



Midpeninsula Regional  
Open Space District

# Memorandum

DATE: September 14, 2016

MEMO TO: MROSD Board of Directors

FROM: Stephen E. Abbors, General Manager

SUBJECT: Summary from August 29, 2016 Facilities Ad Hoc Committee Meeting

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At its August 24, 2016 meeting, the Board of Directors approved the formation of the Facilities Ad Hoc Committee (Committee) (R-16-102). The charge of the Committee is to (1) identify any potential gaps in the Administrative Office (AO) site benchmark feasibility study, real estate market analysis, and futurist/architectural strategist report, and (2) arrive at a recommended preferred option, possible alternatives, and next steps to forward to the full Board at a later date for its consideration and decision.

The Committee has met twice since formation. Below is a summary of the August 29, 2016 meeting. Materials given to the Committee have been provided to the Board for more detail. The Committee selected Director Kishimoto as Chair, discussed its purpose, and the purpose of the futurist/architectural strategist, MKthink. The Committee discussed how and when to bring items to the full Board for consideration during the process. The project team was introduced and the process and schedule discussed. The status of the Palo Alto Medical Foundation (PAMF) building across from the AO was reviewed. Please see to details provided below.

### Committee Purpose

The Committee's overarching purpose is to provide policy level guidance on staff facilities. For this current effort, the Committee felt that they should focused immediately on the AO and that the recommendations prepared for the AO need to consider and relate to other District staff facilities, including field offices or potential new satellites, and whether AO staff can deploy out of those locations.

The Committee discussed their goal, which includes bringing forth to the full Board a recommendation for the AO to move forward with and also to act as a strike force by which to consider new opportunities to allow staff to act quickly if necessary.

### Futurist Purpose

Because of the substantial investment anticipated to address the District's long-term administrative office needs, the purpose of MKThink's work is to test staff's assumptions with regard to viable solutions for a new AO and to unearth potential options that staff did not consider. They are exploring external factors or forces that may influence the way the District conducts its work in the future and where a new AO might best be located to effectively and efficiently deliver the District's services.

Unlike the futurist used for the Packard Foundation, this scope of work is less about work space planning within the building and more about determining the type, size, and location of the

building. MKThink will touch upon conceptual space planning insofar as it affects the building the District might seek.

### Process and Schedule

Board FYIs will be provided to keep the full Board apprised of the project's progress. The Committee will meet at each milestone to provide policy guidance. The Committee will also determine which items should be brought to the full Board for their input, e.g. decision-making criteria.

The initial schedule was to have a preferred recommended option by the end of the calendar year. The schedule will need to be adjusted to accommodate Board meetings when the Committee feels items should be brought to the full Board.

### MKThink Draft Initial Findings

MKThink is currently in their Research and Findings stages. To learn more about the District, they have been provided background material and reports such as the Vision Plan and the Financial and Organizational Sustainability Model (FOSM). MKThink will move on to assessing the District's current and future operational needs and weighing those with external factors that will either be challenges to overcome or opportunities to take advantage of, as they develop options for a new AO.

MKThink presented their proposed process and draft initial research findings centered around six study areas. The Committee was asked if there were any questions or gaps in the analysis. They were also asked if any study area seemed more important than the others, and what other information might be needed to inform a recommended preferred option and a decision.

The Committee posed the following questions:

- What's the future of the cubicle?
- What's the future of the work week?
- How do we share desks?
- Can District staff share space?
- What is the future of El Camino Real?
- Which cities will expand or build along El Camino Real?
- Can we partner with other like-minded organizations, e.g. Peninsula Conservation Center?
- How will we use space? How much storage will we need? Are we heading towards a paperless office?
- Diversity – how do we ensure our office is accessible?
- Childcare – how do we retain talented women and support families?
- Environmental sustainability – how do we minimize our environmental footprint?
- Symbolism of the building – is it a statement? Is it more low key?

The Committee expressed interest in monitoring the real estate market more actively.

### Status of PAMF Building

An update on the PAMF building located across from the AO was provided by Real Property. A proposal to purchase the building was sent and no response had yet been received. PAMF is not interested in swapping properties with the District. PAMF seems amenable to leasing half the building to the District, but only for two years. If the decision is made to build on site, design and

permitting are anticipated to take two years with construction taking another two years. Timing of a temporary lease will be critical.

The Committee asked Real Property to update them at the next meeting regarding PAMF and asked for an update on the Real Estate Market Study and the AO Site Benchmark Feasibility Study.

Prepared by: Tina Hugg, Senior Planner

Project Team Staff

1. General Manager's Office – General Manager Stephen E. Abbors, Assistant General Manager Ana Ruiz, Assistant General Manager Kevin Woodhouse, Chief Financial Officer/Administrative Services Director Stefan Jaskulak, and District Clerk Jennifer Woodworth
2. Department Managers – Jane Mark (Planning), Jason Lin (Engineering & Construction), and Mike Williams (Real Property)
3. Staff – Tina Hugg (Planning, day-to-day contact), Aaron Hebert (formerly Engineering & Construction, now Natural Resources – will be replaced with an Engineering and Construction representative at the end of the strategist report), Allen Ishibashi (Real Property)

Attachments:

1. August 29, 2016 Facilities Ad Hoc Committee Presentation
2. MROSD AO Future Study by MKThink

The attachments for this documents are extensive. If you would like a paper copy, please contact Jennifer Woodworth, District Clerk, or they are accessible on the District's website or the Board's Dropbox account.



# FACILITIES AD HOC

## COMMITTEE MEETING

PREPARED FOR:

PREPARED BY:



29 AUGUST 2016



# FUTURE HOME FOR MIDPEN

30 YEAR VISION

# AGENDA

**PROCESS:** HOW DO WE GET THERE?

**FINDINGS:** WHAT ARE THE CURRENT TRENDS?

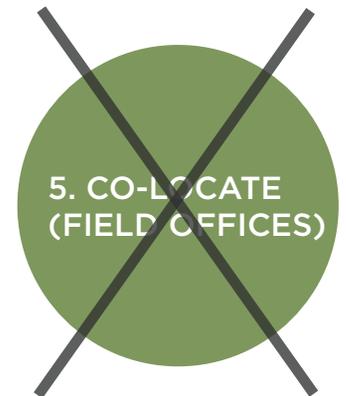
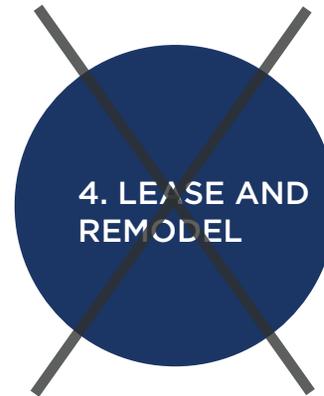
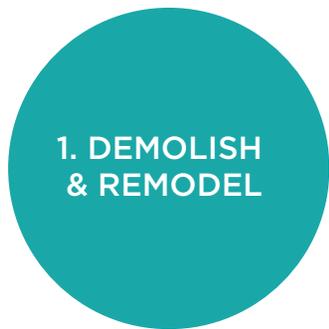
**APPENDIX:** OTHER ITEMS, NEXT STEPS

# PROCESS

HOW DO WE GET THERE?

