

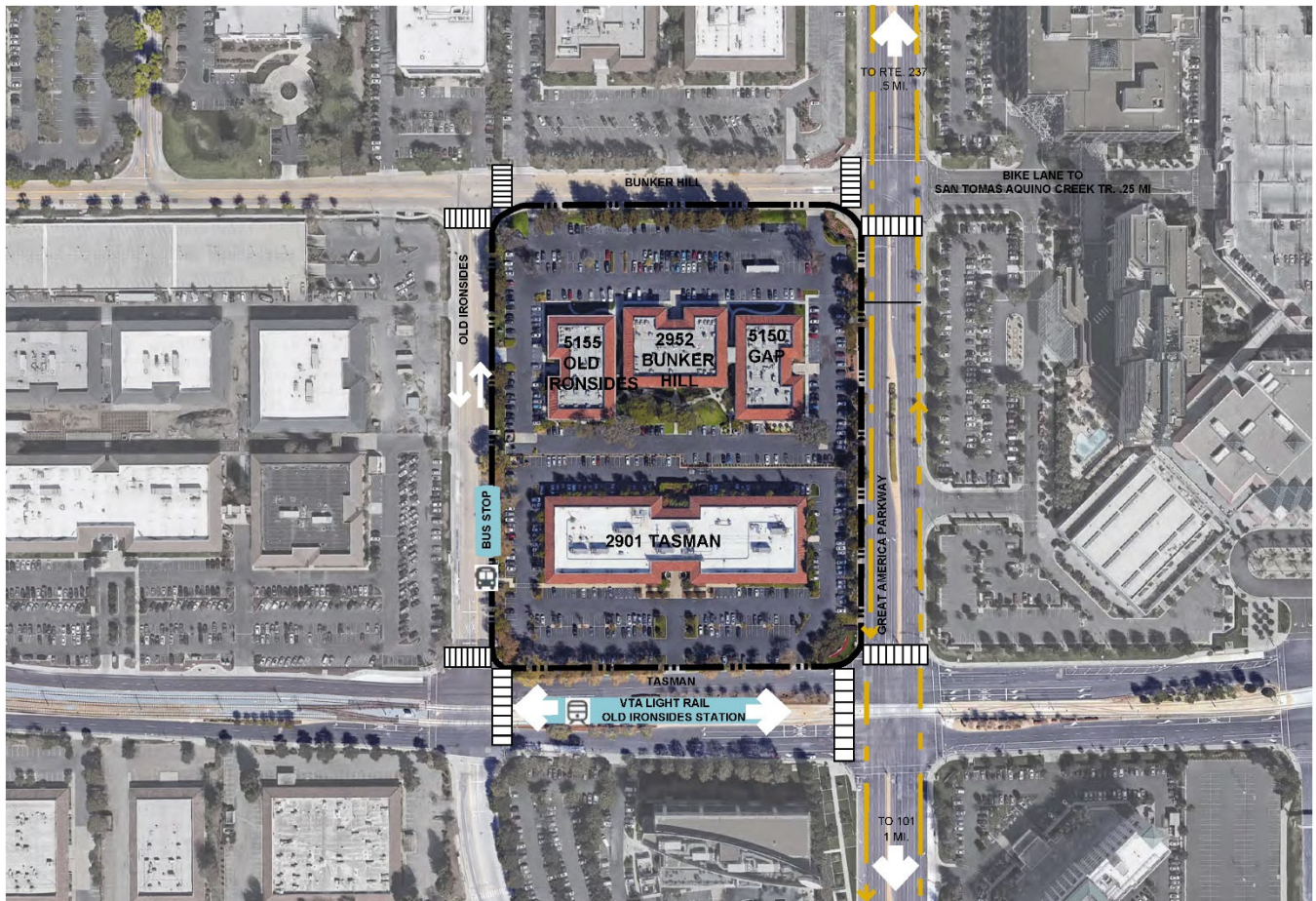
General Plan Amendment Statement of Justification From Low Intensity to High Intensity Office/R&D

