td>
<td>0</td>
<td>10</td>
<td>$184,730.00</td>
</tr>
<tr>
<td>Analyst</td>
<td>Winslow</td>
<td>Anne</td>
<td>0</td>
<td>12</td>
<td>$255,744.00</td>
</tr>
<tr>
<td>Analyst</td>
<td>Vultuni</td>
<td>Caroline</td>
<td>0</td>
<td>4</td>
<td>$74,002.72</td>
</tr>
<tr>
<td>Hydro</td>
<td>Sukola</td>
<td>Katrina</td>
<td>0</td>
<td>10</td>
<td>$184,730.00</td>
</tr>
<tr>
<td>Geophysical</td>
<td>Robert</td>
<td>Diana</td>
<td>0</td>
<td>10</td>
<td>$184,730.00</td>
</tr>
<tr>
<td>ADA/SHG</td>
<td>Hartley</td>
<td>William</td>
<td>0</td>
<td>16</td>
<td>$291,576.00</td>
</tr>
<tr>
<td>ADA/SHG</td>
<td>Gao</td>
<td>Laura</td>
<td>0</td>
<td>8</td>
<td>$148,278.80</td>
</tr>
<tr>
<td>Historic</td>
<td>Boyce</td>
<td>Gretchen</td>
<td>0</td>
<td>24</td>
<td>$4,562,080.00</td>
</tr>
<tr>
<td>Archaeology</td>
<td>Ruh</td>
<td>Jonathan</td>
<td>0</td>
<td>16</td>
<td>$291,576.00</td>
</tr>
<tr>
<td>Noise</td>
<td>Foley</td>
<td>Elizabeth</td>
<td>0</td>
<td>10</td>
<td>$184,730.00</td>
</tr>
<tr>
<td>Noise</td>
<td>Buehler</td>
<td>David</td>
<td>0</td>
<td>8</td>
<td>$148,278.80</td>
</tr>
<tr>
<td>Bio</td>
<td>Ricketts</td>
<td>Matthew</td>
<td>0</td>
<td>8</td>
<td>$148,278.80</td>
</tr>
<tr>
<td>Graphics</td>
<td>Messick</td>
<td>Timothy</td>
<td>0</td>
<td>8</td>
<td>$148,278.80</td>
</tr>
<tr>
<td>Editor</td>
<td>Mathies</td>
<td>John</td>
<td>0</td>
<td>8</td>
<td>$148,278.80</td>
</tr>
</tbody>
</table>

#### Total - Labor

<table>
<thead>
<tr>
<th></th>
<th>Hours</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>42</td>
<td>$7,439,969</td>
</tr>
<tr>
<td></td>
<td>60</td>
<td>$9,001,044</td>
</tr>
<tr>
<td></td>
<td>48</td>
<td>$8,458,833</td>
</tr>
<tr>
<td></td>
<td>386</td>
<td>$69,006,70</td>
</tr>
<tr>
<td></td>
<td>1,057</td>
<td>$226,025,18</td>
</tr>
<tr>
<td></td>
<td>173</td>
<td>$26,407,61</td>
</tr>
<tr>
<td></td>
<td>128</td>
<td>$19,105,52</td>
</tr>
</tbody>
</table>

#### One-Time Costs (OTCs)

<table>
<thead>
<tr>
<th>Category</th>
<th>Rate</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subtotal - ODCs</td>
<td></td>
<td>$1,200.00</td>
</tr>
<tr>
<td>G &amp; A Markup</td>
<td></td>
<td>$120.00</td>
</tr>
<tr>
<td>Total - ODCs</td>
<td></td>
<td>$1,320.00</td>
</tr>
</tbody>
</table>

#### Subcontractors

<table>
<thead>
<tr>
<th>Firm</th>
<th>Name</th>
<th>Rate</th>
<th>Hours</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hexagon</td>
<td></td>
<td></td>
<td>0</td>
<td>$0.00</td>
</tr>
<tr>
<td>BAE</td>
<td></td>
<td></td>
<td>0</td>
<td>$0.00</td>
</tr>
<tr>
<td>KMA</td>
<td></td>
<td></td>
<td>0</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

#### Subcontractors - Markup 10.00%

<table>
<thead>
<tr>
<th></th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**Total PromisedPrice:**