# PROCESS

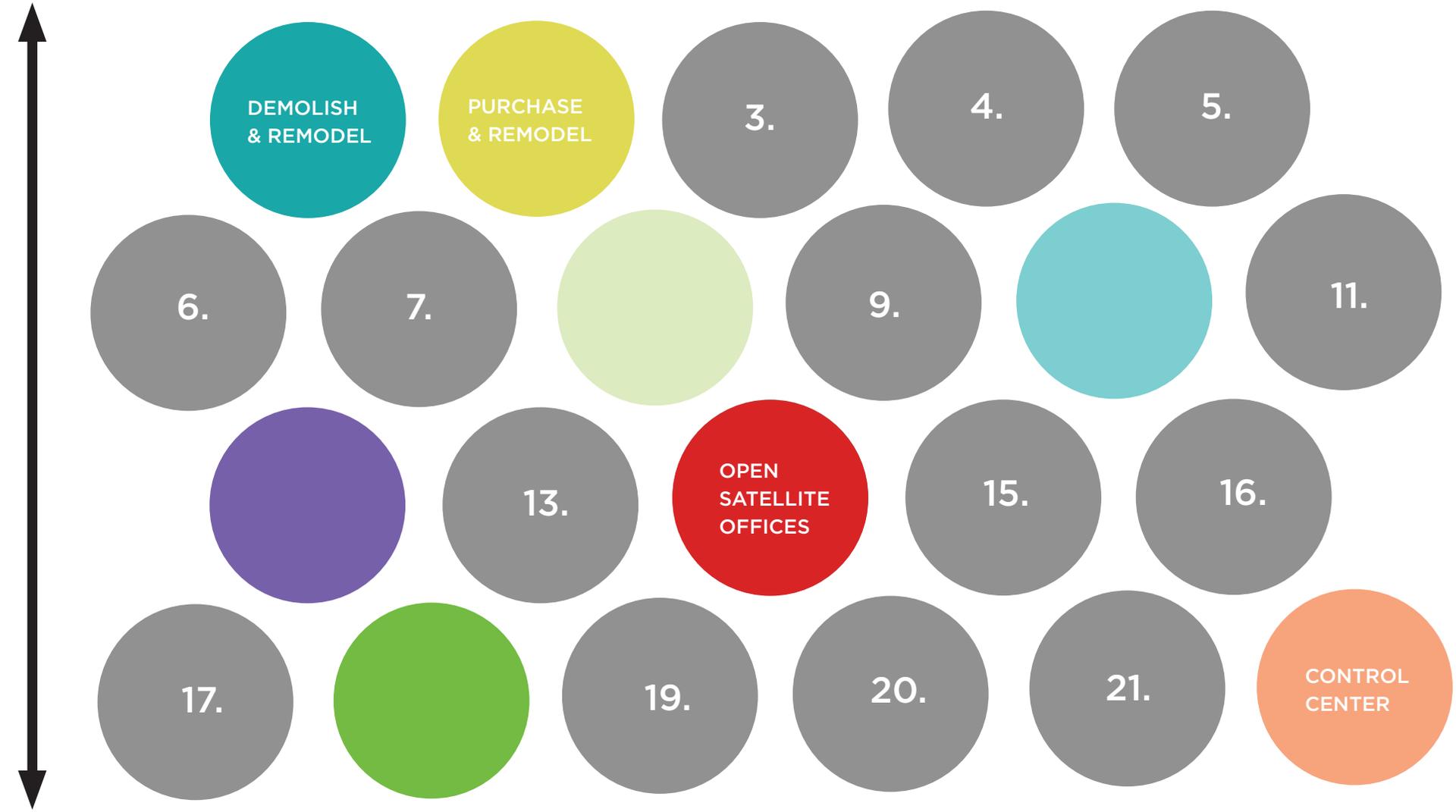
## FUTURE REAL ESTATE OPTIONS



# PROCESS

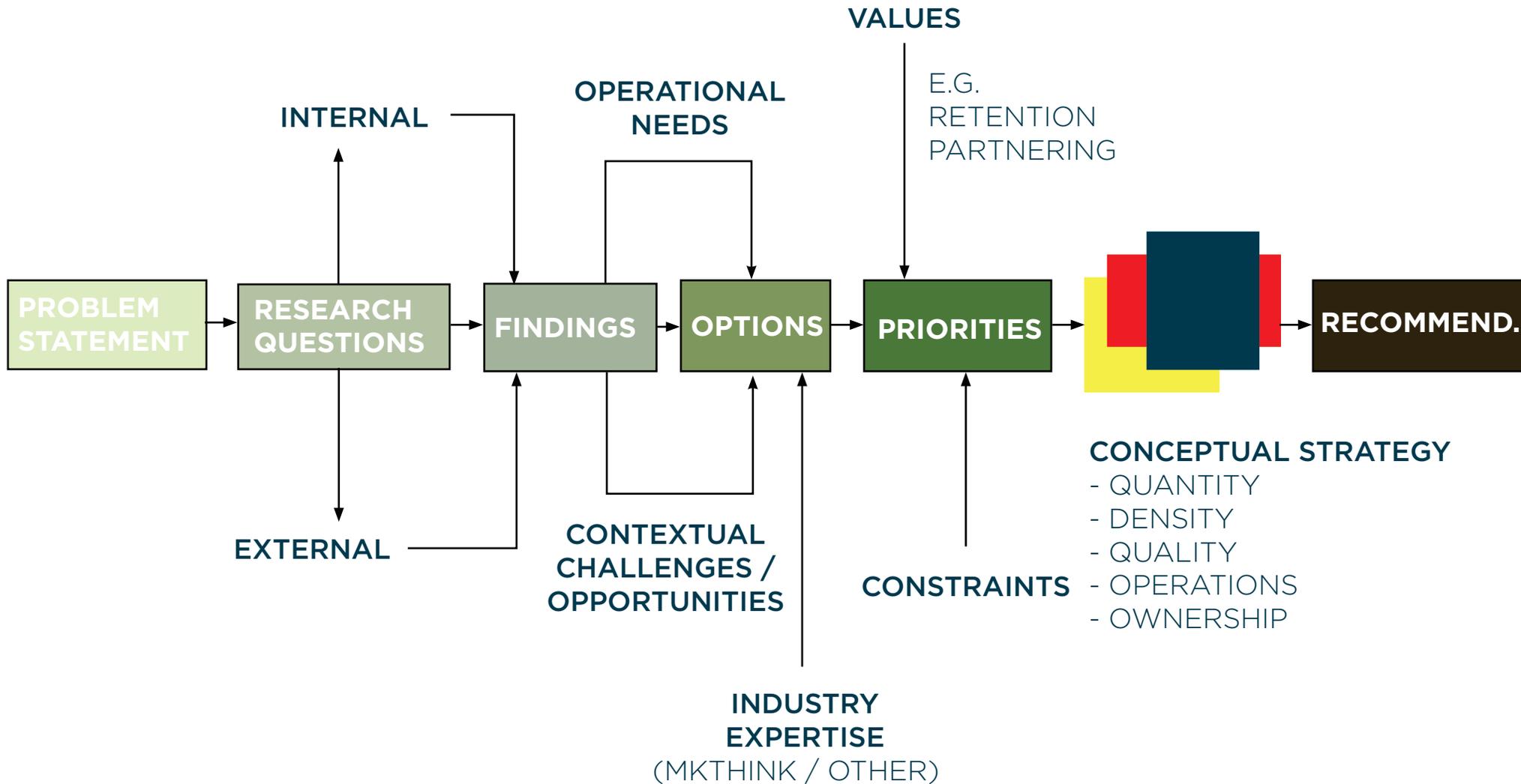
POTENTIAL FUTURE REAL ESTATE OPTIONS

TRADITIONAL



FUTURIST

# PROCESS



# FINDINGS

## SUMMARY

# FINDINGS

MATRIX: BROAD FACTORS/STUDY AREAS

## MIDPEN RESEARCH QUESTIONS SUMMARY MATRIX

QUESTION 1	QUESTION 2	QUESTION 3	QUESTION 4	QUESTION 5	QUESTION 6
What are regional and local socio-economic and demographic trends?	What are the emerging innovations/trends in transportation, building materials, sustainability, information technology, and remote work environments?	What are the environmental resiliency future challenges?	What are the geographical influences on talent acquisition and longevity?	What is the future of how people work?	What do real estate strategies look like in the future?
<b>INTERPRETATIVE FINDINGS</b>					
