



Agenda Report

20-116

Agenda Date: 2/20/2020

REPORT TO PLANNING COMMISSION

SUBJECT

Recommended Action on a Phase 1 Development Area Plan for the Related Santa Clara Project

EXECUTIVE SUMMARY

Related Companies has filed an application for a Development Area Plan (DAP) for the Related Santa Clara Project (Project). The overall Project of which this first DAP is a part was previously referred to as the "City Place Project" and this name appears throughout various City documents.

The Project includes the proposed development of up to 9.16 million gross square feet of office buildings, retail and entertainment facilities, residential units, hotel rooms, surface and structured parking facilities, new open space and roads, landscaping and tree replacement, and new/upgraded/expanded infrastructure and utilities. The City previously (on June 28, 2016) certified an Environmental Impact Report (EIR) for the Project and approved a Planned Development - Master Community (PD-MC) Zoning.

Approval of a DAP is the next step in the land use entitlement process for the Project pursuant to the project site's PD-MC Zoning and the procedural review framework set forth in the Master Community Plan zoning document (MCP). The Applicant submitted the DAP 1 application and accompanying application materials as required under Appendix C of the Master Community Plan.

The proposed DAP 1 represents the first phase of the Project and would allow for the combined development of up to 1,047,000 square feet of gross building floor area consisting of new office, retail, hotel and residential serviced apartments built over a two-level underground parking garage, all generally on Parcel 5 as identified in the MCP. The Phase 1 plan would develop three blocks within the Parcel 5 area identified in the approved MCP as Block 5A, Block 5B and Block 5C. A copy of the Related Santa Clara Phase Plan Map from the MCP is attached showing the location of Phase 1.

The DAP 1 area is an approximately 14.3 acre area along the north side of Tasman Drive, opposite Levi's Stadium and the City's Youth Soccer Park, and is bordered by the Altamont Commuter Express Station, the Union Pacific Railroad tracks and Lafayette Street to the east, and the City's Tasman Garage and San Tomas Aquino Creek Channel to the west. The Transit Center parcel is not part of the DAP 1 application and will be retained by the City.

The proposed Block 5A would allow for construction of 440,000 square feet in area of new office, and 35,200 square feet of new retail food and beverage floor area. Block 5B would allow for the construction of 381,000 square feet of new hotel space for 480 rooms and 15,800 square feet of retail food and beverage service space. Block 5C would allow for the construction of 175,000 square feet of new residential floor area for 200 residential serviced apartments.

As part of the proposed DAP 1, Centennial Boulevard would be reconstructed and elevated as a raised City roadway through the parcel to match the existing grade of Tasman Drive. Two new City roads, currently identified by the generic names of Avenue A and Avenue C, would also be constructed and later renamed. Access to the parking garage is proposed from Avenue A, Centennial Boulevard, a point between Centennial and Avenue C, and driveways just to the east of Avenue C from the road on the Transit Center parcel.

As discussed in the following report, the proposed DAP has been analyzed and found to be consistent with the MCP and other applicable City standards. Staff has also determined that an EIR Addendum fulfills the CEQA requirements for approval of the DAP.

BACKGROUND

The applicant, Related Companies (Developer), is requesting approval of a Development Area Plan to allow construction of up to 440,000 square feet of office, 51,000 square feet of retail food and beverage, 381,000 square feet of hotel (for up to 480 rooms) and 175,000 square feet of residential (for 200 residential serviced apartments). Planning application files for the proposed project include: PLN2019-14186, PLN2014-10554 and CEQ2014-01180. The DAP implements the MCP previously approved by the City. Specific architectural design for the development will be addressed in a subsequent administrative review process in accordance with the MCP.

Site Description

The overall 240-acre Related Santa Clara project site encompasses the former 210-acre Santa Clara All-Purpose Landfill, of which 183 acres is the actual waste disposal area footprint. Most recently the site was developed as the City's Municipal Golf Course. DAP 1 covers a 14.3-acre portion of the site (Parcel 5) located at its southern edge along Tasman Drive. Parcel 5 is highlighted in red in the Key Map Plan (Attachment #1).

Parcel 5 is comprised of two parcels (APN's: 104-03-038 and 039), portions of two other parcels (APN's: 104-03-036 and 037), the east-west segment of Stars and Stripes Drive, and the segment of Centennial Boulevard right-of-way north of Tasman Drive. Parcel 5 is occupied by the now-closed Santa Clara Golf and Tennis Club buildings, David's Restaurant, David's Banquet Facility, Fire Station 10 and surface parking lots.

The City owned Tasman Drive parking garage is not part of DAP 1, but access to the east entry of the garage will be altered by the development at the Developer's expense.

CEQA Review

On June 28, 2016, the City certified the Final Environmental Impact Report (EIR) for the Project and adopted a Mitigation Monitoring or Reporting Program (MMRP), which identifies measures to reduce many of the Project's potential impacts on the environment to less than significant levels (Attachment #4). Even with implementation of all feasible mitigation measures, the EIR concluded that the proposed project would have significant unavoidable environmental impacts in the areas of land use, transportation, air quality, greenhouse gas emissions, noise, and biology; and cumulative significant unavoidable impacts to utilities. Thus, the City also adopted a Statement of Overriding

Considerations (SOC).

The residential portion of the project was deemed by the County Airport Land Use Commission to be inconsistent with the Comprehensive Land Use Plan (CLUP) for the Norman Y. Mineta San Jose International Airport noise policies because the Project includes residential uses within the 65 dB CNEL aircraft noise contour boundary identified in the CLUP. While residential interior noise levels will be mitigated to achieve sound ratings of less than 45 dB CNEL with the required implementation of design features and treatments identified in the EIR, exposure to temporary and periodic overhead air traffic noise would occur that could not be mitigated to a less-than-significant level, and consequently the City adopted the SOC before certifying the EIR.

In accordance with the California Environmental Quality Act (CEQA), an Addendum to the previously certified Environmental Impact Report was prepared for the DAP 1 application (Attachment #5). The EIR Addendum assessed whether the DAP 1 application presented any new or changed potential significant environmental impacts from the MCP and concluded there are none.

Project Entitlement History

General Plan Amendments:

On June 28, 2016, in addition to certifying the Project EIR, the City amended the General Plan Text and Map to reflect a new Urban Center/Entertainment designation. This classification supports a wide variety and mix of commercial development and uses serving residents, businesses and visitors from the local community and surrounding region. A combination of the following uses are allowed in vertical or horizontal mixed-use arrangements: 1) retail sales and services; 2) restaurants and other food and beverage uses; 3) entertainment venues such as cinemas, performance venues, other interactive experiences, and active open space and plaza amenities; 4) hotels; 5) corporate and general office; 6) commercial services; 7) and compatible uses of a similar commercial character. Medium- to very-high density residential use (ranging from 37 to 90 du/ac) is also supported by this classification, the buildings could be restricted by FAA height restrictions/regulations.

The integration of urban scale housing is intended to contribute to a balanced community, reduce reliance on the automobile, and promote the desired pedestrian-oriented character. Horizontal and vertical mixing of compatible uses is permissible, bringing residents and workers near basic services and desirable conveniences. Mixed-use developments that afford active lower floor(s) retail or commercial space along street frontages with residential units arranged on upper floors are especially fitting as part of an urban core.

The City's Climate Action Plan was amended to address the new General Plan designation and establish respective minimum vehicular miles traveled (VMT) reduction requirements. In lieu of the 10% VMT reduction achieved through Transportation Demand Management (TDM) measures for office development and the 20% reduction for residential development, the Amendment to the Climate Action Plan allowed for a 4%VMT reduction to be achieved through a TDM measures for office development and for a 2% VMT reduction for residential development through TDM measures for this project site. The specific edits associated with these General Plan amendments are provided in City GPA Resolution No. 16-8338, dated June 28, 2016 (Attachment #7).

