

**ADDENDUM TO THE EDENVALE REDVELOPMENT PROJECT FINAL
FINAL ENVIRONMENTAL IMPACT REPORT**

Pursuant to Section 15164 of the CEQA Guidelines, the City of San Jose has prepared an Addendum to the Edenvale Redevelopment Project Final Environmental Impact Report (EIR), as supplemented and addenda thereto because minor changes made to the project, as described below, do not raise important new issues about the significant impacts on the environment.

File No: SPA18-054-01 Permit Amendment to Special Use Permit SP18-054. Special Use Permit Amendment to allow site modifications including a 26% parking reduction supported by a Transportation Demand Management Plan, parking lot re-design to include security measures, modifications to the loading dock doors, and change of the model of the back-up generator to be used at a data center on an approximately 7.54-gross acre site.

Location: 6320 and 6340 San Ignacio, San José (APN 706-09-023). **Council District:** 2.

The environmental impacts of this project were addressed in the Edenvale Redevelopment Project Final Environmental Impact Report (EIR), as supplemented and adopted by City Council Resolutions No. 69699, 70021, and 77220 adopted in June 2000, November 2000, and June 2014, respectively. The Edenvale Redevelopment Project Final EIR analyzed new development in the Edenvale Redevelopment Project Area (ERPA), approximately 2,312 acres located in South San José, in the vicinity of Us Highway 1010 and State Route 85 interchange, north of Santa Teresa Boulevard, east of Cottle Road, and west of Bernal Road/Silicon Valley Boulevard. The project site is located within Sub-Area 2 “Old Edenvale” of the Edenvale Area Development Policy for the ERPA, which considered up to 1 million square feet of Research and Development square footage and 450,000 square feet of retail development.

The proposed project is eligible for an addendum pursuant to CEQA Guidelines §15164, which states that “A lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in CEQA Guidelines §15162 calling for preparation of a subsequent EIR have occurred.” Circumstances which would warrant a subsequent EIR include substantial changes in the project or new information of substantial importance which would require major revisions of the previous EIR due to the occurrence of new significant impacts and/or a substantial increase in the severity of previously identified significant effects.

The following impacts were reviewed and found to be adequately considered by the Edenvale Redevelopment Project Final EIR, as supplemented and addenda thereto:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Aesthetics | <input checked="" type="checkbox"/> Agriculture Resources | <input checked="" type="checkbox"/> Air Quality |
| <input checked="" type="checkbox"/> Biological Resources | <input checked="" type="checkbox"/> Cultural Resources | <input checked="" type="checkbox"/> Geology and Soils |
| <input checked="" type="checkbox"/> Greenhouse Gas Emissions | <input checked="" type="checkbox"/> Hazardous Materials | <input checked="" type="checkbox"/> Hydrology & Water Quality |
| <input checked="" type="checkbox"/> Land Use | <input checked="" type="checkbox"/> Mineral Resources | <input checked="" type="checkbox"/> Noise |
| <input checked="" type="checkbox"/> Population and Housing | <input checked="" type="checkbox"/> Public Services | <input checked="" type="checkbox"/> Recreation |
| <input checked="" type="checkbox"/> Transportation/Traffic | <input checked="" type="checkbox"/> Utilities & Service Systems | <input checked="" type="checkbox"/> Energy |
| <input checked="" type="checkbox"/> Growth Inducing | <input checked="" type="checkbox"/> Cumulative Impacts | <input checked="" type="checkbox"/> Mandatory Findings of Sig. |

BACKGROUND

On March 27, 2019, the Director of Planning approved Special Use Permit File No. SP18-054 and considered the Addendum to the Edenvale Redevelopment Project Final Environmental Impact Report, as supplemented (Resolutions Nos. 69699, 70021, and 7720) in accordance with CEQA. The addendum reviewed the demolition of an existing office building, removal of up to 35 ordinance size trees, and the construction of a 312,177-square foot data center and office building. Supplemental project specific reports on air quality/greenhouse gas emissions, environmental site assessment, noise and vibration, traffic operations, and operational energy efficiency and design measures evaluation determined that the development of the data center/office building would not result in new significant environmental impacts, nor an increase in the severity of previously identified significant environmental impacts in the Edenvale Redevelopment Project Final Environmental Impact Report. (See Attachment A: SP18-054 Addendum).

