




City Council

Item #4
 RTC 21-853
 2905 Stender Way Data Center

June 15, 2021


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2905 Stender Way

Project Site

- 3.9-acre site
- Single-story light industrial building and surface parking lot
- Industrial uses to the North
- Stender Way to the West
- San Tomas Aquino Creek to the East
- Central Expressway to the South



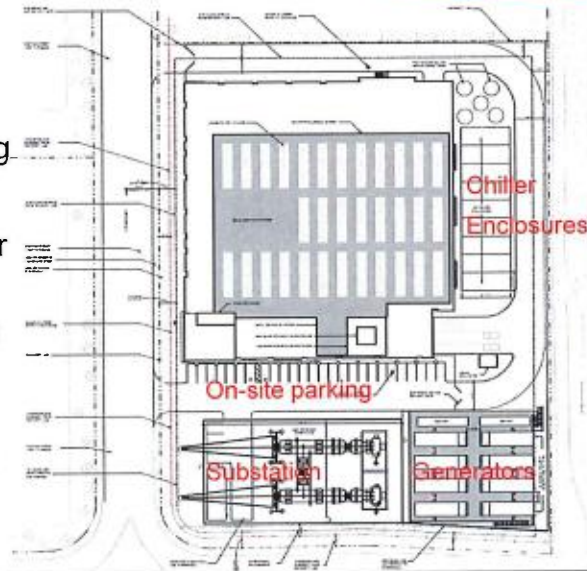
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2905 Stender Way

Proposal

- Planned Development Rezoning
- 250,000 sf four-story building
- 19,600 sf office space for center tenants
- A new electric power substation
- Equipment yards and onsite improvements (SV9) with 48-megawatt (MW) connections to Silicon Valley Power (SVP)



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2905 Stender Way

Proposed PD Zoning District Standards

- Site was zoned ML (Light Industrial)
- Rezoned in 2006 from ML to PD to allow 35 industrial condominiums
- Proposed PD would establish standards that are consistent with the ML zoning district, with an exception for parking and height



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2905 Stender Way

Initial Elevations



West - Stender Way Elevation



South - Central Expressway Elevation

Revised Elevations



West - Stender Way Elevation



South - Central Expressway Elevation

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2905 Stender Way

General Plan Conformance

- Max Light Industrial FAR is 0.6. Proposed FAR is 1.47
- General Plan's FAR reflects intended employment intensities. Data centers are a low employment density use.
- Would not conflict with adjacent light industrial uses. No nearby residential uses.



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2905 Stender Way

Noise Complaints from Industrial Areas

- All data centers are subject to the City's noise ordinance.
- City has received complaints for the first time this year regarding noise residents are experiencing that appear to be sourced in the industrial areas.
- Code Enforcement and Police took numerous noise measurements late at night and early in the morning but unable to identify source.
- City recently contracted with a consultant to investigate the noise levels
- The City's acoustical consultant has installed noise monitors at various locations in the City to determine where the source of the noise. Further investigation needed.

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2905 Stender Way

Planning Commission Action

- A motion was made to recommend approval of a Mitigated Negative Declaration (MND) and the Mitigation Monitoring and Reporting Program (MMRP) for the project. The motion failed (3-2-1). Four votes in favor are required for a successful motion.
- Then the Commission voted in favor of two motions (4-1-1) to refer the application to the City Council without a recommendation on the MND and MMRP and the rezone application noting the following concerns: 1) the City's long term policy to promote data centers; 2) noise; and 3) diesel generator emissions.

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2905 Stender Way

Long Standing City Council Policy Direction on Data Centers

- The Planning Commission referral expressed interest to modify policy direction on data centers; however policy direction is only the purview of City Council.
- Any City Council policy discussion about changing the City's position on data centers must factor in:
 - revenue contributions to City and other public agencies that depend on this revenue to provide public services
 - interrelatedness of data center service to region's global reputation of innovation and technology
- Any interest to change Council land use direction and policy on data centers must be evaluated against support of the region's data center needs to continue Silicon Valley's global role and their General Fund support for resident services

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2905 Stender Way

Data Centers: Regional Advantage for Economic Development

- Market advantage for companies to site data centers in Silicon Valley:
 - Data Centers provide essential service for the Bay Area and State
 - Economic driver for the entire region
 - Region has a high density of technology, social media, and communications companies that are hyper users of cloud services, and thus customers of data storage services.
 - Region has strong fiber infrastructure, which is critical for data center operations.
 - City of Santa Clara has SVP, which is a utility with competitive electricity rates and cleaner power.