2901 Tasman Drive

2952 Bunker Hill Lane/5150 Great America Parkway/5155 Old Ironsides Drive

The Site

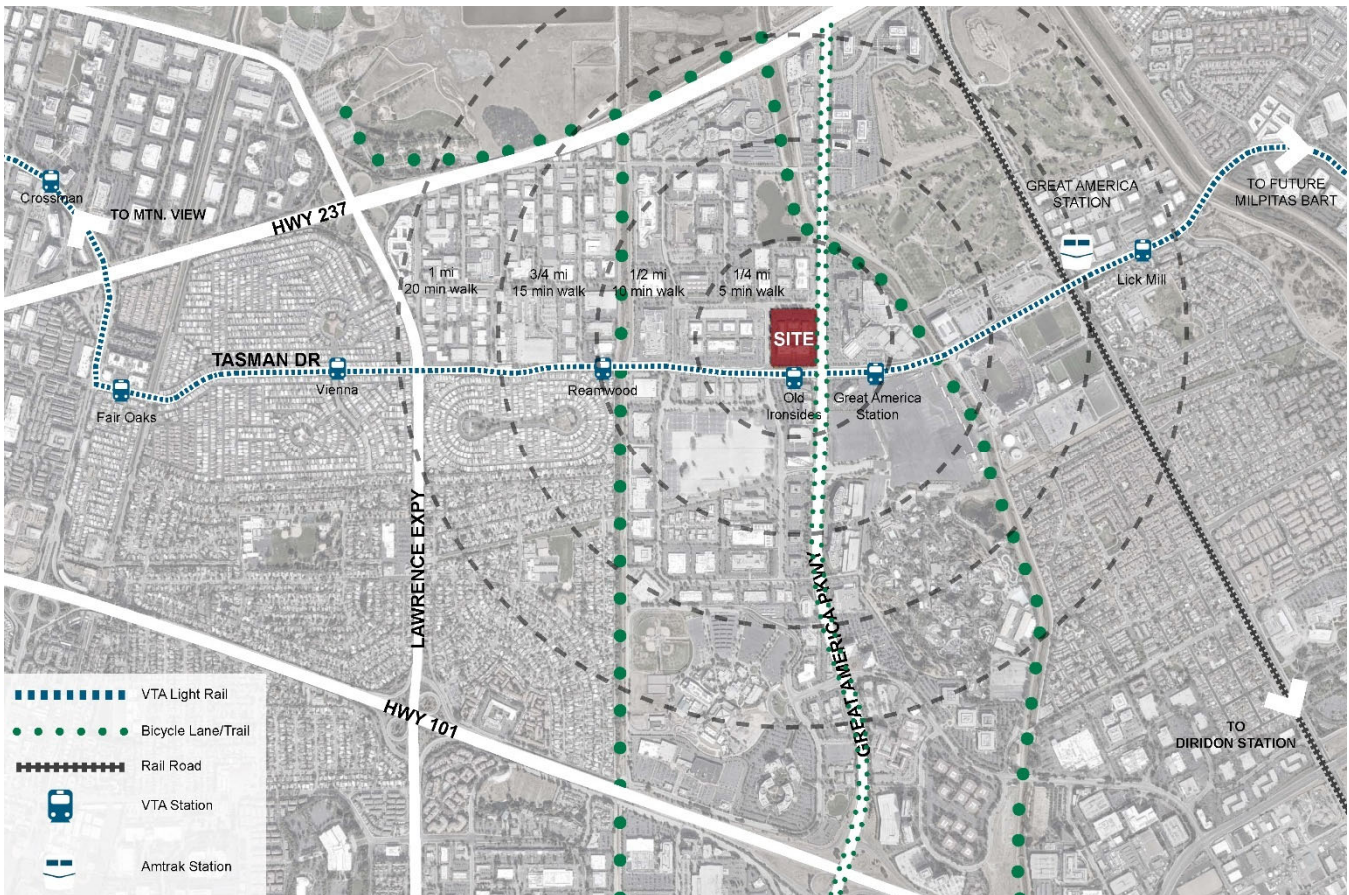
The two parcels referenced above cover the 10.14-acre block bounded by Tasman Drive on the south, Great America Parkway on the east, Old Ironsides Drive on the west and Bunker Hill Lane on the north, and together create one of the most prominent sites in north Santa Clara.



This block is highly visible because it is located at the intersection of two major thoroughfares, Tasman Drive and Great America Parkway, it is across the street from the Santa Clara Convention Center and is within close proximity to both Levi Stadium and Related Santa Clara.

Mass Transit

The block is well served by mass transit. The Old Ironsides VTA Light Rail Station on Tasman Drive is adjacent to the site. There is an onsite bus stop on Old Ironsides Drive serving three VTA bus routes which connect to both the Santa Clara and Sunnyvale Caltrain Stations, and a shuttle to the ACE commuter line. Bike Trails along the San Tomas Aquino Creek are within easy reach.



Services

Services provided by the Hyatt and Hilton hotels, Levi Stadium, Great America Amusement Park and Related's upcoming 9.2M square foot mixed-use project are all within walking distance - about a 1/3 of mile.

Related's Phase I of 50,000sf of retail and restaurants, a 200-room business hotel and 200 corporate residential units is projected to be complete by 2023. Phase II, following shortly thereafter, will add an Equinox hotel and an additional 700,000sf of retail and restaurants, including a 110,000sf food court. Additionally, their project adds a 35-acre public park to the area.

Great America Amusement Park's planned "Downtown Disney" outside of their park gates will add more dining and retail options within the immediate vicinity. The Tasman East Specific Plan has allocated 104,000sf for retail, including a

grocery store. Kylli's proposed project on the south side of our site, while still on the drawing boards, will likely include additional retail/restaurant/hotel options.



Housing

The North Santa Clara area has the potential for 11,680+ new multi-family housing units (Related – 1,680, Tasman East – 4,500, Patrick Henry – 4,500 and Greystar – 1018), not counting the 6,000+ units that Kylii is proposing on their site. While not all these units will be constructed in the near term, Tasman East has several approved projects and many pending approvals; and Greystar along with Related will begin construction on their units in the near term.

General Plan - Office/R&D

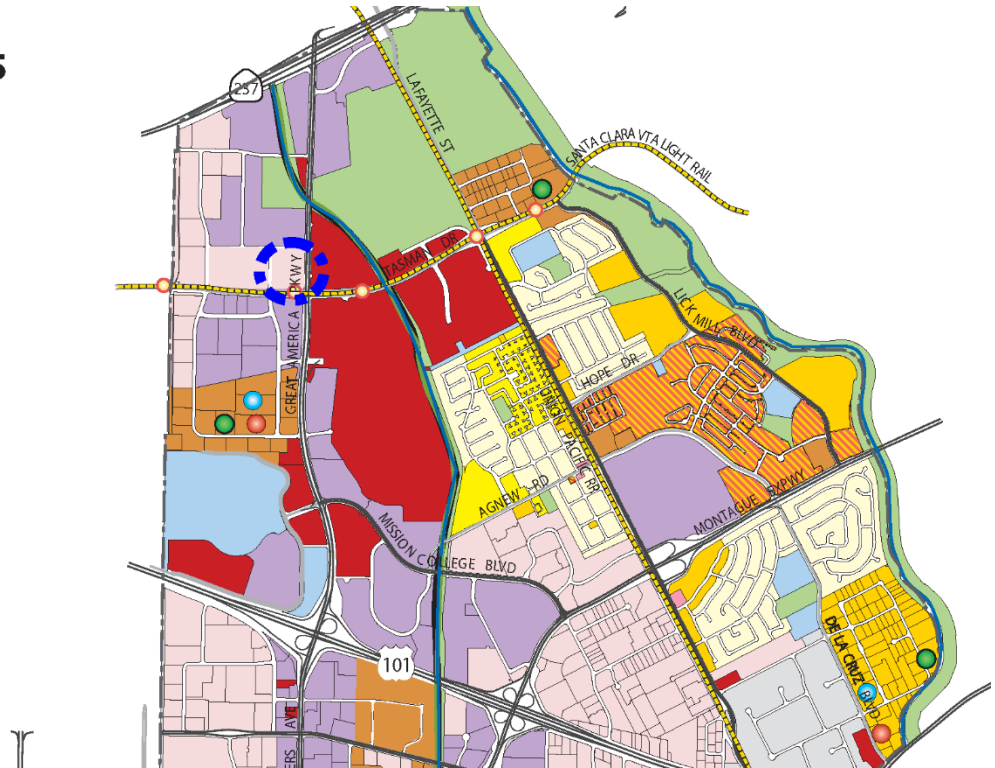
The General Plan calls for intensification of office/R&D development along the City's transit corridors in the areas north of the Caltrain line, specifically along Bowers/Great America Parkway and San Tomas. As shown in the General Plan Land Use Diagram, High Intensity Office/R&D uses (purple) are located adjacent to Great America Parkway and Low Intensity Office/R&D uses (pink) are relegated to areas not along Great America Parkway. The one exception along Great