Since approval of the project, the project proponent has demolished the on-site building and currently the building permit for the construction of the data center and office building is under review. On September 5, 2019, the project proponent submitted the proposed project which is a Special Use Permit Amendment (SPA18-054-01) to allow site modifications to the originally reviewed project (SP18-054) including:

- A 26% parking reduction supported by a Transportation Demand Management Plan to provide 198 parking spaces on-site.
- Parking lot re-design to include security measures
- Modification to the location of loading dock doors,
- Change to the back-up generator model and testing hours

Overall the nature and operational characteristics of the proposed project would remain the same as the addendum considered on March 27, 2019 and the impacts reviewed and considered by the Edenvale Redevelopment Project Final EIR, as supplemented and addenda thereto.

Given the minimal scope of the proposed project, this Addendum analyzes the impact of the proposed project in regard to the following environmental resource areas:

- Air Quality
- Transportation/Traffic

PROJECT ANALYSIS:

This Addendum specifically addresses the proposed site modifications to the previously approved project (SP18-054), which is currently working to obtain building permits for construction. The site modifications are project-applicant driven to enhance the security and operations of the site.

Air Quality.

A supplemental air quality memorandum was prepared by Atmospheric Dynamics, Inc. to analyze the potential impacts of the new proposed generator model and 50 testing hours. (See Attachment B: Atmospheric Dynamics Inc. Air Quality Memo, December 2019).

The primary emission sources associated with the operation of the previously approved data center/office would include be the testing and maintenance of the 15 diesel-fueled backup generators. There would be minor emissions from the traffic and area sources associated with the operation of

the data center and office facility.

The proposed project would install 15 (fifteen) 3-MW Kohler emergency backup generators in lieu of the originally proposed 15 fifteen 3.15-MW Caterpillar generators. During normal data center operation, these engines would not be operated other than for periodic testing and maintenance and the diesel engines would meet the U.S. EPA Tier 2 emission standards. The operation of the generators is limited to 50 hours per year of non-emergency use by the State’s Air Toxic Control Measure.

Table 1 below compares the generators analyzed in the SP18-054 Addendum with the proposed project’s changed generator.

| Table 1 Project Impacts Comparison | | | |
|---|---|--|---------------------------------------|
| | Generator Approved in SP18-054 IS/Addendum | Proposed Kohler Generator | BAAQMD CEQA Significance Level |
| Manufacturer | Caterpillar | Kohler | - |
| Model | C175-20 | KD83V16 | - |
| Number of Engines | 15 | 15 | - |
| Horsepower | 4,636 | 4,331 | - |
| Assessed Engine Load | 75% | 100% | - |
| Run Time | 50 hrs/yr (each engine) 28 hrs/yr (each engine) to remain less than 10 tpy (per mitigation in IS/Addendum) | 50 hrs/yr (each engine) | 50 hrs/yr |
| NO_x | Unmitigated: 17.64 tons per year (50 hrs/yr) With IS/Addendum Mitigation: 9.8 tons per year (28 hrs/yr) | Unmitigated: 16.11 tons per year (50 hrs/yr) With Required BAAQMD Supplied Offsets: 0 tons per year (50 hrs/yr) | 10 tons per year |
| PM10/2.5 (DPM) | 0.20 tons per year | 0.29 tons per year | 15/10 tons per year |
| GHG | 1,405 tons per year | 1,704 tons per year | - |
| Annual PM2.5 (ug/m³) | 0.0054 | 0.0033 | 0.3 ug/m3 |
| Health Risk Impact (Cancer Risk) | 4 per one million | 1.84 per one million | >10 per one million |

As summarized in the table above, the proposed project would continue to exceed the emission significant thresholds established by the Bay Area Quality Air Management District (BAAQMD) for NO_x (Nitrogen Oxides), under the worse-case scenario that each generator was run at the same time. Implementation of MM AIR-1 requires the project proponent to confirm that any change to the number of generators, model of generators, or number of hours the generators would be tested provided documentation that the maintenance and testing the generators would not exceed the significant thresholds for Nitrogen on both daily and annual averaging. As outlined in the supplemental air quality memorandum, the revised project would utilize BAAQMD supplied offsets and the mitigated project would result in 0 tons per year, below the significance threshold of 10 tons per year. Therefore, the proposed project would result in the same impacts to air quality as the

“Approved Project”, Less than Significant with Mitigation Incorporated.