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2905 Stender Way

Data Centers: General Plan's Fiscal Health Goal

- Data Centers align with City's General Plan Goal 4.6 *Maintain the City's Fiscal Health and Quality Services*.
- This strategy acknowledges the need for the City to ensure that new growth strengthens and diversifies the City's tax base and address any demands placed on infrastructure and services.
- Data center contribute funds for services that exceed services the City provides and create a net positive contribution to the City's fiscal health.

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2905 Stender Way

Data Centers: Property Taxes, Affordable Housing, & GF Contributions

- Recently developed individual data centers can contribute typically up to \$200,000 in property taxes to the City annually. One recently constructed data center is contributing \$1,103,000 in property taxes to the City annually.
- New data centers pay the City's affordable housing fee once project construction is completed. City has received \$130,201.10 to date and will receive \$4.9 million from nine data center projects in the pipeline.

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2905 Stender Way

Data Centers: General Fund Contributions

- In the City of Santa Clara, data centers contribute 5% of SVP utility fees paid toward the City's General Fund.
- Each megawatt (MW) of growth of usage from SVP adds approximately \$50,000 a year to the General Fund. As such a 50 MW data center could contribute up to \$2.5 million and a 99 MW could contribute up to \$5.0 million annually to the City's General Fund.
- FY 2020 Contribution to the General Fund \$22.7 Million

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2905 Stender Way

Recap

- Project substantially conforms to the General Plan land use designation and policies
- Project conforms to most ML zoning standards, except height & parking which are proposed and justified through the PD zoning
- Project design has enhanced materials and architectural elevations



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2905 Stender Way

Staff Recommendation

That the City Council adopt resolutions for the 2905 Stender Way Project to:

- 1. Approve a Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the 2905 Stender Way project.
- 2. Approve a rezoning from Planned Development (PD) to Planned Development (PD) to allow development of a 250,000 square-foot four-story data center, a new substation, equipment yards and onsite improvements.