Zoning Change

On June 28, 2016, the City Council approved a rezoning of the 240-acre project site from Public/Quasi-Public (B) and Commercial Park (CP) to Planned Development - Master Community (PD-MC), and approved the accompanying MCP and conditions of approval as the implementing zoning documents for the project (Attachment 8, Resolution No. 16-8339).

Development Agreement (DA)

A DA (Attachment #3), approved by and executed between the City and the Developer in August 2016, establishes the terms and obligations of development for both parties as well as the order and timing of these obligations. The DA vests the maximum density and intensity of uses; the maximum building heights and gross floor area of land uses; and the permitted uses. It also specifies: an inclusionary requirement that 10% of residential units must be affordable housing units; the development fees that will be paid (including a regional traffic fee and a voluntary contribution to VTA); the provisions concerning escalation of existing fees or imposition of new fees; and a requirement to implement all mitigation measures to minimize material adverse environmental impacts of the Project. The project DA has a 30-year term to allow for phased development of the Project. The DA was previously reviewed by the Planning Commission prior to City Council approval.

Disposition and Development Agreement (DDA):

A DDA contract was also approved between the City and Related Santa Clara, LLC, as the Master Developer in 2016 (Attachment #10). The DDA was approved by the City Council and not subject to review by the Planning Commission. The DDA contains lease conveyance terms, including ground lease conveyance for the Phase 1 development area after approval of the first DAP. The schedule of performance for commencement and timing of construction are captured in the proposed DDA and will be reviewed and considered by the City Council when they consider the DAP.

Pre-Project Construction To-Date

Currently, the project is progressing with Pre-Phase 1 early access work to prepare the site for the Phase 1 construction along Tasman Drive. To facilitate the new construction and maintain public access to the area, the development will temporarily close access to Centennial Boulevard and Stars and Stripes Drive from Tasman Drive and add additional access points to the existing Great America Station Transit Center at 5099 Stars and Stripes Drive. The work being performed will provide for relocation of vehicular, pedestrian and bicyclist access that is necessary during the construction of Phase 1. The work includes the construction of a permanent exit ramp (from eastbound Tasman Drive down to Stars and Stripes Drive), permanent improvements to the Transit Center, a temporary roadway from the Transit Center through the closed Santa Clara landfill (Parcel 4) to Great America Parkway, and a temporary traffic signal for the interim roadway intersection at Great America Parkway. Additional work within the Tasman Block includes abatement of hazardous materials within the existing buildings and disconnecting utility services prior to demolition.

The Developer is also progressing with the renovation and expansion of Fire Station 8 (2400 Agnew Road), which is scheduled to be completed this month (February 2020). Renovation of the Fire Station 8 building includes an additional 2,500+ square-foot space designed to include a new dormitory wing, and the existing facility will also receive necessary improvements for code compliance. Completion of this work will allow for the temporary relocation of services from Fire Station 10 to the expanded Fire Station 8. A table detailing Pre-Phase 1 early access infrastructure construction underway and the infrastructure to be constructed with Phase 1 is attached to this report (Attachment #12).

DISCUSSION

The following discussion is an evaluation of the DAP 1 application's consistency with the Project MCP. The MCP (Attachment #9) sets forth the development standards, design guidelines, phasing constructs, project implementation procedures, development transfer provisions among parcels, permitted and conditional uses allowed within the proposed land use areas, and City Approval standards for DAP applications.

Development Scheme

The MCP presents three development schemes for implementation under the PD-MC zoning which may be interchanged depending on market conditions and/or regulatory requirements. The Developer has indicated they are currently pursuing the "Scheme A" development plan and phasing concept, evolving from the conceptual land use development plan depicted in Exhibit 3-2 of the MCP (Page 34) and the summary table of land use development details provided in MCP Table 3-2: Summary Development Yields (Page 41). The proposed DAP conforms with the land uses and phasing depicted in this Scheme.

