

RESOLUTION NO. _____

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SANTA CLARA, CALIFORNIA RECOMMENDING THAT THE CITY COUNCIL APPROVE THE SECOND AMENDMENT BETWEEN THE CITY OF SANTA CLARA AND SI 55, LLC (PREVIOUSLY SOBRATO DEVELOPMENT COMPANIES NO. 70) FOR THE PROPERTY LOCATED AT 2200, 2211 AND 2231 LAWSON LANE, SANTA CLARA

PLN2018-13058 (Development Agreement Amendment)

BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, Sobrato Development Companies No. 70 (“Original Property Owner”) entered into a Development Agreement with the City of Santa Clara, effective June 5, 2008 and recorded on June 19, 2008 as document 19892167 in the Official Records of Santa Clara County (the “2008 Agreement” or “2008 Development Agreement”) concerning that certain real property that consists of two lots located at 2200, 2211 and 2231 Lawson Lane, Santa Clara. The west project site (“West Site”) is comprised of approximately seven and 55/100 (7.55) acres, and is bounded by San Tomas Expressway, Lawson Lane and Central Expressway. The east project site (“East Site”) consists of approximately eight and 80/100 (8.80) acres and is located directly across Lawson Lane and the West Site. Both sites are further discussed in the 2008 Development Agreement.

WHEREAS, concurrently with the submission of its Development Agreement application, the Original Property Owner submitted to the City a Planned Development (“PD”) zoning application for development of the East and West Sites (collectively, the “Property”). The PD application requested that Sobrato develop the West Site of the Property as a six (6) story office building containing approximately two hundred nine thousand, one hundred (209,100) square feet of office space along with a related parking garage (“West Site Project”) and the East Site as two

(2), five (5) story buildings together, consisting of approximately three hundred six thousand, nine hundred (306,900) square feet of office space along with a related parking garage ("East Site Project"). The West Site Project and East Site Project are referred to herein, collectively, as the "Project";

WHEREAS, the 2008 Development Agreement contemplated that the Project would be developed in several phases which are outlined in more detail in the Development Plan and the Conditions of Approval, as those terms are defined in the 2008 Development Agreement. Phase I was to consist of two (2), five (5) story office buildings, totaling a combined approximately three hundred six thousand, nine hundred (306,900) square feet of office space and included a parking structure that would have accommodated approximately six hundred ninety-seven (697) parking spaces, in addition to approximately three hundred twenty-nine (329) surface parking spaces;

WHEREAS, under the 2008 Development Agreement, Phase II was to consist of a single six (6) story office building consisting of approximately two hundred nine thousand, one hundred (209,100) square feet of office space, and would have included a parking structure that would have accommodated approximately four hundred sixty-five (465) parking spaces, in addition to approximately two hundred thirty-two (232) surface parking spaces;

WHEREAS, on September 5, 2010, Sobrato Development Companies No. 70, LP conveyed all of its right, title and interest in the Property to SI 55, LLC, a California limited liability company ("Sobrato"), through a grant deed recorded as Document No. 20894354 in the Official Records of Santa Clara County;

WHEREAS, SI 55, LLC is the successor in interest to Sobrato Development Companies No. 70, LP under the 2008 Development Agreement;

WHEREAS, on May 21, 2013 and June 11, 2013, respectively, the City Council approved an amendment to the PD zoning designation and a First Amendment to the Development

Agreement (collectively, the “Revised Project”). Under the Revised Project, Phase II increased in size by 97,800 square feet of office space plus 17,158 square feet of common space on the West Site, for a total of up to 324,058 square feet of office/commons space. The Revised Project will result in a total of up to 638,958 square feet of development over the entire 16-acre project site. The Revised Project also increased the parking on the Property, providing a ratio of four (4) spaces per 1,000 square feet of development for a combined total of 2,948 parking spaces. Development on the East Site was modified to include a fifth level of parking and to add square footage to the common building. The 2008 Development Agreement, as modified by the First Amendment to the Development Agreement, shall be referred to herein as the “Original Agreement” or “Original Development Agreement”;

WHEREAS, Section 10.4 of the Original Development Agreement provides that City and Sobrato, by mutual consent, may modify the terms of the Original Agreement, and City staff and Sobrato have recently negotiated a proposed “Second Amendment to Development Agreement,” attached hereto and incorporated herein by this reference (“Amendment No. 2”);

WHEREAS, on April 15, 2008, in Resolution 08-7508, the City Council certified an Environmental Impact Report (“EIR”) for the Project;

WHEREAS, on April 23, 2013, in Resolution 13-8034, the City Council adopted the Mitigated Negative Declaration (“MND”) for the Revised Project;

WHEREAS, on January 22, 2018, Peter Tsai (“Applicant”), on behalf of Sobrato, applied for a “Second Amendment to Development Agreement” , attached hereto and incorporated by this reference (“Amendment No. 2”) to extend the term of the Original Development Agreement for two additional years, with expiration of the Development Agreement on June 23, 2020;

WHEREAS, as a result of the application for Amendment No. 2 to the Original Development Agreement, City staff prepared an Addendum to the 2008 Final EIR and 2013 MND for the Lawson Lane Development Agreement Extension Project, attached hereto by this reference;

WHEREAS, on March 28, 2018, the Planning Commission reviewed and considered the Addendum to the 2008 Final EIR and 2013 MND;

WHEREAS, Santa Clara City Code Section (SCCC) 17.10.130 provides for the review and recommendation of the City's Planning Commission of all Development Agreements before action is to be taken by the City Council;

WHEREAS, on March 14, 2018, the City published notice in the Santa Clara Weekly, a newspaper of general circulation, of a public hearing to be conducted before the Planning Commission on March 28, 2018 to consider the proposed Second Amendment to the Development Agreement; and

WHEREAS, on March 14, 2018, the City mailed notice of the public hearing to all property owners located within 300 feet of the Project Site, and on March 15, 2018, the City posted notice of the public hearing in three locations; and

WHEREAS, on March 28, 2018, the Planning Commission held a duly noticed public hearing, at which time the Commission received and considered all verbal and written testimony and evidence submitted.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the Planning Commission hereby finds that the above Recitals are true and correct and by this reference makes them a part hereof.
2. That the Planning Commission hereby recommends that the City Council approve the Second Amendment to Development Agreement between the City of Santa Clara and SI 55, LLC for the properties located at 2200, 2211 and 2231 Lawson Lane, incorporated by this reference
3. Pursuant to Government Code section 65867.5, the Planning Commission hereby finds that the provisions of the Amendment No. 2 are consistent with the General Plan, in that: (1)

mitigation measures have been identified and incorporated into the Revised Project to reduce potential environmental impacts to less than significant levels; and (2) the Revised Project would locate an industrial office campus development in proximity to workforce housing, commercial uses, services, and major transportation corridors. The Planning Commission further finds that consideration of this Amendment is based on the Addendum to the 2008 Final EIR and 2013 MND for the Lawson Lane Development Agreement Extension Project and complies in all aspects with CEQA.

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4. 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 PLANNING COMMISSION OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE ____ DAY OF MARCH, 2018, BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ABSTAINED: COMMISSIONERS:

ATTEST: _____
ANDREW CRABTREE
DIRECTOR OF COMMUNITY DEVELOPMENT
CITY OF SANTA CLARA

Attachments Incorporated by Reference:

1. Amendment No. 2 to the Development Agreement with SI 55, LLC
2. Addendum to the 2008 Final Environmental Impact Report and 2013 Mitigated Negative Declaration for the Lawson Lane Development Agreement Extension Project

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