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CoreSite SV9

City Council Presentation

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June 15th, 2021

CoreSite Growth in Santa Clara

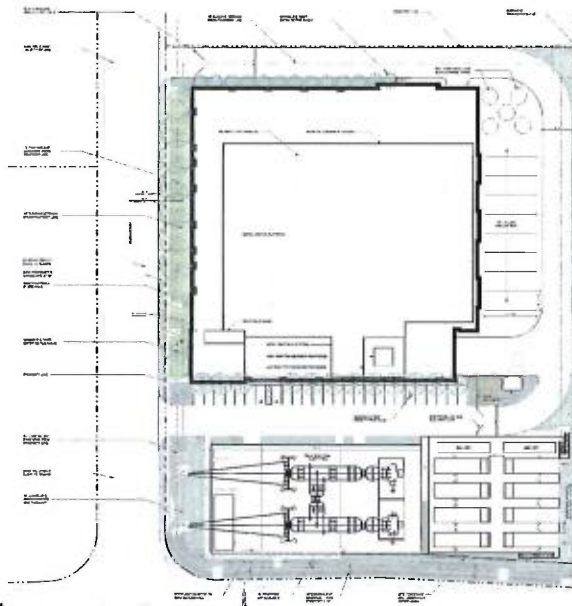
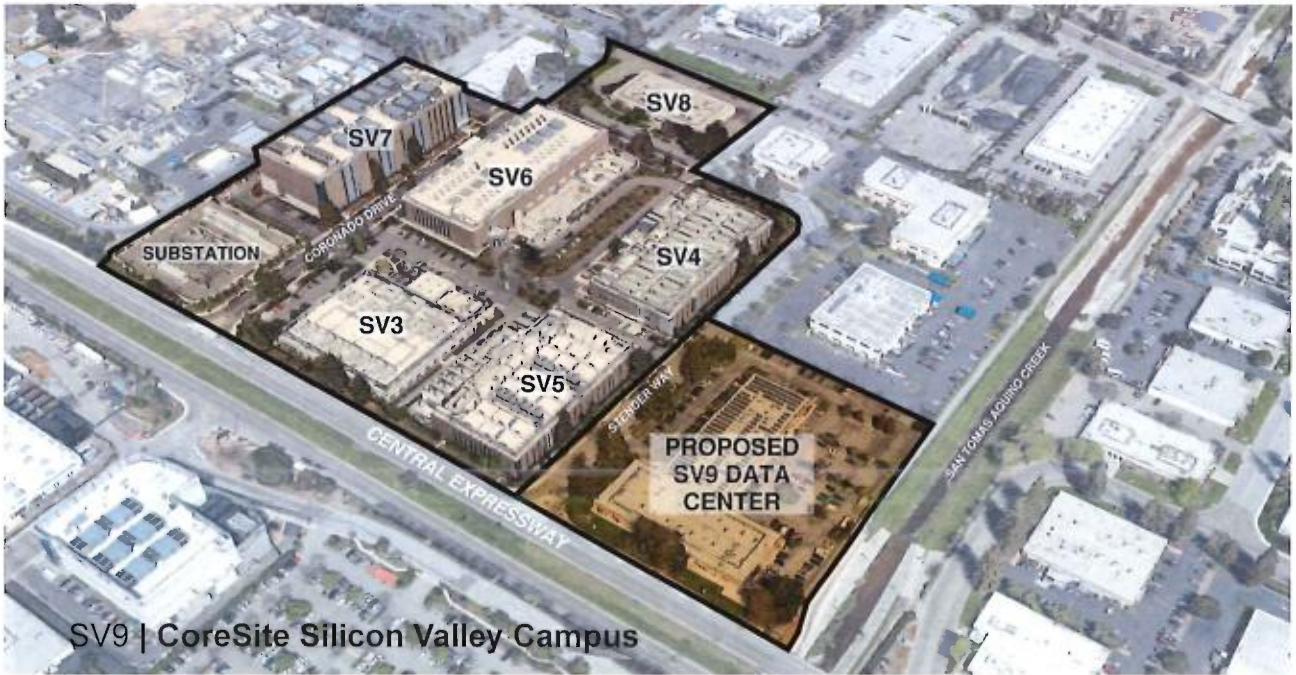
- Santa Clara's economy is at the forefront of digital transformation, CoreSite hosts connectivity-rich data communities which enable more companies to participate in that transformation
 - We have been a collaborative business partner in Santa Clara since 2009
 - We are not just another data center developer: our campus is a critical interoperation hub within Santa Clara, and the Bay Area that:
 - Provides a scalable and cost effective digital platform for a large array of customers, over 65% of which are small and medium sized businesses
 - Fosters competition to the benefit of local businesses
 - Promotes Santa Clara as a city that enables productive work environments for residents, business, schools, and government. We played a large role in supporting key services that helped people and businesses through the pandemic
 - Provides direct access to the networks and major cloud provider on-ramps that support start ups, small, and medium businesses with their digital journey
- We are invested locally: Santa Clara is CoreSite's largest market
 - ~95 local employees (with a recognized satisfaction as a Bay Area Top Workplace)
 - The expansion of our existing campus reflects our commitment to Santa Clara and reduction of VMT, and support of local customer growth
- CoreSite prides itself on sustainability and energy efficiency:
 - Among the lowest PUE within our industry
 - Replacing small inefficient data centers
 - Uptime and routine equipment maintenance
 - Commitment to emerging energy technology – each of our buildings is constructed with the latest technology and design in mind
 - Reduced vehicle traffic and increased safety for pedestrians and cyclists
- CoreSite believes in lifting and contributing positively to the local workforce by using local union labor for construction, and our datacenters support a wide range of business development within the community



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POST MEETING MATERIAL



SV9 | Site Plan



PCC #1
09.16.2019
Architectural submission

PCC #2
10.28.2019
Full submission including Civil and Landscape

PCC #3
02.18.2020
Building Flipped
Façade improvements
More glazing, less repetition,
preferred materiality