Transportation/Traffic

As established in City Council Policy 5-1 “Transportation Analysis Policy” (2018), the City of San José currently uses vehicle miles traveled (VMT) as the metric to assess transportation impacts from new development. According to the policy, an employment (e.g. office, R&D) or residential project’s transportation impact would be less than significant if the project VMT is 15 percent or more below the existing average regional per capita VMT. For industrial projects (e.g. warehouse, manufacturing, distribution), the impact would be less than significant if the project VMT is equal to or less than existing average regional per capita VMT. The threshold for a retail project is whether it generates net new regional VMT, as new retail typically redistributes existing trips and miles traveled as opposed to inducing new travel.

However, the City Council Transportation Analysis allows for projects within Area Development Policies (including the Edenvale Area Policy), approved prior to the adoption of Policy 5-1, to analyze a project under the previously adopted EIR prepared for the ADP under the Pipeline Provisions. At the time of the original project review and approval (SP18-054), the project completed a transportation analysis under the LOS as the project is within an Area Development Policy (ADP).

As part of the Special Use Permit (SP18-054), a Local Transportation Analysis was completed, see Attachment A for the traffic/transportation discussion.

As the currently proposed project would not result in new square footage or a change in use, and would only change building equipment and further reduce the parking numbers; the proposed project would reduce vehicle trips associated with the site and would result in less level of service (LOS) impacts than those identified in the Edenvale EIR. Furthermore, the proposed project would not result in an increase in land use intensity beyond what has already been approved in the original SP18-054 project. Rather, the project proposes to:

- Reduce the number of provided parking spaces for a previously approved project from 215 parking spaces to 198 parking space spaces; 18% parking reduction to a 26% parking reduction supported by a Transportation Demand Management Plan
- Change the internal site circulation
- Change the loading dock door location
- Change the proposed back-up generator model and maintenance and testing hours

VMT (Vehicle Miles Traveled) CEQA Guidelines Section 15064.3

As previously mentioned the project is consistent with City Council Policy 5-1, the proposed project is subject to the Pipeline Provisions of the policy as the project is a modification to an approved project without a change in intensity, use, or location. Therefore, project-level analysis approved in the original SP18-054 remains consistent and this proposed project would be subject to all applicable conditions and measures of its original project.

Furthermore, the proposed project would not increase the vehicle miles traveled (VMT) to the project site as the proposed project includes only site improvements and would not result in any new uses on-site or increase in square footage of the use. Rather, the proposed project would reduce the provided off-street parking with the support of a Transportation Demand Management Plan, consistent with the San José Municipal Code, to encourage alternative modes of transportation. As described on the Transportation Analysis Handbook, decreasing the parking supply encourages employees to choose an alternative transportation mode for their commutes. Furthermore, Section 15046.3(b)(1) of the CEQA Statute and Guidelines states projects that decrease the vehicle miles traveled in the project area compared to existing conditions should be presumed to have a less than

significant transportation impact. Therefore, the proposed project would result in the same impacts to air quality as the "Approved Project", Less than Significant with Mitigation Incorporated.

CONCLUSION

A project that is revised, after completion of an EIR and project approval, can qualify for an Addendum pursuant to CEQA Guidelines Section 15164, which states that "a lead agency or responsible agency shall prepare an addendum to a previously certified EIR or negative declaration if some changes or additions are necessary but none of the conditions described in CEQA Guidelines Section 15162 calling for preparation of a subsequent EIR have occurred." Circumstances that would warrant a subsequent EIR include substantial changes in the project or new information of substantial importance which would require major revisions of the previous EIR due to the occurrence of new significant impacts and/or a substantial increase in the severity of previously identified significant effects.

For the reasons mentioned above, the proposed project will not result in a substantial increase in the magnitude of any significant environmental impact previously identified in the Edenvale Redevelopment Project Final EIR and addenda thereto. For this reason, a supplemental or subsequent EIR is not required and an addendum to the Edenvale Redevelopment Project Final EIR has been prepared for the proposed project. All applicable conditions and measures of the original project shall be incorporated and implemented as part of this amendment.

This Addendum to the EIR and addenda thereto will not be formally circulated for public review, but will be attached to the Initial Study/EIR, pursuant to CEQA Guidelines Section 15164(c). All documents referenced in this amendment are available for public review in the Department of Planning, Building and Code Enforcement at San Jose City Hall, 200 East Santa Clara Street, during normal business hours.

Rosalynn Hughey, Director
Planning, Building and Code Enforcement

1-17-2020
Date


Deputy

Cassandra van der Zweep
Environmental Project Manager

Attachments:

- a. SP18-054 Addendum
- b. Atmospheric Dynamics Inc. Air Quality Memo, December 2019