



City Council
December 03, 2024

Item # 4 RTC 24-1198
Appeal of the Planning Commission's Denial of a Variance and Conditional Use Permit for a New Data Center at 1231 Comstock Street

Afshan Hamid
Director of Community Development

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1231 Comstock Street

Request

An appeal of the Planning Commission's Denial of a Variance and Conditional Use Permit:

- Use Permit for the demolition of the existing building and construction of a new four-story, 111,978 square foot data center and site improvements
- Variances for:
 - Building height (from the required 70' to 87')
 - Off-street parking (from the required 25 parking spaces to 21 parking spaces)
 - Front setback reduction from 15-feet to 10-feet for placement of a fence
- Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMRP);

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1231 Comstock Street

Planning Commission Action


- The Planning Commission held a public hearing on October 23, 2024
- In two motions, the Commission voted to deny the Conditional Use Permit and the Variances (vote: 4-3).
- The Commission majority made findings that:
 - the proposed use would be detrimental to the harmonious or orderly growth of the City, given the large number of data centers already present in the City and the fact that data centers result in fewer jobs and no synergistic retail or connectivity to other surrounding development;
 - and
 - there were insufficient special circumstances or conditions applicable to the project site that would justify granting the variances.

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1231 Comstock Street

Background

- Application submitted 12/13/2022
- Applicant led Community Meeting held on July 10, 2024
 - Notices mailed to 1,000-foot radius
 - Attended by 8 members of the public
 - Public comments were generally favorable
- Project Denied at Planning Commission meeting held on October 23, 2024
- Applicant appealed the Planning Commission decision on October 24, 2024



Existing Building



Proposed Building

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1231 Comstock Street

Site

- 1.37-acre site
- General Plan: Low Intensity Office/R&D
- Classic Zoning: Light Industrial (ML)
- Current Zoning: Low Intensity Office/R&D (LO-RD)
- Surrounding Uses: Data Centers



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1231 Comstock Street

Project

- 4-story data center (Height 87')*
- 111,978 square feet (FAR 1.88)
- 6 backup diesel generators housed internally
 - 13.5-megawatt max capacity
- 7 air-cooled rooftop chillers
 - 12-foot-tall mechanical screening parapet
- 21 surface parking spaces
- 2 underground fuel tanks
- 5 '36-inch' box trees
 - 160+ Shrubs




*Requires a Variance

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1231 Comstock Street

Project



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1231 Comstock Street

General Plan Consistency

- Project is compatible with existing / future land uses in the area
- Surrounded by other data centers zoned LO-RD and HO-RD
- Proposed FAR of 1.88 exceeds the LO-RD General Plan FAR of 1.0
 - FAR is one of the metrics used to measure the intensity of a use by limiting building mass and building height.
- Project is consistent with the following General Plan Polices:
 - 5.3.1-P8: Work with property owners to improve or redevelop underutilized and vacant properties.
 - 5.3.1-P9: Require that new development provide adequate public services and facilities, infrastructure, and amenities to serve the new employment or residential growth.
 - 5.3.5-P1: Work with existing Santa Clara businesses to retain and expand employment opportunities and strengthen the existing tax base.

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1231 Comstock Street

Use Permit

- Classic Zoning designation - Light Industrial (ML)
 - Section 18.60.050 of the Classic Code requires a Conditional Use Permit (CUP) to allow installation of 'electric power plants', which includes backup generators.
 - In the ML district, a data center is not listed as an allowed use. Subject to Section 18.48.040(e) of the Classic Code, appropriate uses may be allowed with a Conditional Use Permit.
- Project is consistent with current code Section 18.60.090 – Data Centers
 - Meets development standards including standards for; lighting, noise reduction, and primary facades.
- The project is compatible with adjacent land uses

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1231 Comstock Street

CEQA

- An Initial Study (IS) was prepared for the project
 - Concluded no adverse physical effects, or, that all potential physical effects can be reduced to a level that is less than significant
- Mitigated Negative Declaration (MND)
 - Project is designed to avoid/mitigate any environmental effects to a level that is less than significant
- Mitigation Monitoring and Reporting Program (MMRP)
 - Details the potential impacts and mitigation measures to be applied to the project

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1231 Comstock Street

Staff Recommendation

Consistent with the General Plan:

1. Adopt a Resolution adopting the Initial Study, Mitigated Negative Declaration, and Mitigation Monitoring and Reporting Program.
2. Sustain the Appeal and Adopt a Resolution approving a Conditional Use Permit for the demolition of the existing building and the construction of a new four-story, 111,978 square foot data center at 1231 Comstock, subject to findings and conditions of approval.
3. Sustain the Appeal and Adopt a Resolution approving the Variance to height, parking, and front setback for the new four-story, 111,978 square foot data center at 1231 Comstock, subject to findings and conditions of approval.

