ADDENDUM

TO THE 2008 FINAL ENVIRONMENTAL IMPACT REPORT and 2013 MITIGATED NEGATIVE DECLARATION FOR THE LAWSON LANE DEVELOPMENT AGREEMENT EXTENSION PROJECT

February 2018

1.1 PURPOSE OF ADDENDUM

The California Environmental Quality Act (CEQA) recognizes that between the date an environmental document is certified and the date the project is fully implemented, one or more of the following changes may occur: 1) the project may change; 2) the environmental setting in which the project is located may change; 3) laws, regulations, or policies may change in ways that impact the environment; and/or 4) previously unknown information can arise. Before proceeding with a project, CEQA requires the Lead Agency to evaluate these changes to determine whether or not they affect the conclusions in the environmental document.

In April 2008, the City of Santa Clara certified the *Lawson Lane Project Final Environmental Impact Report* (FEIR State Clearinghouse #2007042165) and approved the Lawson Lane Project, which included a Development Agreement between the City of Santa Clara and the Sobrato Development Companies (May 6, 2008, Ordinance 1838). The original Development Agreement (DA), effective June 5, 2008, included the phased development of 516,000 square feet (sf) of office/light industrial space in three buildings on the 16-acre site. The DA had a five year term, with an option to renew for five more years, for a total 10-year term.

In April 2013, an Initial Study/Mitigated Negative Declaration was approved and the Planned Development (PD) zoning and DA were amended (CEQ2012-01146, PLN2012-09224,) to add 97,800 sf of office space plus 17,158 sf of common space on the west side of Lawson Lane, for a total of 306,900 sf of office/R&D and 17,158 sf of common space (324,058 sf total office/common space). The total approved development is 638,958 sf over the entire 16-acre project site, excluding parking structures. The existing DA expires in June 2018.

Development on the east side of Lawson Lane is completed and comprises 306,900 sf of office space within two five-story buildings, a common building, and a five-level above grade parking structure. Construction on the west side of Lawson Lane has not begun.

Since approval of the 2013 Mitigated Negative Declaration, changes to the 2013 project have been proposed, which are the subject of this Addendum. The purpose of this Addendum is to analyze the impacts which may result from the modified 2018 project (see Section 2.0, *Proposed Changes to the Approved Project*).

The CEQA Guidelines Section 15162 states that when an EIR has been certified or a negative declaration adopted for a project, no subsequent EIR shall be prepared for that project unless the Lead Agency determined, on the basis of substantial evidence in light of the whole record, one or more of the following:

- 1. Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- 2. Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- 3. New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete of the Negative Declaration was adopted, shows any of the following:
 - a. The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
 - b. Significant effects previously examined will be substantially more severe than shown in the previous EIR;
 - c. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
 - d. Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

CEQA Guidelines Section 15164 states that the Lead Agency or a Responsible Agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary, but none of the conditions described in 15162 (see above) calling for preparation of a subsequent EIR have occurred.

SECTION 2.0 PROPOSED CHANGES TO THE APPROVED PROJECT

The Sobrato Development Companies seek to extend the term of their existing DA to build out the Lawson Lane West Campus, phase two of their overall campus development. The current DA term expires June 5, 2018 and the project proposes to extend the term two years, to June 4, 2020; no other changes to the DA or project are proposed.

Approved development on the west side of Lawson Lane that remains to be constructed under the DA includes 306,900 sf of office/R&D and 17,158 sf of common space (324,058 sf total office/common space), supported by a parking ratio of four (4) spaces per 1,000 sf of development.

SECTION 3.0 ENVIRONMENTAL IMPACTS OF THE PROPOSED CHANGES TO THE PROJECT

The discussion below describes the environmental impacts of the 2018 modified project compared to the impacts of the 2013 approved project. Also noted are any changes that have occurred in the environmental setting that would result in new impacts or impacts of greater severity than those identified in the previously certified FEIR and Mitigated Negative Declaration. This Addendum only addresses those resource areas which would be potentially affected by the proposed change to the 2013 approved project. The 2018 modified project proposes to extend the term of the existing DA two years, to June 4, 2020; no other changes to the project or DA are proposed.