<table>
<thead>
<tr>
<th></th>
<th>Hours</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>42</td>
<td>$7,439,969</td>
</tr>
<tr>
<td></td>
<td>60</td>
<td>$9,001,044</td>
</tr>
<tr>
<td></td>
<td>48</td>
<td>$8,458,833</td>
</tr>
<tr>
<td></td>
<td>386</td>
<td>$69,006,70</td>
</tr>
<tr>
<td></td>
<td>1,057</td>
<td>$226,025,18</td>
</tr>
<tr>
<td></td>
<td>173</td>
<td>$26,407,61</td>
</tr>
<tr>
<td></td>
<td>128</td>
<td>$19,105,52</td>
</tr>
</tbody>
</table>

Use or disclosure of data contained on this page is subject to the restriction on the title page of this proposal.
<table>
<thead>
<tr>
<th>Labor</th>
<th>Project Role</th>
<th>Last Name</th>
<th>First Name</th>
<th>Rate</th>
<th>Hours</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Senior Advisor</td>
<td>Walter</td>
<td>Richard</td>
<td></td>
<td>2</td>
<td>$602.71</td>
</tr>
<tr>
<td></td>
<td>Project Director</td>
<td>Eric</td>
<td></td>
<td>24</td>
<td>$6,552.29</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Project Manager</td>
<td>Chapman</td>
<td>Kristen</td>
<td>102</td>
<td>$10,575.22</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Deputy Project Manager</td>
<td>Mena</td>
<td>Leo</td>
<td>102</td>
<td>$11,002.60</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Analyst</td>
<td>Andersen</td>
<td>Jennifer</td>
<td>20</td>
<td>$2,870.20</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Analyst</td>
<td>Winslow</td>
<td>Anne</td>
<td>4</td>
<td>$938.78</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Analyst</td>
<td>Vulturi</td>
<td>Caroline</td>
<td>40</td>
<td>$4,526.23</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hydro</td>
<td>Sukola</td>
<td>Katrina</td>
<td>3</td>
<td>$665.46</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Geol/Haz</td>
<td>Robert</td>
<td>Diana</td>
<td>10</td>
<td>$1,376.09</td>
<td></td>
</tr>
<tr>
<td></td>
<td>AQ/GHG</td>
<td>Hertley</td>
<td>William</td>
<td>2</td>
<td>$270.77</td>
<td></td>
</tr>
<tr>
<td></td>
<td>AQ/GHG Energy</td>
<td>Yoon</td>
<td>Liura</td>
<td>2</td>
<td>$381.41</td>
<td></td>
</tr>
<tr>
<td></td>
<td>AQ/GHG Energy</td>
<td>Matus</td>
<td>Cory</td>
<td>4</td>
<td>$496.38</td>
<td></td>
</tr>
<tr>
<td></td>
<td>History</td>
<td>Boyce</td>
<td>Gretchen</td>
<td>1</td>
<td>$222.25</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Apynec</td>
<td>Elder</td>
<td>James</td>
<td>6</td>
<td>$1,039.69</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Historic</td>
<td>Ruesch</td>
<td>Jonathan</td>
<td>4</td>
<td>$326.45</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Noise</td>
<td>Foley</td>
<td>Elizabeth</td>
<td>30</td>
<td>$3,721.91</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Noise</td>
<td>Buehler</td>
<td>David</td>
<td>1</td>
<td>$260.31</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bio</td>
<td>Rickeith</td>
<td>Matthew</td>
<td>6</td>
<td>$933.23</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Graphics</td>
<td>Merrick</td>
<td>Timothy</td>
<td>2</td>
<td>$315.82</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Editor</td>
<td>Mathias</td>
<td>John</td>
<td>24</td>
<td>$2,899.18</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>332</td>
<td>$48,894.15</td>
</tr>
</tbody>
</table>

**Total - Labor**

<table>
<thead>
<tr>
<th>Category</th>
<th>Rate</th>
<th>Subtotal - ODCs</th>
<th>Dollars</th>
<th>$500.00</th>
<th>$2,000.00</th>
<th>$0.00</th>
<th>$500.00</th>
<th>$1,000.00</th>
<th>$0.00</th>
<th>$550.00</th>
<th>$2,200.00</th>
<th>$0.00</th>
<th>$550.00</th>
<th>$1,100.00</th>
<th>$0.00</th>
<th>$7,370.00</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>G &amp; A Markup</td>
<td>10.00%</td>
<td>$50.00</td>
<td>$200.00</td>
<td>$0.00</td>
<td>$50.00</td>
<td>$100.00</td>
<td>$0.00</td>
<td>$50.00</td>
<td>$200.00</td>
<td>$0.00</td>
<td>$50.00</td>
<td>$100.00</td>
<td>$0.00</td>
<td>$7,370.00</td>
</tr>
</tbody>
</table>