Road Network

The proposed DAP includes minor changes to the road network as it was depicted in the MCP. As a result of this street reconfiguration, the development area of Parcel 5 increases from 11.3 acres to 14.3 acres. These changes are permitted under Section 4.3.4 of the DDA.

The east-west segment of Stars and Stripes Drive would be relocated approximately 115 feet north to realign with egress from the north side of the City's Tasman Drive parking garage (Attachment #15, Exhibit 1.3.3, Page 14). Avenue B, shown in the MCP concept as a public through road connecting to Tasman Drive, is modified in the DAP to serve as a connection between Blocks 5B and 5C and to provide a potential garage access point.

Centennial Boulevard would be reconstructed and elevated as a raised City roadway through the parcel to match the existing grade of Tasman Drive. Two new City roads, currently identified in the generic names of Avenue A and Avenue C, would also be constructed and later renamed. Access to the below grade parking garage is proposed from Avenue A, Centennial Boulevard, a point between Centennial and Avenue C off of Stars and Stripes Drive, and driveways just to the east of Avenue C onto the road on the Transit Center parcel.

Development Program

Corresponding to the increase in development area for Parcel 5, the Developer is also proposing to increase the allowable building area in Phase 1 from 873,000 square feet to 1,047,000 square feet (an increase of 16.4%) through a transfer of floor area to the subject Parcel 5 from Parcel 4. Section 3.2 of the MCP (Page 36) allows the developer "to transfer up to 20 percent of the maximum allowed density of each of the individual development parcels to one or more of the other development parcels." The planned development with these adjustments will result in a Floor Area Ratio (FAR) of 1.68, which is less than the maximum FAR of 2.52 included in Table 3-2 of the MCP. Table 1.2.1 (Page 8) of the DAP 1 application summarizes the approximate proposed combined gross floor areas by use and provides comparison with the allowable areas included in Table 3-2 of the MCP.

A conceptual site plan showing the land uses on the three blocks of Parcel 5 is presented in Exhibit 1.3.1 (Page 10) of the DAP 1 application. Block 5A would allow for the development of an office development up to 440,000 square feet in area and up to 35,200 square feet of new retail food and

beverage floor area. Block 5B would allow for the construction of up to 381,000 square feet of new hotel space for up to 480 rooms and up to 15,800 square feet of retail food and beverage service space. Block 5C would allow for the construction of up to 175,000 square feet of new residential floor area for 200 residential serviced apartments. Additional detail on the retail plan, including a comparison of the proposed square footages in DAP 1 with the MCP, is provided in Exhibit 1.10 (Page 32) of the DAP 1 application.

Building Heights

As depicted on the conceptual massing, height and bulk rendering provided with the DAP submittal (Attachment #15, pages' 16 and 17, Exhibits' 1.3.4(b) and 1.3.4(c)), the anticipated building heights are 198 feet above mean sea level (MSL) for the Block A office building, 218 feet for the Block 5B hotel, and 135 feet MSL for the Block 5C residential serviced apartments. These heights are consistent with the MCP as they are below the maximum 219-foot MSL height limit and consistent with ALUC policies as identified in MCP Sections 4.16, 4.17 and 4.18.

Support for Alternative Travel Modes

The project includes the construction of a street network for site access and circulation that includes bicycle and pedestrian facilities and complete street frontages (landscaped park strips and wide sidewalks on- and off-site) to connect residents, employees and visitors to the site and surrounding area. Shared parking arrangements, TDM measures, and "Park Once" strategies are incorporated into the project to reduce vehicle trips within and to the site. With these measures the DAP conforms to Section 3.3 of the MCP.