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City of Santa Clara
The Center of What's Possible

PROJECT OVERVIEW
SANTA CLARA DATA CENTER
1231 Comstock St.

12.3.2024
Prepared for Santa Clara City Council

PRIMEDATACENTERS.COM

DATA-DRIVEN™

PRIME DATA CENTERS

1

1231 COMSTOCK ST

PROPOSED DEVELOPMENT

- 112,000 SF data center
- Reduced Noise with indoor generators, roof-mounted chillers behind acoustic screen wall
- Modern design
- 100% renewable energy day 1
- 45 Off-Site Trees, 5 On-Site Trees, 168 Shrubs, 412 Perennials

PRIME DATA CENTERS

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BEAUTIFYING THE CENTRAL EXPRESSWAY CORRIDOR



UPGRADING SITE CONTINUES TO POSITION SANTA CLARA AS INNOVATIVE AND SUSTAINABLE



Existing Building

Vacant furniture store at the end of its useful life.



Proposed Data Center

Modern, four-story design invoking a tech hub look-and-feel.



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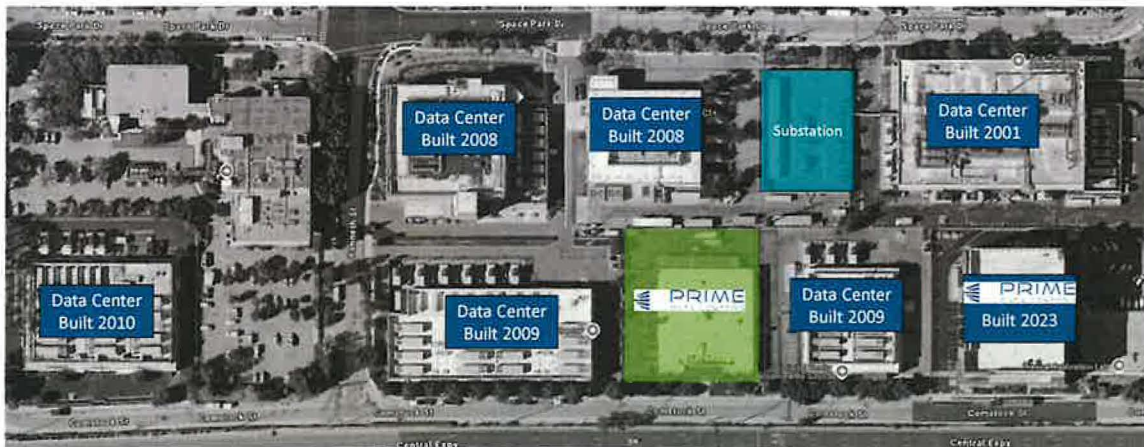
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PRIME @ 1231 COMSTOCK ST


Data Center Neighborhood

7 Data Centers

1 Electrical substation




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INTRODUCING PRIME @ 1231 COMSTOCK ST

PRIME CAN SUPPORT SANTA CLARA AS “THE CENTER OF WHAT’S POSSIBLE”




Tax and Other Financial Benefits

- Appx \$29M in property taxes to both City of Santa Clara and Santa Clara Unified over 15 years
- Appx \$15M sales tax to City of Santa Clara over 15 years
- Appx 229 jobs created through Union, indirect and direct
- \$10.5M over 15 years in utility-based revenue to City of Santa Clara




Partnering with the Local Community

- Voluntary \$50,000 scholarship to support Environmental Literacy and Sustainability projects across 7 elementary schools
- Ongoing commitments to various community groups
- Low Impact to local resources including Police, EMS and Fire




Sustainability Commitment

- 100% renewable energy to meet Action B-1-7 in the 2022 City of Santa Clara Climate Action Plan
- Annual Procurement of **100% Green Power** equivalent to 120% of operating water consumption
- Work with suppliers to gather sustainability data to help drive our sustainability efforts



Modern Design

- Jewel box office building look and feel
- Large glass and glazing coverage
- 45 Off-Site Trees, 5 On-Site Trees, 168 Shrubs, 412 Perennials
- Indoor Tier IV generators with ultra low emissions
- Rooftop chillers with acoustic screen wall