<b>Challenges</b>	<b>Challenges</b>	<b>Challenges</b>	<b>Challenges</b>	<b>Challenges</b>	<b>Challenges</b>
<b>Opportunities</b>	<b>Opportunities</b>	<b>Opportunities</b>	<b>Opportunities</b>	<b>Opportunities</b>	<b>Opportunities</b>
<b>Findings</b>	<b>Findings</b>	<b>Findings</b>	<b>Findings</b>	<b>Findings</b>	<b>Findings</b>
<i>Internal findings</i>	<i>Internal findings</i>	<i>Internal findings</i>	<i>Internal findings</i>	<i>Internal findings</i>	<i>Internal findings</i>
<i>External findings</i>	<i>External findings</i>	<i>External findings</i>	<i>External findings</i>	<i>External findings</i>	<i>External findings</i>

# FINDINGS

## QUESTIONS FOR FACILITIES AD HOC COMMITTEE

What is missing?

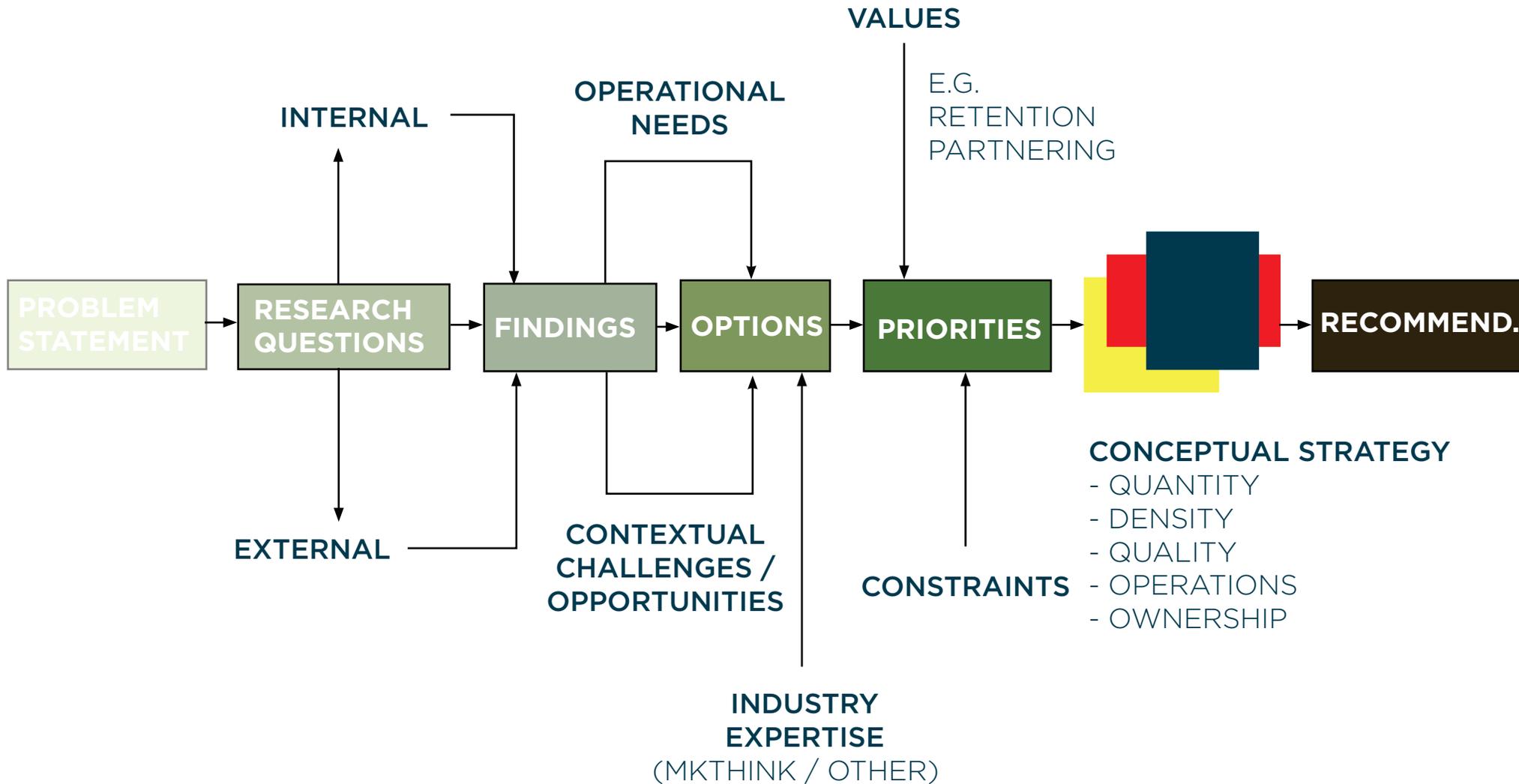
Were we unclear?

Would you add anything else?

Are some things more important than others?

What does the board need to feel confident in making a decision?