The 2018 modified project would have the same impacts in regards to the following environmental issues:

- Aesthetics
- Agricultural Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Geology and Soils
- Hazards and Hazardous Materials

- Land Use
- Mineral Resources
- Public Services
- Recreation
- Traffic
- Utilities and Service Systems

The 2018 Modified Project would have the same impact as the 2013 approved project because the overall development capacity of the project would remain the same as the 2013 approved project and there have been no substantial changes in the existing setting that would result in new or increased impacts.

With regards to Traffic, it is the City's practice to retain approved project trips in their approved trip inventory and the existing DA has locked in the entitlements, regardless of changes in the setting over time. In addition, the 2013 project trips have been accounted for as part of the background conditions in subsequent development proposals, so they have been addressed relative to new development and any changes to the roadway network.¹

This Addendum analyzes the impacts of the 2018 modified project in regards to the following environmental issue:

¹ If any projects have been proposed in the project area since approval of the 2013 project, any impacts and mitigation identified were based, in part, on the assumption that the 2013 project trips are already on the roadways.

• Greenhouse Gas Emissions

3.1 GREENHOUSE GAS EMISSIONS

The changes affecting the 2013 approved project relevant to greenhouse gas (GHG) emissions are the upcoming milestones in the State law and changes to the timing of the phased development on-site relative to the GHG milestones (construction after the year 2020).

3.1.1 <u>Findings of the Previously Certified FEIR and Mitigated Negative Declaration</u>

Pursuant to the requirements of CEQA at the time the *Lawson Lane West Campus Expansion Initial Study* was prepared, project operational GHG emissions were estimated and compared to BAAQMD Air Quality CEQA Thresholds of Significance.

The 2013 Initial Study addressed both construction and operational GHG emissions. BAAQMD does not have an adopted threshold of significance for construction-related GHG emissions, and the analysis found construction GHG emissions to be temporary and less than significant.

The 2013 approved project was anticipated to be in full operation by the year 2015. The results of the proposed project's GHG emissions in terms of annual MT of equivalent CO_2 emissions (MT of CO_2e/yr), are shown in Table 1, below.

Table 1 Project 2015 GHG Emissions [MT CO2e / year]		
Source Category	Unmitigated Emissions	Mitigated Emissions
Energy	2,102	1,964
Mobile	2,774	2,294
Solid Waste	133	120
Water	173	155
Total	5,182	4,533
Efficiency Metric*	4.86	4.25
BAAQMD Threshold	4.6 MT CO ₂ e/year/service population	
-	opulation (employees) at full buildo 12. Lawson Lane Office Expansion I ysis	

The rate of project GHG emissions (in terms of annual emissions per service population) was compared to the GHG significance threshold of 4.6 MT CO₂e/year/service population established by BAAQMD. The project per capita emissions of 4.85 MT CO₂e/year/capita would exceed the BAAQMD threshold of 4.6 MT CO₂e/year and was identified as a significant impact.

The project included mitigation measures to reduce operational GHG impacts to a less than significant level. In addition to developing and implementing a TDM program, the project included features aimed at reducing GHG emissions. Green building measures incorporated into the project include, but are not limited to:

• Exceed the State Title 24 California Energy Code requirements by at least 10 percent;

- Where applicable, use of Energy Star appliances;
- Where applicable, increase recycling by at least 10 percent;
- Use cool roofs and light pavement designs to reduce the "heat island effect";
- Where applicable, use low-flow water fixtures to reduce potable water use;
- Use of water efficient landscaping; and
- Consider installation of solar panels on building rooftops and parking areas.

The TDM program, as well as the measures listed above, would reduce GHG emissions by at least 6.7 percent, as shown in Table 1, above. Annual emissions with the mitigation measures incorporated would be reduced to 4.3 MT/capita, which would be below the BAAQMD threshold of 4.6 MT CO₂e/year.