Parking

The Applicant proposes to utilize the natural grade depression of Parcel 5 along Tasman Drive by constructing a two-level parking structure that would extend continuously beneath Block 5A, Centennial Boulevard, Block 5B, Block 5C and Avenue C below the Tasman Drive street level to provide a total of 1,913 parking spaces.

The proposed 1,913 parking spaces to serve the building development in Phase 1 represents a reduction of approximately 15 percent from the 2,241 parking spaces derived from original MCP parking ratios. The 2016 MCP parking ratios are compared with the proposed Phase 1 DAP ratios in tables under Section 1.1(a).iii (Page 5) of the DAP 1 application. As shown in these tables, the proposed reduction corresponds to a proposed reduction in hotel and residential parking rates, while office is unchanged and retail uses remain consistent overall with an increase to the food and beverage use parking ratio offsetting a reduction to the general retail parking ratio. Parking ratios are proposed to be reduced for both residential and hotel uses by 0.5 spaces per unit or room. For clarity, the hotel ratio is decreasing from 1 space per key to 0.5 spaces per key and residential from 1.5 spaces per unit to 1.0 spaces per unit. As discussed below, this reduction is consistent with current parking practices and the overall MCP parking policies. The MCP defines parking ratios for each permitted land use within the Project based on parking rates prevalent in 2016, when the MCP was approved.

As explained in MCP Section 3.2, the parking ratios were informed by the City Code standard parking requirements, with adjustments to account for the projected demand likely to be generated by a large-scale mixed-use development, and it was anticipated that ongoing changes in market-based travel patterns could result in further adjustments to the parking needed within the Project. The MCP anticipates further changes to parking demand, in that MCP Section 3.2 provides that the City

Council may also approve a 25 percent parking reduction for DAP submittals beyond the first phase. Implementation of Phase 1 has been slightly delayed and, during this time period, hotel and residential parking ratios have dropped significantly, particularly with increased use of rideshare services. As rideshare companies such as Uber and Lyft have risen in prominence, the demand for parking at hotels in urban settings has fallen dramatically. As cited in the Phase 1 DAP, hotels in San Jose, Menlo Park, and near San Francisco Airport have a parking demand ratio that ranges from 0.13 spaces/room to 0.43 spaces/room, below the ratio of 0.5 spaces/room proposed in the DAP.

The residential uses proposed in the Phase 1 DAP are serviced apartments adjacent to the hotel with shared facilities. The target demographic and likely resident base of serviced apartments is different from a traditional residential apartment, and residents are less likely to own private vehicles and use rideshare and therefore require less dedicated parking than in traditional development projects. Moreover, the proposed residential uses are clustered within the easternmost portion of Phase 1 that is closest to the Transit Center, increasing the likelihood that residents will be able to rely on public transportation and further reducing the demand for dedicated residential parking spaces.

The proposed parking reductions are consistent with the Mobility Concept for the project as defined in the MCP. The MCP is intended to implement key General Plan sustainability policies, including 5.3.4-P13 (“encourage pedestrian linkages in mixed-use areas” through specific design features, which will help connect hotel and residential uses to transit and other project components without the use of a private car) and 5.8.4-P2 (“provide a system of pedestrian and bicycle-friendly facilities that supports the use of alternative travel modes,” reducing the demand for on-site parking).

By emphasizing connections between the diverse uses in Phase 1 of the Project and transit and rideshare companies, the Phase 1 DAP reduces the demand for parking, which in turn contributes to trip reductions in the area to alleviate contributions to congestion on surrounding highways and major arterials, consistent with MCP Section 3.3. Consistent with the required Transportation Demand Management (TDM) plan mitigation measure, the Phase 1 DAP development would incorporate loading areas for ride share companies to serve the hotel and residential uses, in addition to other uses within the Project. The combination of the shared parking potential and the suppressed demand for hotel parking resulting from ride share services support reductions in the Phase 1 DAP parking ratios below the default MCP ratios identified to represent parking demand for the Project’s uses in 2016.