# PROCESS

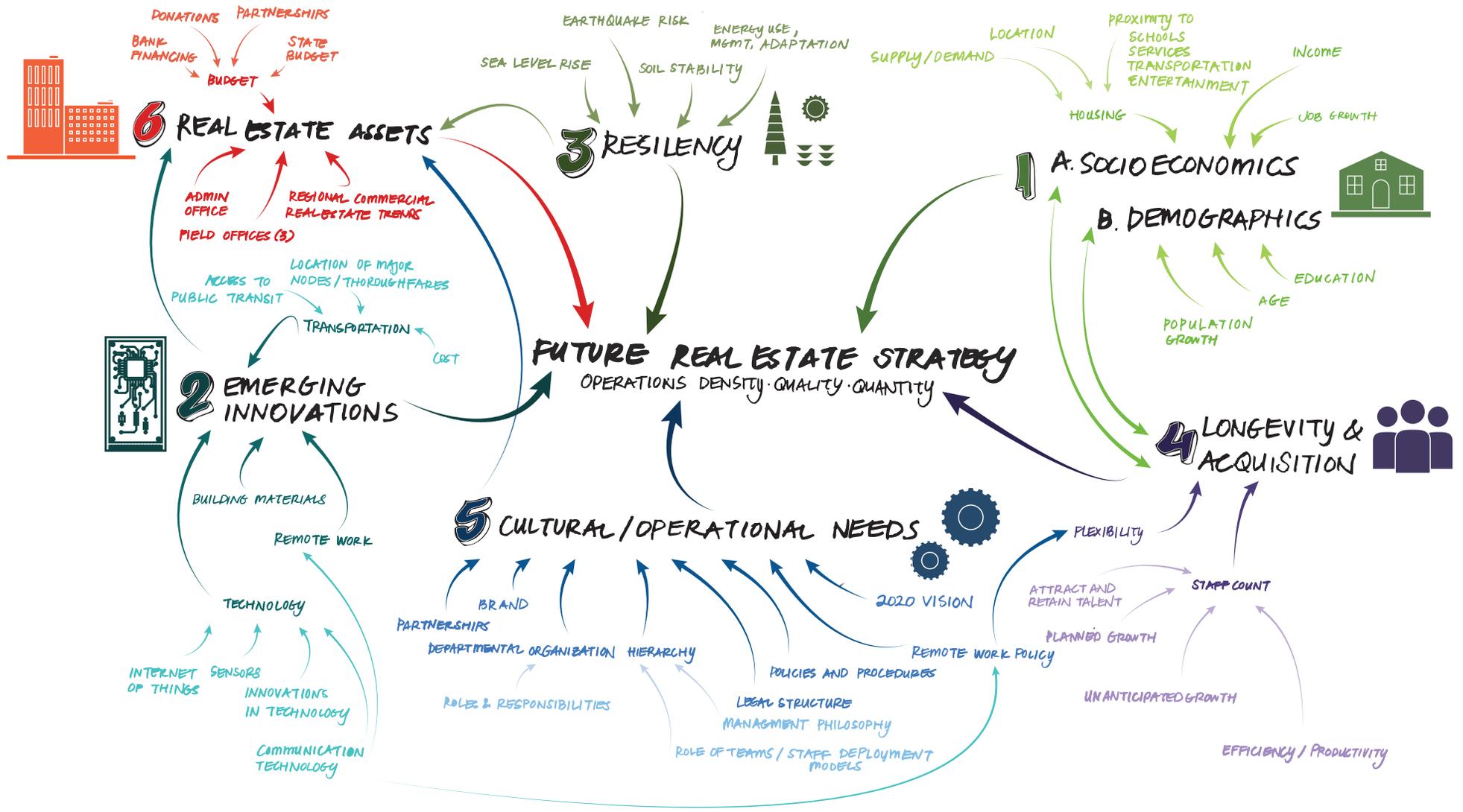


# APPENDIX

(OTHER / FUTURE ITEMS)

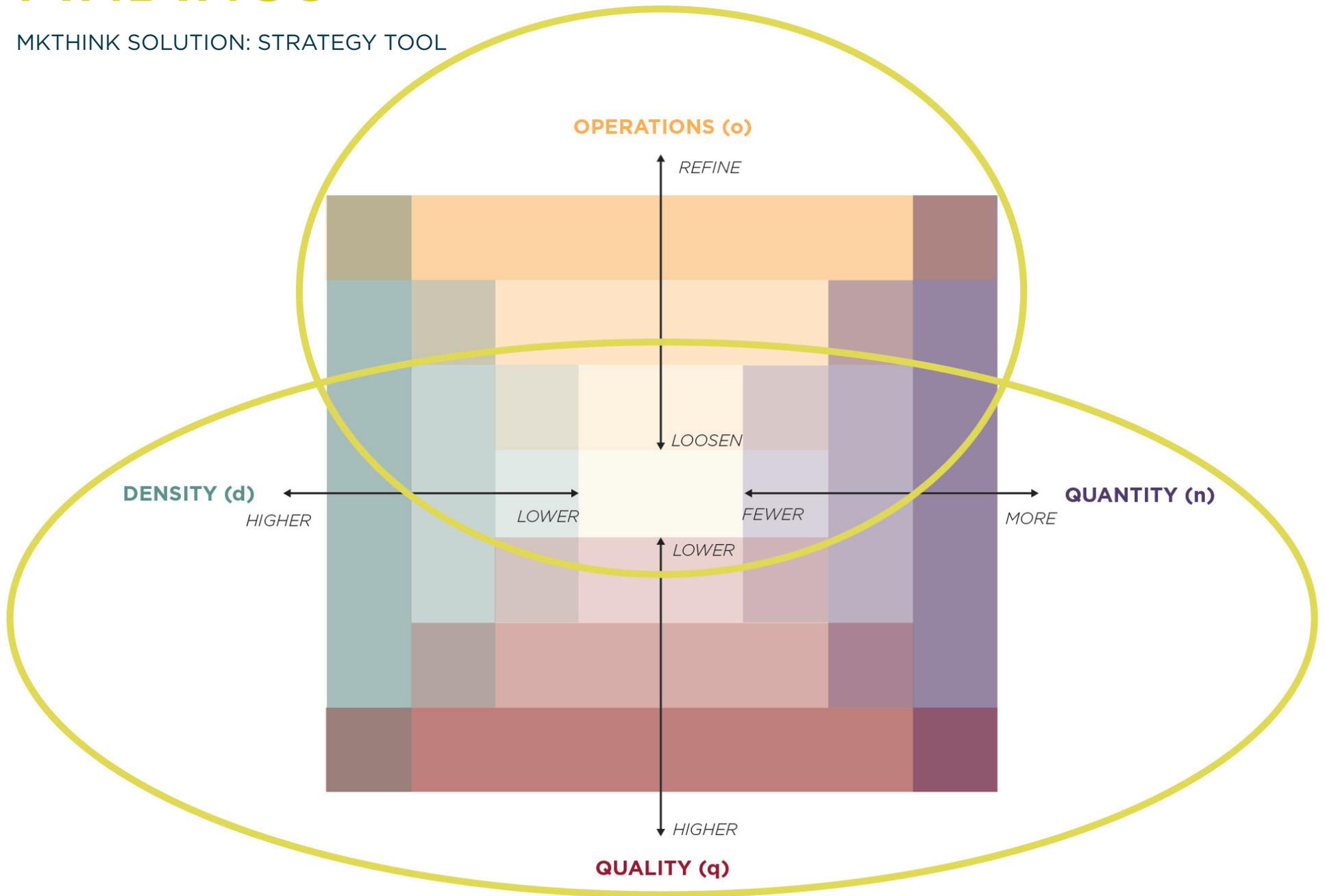
# FINDINGS

## SYSTEM MODEL FOR STRATEGIC REGIONAL ANALYSIS



# FINDINGS

MKTHINK SOLUTION: STRATEGY TOOL



# EMERGING TOPICS

(OPERATIONS AND VALUES)

# EMERGING TOPICS

## OPERATIONS: EXAMPLE

a. Tuesday and Wednesday days can be spent at the Administrative Office building; Monday, Thursday and Friday in the field. This allows the Administrative Office to be customized and optimized for collaboration. Individual work is supported in the field. There is a high Utilization and Occupancy.

vs.

b. The traditional Monday to Friday, 9 am to 5 pm model, where both individual and collaborative work happen at the Administrative Office building. It results in more square footage at lower quality with redundancies in the field. There is a lower Utilization and Occupancy.