America Parkway is our parcels on Great America at Tasman, circled in blue below, which are designated as Low Intensity Office.

Given the adjacency of our site to the VTA Light Rail Station and Bus Stop, it is more logically developed with High Intensity Office than others along Great

Land Use Diagram Phase III: 2025-2035

- Very Low Density Residential
- Low Density Residential
- Medium Density Residential
- High Density Residential
- Neighborhood Commercial
- Community Commercial
- Regional Commercial
- Neighborhood Mixed Use
- Community Mixed Use
- Regional Mixed Use
- Public/Quasi Public
- Low Intensity Office/R&D
- High Intensity Office/R&D
- Parks/Open Space
- Light Industrial
- Heavy Industrial
- Santa Clara Station Area
- Downtown Core



America Parkway since it will be better suited to take advantage of mass transit. Our low intensity designation is inconsistent with the Goals of the General Plan which calls for higher intensity employment centers along major transportation corridors and mass transit.

Many properties along Great America Parkway will not be redeveloped with higher densities of office because they are currently retail or public uses, they are newer lower density office buildings which are not financially feasible to redevelop or they are part of the Patrick Henry Specific plan which is focused on mixed-use. Thus, the bulk of new office space in North Santa Clara will be located within Related's and Kylli's large blocks of office buildings.

Our smaller site will provide an office/R&D use alternative because we have designed a project for one high-tech company headquarters campus. The High-Intensity Office/Research and Development classification is the General Plan specifically states that *"This classification is intended for high-rise or campus-like developments for corporate headquarters, R&D and supporting uses, with landscaped areas for employee activities."* This is precisely what we have shown on our plans.



We are proposing one twelve story building with an architecturally distinctive façade on the corner of Tasman Drive and Great America Parkway. The building will have a very large floorplate and total just over 1M square feet - the minimum amount we feel is necessary for a successful technology company headquarters.

2901 Tasman - Great America Parkway/Bunker Hill/Old Ironsides					
Tasman/GAP Block	Bld B1 Tasman	Bld B2 GAP	Bld A Amenities	Total Occupied & Amenity SF	12-Story Height
Floor 1	42,450	40,074	19,194	101,718	17.0
Floor 2	41,170	38,794	19,194	99,158	14.5
Floor 3	42,206	42,567		84,773	14.5
Floor 4	84,848			84,848	14.5
Floor 5	90,839			90,839	14.5
Floor 6	86,127			86,127	14.5
Floor 7	90,839			90,839	14.5
Floor 8	86,127			86,127	14.5
Floor 9	90,839			90,839	14.5
Floor 10	86,127			86,127	14.5
Floor 11	90,839			90,839	14.5
Floor 12	78,111			78,111	14.5
TOTAL	1,031,957		38,387	1,070,344	176.5
	FAR:	234%			

Our floorplate is more than double what was typical in Silicon Valley just a few years ago as many companies now find that they are more effective if they can

connect their employees by having them on the same floor. Nvidia's new headquarters in Santa Clara is a good example.

Silicon Valley technology companies also want their own exclusive campus where they control all aspects of the property, including the outdoor space and amenities. Security and company cohesiveness/retention are key reasons for this. These attributes are difficult to achieve if your company occupies just several floors of a high-rise building or even an entire building among many in a campus, as would be the case at both Related's and Kylli's developments. Shown below is a sample of the outdoor activities that will be incorporated at grade and on the rooftops in our campus for the exclusive use of the company occupying the building.