In the “Parking Strategy” discussion of MCP Section 3.3, the need for managed parking is recognized. Section 3.3 of the MCP permits parking requirement reductions for portions of the project, such as the Phase 1 DAP, where shared parking is feasible and likely to serve nearby office, retail, and residential uses. Each component of the Project is required to provide parking sufficient to meet the parking demand, but in recognition of the goal to not provide more parking than is required to avoid inducing automobile travel, the MCP provides that “reduced standards based on shared parking arrangements, TDM measures, and other applicable parking strategies shall be implemented where appropriate.” The MCP calls for, and the Phase 1 DAP implements, a “park once strategy” where site users can leave private automobiles in a single location while accessing multiple on-site destinations, which promotes shared parking between uses and reduced overall parking demand.

The MCP further provides that when parking facilities are designed to serve multiple uses within a component of the development, the resulting reduced parking demand may be accommodated “with a commensurate decrease in parking requirements.” The MCP finds that this parking reduction is

most appropriate for Project components that feature office, retail, and residential uses within walking distance of each other. The Phase 1 DAP implements this policy by providing consolidated, underground parking facilities that can serve each of the Project's on-site uses and that connect the proposed office, retail and residential spaces with convenient and comfortable pedestrian connections.

Because the proposed Phase 1 DAP 15 percent reduction is significantly lower than the 25 percent parking reduction contemplated for future phases, and the proposed reduction is otherwise consistent with the MCP's parking supply policies, the reduction in parking spaces is consistent with the MCP's intent and its specific requirements.

Housing

The Development Agreement specifies that 10 percent of the residential units shall be designated as affordable. As the DAP 1 proposes up to 200 residential units as residential serviced apartments on Block 5C, which are proposed to be serviced by the hotel on Block 5B, the Applicant has elected to defer the dedicated provision of ten percent of these units (20 units) as affordable housing units to Phase 2 in accordance with Section 4.5.2 of the approved Development Agreement (Attachment #3, Page 18). The Applicant has indicated these residential serviced apartments are intended to be occupied by residents for more than 30 days and thus would not be considered as Transient Occupancy per the City Code definition. A condition on this tenancy requirement has been added to the proposed conditions of approval (Attachment #14).

Parks/Open Space

The DAP submittal proposes approximately 2.22 acres of shared open space as shown on the DAP application (Attachment #15, Exhibit 1.3.5, Page 18). The Phase 1 DAP application does not include any public open space within Blocks 5A, 5B and 5C for Parcel 5. The inclusion of residential development within the DAP 1 area would result in a requirement for public parks, but the provision of such parks may be deferred to a later phase per Section 4.3.5 of the Project DA. The applicant is accordingly electing to defer to Phase 2 the resulting requirement for a minimum provision of 1.21 acres of shared open space to serve the residences in Phase 1. The overall Project is anticipated to provide an approximate combined total of up to 38 acres of parkland space per Table 3-2 and Section 3.4 of the MCP.

Architectural Submittal

Under the City's review process as set forth in Appendix C of the MCP, the Developer has elected to defer the submittal of architectural materials, building architectural designs, and building site designs, including building setbacks and building coverage details for each of Blocks 5A, 5B and 5C to a later submittal for review by the Community Development Director.

Sign Program

The applicant has submitted with the DAP 1 application a proposed comprehensive sign program for Parcels 4 and 5, which is under review by staff and will be brought forward for consideration during the DAP 2 process.

Pedestrian Circulation/Amenities

Under the Design Guidelines provided in MCP Sections 4.16, 4.17 and 4.18 for each of the blocks, sidewalks are required along each public (City owned and maintained) street. The cross section streetscape and infrastructure Exhibits 1.3.4(d) (Attachment #15) illustrate the applicant's plan to

provide sidewalks lined with street trees for each of the public streets within Phase 1, including Centennial Boulevard, the relocated Stars and Stripe Drive, Avenue A and Avenue C.