# EMERGING TOPICS

## VALUES

Rent savings vs. connectivity

Sustainability vs. first costs

Flexibility vs. resiliency

Access to homes vs. access to sites

Individual work vs. collective work

Proximity to colleagues vs. time spent in field

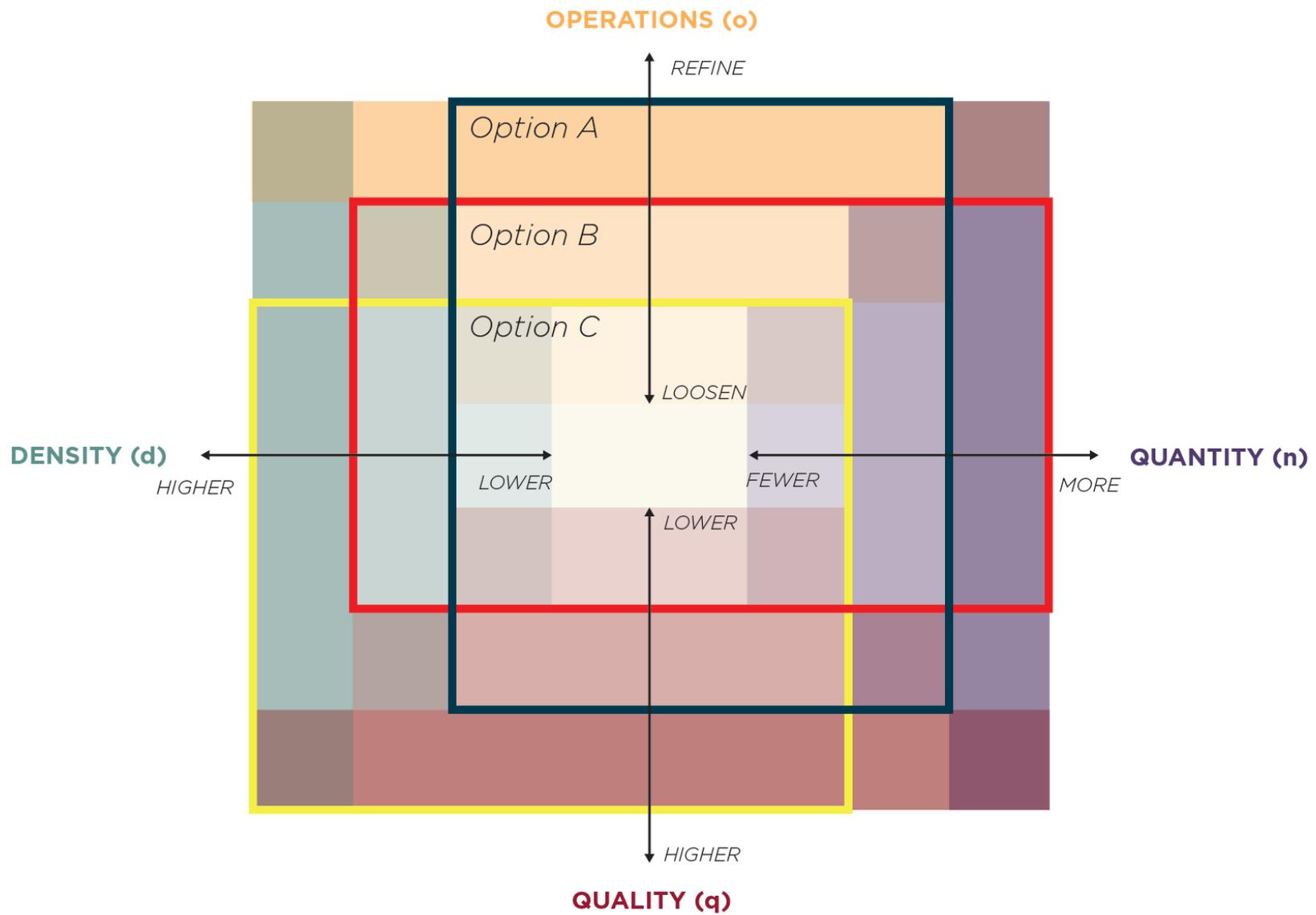
High level of community engagement vs. meeting short term goals

**PREVIEW**

NEXT STEPS

# PREVIEW

## STRATEGY TOOL



MROSD AO Future Study

**“Current State” Initial Findings: DRAFT (Updated 8/26)**

August 29, 2016

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## Assignment Description

MKThink has been hired by the Midpeninsula Regional Open Space District to provide “futurist”/ architectural strategist services related to the District’s decision-making needs about siting the future Administrative Office (AO).

## District Research Statement

Analyze broad factors that the District should consider as it evaluates the local real estate market and the future of work at the District, and provide *conceptual* recommendations to inform AO options such as, but not limited to:

- Demolish and rebuild onsite
- Lease or purchase a new site (and remodel or rebuild)
- Open satellite offices and remodel the existing AO
- Other or hybrid solution

## Key Questions for Research

The following questions serve to clarify the ‘broad factors’, or study areas, to be researched related to the research statement:

1. What are regional and local socio-economic and demographic trends?
2. What are the emerging innovations/trends in transportation, building materials, sustainability, information technology, and remote work environments?
3. What are the environmental resiliency future challenges?
4. What are the geographical influences that may affect talent acquisition and longevity?
5. What is the future of how people work?
6. What do real estate strategies look like in the future?

## **Initial Findings from Research**

The following pages detail the initial summary findings from this research. To clarify:

- “Internal Findings” = the District’s internal conditions
- “External Findings” = the broader external influences or context of the region / locality

## **QUESTION 1. WHAT ARE REGIONAL AND LOCAL SOCIO-ECONOMIC AND DEMOGRAPHIC TRENDS?**

### SUMMARY FINDINGS

#### CHALLENGES

Regional economic disparities occur on two levels: 1) between heavily funded tech sector companies and other business sectors, and 2) individuals with access to high salaries and those who do not. Regional governments and non-profits have and will continue to respond to this challenge by being efficient with resources, while competition among firms in creative and innovation industries will grow.

#### OPPORTUNITIES

Increased access to Massive Online Open Courses (MOOCs), maker spaces, short-term certification programs, and other alternative modes of education and training (not requiring traditional 4-year degrees) will widen access to professional careers including those in the conservation sector. Private investment -- through vehicles such as public-private partnerships -- in social services, urban environments, and general sustainability may ameliorate the growing regional socio-economic gap and be beneficial for non-profit and government agencies.

### SPECIFIC FINDINGS

#### INTERNAL (DISTRICT SPECIFIC) FINDINGS

- Housing prices are high and the District employees' homes are dispersed around the wider Bay Area region (from Santa Rosa and Walnut Creek in the north, to Aptos and Gilroy in the south), lengthening commute times.
- District's operations are expanding, which requires adding capacity in terms of people, expertise and services.
- Midpen is expected to add between 84 and 104 total positions by the year 2045 (FOSM, 2015, p. 69).

- Baby boomers are expected to be gradually replaced by Millennials by the year 2030, with Generation X moving into more senior roles (FOSM, 2015).
- See question 4 for interrelated findings.

