

TECHNOLOGY

Facebook Founder's Favor Comes With Complications

By NELLIE BOWLES NOV. 23, 2017

EAST PALO ALTO, Calif. — Adrian Bonilla lived in a shared house in this Silicon Valley town with his wife and two grandchildren until earlier this year, when the rent for their bedroom jumped to \$1,200 from \$900 a month. Mr. Bonilla attributed that rise to Facebook, which is based nearby and was growing.

So Mr. Bonilla, a 43-year-old mechanic and Uber driver, bought a 1991 recreational vehicle and joined a family-oriented R.V. community on a quiet cul-de-sac. They lived there until last week, when Mr. Bonilla received an eviction notice.

This time, Mr. Bonilla said, the reason he had to move was because the city wanted to clear the way for “the Facebook school.” That school is funded by the Chan Zuckerberg Initiative, a limited liability company set up by Facebook’s co-founder Mark Zuckerberg and his wife, Priscilla Chan, to work on social change endeavors. Ms. Chan is a co-founder of the school, a private institution for low-income children called the Primary School.

Despite the good will behind the school, it has been met with wariness.

“The school is a Facebook school. It’s not a city school,” Mr. Bonilla said, adding that he knew he would have to move again when he heard about it. “When Facebook

comes, everybody moves everywhere.”

Mr. Zuckerberg is already facing plenty of troubles across the globe, including questions about Russian interference on Facebook during the 2016 election. The skirmish between the couple’s initiative and the R.V. community, which city officials said was becoming a flood hazard, is a reminder of how the billionaire also faces difficulties on his own doorstep.

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For many in East Palo Alto, which is just blocks from Facebook’s headquarters in Menlo Park, Calif., no C.E.O. and company have come to embody the anxieties of the modern tech boom more than Mr. Zuckerberg and Facebook. At a meeting last Wednesday at East Palo Alto’s City Hall, about 100 residents and protesters gathered with city staff to discuss their housing and some invoked Mr. Zuckerberg’s name.

“I want to talk about the elephant in the room,” said Zach Kirk, 20, a Stanford University student who grew up in Palo Alto. “Actually, he’s not in the room, he’s in some mansion: Mark Zuckerberg.”

Wherever Mr. Zuckerberg goes in Silicon Valley, he seems to generate a housing problem. In 2014, after the tech mogul bought a house in San Francisco, neighbors complained about construction, his security detail, the parking and how his presence would inflate prices. Earlier this year, protesters marched in East Palo Alto to denounce the displacement of residents because of big tech companies like Facebook.

The battles are likely to grow as Facebook continues its expansion in Menlo Park, with 1.75 million square feet of new office space expected to be built. The Chan Zuckerberg Initiative has also been growing, staffing up as it prepares to invest Mr. Zuckerberg’s enormous fortune in efforts like his stated goal to “cure, prevent, and manage all disease.”

Community members expect more tension later this month at an East Palo Alto town hall hosted by Real Community Coalition, a local citizens group, and featuring Facebook. At the meeting, residents will have the opportunity to ask Facebook executives questions about the company’s role in the community.

“Connections are at the core of everything we do at Facebook and our relationship with residents of East Palo Alto is no different,” Juan Salazar, a public policy manager for Facebook, said in a statement.

The social network has been lobbying to build more housing in the region, which Silicon Valley cities, worried about traffic and preferring a commercial over residential tax base, have fought against. In East Palo Alto, Facebook has invested \$18.5 million into the Catalyst Housing Fund, an affordable housing initiative; the company has set a goal to grow the fund to \$75 million.

The Chan Zuckerberg Initiative, which is also writing grants for affordable housing, said working side by side with local communities was “core to our work.” In a statement, the Primary School said the episode with the R.V. residents was “frustrating and emblematic of larger housing issues in the Bay Area,” but that it was not aware of East Palo Alto’s action to evict those residents and had not engaged with city officials on the matter.

East Palo Alto’s residents have long felt disempowered against change brought by tech leaders like Mr. Zuckerberg. A 2.6-square-mile town where one-third of the school children are homeless, it has stood as a sign that Silicon Valley’s wealth might not spread to those beyond its tech campuses. And so even as Mr. Zuckerberg’s limited liability company seeks to build a school here, many of its residents are skeptical.

“CZI’s just walking into something with a lot of baggage,” said Daniel Saver, a lawyer with the Community Legal Services in East Palo Alto, which receives funding from the Chan Zuckerberg Initiative. “People here have been pushed around by very big interests and have been taken advantage of for decades.”

Paul Bains, a pastor and president of Project WeHope, a local organization funded by the Chan Zuckerberg Initiative, said that the initiative needed to figure out how to interact with wary residents. “They have to learn how to communicate with communities of color,” Mr. Bains said.

The recent evictions at the R.V. enclave were not requested by the Chan Zuckerberg Initiative, said Donna Rutherford, an East Palo Alto City Council

member and a former mayor of the town. Instead, city officials said the area had become a flood hazard as rains were coming and the vehicles had spilled wastewater into storm drains.

“Let me just walk you through the gross part,” said Michelle Daher, an environmental management analyst for East Palo Alto, heading to a storm drain last week where she said 6,000 gallons of waste from R.V.s had to be pumped one day.

Ms. Daher pointed out the future site of the school, an empty lot surrounded by a chain-link fence. “This obviously is the Chan Zuckerberg location,” she said. She added that the flood-prone street would be rebuilt for the school, so the R.V.s would have had to move in any case.

Sean Charpentier, East Palo Alto’s assistant city manager, said the region had been squeezed by the wealth around it and that the homeless population had grown. “We’re a receptacle for the externalities around us,” he said. “It’s felt more deeply here because this city was formed to provide safe and affordable housing.”

Patricia Lopez, 48, who owns a home on the street where the R.V.s were parked, said the trouble for the R.V. residents began after a community meeting that Facebook executives attended.

“They didn’t introduce themselves, but the organizer said, ‘Facebook is in the house,’ and they waved. And ever since then, it’s been heavy harassment, heavy policing,” she said, which ultimately led to the evictions.

At last week’s City Hall meeting, residents and protesters expressed support for the school but anxiety over the Chan Zuckerberg Initiative.

“The first step is to make sure quasi-affiliated supposed philanthropic organizations don’t set the policy,” said Johannes Muenzel, 28, a software engineer who is the co-chairman of Silicon Valley’s Democratic Socialists of America chapter.

Mr. Kirk, the Stanford student, stood in the back, organizing other students. He said he had never seen so much grass-roots energy to protest among his cohort.

“It’s sprung up out of nowhere. This is the issue we need to focus on,” he said, adding that it was remarkable to get so many Stanford students protesting on a school night.

By 11 p.m., protesters and city staff were getting agitated and tired. Eventually, the Public Works and Transportation Commission recommended that city staff pursue a long-term solution for the R.V. community by working with nonprofit organizations and by looking into a ban on oversize vehicles parking overnight.

Facebook said a senior executive attended the meeting. Nearly 50 community members spoke that night. The Facebook executive did not.

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