



## Agenda Report

20-681

Agenda Date: 10/13/2020

### REPORT TO CITY COUNCIL

#### **SUBJECT**

Action on Early Consideration of a General Plan Amendment from Low Intensity Office to High Intensity Office for the 10.14-acre site located at 2901 Tasman Drive and General Plan Text Amendment to add a policy to allow a Floor Area Ratio up to 2.5 for High Intensity Office sites within half a mile of a light rail station [Council Pillar: Promote and Enhance Economic, Housing and Transportation Development]

#### **BACKGROUND**

On March 4, 2020, Menlo Equities filed a project development plan application to amend the General Plan for a 10.14-acre property located at 2901 Tasman Drive. The existing General Plan designation for the site is Low Intensity Office / Research and Development (R&D) ("Low Intensity Office") and the site is zoned Light Industrial (ML). The project site is currently developed with four 2-story buildings. The proposed General Plan Amendment (GPA) would change the General Plan Low Intensity Office designation to a High Intensity Office / Research and Development (R&D) ("High Intensity Office") designation. Additionally, a General Plan Text Amendment is proposed to allow a Floor Area Ratio (FAR) up to 2.5 for High Intensity Office designated sites within half a mile of a light rail station. The current maximum allowed FAR for the High Intensity Office designation is 2.0 regardless of location. The increased FAR up to 2.5 would allow construction of a new 1,031,957 square foot twelve-story office building, a new 38,387 square foot two-story amenity building, and a new 8-story parking structure with 3,566 parking spaces on the 10.14-acre site.

Through the early consideration process, the Council can direct staff to continue processing the General Plan Amendment (GPA) application, or the Council can preemptively deny the proposed GPA request as inconsistent with the City's General Plan goals and policies. Should the Council provide direction to continue processing the application, staff would complete the review process for the proposed General Plan Text Amendment, including environmental analysis of the proposed project consistent with the requirements of the California Environmental Quality Act (CEQA). Direction to continue the review process in no way obligates or commits the Council to ultimately approve the proposal.

The goal for the early consideration process is to minimize costs and work associated with the review of a GPA application should an amendment not be viable. The proposed GPA should be evaluated for consistency with the Major Strategies and other high-level goals and policies of the General Plan to determine if there is a conflict that would indicate further evaluation of the proposal is not warranted. The General Plan Major Strategies identify the importance of maintaining a land use plan that supports other goals and policies, preserving the City's fiscal health, promoting quality of life, preserving and cultivating existing neighborhoods and promoting sustainability.

Pursuant to the City's Early Consideration Policy for GPAs, the applicant conducted a virtual

community meeting on June 16, 2020.

### **DISCUSSION**

The City's evaluation of an Early Consideration for a GPA is based on identification of a clear inconsistency with General Plan strategies, goals or policies that demonstrates that the proposal will not be in conformance with the General Plan. The following discussion considers any potential conflict with the General Plan that would result from modification of the General Plan to allow intensification of an office use at the project location.

The project site is a prominent site in North Santa Clara which is 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. This block is highly visible, 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 within close proximity of Levi's Stadium and the Related Santa Clara project. The surrounding land uses include High Intensity Office to the north, Low Intensity Office to the west and Regional Commercial to the east.

The proposed amendment would change the land use designation from Low Intensity Office to High Intensity Office. The High Intensity Office/Research and Development (R&D) designation is intended for high rise or campus like developments for corporate headquarters, R&D and supporting uses, with landscaped areas for employee activities. Permitted uses include offices and prototype R&D uses. Data centers under this designation are limited to those that serve the use on site. Medical facilities, except pharmacies, are not allowed. In addition, manufacturing uses are limited to less than ten percent of the building area. Accessory, or secondary, small scale supporting retail uses that serve local employees and visitors are also permitted. Parking is typically structured or below grade. The maximum FAR is 2.0, excluding any FAR devoted to supporting retail uses.

Additionally, a General Plan Text Amendment is proposed to allow a Floor Area Ratio (FAR) up to 2.5 for sites within half a mile of a light rail station versus 2.0 that is currently allowed in the High Intensity Office classification. The proposed text amendment would allow projects located close to light rail to be denser, as future employees occupying the buildings would have convenient access to public transportation. Supporting density near transit is a strategy to reduce the vehicle miles traveled resulting from new employment uses.

The General Plan Major Strategies support economic development projects which contribute to the City's fiscal health, at locations that minimize impacts to neighborhoods and utilize existing infrastructure. The proposed project would be consistent with major applicable General Plan policies, including:

5.3.1 P8 Work with property owners to improve or redevelop underutilized and vacant properties.

5.3.1-P13 Support high density and intensity development within a quarter mile of transit hubs and stations and along transit corridors.

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

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-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.

Based on an initial review, the proposed General Plan Amendment is potentially consistent with the City's General Plan and there are no identified areas of significant conflict with the overall General Plan strategies, goals and policies.

### **ENVIRONMENTAL REVIEW**

If this proposal moves forward, the project review will include analysis in accordance with the California Environmental Quality Act (CEQA).

### **FISCAL IMPACT**

There is no fiscal impact to the City other than administrative staff time and expense. Staff costs associated with review of the proposed General Plan Text Amendment are generally recovered through application fees paid by the project applicant.

### **COORDINATION**

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

### **PUBLIC CONTACT**

In accordance with the Early Consideration Policy, a noticed virtual community meeting was conducted to present the development proposal to neighbors and interested parties and engage public input. The virtual meeting was held on June 16, 2020 from 5:00 p.m. to 7:00 p.m. and was attended by seven community members. Public notice of the meeting was mailed to property owners within 1,000 feet of the project site and posted on the City's Community Meetings webpage.

Of the seven people participating in the community meeting, two spoke expressing general interest in the proposal with a few questions and concerns mostly regarding the sustainability strategies,

bird strikes, TDM strategies, connectivity to the VTA light rail, work pattern change influencing the office design and future tenants.

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) <<mailto:clerk@santaclaraca.gov>> .

### **ALTERNATIVES**

1. City Council direct staff to continue processing the subject General Plan Amendment from Low Intensity Office to High Intensity Office for the 10.14-acre site located at 2901 Tasman Drive and General Plan Text Amendment to add a policy to allow a Floor Area Ratio up to 2.5 for High Intensity Office sites within half a mile of a light rail station.
2. City Council direct staff not to continue processing the subject General Plan Amendment.

### **RECOMMENDATION**

City Council direct staff to continue processing the subject General Plan Amendment from Low Intensity Office to High Intensity Office for the 10.14-acre site located at 2901 Tasman Drive and General Plan Text Amendment to add a policy to allow a Floor Area Ratio up to 2.5 for High Intensity Office sites within half a mile of a light rail station.

Reviewed by: Andrew Crabtree, Director of Community Development

Approved by: Deanna J. Santana, City Manager

### **ATTACHMENTS**

1. Statement of Justification
2. Development Plans
3. Virtual Community Meeting Notification