## EXTERNAL (CONTEXTUAL) FINDINGS

- Job growth is accelerating in all major areas of economic activity.
- Per capita and median household incomes are increasing, although there are major issues with income inequality across groups.
- The residents of the Silicon Valley and the Bay Area generally are increasingly burdened by housing costs.
- Low housing inventory continues to drive up home and rental prices, while income gains (for most workers) are insufficient to accommodate the rising living costs, resulting in increased displacement of workers seeking more affordable housing outside the immediate Bay Area.
- There is a rapid population growth in Silicon Valley; at the same time, the Valley has an increasingly aging population (Institute for Regional Studies, 2016).

## **QUESTION 2. WHAT ARE THE EMERGING INNOVATIONS/TRENDS IN TRANSPORTATION, BUILDING MATERIALS, SUSTAINABILITY, INFORMATION TECHNOLOGY, AND REMOTE WORK ENVIRONMENTS?**

### **SUMMARY FINDINGS**

#### **CHALLENGES**

Age, scale, and cost of building infrastructure will impede the ability of architecture to move at the pace of operational needs. The moment a building opens, new technologies and organizational needs challenge the space to operate as intended. Transportation systems are also outdated and over capacity, and the political will to implement significant projects, such as high-speed rail and bus rapid transit, is challenged by Not-In-My-Back-Yard (NIMBY) attitudes. Technology is not yet utilized to its full potential to enable productive remote work, in part because many companies maintain traditional operational models.

#### **OPPORTUNITIES**

By diversifying, distributing, decentralizing, and mobilizing real estate assets, companies will be able to overcome structural inefficiencies in architecture and real estate, which are moving slower than innovation and technology. Companies like Uber, Lyft, Chariot, and corporate shuttles are bridging the “last mile” gaps between existing transit and work locations. The region is taking initiative to improve BART and Caltrain connections to minimize individual car use. Simultaneously, self-driving cars may regularize traffic flows, minimize accidents, and upgrade passenger experience. Nevertheless, as these processes take time to develop, remote work employing improved communication technology (e.g. the software applications Zoom and Slack) is a feasible interim and possible long-term solution to bridge the transportation gaps, manage employee burn out, and reduce carbon emissions.

## SPECIFIC FINDINGS

### INTERNAL FINDINGS

- The AO staff drives to work on average about 21 miles each way daily; the regional public transit connections are poor (MROSD Memorandum, 2015).
- The current AO building is outdated (originally built in the 1970s) and over capacity. It would need to be modernized in the future to include sustainable features currently desired by the District (TANNERHECHT Architecture, 2016).
- Measure AA provides revenues to the District for capital projects that will focus on land preservation, habitat restoration, and public access opportunities (FOSM, 2015).

### EXTERNAL FINDINGS

- Inter-modal transit is becoming increasingly important (e.g. bike to train and then ride).
- The new trends in building materials show improvements in durability, elasticity, modularity, energy efficiency, insulation, and recyclability.
- Silicon Valley is taking measures to address environmental sustainability issues. For instance, Title 24 is influencing baseline green building design. In addition, larger companies are investing in sensors to monitor building energy use, installing solar panels, and prioritizing permeable native landscaping.
- Information technology's current phase of development is the 'Internet of Things', where appliances and equipment communicate seamlessly through the internet (i.e. the Nest technology that allows for remote control over home utilities, such as lights and heat).
- Remote work is the growing trend to accommodate growing operational flexibility and to alleviate difficult commutes.

## QUESTION 3. WHAT ARE THE ENVIRONMENTAL RESILIENCY CHALLENGES?

### SUMMARY FINDINGS

#### CHALLENGES

There are many environmental challenges that face the Bay Area. Natural resources, especially water, will continue to be constrained at increasing rates, impairing business as usual. In addition, the tech company trend to fit more workers in smaller work areas will strain existing infrastructure, whose capacity was designed for less dense use (i.e. parking, utilities, etc.). With many areas near sea level, there is a great probability that climate change and sea level rise will irreversibly affect Silicon Valley if mitigations are not pursued aggressively. According to USGS, there is a 72% chance of an earthquake of magnitude 6.7 or higher to hit the Bay Area in the next 30 years.

#### OPPORTUNITIES

Access to knowledge and information through education, social media, and other channels will lead to expanded social awareness and eventually provide the tools to adapt to and mitigate growing environmental challenges. One of the Bay Area's greatest resources in responding to catastrophic events related to climate change (flooding, sea level rise, liquefaction) is the bay land, which is classified as tidal wetlands. The Midpen AO could serve as an emergency command center for district operations during a crisis affecting the Midpen preserves (e.g. 100 year storm, earthquake, or land slide).

### SPECIFIC FINDINGS

#### INTERNAL FINDINGS

- The greenhouse gas (GHG) emissions related to the AO are affected by the site location and the sustainability of the building's construction (MROSD Memorandum, 2015).

- Due to long commute distances and issues related to access to public transit, the employees mainly use private cars, which contributes to the GHG emissions.
- Construction of a new building would result in a high level of the one-time GHG emissions related to construction; however, the building-operation related emissions in most cases over time exceed one-time related GHG emissions.

## EXTERNAL FINDINGS

- Silicon Valley is seismically unstable and there is a high chance that a high magnitude earthquake will hit the area in the next 30 years, which could result in damages nearing \$200 Billion for the Bay Area (Investor's Business Daily News, 2016).
- Silicon Valley is increasingly vulnerable to the effect of climate change and sea level rise; a 40-inch sea level rise would place 270,000 people at risk of a 100-year flood, resulting in replacement cost of \$49 Billion. Costly infrastructure such as Highway 101 and San Francisco Airport are also at great risk. It is predicted that seas will climb as much as 16 inches by the mid-century and 65 inches by 2100 (Pacific Institute, 2012).

## **QUESTION 4. WHAT ARE THE GEOGRAPHIC INFLUENCES ON TALENT ACQUISITION AND LONGEVITY?**

### **SUMMARY FINDINGS**

#### CHALLENGES

Extreme economic conditions will cause a dearth of talent in the young family age group. In addition, the lack of affordable housing near places of work and public transit will affect people's decisions to move to or stay in Silicon Valley and add stress due to increasingly long commute times. Traditional companies may not be attractive to Millennials who demand flexibility and increased blending of life and work.

#### OPPORTUNITIES

Silicon Valley is a strong educational and technological center, home to the majority of the world's leading innovation companies; therefore, it will continue to attract highly paid, motivated talent. Companies with the strongest brands, culture, equity, and flexibility will be more successful in overcoming obstacles related to talent acquisition.

### **SPECIFIC FINDINGS**

#### INTERNAL FINDINGS

- The District is an attractive employer for people of diverse backgrounds.
- The main reason why talent is attracted to the District is its mission.
- Several factors may impact the District's ability to attract staff in the near future. These include the high cost of living, income relative to the general costs of living, traffic congestion and long commutes, lack of sufficient public transit options, and quality of working space.
- However, housing subsidies such as those given to Google employees, flexible schedules, and telecommuting could help to compensate for the above challenges.

