

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA
APPROVING A REZONING FROM HIGH-INTENSITY
OFFICE/RESEARCH AND DEVELOPMENT (HO-RD) TO
PLANNED DEVELOPMENT (PD) TO ALLOW A MIXED-USE
DEVELOPMENT, OPTION B, PLANNING COMMISSION
RECOMMENDATION LOCATED AT 4995 PATRICK HENRY
DRIVE AND 3005 DEMOCRACY WAY, SANTA CLARA**

PLN2018-13400 (Rezone)

WHEREAS, on October 17, 2017, Kylli, Inc., through its wholly-owned subsidiary Innovation Commons Owner, LLC (“Owner”) made an application for a General Plan Amendment (“GPA”) in connection with the redevelopment of a 48.6-acre site generally bounded by Tasman Drive, Patrick Henry Drive, Old Ironsides Drive, and the SFPUC Hetchy Hetchy Right of Way (APNs: 104-04-150, 104-04-142, 104-04-143, 104-04-151, 104-04-112, 104-04-113, 104-04-065, 104-04-111, 104-04-064), which is currently developed with four light industrial buildings and a parking lot (“Project Site”);

WHEREAS, the Owner subsequently applied for a Planned Development (“PD”) Rezoning to redevelop the 48.6 acre site with up to 4,913,000 gross square feet of new development, including up to 1,800 units (approximately 1.8 million square feet of residential uses), up to 3 million square feet of office/research-and-development (“R&D”), approximately 100,000 square feet of retail, and approximately 10,000 square feet of childcare facilities; a Vesting Tentative Subdivision Map to subdivide the property into five lots with up to three parcels for future parkland dedication and potential residential and commercial condominium purposes and to vacate Democracy Way; and a Development Agreement (collectively, along with the GPA, the “Project”), as shown on the Exhibit “PD Development Plans,” attached hereto and incorporated herein by this reference;

WHEREAS, a rezone of the property to PD is required to allow creative development standards for site and building design, that are not otherwise allowed in standard zoning districts, to construct the proposed mixed-use development;

WHEREAS, in conformance with CEQA, the Environmental Impact Report (“EIR”) prepared for the

Project was noticed and circulated for a 45-day public review period from November 17, 2023 to January 2, 2024;

WHEREAS, in addition to the Project, the EIR studied the Reduced Office/Increased Housing Alternative, which assumed the development of 800 multi-family housing units in Area C (for a total of up to 2,600 housing units for the entire Project) instead of approximately 789,000 gsf of office/R&D space, but otherwise maintained all other land use and developments assumptions of the Project.

WHEREAS, the City prepared a Final Environmental Impact Report (“FEIR”), including Attachment 3 to the FEIR analyzing the Office/R&D – Residential Flex option for the Planned Development zoning, which would permit development of up to 800 additional residential units in Area C (for a total of 2,600 units for the Project), or a mix of residential and office/R&D uses in Area C, with a corresponding reduction in square footage of office/R&D uses and a proportional increase in deed-restricted affordable residential units in Area C (“Revised Project”), as shown in Exhibit “PD Development Plans: Revised Project” to Resolution No. [REDACTED];

WHEREAS, on November 6, 2024, the Planning Commission conducted a duly noticed public hearing to consider the proposed rezone, at the conclusion of which, the Planning Commission voted to recommend approval to the City Council;

WHEREAS, the Planning Commission’s vote included adding the following condition to the Rezone Conditions of Approval:

The City encourages the Owner and any contractors or subcontractors working on the project to evaluate hiring local labor, hiring from or contributing to approved, accredited apprenticeship programs, increasing resources for labor compliance, and providing living wages during the development of this Project.

WHEREAS, on November 7, 2024, notices of the November 19, 2024 public hearing were mailed to all property owners within one quarter-mile of the Project Site, according to the most recent assessor’s roll;

WHEREAS, on November 6, 2024, notice of the November 19, 2024 public hearing was published in the *Santa Clara Weekly*, a newspaper of general circulation for the City;

WHEREAS, on November 19, 2024, the City Council held a public hearing to consider the proposed rezoning and related applications, at which time all interested persons were given an opportunity to provide testimony and the Council considered the information presented in the Staff Report, and all verbal and written evidence.

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 rezones the Project Site from High-Intensity Office/Research and Development (“HO-RD”) to Planned Development (“PD”) to allow the development of the Revised Project, as shown on the attached PD Development Plans for the Revised Project and conditioned as specified in the attached Conditions of Rezoning Approval, incorporated herein by this reference.

3. Pursuant to SCCC Section 18.142.040, the City Council determines that the following findings exist in support of the rezoning:

A. The existing zoning is inappropriate or inequitable, in that the existing zoning for the Project Site does not allow for mixed-use development. A PD zoning of the Project Site to allow mixed-use development would implement the General Plan’s Land Use and Housing goals and policies to provide housing in proximity to existing residential, neighborhood and community commercial uses, support services, local and regional transit facilities, outdoor open space and recreation areas.

B. The proposed zone change will conserve property values, protect or improve the existing character and stability of the area in question, and will promote the orderly and beneficial development of such area, in that the Project would redevelop underutilized industrial parcels to provide housing and commercial opportunities for the north Santa Clara Area, which support the

City's Housing Goals and assist the City in achieving Regional Housing Needs Allocation ("RHNA") targets for production of affordable housing units as mandated by the State, and in accordance with the City's Affordable Housing ordinance.

C. The proposed zone change is required by public necessity, public convenience, or the general welfare of the City in that the proposed zone change would allow for high density mixed-use development, public parkland, private open space, and community use. Construction of the Revised Project would contribute to the City's housing inventory and would assist in production of housing units to achieve RHNA targets as mandated by the State.

D. The proposed zone change would allow imaginative planning and design concepts to be utilized that would otherwise be restricted in other zoning districts, in that the proposed zone change would allow flexibility in the development standards such as increased building height and reduced building setbacks, in order to provide high density uses with private and rooftop common open space, and also provide community uses.

4. That based on the findings set forth in this resolution and the evidence in the City Staff Report, EIR and MMRP, the City Council hereby rezones the Project Site to allow redevelopment of the 48.6 acre site with up to 4,913,000 gross square feet of new development, including up to 2,600 units (up to 1,800 units in area D, approximately 1.8 million square feet of residential uses), and up to 800 units in Area C with corresponding reduction in office/R&D uses in Area C), up to three million square feet of office/research-and-development (R&D), approximately 100,000 square feet of retail, and approximately 10,000 square feet of childcare facilities, as shown on the attached PD Development Plans for the Revised Project and conditioned as specified in the attached Conditions of Rezoning Approval for the Revised Project.

5. Effective date. 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 19TH DAY OF NOVEMBER, 2024, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____

- 1. Rezone Conditions of Approval - Revised Project
 - 2. PD Development Plans - Revised Project
- S:\Attorney\RESOLUTIONS\Form Resolution-City.doc

NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: