RESOLUTION NO.

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA TO SUSTAIN AN APPEAL AND APPROVE A USE PERMIT TO ALLOW A DATA CENTER PROJECT WITH BACK UP GENERTORS LOCATED AT 1231 COMSTOCK STREET, SANTA CLARA

PLN22-00282 (Conditional Use Permit, Variance)

WHEREAS, on December 13, 2022, Prime Data Centers ("Applicant"), on behalf of 1231 Comstock Property LLC ("Owner") made an application for the development of a 1.37-acre site (Assessor's Parcel Numbers: 224-08-120) located at 1231 Comstock Street in Santa Clara ("Project Site");

WHEREAS, the Project Site has a General Plan designation of Low Intensity Office / Research and Development and was zoned Light Industrial (ML) when the application was "deemed complete" under the prior Zoning Code. As a reference, under the new Zoning Code, the project

is now zoned Low Intensity Office / Research and Development (LO-RD);

WHEREAS, the Project Site is currently developed with an approximately 25,000 square-foot single-story warehouse building, surface parking lot and site landscaping;

WHEREAS, the Applicant proposes to construct a 111,978 square foot four-story data center building with a total capacity of 13.5 Megawatts (MW) housing computer servers and administrative functions, rooftop mechanical equipment, and six 3,000-kilowatt (kW) diesel generators, with a surface parking lot and on- and off-site improvements; in conjunction with demolition of the existing structures and site improvements ("Project");

WHEREAS, the Project requires a Conditional Use Permit, Variances, and Architectural Review by the City for which the Applicant has simultaneously applied;

WHEREAS, pursuant to Santa Clara City Code ("SCCC") Section 18.48.040, a Conditional Use Permit is required to allow a data center use in the ML zoning district;

WHEREAS, the City, as Lead Agency, in tandem with Consultant 'Circlepoint' prepared an

Initial Study and a Negative Mitigation Declaration ("IS/MND") for the Project in accordance with CEQA and circulated copies for 30-day review to public agencies which have jurisdiction by law with respect to the Project, as well as to other interested persons and agencies, and sought the comments of such persons and agencies beginning on August 10, 2024 and concluding on September 10, 2024 ("Comment Period");

WHEREAS, the IS/MND identified possible impacts on the environment with Project development that with implementation of the mitigation measures specified in the Mitigation Monitoring and Reporting Program ("MMRP") for the Project would reduce the potentially significant effects to less than significant;

WHEREAS, pursuant to SCCC Section 18.114.050, the Planning Commission cannot grant a Conditional Use Permit without first making specific findings related to the effect of the project on public convenience, health, interest, safety, and general welfare, among other factors, based upon substantial evidence in the record;

WHEREAS, on October 23, 2024, the Planning Commission held a duly noticed public hearing to consider the Project, at the conclusion of which, the Commission voted 4-3 to deny the Use Permit;

WHEREAS, pursuant to SCCC Section 18.114.040.B.3, The Planning Commission's decision is appealable to the Council in compliance with SCCC Chapter 18.144;

WHEREAS, on October 24, 2024, the Applicant filed a timely appeal of the Planning Commission's decision to the City Council;

WHEREAS, pursuant to SCCC Chapter 18.144, on November 22, 2024, notices of the public meeting for the City Council Hearing of December 3, 2024 were mailed to property owners within a 1,000 foot radius;

WHEREAS, pursuant to SCCC Section 18.146.020, on November 27, 2024, notices of the public hearing of December 3, 2024 were posted at City Hall, the Central Park Library, the Mission Branch Library, the Northside Branch Library, and on the City's website;

WHEREAS, on December 3, 2024, City Council held a duly noticed public hearing to consider the Appeal during which the City Council invited and considered any and all verbal and written testimony and evidence offered in favor of and in opposition to the Project.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the City Council hereby finds that the above Recitals are true and correct and by this reference makes them a part hereof.

2. That the City Council hereby Sustains the Appeal and Approves the Use Permit, to allow the construction of a new four-story 111,978 square foot data center with rooftop mechanical equipment, backup generators, and associated landscaping and site improvements, as depicted on Exhibit "Development Plans," attached hereto and incorporated herein by this reference.

3. That based upon substantial evidence in the record of the hearing, including the facts stated in this resolution, the City Council hereby finds that:

A. The proposed use is consistent with the General Plan and any applicable specific
plan, in that the project site has a General Plan land use designation of Low-Intensity
Office/R&D which allows free standing data centers.

B. The proposed use is allowed within the subject zone and complies with all other applicable provisions of this Zoning Code and the SCCC, in that the project meets the development standards for data centers listed in Section 18.60.090 of the Zoning Code: (1) the primary structure façade contain design features that avoid the use of undifferentiated surfaces; (2) the exterior lighting is designed with cutoff or fully shielded fixtures directing light downward and into the interior of the property; and (3) the project noise levels would be reduced by the rooftop parapet wall and the IS/MND did not identify any significant noise impacts that would result from the project.

C. The design, location, size, and operating characteristics of the proposed use are compatible with the allowed uses in the vicinity, in that the project is surrounded on three sides by current Data Centers and the parcel directly to the south of the proposed

project is an Industrial parcel previously owned by Owens-Corning. There are no residentially zoned parcels within a mile of the proposed project.

D. Operation of the use at the location proposed would not be detrimental to the harmonious and orderly growth of the City, or endanger, jeopardize, or otherwise constitute a hazard to the public convenience, health, interest, safety, or general welfare, in that the proposed project has met all of the standards in Section 18.60.090 for aesthetic concerns, lighting, and noise reduction, and the potential environmental impacts associated with the project was examined in an Initial Study/MND and mitigation measures were adopted for any potential impacts to be reduced to less than significant.

E. The subject site is:

1. Physically suitable in terms of design, location, operating characteristics, shape, size, topography, and the provision of public and emergency vehicle (e.g., fire and medical) access and public services and utilities; in that the site meets the SCCC requirements for minimum lot size for Light Industrial zoned properties, is adjacent to other Data Center properties, and meets all standards for emergency services

2. Served by highways and streets adequate in width and improvement to carry the type and quantity of traffic the proposed use would likely generate, in that the proposed project is unlikely to generate a significant number of trips, but any additional trips for local workers would be handled by Comstock Street which can be accessed by either Scott Boulevard or Lafayette Street.

3. <u>Effective date</u>. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 3rd DAY OF DECEMBER, 2024, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: ____

NORA PIMENTEL, MMC ASSISTANT CITY CLERK CITY OF SANTA CLARA

Attachments incorporated by reference: 1. Development Plans55