Legislation Details (With Text)

File #:	20-380 **Version:** 1	**Name:**	
Type:	Consent Calendar	**Status:**	Agenda Ready
File created:	3/12/2020	**In control:**	Council and Authorities Concurrent Meeting
On agenda:	6/23/2020	**Final action:**	
Title:	Public Hearing: Action on a Rezone of the Property Located at 2200 Lawson Lane [Council Pillar: Promote and Enhance Economic, Housing and Transportation Development]		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Planning Commission Staff Report of April 8, 2020, 2. Response to Post Meeting Materials Comments, 3. Comments Received on Post Meeting Materials Comments, 4. City Responses to Comments 6-17-2020, 5. Addendum to the 2008 Final EIR and 2013 Initial Study/MND, 6. Resolution to Approve the Addendum, 7. Resolution to Approve the Rezoning, 8. Conditions of Rezoning Approval, 9. Project Data, 10. Development Plan, 11. POST MEETING MATERIAL, 12. RESOLUTION - ADDENDUM, 13. RESOLUTION - REZONE		

Date	Ver.	Action By	Action	Result
6/23/2020	1	Council and Authorities Concurrent Meeting	Approved	Pass
6/23/2020	1	Council and Authorities Concurrent Meeting	Approved	Pass

REPORT TO COUNCIL

SUBJECT

Public Hearing: Action on a Rezone of the Property Located at 2200 Lawson Lane [Council Pillar: Promote and Enhance Economic, Housing and Transportation Development]

EXECUTIVE SUMMARY

The Sobrato Organization (“Applicant”), through its affiliate SI 55, LLC (”Property Owner”), is requesting an amendment to the Planned Development (PD) zoning approval for the Lawson Lane Campus Project, currently occupied as the Service Now corporate campus. The requested rezoning would allow intensification of use of the 7.55-acre West Campus (Phase 2) portion of the 16.38-acre site. The applicant intends with this rezoning to construct an additional 241,419 square foot, five-story office building on the campus. The project requires a rezone of the project site from PD to PD to allow this expansion.

The proposed expansion would be consistent with the City’s General Plan land use designation and applicable policies in that the proposed development would support economic growth at a location planned for such corporate uses. The proposed project architecture would match the quality of the existing development but is further enhanced to reflect current design trends. The project includes infrastructure improvements and site design measures consistent with City requirements. A discussion of General Plan and Zoning Code conformance is provided in the Planning Commission staff report of April 8, 2020 (Attachment 1).

The Planning Commission voted (7-0) to recommend approval of the project per the staff recommendation with edits to Conditions C4, C20, C21 and E18 that add more stringent requirements for green building, parking for electric vehicles, bicycle parking and reductions in traffic generation from the project. These recommendations were accepted by the applicant and are incorporated into the project.

BACKGROUND

The project site is located on the north side of Central Expressway, between Scott Boulevard and San Tomas Expressway. The site is bisected by Lawson Lane which acts as a loop ramp from Central Expressway to San Tomas Expressway. The area is bordered on all sides by a mixture of industrial uses. The portion to the east of Lawson Lane is referred to as the East Campus (Phase 1) and the portion to the west of Lawson Lane is referred to as the West Campus (Phase 2). Phase 1 has been developed and a building is currently under construction for Phase 2.

Over the last twelve years the Lawson Lane Campus Project has received several different entitlements as detailed in the April 8, 2020 Planning Commission report. An Environmental Impact Report (EIR) was also previously prepared and certified for the project. The campus is currently entitled for build-out of 613,800 square feet of office divided among four five-story buildings, 25,158 square feet of amenity space dispersed in two two-story buildings, and 2,251 parking spaces within parking structures and surface parking lots.