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Financial Benefits to Community

BENEFITING BOTH THE CITY AND SCHOOLS OF SANTA CLARA

Tax Revenue	City of Santa Clara	Santa Clara Unified	Total
Property Taxes			
Year 1	\$475,055	\$1,818,118	\$2,293,173
15 Years	\$6,043,011	\$23,127,648	\$29,170,659
Local Sales Taxes			
Year 1	\$3,425,737	-	\$3,425,737
15 Years	\$15,125,737	-	\$15,125,737
Total 15 Year Revenue	\$21,168,748	\$23,127,648	\$44,296,396

Utility-Based Revenue

- 5% of Prime utility spend to general fund
- 14 MW = \$700K annually or \$10.5M over 15 YR

Local Job Creation

- 175 union construction jobs, 47 indirect jobs
- 7 permanent jobs, \$893K+ in payroll
- Executed union PLA

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OUR SUSTAINABILITY COMMITMENT ALIGNS WITH SANTA CLARA



2022 Climate Action Plan Elements:

- Require all new data centers to operate on 100% carbon neutral energy, with offsets as needed (Action B-1-7)
- Data center engagement on alternative backup generators (Action B-3-6) and renewable electricity (Action B-3-7)

Prime's Sustainability Commitment:

- On day 1, 1231 Comstock St will operate on 100% renewable energy, which will meet the Climate Action Plan requirement



Above and Beyond

- Match 100% of data center electricity consumption with renewable sources by 2030
- Annual procurement of **Water Efficiency Credits** equal to 120% of operating water consumption
- Calculate and disclose greenhouse gas emissions inventory by EOY 2025



Prime Data Centers Commitment

- **NEVER** installing or utilizing on-site nuclear power now or in the future
- Power sources to come from Silicon Valley Power or on-site generators and batteries as needed during emergencies



INTEGRATING WITH THE LOCAL COMMUNITY

Partnership for Today, Tomorrow and the Future

\$50,000 Scholarship to the Santa Clara School District Foundation

Empower SCUSD to expand environmental literacy and sustainability projects across 7 elementary schools including:


- Green Infrastructure Enhancements
- Educational Programs
- Community Involvement Projects

Ongoing commitments to various community groups including:

- Wilcox Dads & Grads
- Santa Clara Police Athletic League
- California Alliance for Golf
- Mission City Church



Limited Need for Police, EMS & Fire Resources required allowing them to serve the community better


 **City of Santa Clara**
The Center of What's Possible


THANK YOU FOR YOUR TIME!


Jonathan Gibbs
Executive Vice President,
Product Delivery

Chris Sumter
Executive Vice President,
Acquisitions

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 DATA-DRIVEN™

 **PRIME**
DATA CENTERS

12/3/2024
Item # 4

Mayor Gillmor and Santa Clara City Council
Santa Clara City Hall
1500 Warburton Ave.
Santa Clara, CA, 95050

December 3, 2024

Dear Mayor and Santa Clara City Council,

I am writing to express my support of the city's staff recommendation for the construction of a data center to be built at 1231 Comstock Street in Santa Clara. The Prime Data Centers Inc. project offers significant benefits for our community, the local economy, as well as the environment.

Many of you may remember my dad, Don Von Raesfeld, a former longtime Santa Clara City Manager (and a proud council member) who was instrumental in the emergence of Santa Clara's electric utility system. From a young age, he instilled in me, the important value power utilities were to residents as well as businesses. Santa Clara has long been a hub for technological innovation, and this data center will further solidify our city's position as a leader in the tech industry. This facility will help attract innovative companies and ensure that Santa Clara will remain at the forefront of technological advancements.

I understand that Prime Data Centers is fully committed to implementing sustainable practices, ones which align with the city's goals to minimize carbon emissions and promoting green initiatives.

There are economic benefits too. Once fully operational, this project is estimated to contribute \$700,000 annually to the city's general fund. Additionally, the project will create numerous job opportunities in both the construction and operational phases, helping stimulate local economic growth. According to my research, Prime Data Centers has a reputation of being involved within the local communities in which they serve, and I am confident they will do the same in Santa Clara.

In closing, I encourage you to support the staff recommendation and approve the conditional use permit and variances necessary for the construction of this project.

Sincerely,

Myron Von Raesfeld