In addition to providing street trees as shown in Exhibits 1.3.4 (d)(Attachment #15), generous pedestrian amenities and provisions for outdoor dining are suggested by the Guidelines for Tasman Drive, Centennial Boulevard and Stars and Stripes Drive. While such amenities are not depicted with this first submittal of the DAP application to the City's Planning Commission and City Council, they are anticipated to be a part of the Architectural Materials Application to follow per the election of the Applicant.

Infrastructure

The terms of the Mitigation Monitoring Report Program, Development Agreement, & Disposition and Development Agreement. require that specific infrastructure improvements be included in the Phase 1 DAP. The Developer has commenced construction of a new Fire Station and slip ramp. In addition, ancillary infrastructure improvements associated with the Transit Center, slip ramp, and Fire Station have progressed as required for the DAP approval. Additional infrastructure improvements are required as part of the Architectural Materials review process.

Consistency with the MCP Criterion and findings

Under the adopted Approval Procedures in Appendix C of the MCP (Section 2.7.2.4, Page 248), the scope of the Planning Commission's Review at the public hearing is limited to forwarding a Recommendation to the City Council on the following three required findings in Section 2.7.2.6 of the MCP (Page 249) - specifically, to approve the DAP, the City must find that:

1. The DAP Application conforms to and is consistent with the applicable Development Requirements of the Phase or Partial Phase and the MCP;
 - Per staff's analysis, this finding can be made as all aspects of the DAP 1 submittal are in conformance to the Phase 1 DAP, Parcel 5 requirements of the MCP.
2. The Infrastructure that Developer proposes to construct in connection with the applicable Phase or Partial Phase that is the subject of the DAP application is sufficient to serve the proposed development on the subject property;
 - Per Staff's analysis, this finding can be made as all infrastructure contemplated with this DAP submittal is reasonably foreseeable to be able to be implemented as architectural and infrastructure plans are further developed. The conditions of approval note the infrastructure requirements necessary to be submitted with the DAP 1 Architectural Materials submittal.
3. The proposed shared outdoor space provided for the applicable Phase or Partial Phase in accordance with the MCP is reasonable and appropriate to the proposed level of development.
 - Per Staff's analysis, this finding can be made as the 2.22 acres of shared open space within the DAP 1 is in conformance the MCP.

Conclusion

Additional reference material is attached including the Developer Phase Option Notice (Attachment #2). As submitted, staff recommends that the Commission forward a recommendation to City Council that the requested DAP conforms to and is consistent with the applicable Development Requirements of the MCP, that the Infrastructure that Developer proposes to construct for the DAP is sufficient to serve the proposed development on the subject property, and that the proposed shared outdoor space to be provided for the DAP is appropriate as consistent to the proposed level of development

in accordance with the MCP.

ENVIRONMENTAL REVIEW

On June 28, 2016, the City Council certified the Environmental Impact Report (EIR), adopted a Statement of Overriding Considerations (SOC) and adopted a Mitigation Monitoring or Reporting Program (MMRP) for the project. Although the EIR and MMRP identified mitigation measures to reduce most project impacts to less-than-significant levels, the SOC was required given the EIR's conclusion that the proposed project would have significant unavoidable impacts in the areas of land use, transportation, air quality, greenhouse gas emissions, noise, and biology; and cumulative significant unavoidable utilities impacts.

An Addendum to the Final Environmental Impact Report for the Related Santa Clara / City Place Project was prepared by consultant Environmental Science Associates to document analysis specific to this DAP 1 application and is attached to this report. The Addendum found that implementation of DAP 1 would not result in substantial changes or introduce new information not already analyzed in the City Place EIR, primarily because the level of development now proposed for the site is within the broader development assumptions analyzed in the EIR, and would not cause new significant environmental impacts not previously identified in the EIR, or result in a substantial increase in the severity of previously identified significant unavoidable impacts. The Addendum concludes that the potential environmental impacts associated with DAP 1 have already been adequately analyzed in the Project EIR that was previously certified by the City on June 28, 2016, and no further review or analysis under CEQA is required.