**Subcontractors**

<table>
<thead>
<tr>
<th>Firm</th>
<th>Name</th>
<th>Rate</th>
<th>Hours</th>
<th>Dollars</th>
<th>Hours</th>
<th>Dollars</th>
<th>Hours</th>
<th>Dollars</th>
<th>Hours</th>
<th>Dollars</th>
<th>Hours</th>
<th>Dollars</th>
<th>Hours</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
</tr>
<tr>
<td></td>
<td>SAE</td>
<td></td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
</tr>
<tr>
<td></td>
<td>YMA</td>
<td></td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
<td>0</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**Subcontractors - Markup**

|       |      |      | 0     | $0.00   | 0     | $0.00   | 0     | $0.00   | 0     | $0.00   | 0     | $0.00   | 0     | $0.00   |

**Total Proposed Price**

|       | $56,844.19 | 153    | $22,003.08 | 332    | $6,523.32 | 406    | $52,884.79 | 935    | $22,618.34 | 106    | $17,555.18 | 2,011 | $115,866.02 |

Use or disclosure of data contained on this page is subject to the restriction on the title page of this proposal.
Recommendation

Staff recommends that the City Council authorize the city manager to approve a contract amendment with ICF Jones & Stokes, Inc. (ICF) in the amount of $1,113,859 to prepare an environmental impact report (EIR) for the proposed Willow Village master plan project located at 1350-1390 Willow Road, 925-1098 Hamilton Avenue and 1005-1275 Hamilton Court, and any future increases as may be necessary to complete the environmental review for the proposed project, based on the proposed scope and budget included as Attachment A.

Policy Issues

City Council Resolution Nos. 5831, 5832 and 962 authorize the city manager to execute agreements necessary to conduct city business up to an identified amount that adjusts annually based on changes in the construction cost index. Currently that amount is $69,596. The City Council retains discretion for all agreements exceeding that amount.

Although the City Council authorizes the contract, the applicant is responsible for the full cost of preparing the EIR and any associated analyses. No taxpayer funds will be used to pay for the environmental review of the proposed project. Even though the applicant pays the full cost of the environmental review, the EIR and the content of all final documents will reflect the city’s independent judgment and analysis.

Authorization of the contract with ICF to conduct the environmental review does not imply an endorsement of the proposed project. Authorization of the contract would allow the City to move forward with the legally required processing this proposed development application, which includes conducting the necessary environmental review as required by the California Environmental Quality Act (CEQA.)

The applicant is proposing to redevelop the property through the master plan process, as provided for in the zoning ordinance, by utilizing a conditional development permit and entering into a development agreement with the city. The proposed project would require the Planning Commission and the City Council to consider the merits of the proposed master plan, including the appropriateness of the applicant’s proposed amendments, and the proposed project’s consistency with the city’s general plan and zoning ordinance, along with the municipal code, and other adopted policies and programs of the city such as the below market rate housing program. The City Council will be the final decision-making body on the proposed project.
Background

The approximately 59-acre site is generally located along Willow Road between Hamilton Avenue and Ivy Drive; previously referred to as the ProLogis Menlo Science and Technology Park. Facebook Building 20 is located to the northwest and multifamily and neighborhood commercial uses are to the west, across Willow Road. The property is generally bordered by the San Francisco Public Utilities Commission (SFPUC) Hetch Hetchy right of way (ROW) and Mid-Peninsula High School to the south, the Dumbarton Corridor to the north, and properties within the Menlo Business Park to the east.

The existing campus has 20 buildings (generally constructed between the 1950s and 1990s) located on 18 parcels that have historically housed general office, research and development (R&D) warehouse and manufacturing uses that total approximately 1,000,000 square feet of gross floor area (GFA.) Facebook currently occupies eight buildings on the existing campus for offices, R&D, dining facilities and a health center. A location map is included as Attachment B.

In December 2016 as part of the general plan and zoning ordinance update, the existing campus was rezoned from M-2 (general industrial) to O-B (office, bonus) and R-MU-B (residential mixed use, bonus.) In July 2017, the City received an application for the redevelopment of the site. That proposal was reviewed by the Planning Commission and City Council as a study session item in February and March 2018, respectively.

Following the study sessions, the applicant team further evaluated the proposed project and modified the site layout (including land uses, circulation network and open space,) the proposed square footages by land use, and the project phasing. The City Council reviewed the updated proposal as a study session item at its meeting May 7 and provided feedback and direction to staff and the applicant team, which resulted in additional modifications to the proposed project.

