

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF SANTA CLARA, CALIFORNIA
APPROVING AND ADOPTING AN AMENDMENT TO THE
DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SANTA
CLARA AND RELATED SANTA CLARA, LLC, FOR THE RELATED
SANTA CLARA PROJECT LOCATED AT 5155 STARS AND
STRIPE DRIVE, SANTA CLARA**

Addendum to the Santa Clara City Place Environmental Impact
Report (SCH #2014072078)
PLN24-00060 (General Plan Amendment, Rezoning, and
Development Agreement Amendment)

WHEREAS, on January 31, 2024, Related Santa Clara, LLC (“Developer”), filed a development application to modify the approvals for a mixed-use development project for the approximately 240-acre City-owned site generally located north of Tasman Drive, east of Great America Parkway and San Tomas Aquino Creek, west of Guadalupe River, and south of State Route 237 (APNs: 104-03-043, 104-03-042, 104-03-041, 104-03-036, 104-01-102, 097-01-039, and 097-01-073), most of which was formerly occupied by a landfill, Santa Clara Golf & Tennis Club, Fire Station 10, and is now occupied by a Bicycle-Motocross (BMX) track, the Ameresco Methane Plant, the Eastside retention Basin and vacant lots (“Project Site”); and

WHEREAS, on June 28, 2016, the City Council: certified the Santa Clara City Place Environmental Impact Report (“EIR”) [SCH #2014072078] and adopted a set of CEQA Findings, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program (“MMRP”) in accordance with the requirements of the California Environmental Quality Act (“CEQA”); adopted a General Plan Amendment changing the Project Site’s land use designation to Urban Center/Entertainment District and making corresponding text and figure changes throughout the General Plan; approved a rezoning of the Project Site to the Planned Development - Master Community (PD-MC) Zoning designation governed by the accompanying Master Community Plan (“MCP”) for the Related Santa Clara project (the “Approved Project,” previously known as “City Place”); and approved a Development Agreement (“DA”) and a

Disposition and Development Agreement (“DDA”) to define the Developer’s obligations to develop the Approved Project and define terms for ground leasing the Project Site to the Developer; and

WHEREAS, in 2020 and 2021, the City adopted First, Second, and Third Addenda to the 2016 Santa Clara City Place EIR in connection with its approval of the Development Area Plan (“DAP”) for Phase 1, the DAP for Phase 2, and the City Place Revised Soil Import and Earthwork Plans Project, respectively (together, the First, Second, and Third Addenda to the 2016 EIR constitute the “Santa Clara City Place EIR”); and

WHEREAS, the Developer proposes to modify the Approved Project to allow a range of light industrial uses on Parcels 1 and 2 (APN 097-01-073 and 097-01-039) of the Project Site in conjunction with the already-approved office, retail, commercial, hotel, residential, and park and open spaces uses allowed throughout the Project Site without modifying the 9.16 million gross square feet of development or overall development intensities already allowed on the Project Site (the “Proposed Project”); and

WHEREAS, the Developer has applied to amend the General Plan land use designation applicable to the Project Site to allow for a range of light industrial uses within the Urban Center/Entertainment District (“General Plan Amendment”); and

WHEREAS, the Developer has simultaneously applied for a Zoning amendment that proposes a text amendment to revise the permitted uses under the PD-MC Zoning designation to include a range of light industrial uses as permitted or conditionally permitted uses within that Zoning district and add a new “Scheme C” land use scenario to the MCP, as more particularly described in the attached MCP Scheme C Supplement (the “Zoning Amendment”); and

WHEREAS, the Developer has also requested to amend its existing Development Agreement (“DA”) with the City to incorporate provisions related to the Proposed Project (“DA Amendment”), and City staff have negotiated and recommend the DA Amendment, which is attached hereto and incorporated by this reference; and

WHEREAS, the DA Amendment would modify the DA to require: that 15% of housing units constructed in Phase 2 or Phase 3 must be affordable at 100% Area Median Income (AMI) (deeper than the 120% of AMI requirement in the current DA); light industrial uses must pay development impact fees and administrative fees at the levels as and when otherwise due (notwithstanding the vested rights conveyed by the original DA); and light industrial uses must pay a regional traffic fee at \$1 per square foot; and

WHEREAS, the Developer has also requested to amend its existing DDA with the City, as previously amended, to incorporate provisions related to the Proposed Project (“DDA Amendment”), and City staff have negotiated and recommended the DDA Amendment (the DDA Amendment, together with the General Plan Amendment, Zoning Amendment, and DA Amendment are the “Project Approvals”); and

WHEREAS, on May 6, 2025, the City Council held a Study Session focused on the Proposed Project, public feedback and the Project Approvals; and

WHEREAS, California Government Code Sections 65864 through 65869.5 (“Development Agreement Act”) authorize cities to enter into binding development agreements with any person having legal or equitable interest in real property regarding the development of such property, and these agreements govern the development of the property; and

WHEREAS, in order to ensure that all potential environmental impacts of the Proposed Project were thoroughly analyzed, the City caused a fourth Addendum to the Santa Clara City Place EIR (“Addendum”) to be prepared in accordance with CEQA Guidelines Section 15164; and

WHEREAS, on June 11, 2025, the Planning Commission held a duly noticed public hearing, opened and closed for public comments, and at the conclusion of which, the Planning Commission unanimously recommended approval of the DA Amendment; and