Service Now currently occupies the two constructed buildings and associated parking on the East Campus and intends to occupy the entire campus once it is completed. The previously entitled West Campus office building and parking garage are now under construction. The proposed rezoning would allow additional building area on the West Campus through the construction of a second five-story office building totaling 241,419 square feet and a 670 square foot addition to the adjacent common building. Proposed build-out of the West Campus would then result in two buildings with a total of 486,074 square feet of office (a net increase of 179,174 square feet above the 2013 PD zoning entitlement), and 18,631 square feet of common building space (a net decrease of 544 square feet from the 2018 architectural approval).

Expansion of the adjacent six-level parking structure currently under construction, and modification to the surface parking layout for a total of 1,445 spaces on the West Campus (providing parking at 1 space per 336 square feet of office or 3:1,000) is also proposed as part of the rezoning.

Upon completion the Lawson Lane Office Campus Project (West Campus and East Campus) would include a total of 792,974 square feet of office. Site and building design are proposed to meet the LEED Gold version 4D checklist for Core and Shell Office Buildings and exceed State Title 24 California Energy Code requirements for building construction. Achieving this standard is called out as a Condition of Approval (C4).

Proposed project Condition (E16) would require construction of an aerial/pedestrian crossing over Lawson Lane in coordination with the County of Santa Clara in lieu of the at-grade mid-block crossing (originally the entitlement identified this as an option for construction at the discretion of the Developer). The County of Santa Clara has already approved the preliminary proposal for an aerial connection.

DISCUSSION

At the April 8, 2020 Planning Commission meeting, staff and the applicant provided presentations on

the proposed project. The Planning Commission discussion focused on three topics: the project's consistency with the requirements of the California Environmental Quality Act (CEQA); the City's requirements for Transportation Demand Management measures in the project; and the design of the proposed overhead pedestrian bridge and parking garage. The discussion of these three topics and the Planning Commission action are summarized below.

CEQA

The CEQA discussion centered on the Addendum prepared for the project. Concern was expressed by Commissioner Cherukuru for the appropriateness of an Addendum instead of a Mitigated Negative Declaration (MND) to assess traffic impacts of the proposed increase in office building area. Julie Wright with David J. Powers and Associates, Gary Black with Hexagon Transportation Consultants, Inc., and Assistant City Attorney, Alexander Abbe informed the Commission that the traffic analysis and conclusions are based on thresholds of significance; and whether or not there is new information that would indicate the potential for new significant impacts or substantially more severe environmental impacts with the project proposal than were identified and analyzed in the prior environmental documents prepared for phased development of the campus. It was explained that according to the traffic analysis, the traffic generated by the proposal would be below the thresholds of significance for vehicle delay and critical volume at any intersection. As the proposed project would not result in a 4 second vehicle delay or 1 percent increase in critical volume at any of the analyzed intersections, it would not exceed the City's thresholds of significance and would not create a new significant impact or substantially increase the severity of any previously identified impact. Therefore, the preparation of a subsequent EIR or MND is not required.

Transportation Demand Management (TDM)

The Planning Commissioners expressed interest in understanding what TDM programs are in place for the occupied buildings on the East Campus and proposed TDM measures to be employed for Building 1 under construction and Building 2 under consideration. Staff informed the Commissioners that a TDM plan is not in place for the East Campus as the buildings were constructed under the 2008 zoning approval which did not require TDM as a strategy to achieve a specific reduction in the vehicle miles travelled (VMT) for the project, consistent with City policies at that time. A TDM requirement to achieve a minimum five percent reduction in VMT, that will go into effect upon occupancy of Building 1, was applied to the West Campus with the 2013 PD rezoning approval. Reporting of the TDM results will then be provided to the City on an annual basis following the first year of occupancy. The proposed project (Building 2) sets forth a requirement for a 20 percent reduction in VMT, 10 percent of which is to be achieved through TDM measures and reported to the City annually, consistent with the City's Climate Action Plan.