PCC #4
05.28.2020
Site, Roof, Equipment & Landscape Design Progress
North Elevation Updates



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SV9 | Final Elevations



SV9 | Final Renderings



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SV9 | Final Renderings



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Noise, Vibration & GHG Study

CEQA report analyzes the cumulative impacts when performing calculations. All impacts are represented accordingly:

CEQA Requirements	Impact	Complies?
Construction Noise	Less than significant (Appendix A)	Yes
Off-Site Traffic Noise	Less than significant (Appendix B)	Yes
On-Site Data Center Operational Noise	Less than significant with mitigation (Appendix C)	Yes
Construction Vibration	Less than significant (Appendix D)	Yes
Grace Adult Day Health Care Center	Less than significant (Appendix E)	Yes
Clean Air Plan Compliance	Less than significant (Appendix F)	Yes
Pollutant Compliance	Less than significant with mitigation (Appendix G)	Yes
Non-Stationary source generated GHG emissions	Less than significant (Appendix H)	Yes
Stationary source generated GHG emissions (gens)	Less than significant with mitigation (Appendix H)	Yes

SV9 | CEQA Requirements



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Generator Utilization

Generators are not running under normal operation and only during instances of loss of utility power. Full Generator utilization will be in emergency situations only.

Monthly testing will be performed and limited to no more than 30 minutes at a time to ensure that no more than six generators are operated simultaneously during scheduled maintenance, and testing and these activities would only occur during the daytime between the hours of 7:00 a.m. and 10:00 p.m.

Generator Emissions

While minimum EPA requirements call for Tier II generators CoreSite has voluntarily upgraded the performance to Tier IV

Project has received an EPA Certificate of Conformity based on the use of Tier II generators featuring a Catalytic Combustion Silent SCR - Emission Control System and sound attenuation

Pollutants	Tier II Compliance	SCR Emissions Reduction	Tier IV Compliance	Tier IV Results	Complies?
Particulates (PM)	0.15 g/bhp-hr	> 85%	0.02 g/bhp-hr	0.02 g/bhp-hr	Yes
NOx + NMHC	4.80 g/bhp-hr	> 90%	0.64 g/bhp-hr	0.64 g/bhp-hr	Yes
Carbon Monoxide (CO)	2.60 g/bhp-hr	> 95%	2.60 g/bhp-hr	1.00 g/bhp-hr	Yes

SV9 | Generator Compliance



Report Conclusions

CoreSite has invested additional capital to implement a system that would reduce the overall environmental footprint of the facility. The mechanical system considered electrical energy usage, water consumption, and sanitary discharge to find a harmonized balance to minimize the overall impact to the environment. Highlights of this optimization includes:

Raising the dry to wet switchover outdoor temperature condition to reduce the water consumption and sanitary discharge

- Utilizing electronically commutated (EC) condenser fan motors
- Designed with Air as the primary heat rejection system, this project utilizes the City's recycled water system as a supplementary heat rejection water source (water is only used on days over 84 degrees which is approximately as few as 9 days per year)
- Utilizing LED lighting
- Utilizing UPS modules that have a higher efficiency that has a better performance over traditional UPS technology, this efficiency reduces the demand on the cooling systems.

CoreSite SV9 data center has also achieved "Designed to Earn the Energy Star" certification by the US EPA by meeting strict energy efficiency design targets intended to create fewer greenhouse gas emissions and lower overall energy and utility usage.

By achieving this designation, this facility will be among the top 25 percent of nationwide data centers, using up to 35 percent less energy than similar buildings.

SV9 | MEP Sustainability Features



CoreSite Closing Thoughts

CoreSite's purpose is to provide trusted and connectivity-rich data communities that power our customers digital transformations towards a more collaborative world

- We are not "just another datacenter", we are a community of many customers that come together to exchange data in a network rich environment in the center of a major population area to serve the community at large
- We work to level the playing field across all companies by:
 - Giving more options to fulfill their digital transformation in order to better serve their customer communities
 - Making digital business healthier by enabling competition, innovation, and serving the community with better products
 - Allowing a much broader range of customers to prosper and succeed
- We work locally and value the same environmental benefits, building aesthetics, and community impact



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SV9 | Questions & Comments



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