## EXTERNAL FINDINGS

- As housing prices continue to increase, the local population is progressively moving out or being displaced. However, an influx of foreign workers is causing overall population growth (Institute for Regional Studies, 2016).
- Talent acquisition in Silicon Valley is on the one hand influenced by the employees' access to well paid jobs, affordable housing, and transit options, and on the other hand by company brands, culture, equity, professional development, flexibility, etc.
- Traditional modes of staffing, which emphasized recruiting workers who perform predefined roles and prescriptive assignments, are being replaced by strategic modes of talent acquisition (Silicon Valley Bank, 2015), which focus on finding individuals who can easily adapt to a multitude of tasks and grow into new roles as the company evolves and strengthens its brand. The new model also includes hiring people through social media tools and professional websites (e.g. LinkedIn, Indeed.com, Glassdoor, etc.) and creating opportunities for internal candidates.

## QUESTION 5. WHAT IS THE FUTURE OF HOW PEOPLE WORK?

### SUMMARY FINDINGS

#### CHALLENGES

Employees who choose to work for an established company will be constrained by traditional workplace operations, which include set work hours, limited time off, and poor benefits (when compared with similarly advanced countries worldwide). The ability for individuals to self-sustain through entrepreneurship or independent contracting will in turn put pressure on companies to improve their cultural and operational practices (e.g. brand recognition, workplace employee alignment, interpersonal teaming dynamics, workplace amenities, location/hours flexibility).

#### OPPORTUNITIES

Mission-driven companies and public agencies with a focus on sustainability have a better chance of thriving due to strong cultures and values. The ability to rapidly adapt to new conditions will continue to be a major asset for Silicon Valley to respond to the aforementioned challenges. Globalization increases opportunities to be more selective in life, culture, and work choices. Workers change jobs, more frequently throughout their careers due to shifting aspirations, life situations and opportunities.

### SPECIFIC FINDINGS

#### INTERNAL FINDINGS

- The District is organized around one administrative office and three satellite service-oriented field offices.
- Due to the passage of Measure AA, the District can be compared to a 'start-up' company with newly designated venture capital funding (FOSM, 2015).
- The District faces challenges to accommodate an increase in service demands, growing staff, and workspace demands.

- The District is considering introducing collaborative technologies, such as Skype for Business and SharePoint, to its workspace model, which would be essential if the District were to opt for utilizing satellite offices in a distributed model of employee deployment.
- The District is considering different organizational and staff deployment models that enable flexibility, autonomy, and customization.
- The District has centrally located administrative staff, while service operations are decentralized to the field offices. In the long-term, maintaining a centrally located AO could have a negative impact on staff well being (due to increasingly long commutes), sustainability (due to carbon emissions), and real-estate costs (in terms of accommodating growing staff through additional leased offices or on-site expansion).

## EXTERNAL FINDINGS

- Offices are focusing on building strong teams that can manage even in a remote work environment to increase flexibility and efficiency.
- Offices are introducing flexibility, autonomy, and customization to their workplace practices to compensate for the regional challenges (i.e. long commutes).
- Managers and executives are shifting from the 'command and control' mode to the 'roles of coaches and mentors' along the lines of the model promoted by International City/County Management Association (ICMA) Technology will enable this and Millennials will demand it.
- Employees are increasingly measured by deliverables and results rather than time spent at work.
- Offices are embracing collaborative technologies (e.g. telecommunication, smartphones, smart TVs, smart walls, groupware such as SharePoint, etc.).

## QUESTION 6. WHAT DO REAL ESTATE STRATEGIES LOOK LIKE IN THE FUTURE?

### SUMMARY FINDINGS

#### CHALLENGES

Traditional office buildings (low density, high quality leased/owned space) will be more difficult to implement due to rising costs of commercial real estate, in part driven by the physical limitations of the Bay Area as a peninsula surrounded by bodies of water and open space.

#### OPPORTUNITIES

Maintaining commercial real estate ownership combined with smart operational strategy will help mitigate challenges. In plain words, owning real estate means that a company has an asset it can lease out, sell, or occupy, and remain resilient if and when the commercial market fluctuates. Zoning changes could allow increased density and possibilities for income generation. Traditional companies may consider moving to extra-urban, suburban, and/or smaller urban centers with more available and affordable space, such as Sacramento, or Livermore, or hiring workers who telecommute and don't require any office space.

### SPECIFIC FINDINGS

#### INTERNAL FINDINGS

- The District is considering three real estate options: 1. Demolish and rebuild (TANNERHECHT Architecture, 2016), 2. Purchase new and remodel, and/or 3. Open satellite offices. The futurist study will offer additional options for consideration.
- District currently owns the AO building and the field offices, which are valuable future real estate asset.
- The AO building has a traditional office configuration with private offices and some collaborative spaces.

- Field offices mainly house field operations staff.
- The District is building partnerships with other organizations and companies (FOSM, 2015).

## EXTERNAL FINDINGS

- Offices are reducing overall square footage per person in response to higher lease/purchase rates (e.g. GSF/Person was 250 in 2000, is 150 in 2017).
- Organizations are promoting flexible office space configurations; this requires a new workplace model and culture where higher quality, shared (collaborative, meeting) spaces are replacing the emphasis on individual ownership/assignment.
- Change management services are growing to accommodate rapid office transitions.
- Traditional office configurations are being redesigned and some office campuses now accommodate housing, services, childcare, health care, and recreation on-site.
- Companies are renting co-working spaces (i.e. the Impact Hub in San Francisco) separated from the central locations and decentralizing operations across multiple locations (Forbes, 2016). This model requires a transition period due to changes in communication and reliance on technology to achieve results; in the long term, this increased flexibility and decentralized model allows companies to respond at the pace of societal and technological change.
- Partnerships among companies are becoming increasingly important to mitigate real estate challenges.
- Commercial rents continue to increase, while the vacancy rates continue to decline: demand outweighs supply.

## EMERGING QUESTIONS

1. [new question from Ana] What adjustments are necessary to reduce reliance on floor space, storage space, and work space?
2. [new question from Ana] How do we maintain continuity and increase efficiency of public service over the next 30 years (considering phasing, sequencing)?