In addition, the proposed project will have a minimum waste diversion rate of 50 percent as required by the City and consistent with the rate currently met in Santa Clara County; and the project will be served by Silicon Valley Power which has a lower-than-average emission rate due to the use of over 27 percent eligible renewable sources or sources that emit/produce minimal CO_2 emissions. These would also reduce operational GHG emissions associated with the proposed project.

For the reasons described above, implementation of the proposed mitigation measures and required TDM project would reduce the project's identified operational GHG impact to a less than significant level.

3.1.2 <u>Greenhouse Gas Emissions Impacts Resulting from the 2018 Modified Project</u>

The previous GHG analysis of the project was based on the year 2020 GHG reduction targets established by BAAQMD. For a project to rely on the 2020 threshold, the full project must be constructed and operational prior to January 1, 2021. Given the proposed DA extension to June 2020, it is likely the West Lawson Lane Campus (phase two) would not be fully operational by January 1, 2021. Phase 2, therefore, must be assessed based on the 2030 GHG reduction target.

The State is currently in the process of completing a Scoping Plan which will be utilized by BAAQMD to establish the 2030 efficiency threshold. The efficiency threshold would need to be met by individual projects in order for the State and local governments to comply with the 2030 reduction target. At this time BAAQMD has not published a quantified threshold for 2030. For the purposes of this analysis, a "Substantial Progress" efficiency metric of 2.6 MT CO₂e/year/service population has been calculated for 2030 based on the GHG reduction goals of Senate Bill 32 and Executive Order B-30-15, taking into account the 1990 inventory and the projected 2030 statewide population and employment levels.

The 2018 Modified Project includes the same mitigation measures and TDM described above, and the West Lawson Lane Campus may be built to LEED Gold standards. Even including these measures, with the completion of Phase 2 the 2018 modified project would be above the 2.6 MT $CO_2e/year/service$ population threshold.

The City of Santa Clara General Plan FEIR concluded that Citywide 2035 GHG emissions are projected to exceed efficiency standards necessary to maintain a trajectory to meet long-term 2050 state climate change reduction goals. Achieving the substantial emissions reductions would require

policy decisions at the federal and state level and new and substantially advanced technologies that cannot today be anticipated, and are outside the City's control, and therefore cannot be relied upon as feasible mitigation strategies. Given the uncertainties about the feasibility of achieving the substantial 2035 emissions reductions, the City's contribution to climate change for the 2035 timeframe is conservatively determined to be cumulatively considerable. Based on this conclusion, the City found that build-out of the 2035 General Plan would have a significant and unavoidable GHG emissions impact beyond 2020 and adopted overriding considerations for development assumed under the General Plan.

The 2018 modified project is consistent with the development assumptions in the General Plan. As such, the post-2020 GHG emissions from the project have been accounted for and already identified as a significant and unavoidable impact. Therefore, extension of the DA for an additional two year term, through June 2020, and implementation of the West Lawson Lane Campus (Phase 2) of the project after January 1, 2021 would not result in a new impact or substantially increase the severity of the previously identified GHG emissions impact.

3.2 CONCLUSION

Based on the above analysis and discussion, no substantive revisions are needed to the 2008 FEIR or 2013 Initial Study, because no new significant impacts or impacts of substantially greater severity would result from the 2018 modified project. There have been no changes in circumstance in the project area that would result in new significant environmental impacts or substantially more severe impacts, and no new information has come to light that would indicate the potential for new significant impacts or substantially more severe impacts than were discussed in the 2008 FEIR or 2013 Initial Study. Therefore, no further evaluation is required, and no Subsequent EIR is needed pursuant to State CEQA Guidelines Section 15162, and an EIR Addendum has therefore appropriately been prepared, pursuant to Section 15164.

Pursuant to CEQA Guidelines Section 15164(c), this Addendum need not be circulated for public review, but will be included in the public record file for the *Lawson Lane West Campus Expansion Project*.

Andrew Crabtree Director of Community Development

Signature

Date