A discussion followed with Commissioner Jain requesting a 25 percent reduction in VMT and Commissioner Ikezi asking that the TDM plan be applied to the entire campus. The Assistant City Attorney advised the Planning Commission that a new condition cannot be imposed upon existing development that has received prior zoning entitlements. Gary Black of Hexagon Transportation Consultants explained the challenges of achieving a 25 percent reduction in VMT for the project location, given the lack of nearby transit options. Instead 20% reduction in VMT from TDM measures was called out by the transportation consultant to be feasible. Commissioner Jain concurred with the appropriateness of applying a requirement for a 20% reduction in VMT to be achieved through TDM measures.

Overhead Pedestrian Crossing and Parking Garage

Design review and timing of construction of the pedestrian overcrossing were also a topic of

powered by Legistar™

discussion. Staff informed the Planning Commission that the pedestrian bridge and the proposal to construct Building 2 are on parallel entitlement tracts. The architectural plans for the pedestrian bridge have been submitted. The item was scheduled for a Design Review Hearing but was deferred to be consistent with the previous COVID 19 shelter-in-place directive. The most recent Order of the County Health Officer (June 5, 2020) will allow the item to be scheduled for an upcoming hearing date. The applicant emphasized that construction of the pedestrian bridge must be completed prior to issuance of the temporary occupancy permit for Building 2. A number of the Commissioners complimented the applicant on the design changes to the parking garage brought about through the architectural review process for Phase 1 - West Campus development and thanked the applicant for extending the architectural screening along the exterior elevations of the garage with Phase 2 construction.

There were no public speakers at the meeting to provide comment. An email submitted by Mr. Sam Liu was received prior to the hearing and read into the record. In the email, Mr. Liu expressed concerns regarding the adequacy of the environmental analysis and concerns regarding noise and vibration with project construction. Responses to Mr. Liu's comments, prepared by the environmental consultant, David J. Powers & Associates, are attached (Attachment 2 - Response to Post Meeting Materials Comments). The consultant report indicates that the construction methods to be employed are similar to those previously analyzed in the prior EIR and MND. The previously adopted mitigation measures will be applied to the project. The applicant has also confirmed that the construction of this project will not include pile driving.

Planning Commission Action

The Planning Commission voted unanimously to recommend approval of the project per the staff recommendation with edits to Conditions C4, C20, C21 and E18. Condition C4 requires the applicant to achieve LEED Gold or equivalent. Condition C20 increases the required percentage of TDM measures to reduce VMT from 10% to 20%. Condition C21 requires that 6% of parking spaces be L2 EV charging facilities, and an additional 9% of spaces be pre-wired for future electrical charging facilities. Condition E18 increased the total number of bicycle parking spaces to 74 Class I bicycle spaces and 25 Class II bicycle spaces. It also requires that electrical outlets be provided in the bicycle storage rooms. The proposed edits were accepted by the applicant and the changes to the conditions are incorporated in the Conditions of Rezoning Approval (Attachment 8).

The Planning Commission included an amendment to the motion recommending that the Council ask the applicant to consider voluntarily implementing a reduction in VMT of 20 percent through TDM measures across the entire campus, and not solely on Phase 2 (the East Campus). They requested the applicant to be ready to discuss their recommendation when the project is presented to the City Council.

ENVIRONMENTAL REVIEW

A Third Addendum to the 2008 Final EIR and 2013 IS/MND for the Lawson Lane West Campus Expansion Project was prepared in accordance with CEQA Guidelines to analyze the additional 179,174 square feet of construction with the proposed rezoning that was not previously anticipated with the 2013 IS/MND or the prior two addenda. The purpose of the Third Addendum is to analyze and determine whether the changes in site design and intensification of development as proposed would result in new significant impacts or substantially more severe impacts than previously addressed in the prior documents. The Addendum discusses the environmental impacts of the currently proposed project compared to the impacts of the previously approved projects.

The analysis in the Addendum concluded that the currently proposed project would not result in new significant environmental impacts; and that no new information has come to light that would indicate the potential for new significant impacts or substantially more severe environmental impacts than were discussed in the 2008 FEIR, 2013 IS/MND, or either of the first two addenda. The analysis determined that the currently proposed project would have the same or similar impacts identified for the earlier projects. Therefore, no further evaluation or Subsequent EIR is required. The proposed project would apply and continue to implement the mitigation measures adopted with certification of the 2008 FEIR and approval of the IS/MND with build-out of Phase 2 development.