Project overview

The proposed project would comprehensively redevelop the site with a mixed-use master plan. On June 6 the applicant resubmitted the project plans and project description document. The resubmitted project maintained the proposed office square footage, the retail (non-office commercial) square footage, and the maximum number of hotel rooms, but increased the number of dwelling units proposed from 1,500 units to a maximum of 1,735 units.

The updated proposal would modify the square footage of the proposed right of way dedication to allow for an increase in residential density. Staff is currently evaluating the proposed modifications to ensure that the density would be compliant with the zoning ordinance maximum.

Table 1 below compares the project as proposed in May 2019, the revised project as proposed in June 2019, and the zoning ordinance maximum development potential. Select plan sheets are included in Attachment C for reference and a link to the study session staff report is included in Attachment D.
The proposed site plan would continue to include approximately 26.7 acres of landscaping and open space, of which approximately 10 acres would be publicly accessible, and new bicycle, pedestrian and vehicle infrastructure. In addition to the open space distributed throughout the project site, the proposal would include a 4-acre publicly accessible park at the southwestern corner of the project site, along with a town square plaza, and dog park. The proposed site circulation includes a proposed access point from O’Brien Drive, along with additional site access from Willow Road.

### Analysis

When the proposed project application was originally submitted, in January 2018 the city manager authorized ICF to prepare the first phase of the environmental review for $49,965, which was within the city manager's authority. This allowed ICF to participate in working sessions with the city regarding the anticipated environmental review for the proposed project. Following the May 7 study session, an amendment of $17,600 to the first phase of work was submitted by ICF to conduct additional data gathering for the transportation analysis that needed to be completed before the Memorial Day holiday weekend. The total amount for Phase 1 (including the amendment) was $67,565, which is under the maximum amount of the city manager's authority.

CEQA requires an EIR to analyze the potential environmental impacts of the proposed project and evaluate potential mitigation measures. With the submission of the revised project proposal, this second phase of work is ready to begin. The attached proposed amendment in the amount of $1,113,859 is for Phase 2, per the proposed scope and budget in Attachment A. The total budget for ICF, including Phases 1 and 2, would be $1,181,424.

The proposed scope and budget for the EIR have been structured to comply with the current CEQA

City of Menlo Park  701 Laurel St., Menlo Park, CA 94025  tel 650-330-6600  www.menlopark.org
guidelines. Although the terms of the settlement agreement between the City of Menlo Park and the City of East Palo Alto require at a minimum analysis of transportation and population and housing, due to the scale of the proposed project, the project level EIR would study additional topic areas. It is anticipated that the EIR for the proposed project would study all CEQA topics except agricultural and forestry resources, mineral resources and wildfire.

Housing analysis
Although not required by CEQA, included in the scope and budget is the preparation of a project specific housing needs assessment (HNA.) Preparation of an HNA is required by the settlement agreement. Keyser Marston Associates (KMA) has done other HNA for projects in the city and provided a proposal. Although staff also researched other housing consultants and requested additional proposals, given responsiveness and familiarity with the city, KMA’s scope and budget for the HNA has been included.

Transportation impact analysis
The project level transportation impact analysis (TIA) was previously anticipated to use level of service (LOS) as the threshold of significance (with vehicle miles traveled provided for informational purposes) for potential transportation impacts that could result from the project. LOS is currently the threshold of significance for potential impacts under CEQA (until July 1, 2020) as identified in the City’s general plan circulation element and TIA guidelines. However, for draft EIRs that will be released after July 1, 2020, transportation impacts on the environment will be required to be analyzed based on vehicle miles traveled (VMT), as the threshold of significance, per the requirements of Senate Bill 743.

Since the environmental analysis is in the early stages and the TIZ cannot begin until after Labor Day (due to the need to acquire additional data after the start of the school year,) staff believes that the draft EIR would likely be released after July 1, 2020. With this timing, potential impacts would be evaluated using VMT as the threshold of significance and LOS disclosed to identify project consistency with the general plan circulation element. The scope has been structured to identify that the analysis will use the appropriate impact threshold based on the requirement in effect at the time the draft EIR is released.

The City’s transportation division will need to initiate an update to the city’s TIA guidelines to include VMT and update to the circulation system assessment (CSA) to allow for this analysis and other project level environmental analyses to move forward in compliance with the upcoming CEQA requirements as a result of SB 743. To meet the schedule of this project and to comply with SB 743, staff anticipates the updated TIA guidelines would need to be approved by the City Council before the end of 2019. It is therefore critically important to maintain the schedule of the transportation impact fee program update, currently anticipated to be considered by the City Council in September and October 2019, so that updated fees are in place before transitioning to VMT.