FISCAL IMPACT

There is no fiscal impact to the City for processing the requested application other than administrative staff time and expense, which is included in the FY2019/20 Adopted Budget.

As was previously considered by the City Council in the decisions to offer development of the project site and subsequent approval of the initial land use entitlements, it was noted there will be social and economic benefits that will accrue to the City and region in terms of new retail and entertainment opportunities not readily found in the South Bay area, as well as creation of jobs, property tax and sales tax revenues, and land lease revenues. Development of the Project will provide substantial land lease revenues to the City. Development fees and other exactions paid for and provided by the Project (including up to \$17.4 million for implementation of a multimodal improvement plan and a voluntary contribution to VTA of approximately \$16 million) will also benefit the City.

COORDINATION

This report has been coordinated with the City Attorney's Office.

PUBLIC CONTACT

The developer held a Community Open House Event from 5:30 to 7:00 pm on January 15, 2020 at the Santa Clara Convention Center to provide an update to nearby residents and businesses about the current plans and schedule, and provided the attached summary (Attachment #11). Related distributed 1,000-foot notice to residents, businesses and property owners. Announcement of the January 15 Open House and of the January 29, 2020 Planning Commission Study Session were posted on the City's website under the development project page and on the City's event calendar.

Notices were also included on the City's social media accounts including Nextdoor, Facebook and Twitter. The Open House event was attended by the Applicant's project team, City staff and approximately 24 members of the public. A summary of the open house event provided by the Applicant's consultant is attached.

The notice of public hearing for this item was posted within 1,000 feet of the site and was mailed to property owners within 1,000 feet of the project site. In addition, a Notice of Hearing for this Application was published in the Weekly newspaper on February 5, 2020. Notice of this meeting was posted on the City's website under the development project page. Notices of this meeting were also posted on the City's social media accounts including Nextdoor, Facebook, and Twitter.

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.

ALTERNATIVES

Adopt resolutions for the Related Santa Clara (City Place) Phase 1 Development Ara Plan, application located at 5155 Stars and Stripes Drive recommending that the City Council:

1. Adopt the EIR Addendum for Phase 1 DAP,
2. Approve the Phase 1 DAP subject to conditions; or
3. Deny the Phase 1 DAP Application

RECOMMENDATION

Alternatives 1 and 2:

That the Planning Commission adopt resolutions for the Related Santa Clara (City Place) Phase I Development Area Plan application located at 5155 Stars and Stripes Drive recommending that the City Council:

1. Adopt the EIR Addendum for Phase 1 DAP
2. Approve the Phase 1 DAP Application, subject to conditions

Reviewed by: Andrew Crabtree, Director of Community Development

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Key Map Plan
2. Developer Phase Option Notice for DAP 1
3. Development Agreement - Ord. No. 1956, July 12, 2016
4. Web Link Slip Sheet - 5155 Stars and Stripes Drive City Place FEIR and MMRP
5. EIR Addendum for Phase 1 DAP
6. PC Resolution Recommending Adoption of EIR Addendum for Phase 1 DAP
7. Resolution No. 16-8338 Approving General Plan Amendments - June 28, 2016

8. Excerpt of Resolution 16-8339 Approving PD-MC Zoning including Conditions of Approval - June 28, 2016
9. Web Link Slip Sheet - Master Community Plan Volume I
10. Web Link Slip Sheet - 5155 Stars and Stripes Drive DDA
11. Applicant-provided summary of January 15, 2020 Community Open House Event
12. Pre-Phase 1 and Phase 1 Infrastructure Construction Table
13. PC Resolution Recommending Approval of Phase 1 DAP
14. Conditions of Phase 1 DAP Approval
15. Phase 1 DAP Document Plans