WHEREAS, prior to taking action on this Ordinance, the City Council has exercised its independent judgement and reviewed and considered the Santa Clara City Place EIR and the Addendum and concluded that, for the reasons set forth in the Addendum, no further environmental review is

required for the modifications to the Approved Project contemplated by the Proposed Project; and
WHEREAS, on June 18, 2025, a notice of public hearing the July 8, 2025, City Council Hearing for this item was published in the *Santa Clara Weekly*; and

WHEREAS, on June 18, 2025, a notice of public hearing for the July 8, 2025, City Council Hearing for this item was mailed to property owners within a 1,000 foot radius of the Project Site boundaries; and

WHEREAS, pursuant to SCCC Section 18.146.020, on June 26, 2025, notice of the City Council Hearing on July 8, 2025, was posted at City Hall, the Central Park Library, the Mission Branch Library, the Northside Branch Library, and on the City's website; and

WHEREAS, on July 8, 2025, the City Council held a duly noticed public hearing to consider the Addendum to the Santa Clara City Place EIR, the MMRP included as Appendix A to the Addendum identifying applicable mitigation measures from the original MMRP, the Project Approvals, and all pertinent information in the record 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 Proposed Project.

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

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

SECTION 2. Pursuant to Government Code Sections 65867 and 65867.5, the City Council hereby finds that the provisions of the DA Amendment are consistent with the General Plan, for the reasons set forth in the General Plan Amendment Resolution, which are incorporated by this reference.

SECTION 3. The City Council hereby finds and determines that the DA, together with the DA Amendment (henceforth the "Amended DA"), complies with all requirements of Government Code Section 65865.2, (requiring a development agreement to state permitted uses of the property, the density or intensity of use, the maximum height and size of proposed buildings and provisions for reservation or dedication of land for public purposes) in that as set forth in Section 6.1 of the

Amended DA, the terms and conditions of the Amended DA, the Development Requirements and any Subsequent Project Approvals (as those terms are defined in the Amended DA) control the overall design, development and construction of the Project, which controls include the following:

- a. The Amended DA specifies the duration of the agreement in section 1.4: 30 years, subject to force majeure extensions;
- b. The Amended DA specifies the permitted uses of the property in Recital “D”: retail, restaurants, entertainment, hotels, residential, offices, and light industrial uses;
- c. The Amended DA specifies the residential density in the attachment: up to 1680 dwelling units on Parcels 4 and 5, which together comprise 94.6 acres, for a maximum possible density of 17.75 dwelling units per acre;
- d. The Amended DA specifies the intensity of use, in Recital D: Under Schemes A and B, 9,160,000 square feet of development comprising 1,526,000 sf of retail/restaurant/entertainment, 700 hotel rooms, 1680 residential units, and 5,724,400 sf of office;
- e. The DA Amendment further specifies the intensity of use, in Recital B: Under Scheme C, 4,517,400 sf of office, 800,000 sf of retail/restaurant/entertainment, 1,600,000 sf of light industrial, 700 hotel rooms, and 1,680 dwelling units and, as provided in the MCP, as amended, any amount of permitted office use within the City Center Mixed-Use District (Parcels 4 and 5) under Scheme C may be swapped out for an equivalent square footage of retail space, subject to approval through the DAP process, or if a DAP has already been approved, then subject to approval through the Architectural Review process;
- f. The Amended DA specifies the maximum height of proposed buildings through reference to the Development Requirements as set forth in the MCP as amended, which establishes a maximum building height consistent with ALUC regulations and

Federal Aviation hazard limits pursuant to FAA Federal Aviation Regulations, FAR Part 77 criteria;

- g. The Amended DA specifies the maximum size of proposed buildings by in the attachment by identifying the property as having a land use designation of “Urban Center/Entertainment District,” which has a maximum Floor Area Ratio of either 1.0 or 2.0:
- h. The Amended DA includes provisions for reservation or dedication of land for public purposes in Recital “D”: a community park in excess of 30 acres.

SECTION 4. The City Council hereby approves and adopts the DA Amendment, and hereby authorizes and directs the City Manager to sign the DA Amendment in substantially in the form attached hereto, subject to any such minor and clarifying changes consistent with the terms thereof as may be approved by the City Manager in consultation with the City Attorney prior to the execution thereof.

SECTION 5. The City Manager and/or his/her designee is hereby authorized and directed to perform all acts to be performed by the City in the administration of the Development Agreement pursuant to the terms of the Development Agreement as amended by this Ordinance, including but not limited to conducting annual review of compliance as specified therein. The City Manager or designee is further authorized and directed to perform all other acts, enter into all other agreements and execute all other documents necessary or convenient to carry out the purposes of this Ordinance and the Development Agreement, as amended by this Ordinance.

SECTION 6. Except as specifically set forth herein, this Ordinance suspends and supersedes all conflicting resolutions, ordinances, plans, codes, laws and regulations.

SECTION 7. If any section, subsection, sentence, clause, phrase, or word of this Ordinance is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the Ordinance. The City of Santa Clara, California, hereby declares that it would have passed this Ordinance and each section,

subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

SECTION 8. This Ordinance shall not be codified in the Santa Clara City Code.

SECTION 9. This Ordinance shall take effect thirty (30) days after its final adoption contingent upon the effectiveness of the General Plan Amendment and Zoning Amendment; however, prior to its final adoption it shall be published in accordance with the requirements of Section 808 and 812 of "The Charter of the City of Santa Clara, California."

PASSED FOR THE PURPOSE OF PUBLICATION THIS 8TH DAY OF JULY 2025, 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 Agreement Amendment