Project variants
Staff has worked with ICF and the project sponsor to outline a number of project variants that should be studied in the project level EIR to ensure the EIR maintains flexibility for modifications to be made to the project during the environmental analysis and entitlement review phases. Project variants are different from project alternatives and the project level EIR would continue to analyze project alternatives, consistent with the current CEQA guidelines. The following list identifies the proposed variants to be studied in the project level EIR.

Multiple housing unit scenarios
A maximum of approximately 1,861 dwelling units could be constructed at the project site. The resubmitted project has been revised to include a maximum of 1,735 dwelling units as part of the proposed project, an increase of 235 units from the previous submittal. However, to ensure that the EIR studies and analyzes
multiple scenarios to allow for flexibility for decision makers, the applicant has requested including the following variants:

- Increased housing unit scenario (estimated at up to approximately 2,000 units)
- Decreased housing unit scenario (estimated at no less than 1,500 units)

The increased housing unit scenario would be further identified through the process, but the estimate of 2,000 units is generally anticipated to be the approximate maximum number of units that could be developed at the site using the city or state BMR density bonus allowances. In addition, staff believes that studying approximately 1,500 housing units, as a decreased housing unit project variant would be appropriate since that is consistent with the initial proposal and the requirements of the Facebook campus expansion development agreement to submit plans for a minimum of 1,500 units at the Willow Village site if ConnectMenlo was adopted.

The exact parameters of the increased and reduced housing scenarios will be determined through the EIR scoping process, which allows for input from other government agencies, members of the public, the Planning Commission and the City Council on topics to be analyzed in the EIR, such as the variants. The upper limit of approximately 2,000 units and the lower limit of approximately 1,500 units should be considered general approximations at this time to provide a general framework as part of the proposed scope and budget for the EIR.

Hamilton Avenue realignment

Hamilton Avenue could be realigned at the intersection with Willow Road. ICF would consider the environmental impacts associated with the construction of the realignment. In addition, as a result of the realignment, an existing gas station would need to be relocated to the north of the realigned street. ICF would analyze the environmental impacts associated with demolition and potential construction of a new gas station.

Willow Road/Dumbarton rail corridor crossing

A grade-separated crossing is proposed for bicycles, pedestrians and Facebook trams. It is currently unknown whether this proposed crossing would be above or below grade. The EIR would analyze one of the options as part of the proposed project, while the other option will be analyzed in the variants chapter.

Recycled water

The potential on-site system will be analyzed as part of the proposed project, while the system as a public utility would be analyzed in the variants chapter.

Others

Other potential variants could include different programming for the proposed park and community amenities, as determined through the community engagement process.

Next steps

Following authorization of the contract for ICF to conduct the environmental review, ICF would prepare a notice of preparation (NOP) for the EIR. The NOP describes the project generally, identifies which topics areas would be studied and identifies which topics are anticipated to be scoped out of the analysis. Once the NOP is released, there is a 30-day comment period on the anticipated scope of the EIR. An EIR scoping session with the Planning Commission would be scheduled to allow the community the opportunity to submit comments verbally. Comments can be submitted in writing during the comment period. The comments received during the scoping period are considered in the preparation of the draft EIR.

City staff is evaluating additional outreach options for the NOP and EIR scoping period to encourage
increased public participation in the EIR scoping process, which could include an expanded mailed noticing radius, city website and project page posting, the city’s weekly digest, and informational item to the City Council on the schedule of the NOP and EIR scoping session.

Staff is recommending that the City Council provide the city manager the authority to approve future contract increases, if needed. Budget amendments would only be approved if authorized by the project sponsor and the city.

Impact on City Resources
The applicant is required to pay all planning, building and public works permit fees, based on the city’s master fee schedule, to fully cover the cost of staff time spent on the review of the proposed project. The applicant is also required to bear the cost of the environmental review and any associated analysis. For the environmental review and fiscal analysis, the applicant deposits money with the city and the city pays the consultants.

Environmental Review
A project level EIR will be prepared for the proposed project. The EIR will, to the extent applicable, utilize the program level EIR prepared for the ConnectMenlo general plan and zoning ordinance update.

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

Attachments
A. EIR scope and budget proposal from ICF
B. Location map
C. Project plans (select Sheets from June 6, resubmittal)
D. Hyperlink – City Council May 7, study session staff report:
   https://menlopark.org/DocumentCenter/View/21443/SS1-20190507-Willow-Village-CC

Report prepared by:
Kyle Perata, Principal Planner

Report reviewed by:
Deanna Chow, Interim Community Development Director
Leigh Prince, Assistant City Attorney