A comment letter (Attachment 3 - Comments Received on Post Meeting Materials) was submitted by Mr. Liu on June 16, 2020 further addressing his concerns with the City's CEQA procedures as raised in his earlier comments and in response to the City's prior response to his comments (Attachment 2). The City prepared a response to this most recent correspondence on June 17, 2020 (Attachment 4 - City Response to Comments 6-17-2020).

The full administrative record is available on the City's CEQA webpage at <https://www.santaclaraca.gov/Home/Components/BusinessDirectory/BusinessDirectory/360/3649>.

FISCAL IMPACT

There is no fiscal impact to the City for processing the requested application other than administrative staff time and expense typically covered by processing fees paid by the applicant.

COORDINATION

This report was coordinated with the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <mailto:clerk@santaclaraca.gov> or at the public information desk at any City of Santa Clara public library.

Public Notices and Comments: On May 21, 2020, the notice of public hearing for this item was posted within 300 feet of the project site and mailed to property owners within 1,000 feet of the project site.

Public Outreach Meetings

A community meeting was conducted to introduce the project and engage the public in the planning process. The public outreach meeting was held on November 13, 2019 from 6:00 p.m. to 7:00 p.m. at Service Now Headquarters, located at 2215 Lawson Lane (Lawson Lane East Campus) and was attended by two individuals. Construction activities related to noise, vibration, air quality and traffic were identified by the two individuals as concerns. The applicant discussed the mitigation measures that would be implemented with project development and confirmed that vibration creating activities such as pile driving would not be employed in construction of the office or parking structure.

Notices of the meeting were mailed by the applicant to property owners within 1,000 feet of the project boundaries and to interested parties and was also posted on the City's website.

ALTERNATIVES

1. Adopt a resolution adopting the Addendum to the 2008 Final Environmental Impact Report and 2013 Initial Study/Mitigated Negative Declaration for the Lawson Lane West Campus Expansion Project.

2. Adopt a resolution approving a rezoning from Planned Development (PD) to Planned Development (PD) to construct a 241,419 square foot five-story office building and 670 square foot addition to a common building and expand a six-story parking garage to provide a total of 1,445 parking spaces on the West Lawson Lane Campus located at 2200 Lawson Lane.

3. Adopt a resolution to deny a rezoning from Planned Development (PD) to Planned Development (PD) to construct a 241,419 square foot five-story office building and 670 square foot addition to a common building and expand a six-story parking garage to provide a total of 1,445 parking spaces on the West Lawson Lane Campus located at 2200 Lawson Lane.

RECOMMENDATION

Alternatives 1 and 2:

1. Adopt a resolution adopting the Addendum to the 2008 Final Environmental Impact Report and 2013 Initial Study/Mitigated Negative Declaration for the Lawson Lane West Campus Expansion Project.

2. Adopt a resolution approving a rezoning from Planned Development (PD) to Planned Development (PD) to construct a 241,419 square foot five-story office building and 670 square foot addition to a common building and expand a six-story parking garage to provide a total of 1,445 parking spaces on the West Lawson Lane Campus located at 2200 Lawson Lane.

Reviewed by: Andrew Crabtree, Director of Community Development
Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Planning Commission Staff Report of April 8, 2020
2. Response to Post Meeting Materials Comments
3. Comments Received on Post Meeting Materials
4. City Response to Comments 6-17-2020
5. Addendum to the 2008 Final Environmental Impact Report and 2013 Initial Study/ Mitigated Negative Declaration for the Lawson Lane West Campus Expansion Project
6. Resolution Approving the Addendum
7. Resolution Approving the Rezoning
8. Conditions of Rezoning Approval
9. Project Data Sheet
10. Development Plan