We have an expanded ground floor height of 17' to allow for cafeteria and other such uses but have limited the height of the upper office floors to 14.5' so that the total building height will be approximately 176.5', well below FAA limitations for the area.

We will coordinate a Transportation Demand Management program which will function more effectively with a single corporation spearheading transit programs directly with their employees. Companies with a substantial amount of space in one location operate their own shuttle program and provide substantial, but exclusive, onsite food, recreation and other employee services. All these services, often free to employees, reduce and stagger employee traffic to and from work as well as during lunch hour.

There will be ample amenity space in both the main building and a 2-story amenity building for company services. Tech companies often have multiple cafeterias, a fitness center, an executive briefing center, large conference rooms and other non-occupiable spaces.

The parking structure along Bunker Hill and Old Ironsides will provide enough onsite parking for the entire office campus and will be available for parking for Levi Stadium activities after business hours. We have added an elevator on the GAP side of the parking structure to facilitate use by Stadium parkers.

Since the VTA Station is in the island in middle of Tasman Drive and only assessible at stop lights at each corner of our site, a transit-oriented plaza or retail center on our site cannot be integrated into the VTA Station, making it unlikely to be successful. Further, given the vast amount of retail use contemplated by Related and the decline of retailers interested in additional physical locations, our retail vendor interest will be slim. Our headquarters company will have all employee desired retail services within their controlled space with no inclination to comingle their employees with the public. Employees who get free coffee at work tend not to frequent Starbucks as much.

In summary, we feel that this “gateway” corner in North Santa Clara at Tasman and Great America should be redeveloped with higher density office because it is consistent with the General Plan, is able to take advantage of the adjacent mass transit and the surrounding planned housing, retail and entertainment options. We have designed a unique and architecturally significant building with features and amenities that are currently desired by technology companies for their headquarters. Lastly, our proposed headquarters-oriented project offers an alternative to Related’s and Kylli’s multi-tenant office options, creating business diversity in North Santa Clara.

Consistency with General Plan Office and Industrial Land Use Goals and Policies:

Industrial development in the City is primarily located in the areas north of the Caltrain corridor.

5.3.5-G1 A City that continues to be a major employment center in Silicon Valley.

5.3.5-G2 Sufficient industrial land that meets the demand for local employment and retains the City's economic base.

5.3.5-G3 Higher-intensity employment centers located near major transit services and major transportation corridors to reduce vehicle miles traveled.

5.3.5-P1 Work with existing Santa Clara businesses to retain and expand employment opportunities and strengthen the existing tax base.

5.3.5-P5 Allow the development of Office/Research and Development uses in varied configurations and intensities to meet the needs of existing and new businesses.

5.3.5-P6 Encourage innovative design of new office space to promote higher-intensity new development and on-site expansion of existing uses.

5.3.5-P7 Require building heights to conform to the requirements of the Federal Aviation Administration, where applicable.

5.3.5-P8 Encourage the provision of services and amenities as part of larger developments in employment areas that cater to lunchtime and service needs, such as dry cleaners, to reduce vehicle miles traveled.