# MIDPEN RESEARCH QUESTIONS SUMMARY MATRIX

QUESTION 1	QUESTION 2	QUESTION 3	QUESTION 4	QUESTION 5	QUESTION 6
<b>What are regional and local socio-economic and demographic trends?</b>	<b>What are the emerging innovations/trends in transportation, building materials, sustainability, information technology, and remote work environments?</b>	<b>What are the environmental resiliency future challenges?</b>	<b>What are the geographical influences on talent acquisition and longevity?</b>	<b>What is the future of how people work?</b>	<b>What do real estate strategies look like in the future?</b>
<b>INTERPRETATIVE FINDINGS</b>					
<p><b>Challenges</b></p> <p>Regional disparities (i.e. heavily funded tech companies vs. other sectors, individuals with access to high salaries vs. those without) create challenges for regional governments and non-profits.</p>	<p><b>Challenges</b></p> <p>Architecture and construction move at a slower pace than the operational needs. Transportation systems are outdated, while the political will to implement significant changes is challenged by Not-In-My-Back-Yard (NIMBY) attitudes. Technology is not yet utilized to its full potential to enable productive remote work.</p>	<p><b>Challenges</b></p> <p>The environmental challenges that face the Bay Area are: depleting natural resources, climate change and sea level rise, and seismic activity.</p>	<p><b>Challenges</b></p> <p>Extreme economic conditions, including the lack of affordable housing, will affect people's decisions to move to or stay in Silicon Valley. Millennials might not be attracted to traditional companies, as they increasingly demand flexibility and blending of life and work.</p>	<p><b>Challenges</b></p> <p>Employees are increasingly constrained by traditional workplace operations (e.g. set work hours, limited time off, and poor benefits). The ability for individuals to self-sustain through entrepreneurship will in turn put pressure on companies to improve their cultural and operational practices.</p>	<p><b>Challenges</b></p> <p>Traditional office buildings will be more difficult to implement due to rising costs of commercial real estate. The Bay Area, as a peninsula surrounded by bodies of water and open space, has physical limitations to accommodate new commercial spaces.</p>
<p><b>Opportunities</b></p> <p>Increased access to alternative modes of education and training will widen access to professional careers, including those in the conservation sector. Private-public partnerships and private investments in shared services may ameliorate the growing social gap.</p>	<p><b>Opportunities</b></p> <p>By diversifying real estate assets, companies will be able to bridge the gap between real estate/architecture and technology/innovation. The region is taking initiative to improve public transit. Remote work employing improved communication technology appears to be a solution to bridge the transportation gaps.</p>	<p><b>Opportunities</b></p> <p>Growing awareness about environmental resiliency challenges is the first step towards adaptation to and mitigation of growing environmental challenges. Tidal wetlands are expected to help mitigate the catastrophic events related to climate change. The Midpen AO could serve as an emergency command center for district operations during a crisis affecting the Midpen preserves.</p>	<p><b>Opportunities</b></p> <p>Silicon Valley is a strong educational and technological center and it will continue to attract talent. Companies with the strongest brands, culture, equity, and flexibility will more successful in overcoming obstacles related to talent acquisition.</p>	<p><b>Opportunities</b></p> <p>Mission-driven companies and public agencies with a focus on sustainability have a better chance of thriving due to strong cultures and values. The ability to rapidly adapt to new conditions will continue to be a major asset for Silicon Valley to respond to the aforementioned challenges.</p>	<p><b>Opportunities</b></p> <p>Maintaining commercial real estate ownership combined with smart operational strategy will help mitigate challenges. Zoning changes could allow increased density. Traditional companies may consider moving to other locations with more available and affordable space, or hiring workers who telecommute and don't require any office space.</p>
<p><b>Internal findings</b></p> <ul style="list-style-type: none"> <li>- Housing prices are high</li> <li>- District employees' homes are dispersed around the wider Bay Area region</li> <li>- District's operations are expanding, which requires adding capacity in terms of people, expertise and services</li> <li>- Millennials are expected to replace the Generation X by 2030</li> </ul> <p><b>External findings</b></p> <ul style="list-style-type: none"> <li>- Job growth is accelerating</li> <li>- Per capita and median household income are increasing</li> <li>- There is growing income inequality across groups</li> <li>- The residents of the Silicon Valley are burdened by housing costs</li> <li>- There is a rapid population growth</li> <li>- The Silicon Valley has an increasingly aging population</li> </ul>	<p><b>Internal findings</b></p> <ul style="list-style-type: none"> <li>- The AO staff drives 21 miles each way daily (average)</li> <li>- The AO building is outdated and over capacity</li> <li>- Measure AA provides revenues to the District for environmentally sustainable capital projects</li> </ul> <p><b>External findings</b></p> <ul style="list-style-type: none"> <li>- Inter-nodal transportation is becoming increasingly important</li> <li>- New trends in building materials show improvements</li> <li>- There are regional sustainable measures that address environmental issues</li> <li>- Information technology is focusing on the 'Internet of Things'</li> <li>- Remote work is a growing trend</li> </ul>	<p><b>Internal findings</b></p> <ul style="list-style-type: none"> <li>- The greenhouse gas emissions related to the AO are affected by the site location (i.e. commute distances) and sustainability of building construction (e.g. incremental retrofits of the AO building vs. one-time related greenhouse gas emissions)</li> </ul> <p><b>External findings</b></p> <ul style="list-style-type: none"> <li>- There is a high chance that a high magnitude earthquake will hit the region in the next 30 years</li> <li>- The region is increasingly vulnerable to the effects of climate change and sea level rise</li> </ul>	<p><b>Internal findings</b></p> <ul style="list-style-type: none"> <li>- The main reason why talent is attracted to the District is its mission</li> <li>- The District's ability to attract talent in the future will depend on regional living costs, income, public transit options, and quality of working space.</li> </ul> <p><b>External findings</b></p> <ul style="list-style-type: none"> <li>- Due to high housing costs the local population is increasingly moving out of Silicon Valley, while there is an influx of foreign workers</li> <li>- Future talent acquisition will depend on employees' access to well paid jobs, affordable housing, transit options, company brands, culture, equity, professional development, flexibility, etc.</li> <li>- Traditional modes of "staffing" are being replaced by "strategic" modes of talent acquisition</li> </ul>	<p><b>Internal findings</b></p> <ul style="list-style-type: none"> <li>- The District is organized around one administrative office and three satellite service-oriented field offices.</li> <li>- The District can be compared to a 'start-up' company with newly designated venture capital funding</li> <li>- The District is considering introducing collaborative technologies and different organizational and deployment models</li> </ul> <p><b>External findings</b></p> <ul style="list-style-type: none"> <li>- Offices are embracing teamwork, which is expected to increase efficiency and flexibility (especially in remote work environments)</li> <li>- Offices are introducing flexibility, autonomy, and customization to their workplace practices</li> <li>- Managers and executives are shifting from the 'command and control' mode to the 'roles of coaches and mentors'</li> <li>- Offices are embracing collaborative technologies</li> </ul>	<p><b>Internal findings</b></p> <ul style="list-style-type: none"> <li>- The District is considering different real estate options</li> <li>- The District currently owns the AO building and the field offices, which are valuable future real estate assets</li> <li>- The AO building has a traditional office configuration</li> <li>- The District is building partnerships with other organizations and companies</li> </ul> <p><b>External findings</b></p> <ul style="list-style-type: none"> <li>- Commercial rents continue to increase</li> <li>- Companies are reducing overall square footage per person, while also promoting flexible spatial configurations</li> <li>- Companies are introducing services (e.g. health care, child care, recreation, etc.)</li> <li>- Companies are renting co-working spaces</li> <li>- Partnerships among companies are becoming increasingly important to mitigate real estate challenges</li> </ul>

# MIDPEN BOARD APPROVED GOALS

1. Utilize forward looking and imaginative approaches for evaluating and designing each facility, for example hotelling of staff, videoconferencing, and telecommuting.
2. Build in sufficient flexible capacity for the duration of a facility's expected lifetime (30 years).
3. Optimize staff deployment per FOSM recommendations and how departments and staff will work in the future.
4. Strive to locate within proximity to public transportation or major thorough fares.
5. Seek flexible and adaptable options to meet evolving needs.
6. Pursue sustainable design and construction options that are cost-effective and that are evaluated through a lifecycle analysis.
7. Consider how new facilities could minimize cost-of-living impacts by their location, especially if they were near transportation corridors.
8. Improve the outward facing or public facilities, so visitors have a more welcoming experience when visiting our facilities.
9. Minimize relocation disruption to staff by thoughtful transition planning.