



Tesla plans to move headquarters to Palo Alto

Electric-vehicle manufacturer to occupy former Agilent building in Stanford Research Park

by **Gennady Sheyner**, Palo Alto Online Staff, Uploaded: Tuesday, August 18, 2009, 9:47 AM

Tesla Motors, whose sleek, flashy roadsters have become a visible emblem of Bay Area's growing electric-car industry, is moving its headquarters to Palo Alto.

The company announced today that it plans to lease the 350,000-square-foot former Agilent Technologies Building in Stanford Research Park. The company would develop and manufacture components for its electric vehicles at the 23-acre site, located at [3500 Deer Creek Road](#) -- midway between Page Mill and Arastradero roads above Foothill Expressway. [View press release.](#)

The company said it plans to bring 350 employees to Palo Alto initially, following renovations to the buildings. The facility has space for up to 650 workers. The three-building facility was formerly occupied by Hewlett-Packard Co. and Agilent Technologies.

Tesla said it also plans to relocate its corporate headquarters from San Carlos to Palo Alto later this year. The announcement comes a month after Tesla posted profits for the first time in the company's history.

"Silicon Valley and the Stanford Research Park are synonymous with innovation and entrepreneurship," Tesla CEO and Product Architect Elon Musk said in a news release. "It's an ideal place for a new car company trying to rethink many aspects of the traditional automotive business."

Tesla plans to begin renovating the Stanford Research Park facility in early fall.

The financing for Tesla's new site will come, in part, from \$465 million the company received in loans from the U.S. Department of Energy. The loan was part of a federal program designed to encourage manufacturing of affordable electric vehicles.

The company is in the midst of developing its Model S -- an all-electric sedan that will sell for about \$50,000.

The company will be joining a research area that already houses some of the city's leading experts on electric vehicles and power generation. The Electric Power Research Institute -- a leading think-tank specializing in electricity technology -- and Better Place, a company trying to build networks of charging stations and battery-swap stations around the world, are both based in Stanford Research Park.

The company's chief technology officer, J.B. Straubel, also cited Tesla's proximity to Stanford University as a major incentive for relocating.

"Tesla is rapidly recruiting new employees, and this fabulous working environment and proximity to Stanford University will give us excellent access to top engineering talent," Straubel said in a news release.

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City Manager James Keene said the city is "extremely pleased to welcome Tesla in Palo Alto" and noted that the city is committed to promoting sustainability and green technology. He hailed Tesla's move to Palo Alto as another indicator of the city's leadership position.

"Stanford, its Research Park and Palo Alto have always been at the forefront of new technological discoveries and inventions, as well as fostering practices and ideas that increase environmental sustainability," Keene said.

"Tesla's move is another indicator that Palo Alto is the place to be for the green tech and alternative energy companies that will help solve the daunting global environmental challenges of the 21st century," Keene said.

Keene told the Weekly that Stanford and Tesla officials had been in contact about space in the Research Park. He said he looks forward to the city "engaging actively" with Tesla during the renovation of the buildings.

"What better place than Palo Alto?" he asked about a site for the headquarters of a future-oriented "green technology" firm.

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