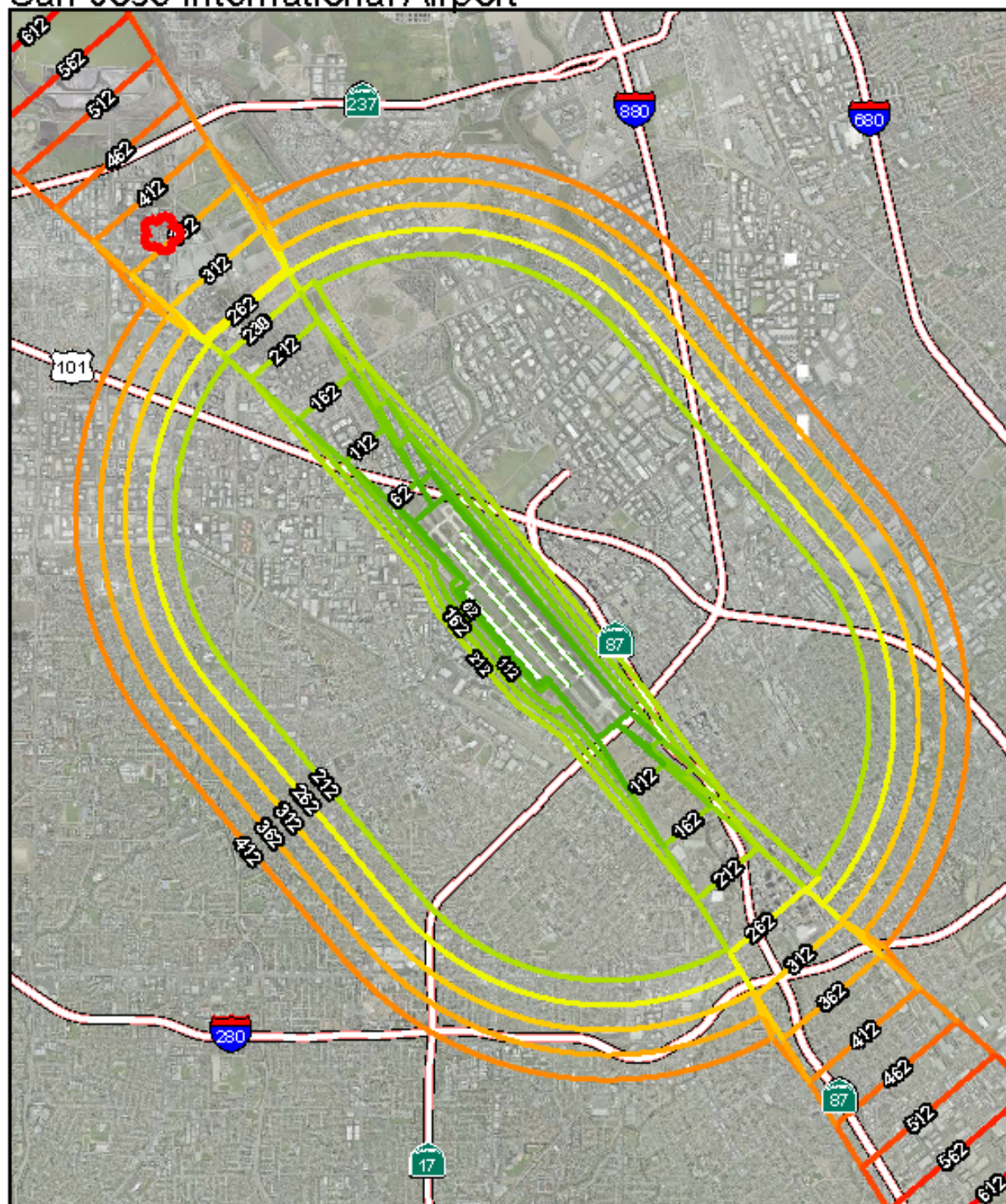
5.3.5-P10 Encourage employee-serving amenities, such as restaurants, cafes and supporting commercial uses, to meet the needs of employees in High Intensity Office/Research and Development areas by excluding such uses from the Floor Area Ratio for development.

5.3.5-P11 Construct sidewalks in industrial areas, with priority along streets served by existing or planned transit services.

5.7.2 Mobility and Transportation, "in order to achieve greater transit use"...."locate higher intensity development with existing and future transit stops to maximize resident and employee accessibility."

5.7.3 advocates Transportation Demand Management (TDM) strategies to reduce driving by promoting alternatives such as public transit, carpooling, bicycling, walking and telecommuting. TDM programs are less effective without access to convenient public transit.

San Jose International Airport



Maximum Structure Height (feet above MSL)

Runway	152	200	402
Ground Level	212	312	512
52	250	352	552
112	282	412	612

FAR Part 77 Surfaces

Figure 6

0 2,000 4,000 8,000 Feet

This map was made by the San Jose County Planning Office. The data was collected from the San Jose County Planning Office. The data was collected from the San Jose County Planning Office. The data was collected from the San Jose County Planning Office.