

**NOTICE OF PREPARATION OF A
DRAFT ENVIRONMENTAL IMPACT REPORT
FOR THE 237 INDUSTRIAL CENTER PROJECT**

FILE NO: C15-054
PROJECT APPLICANT: Cilker Orchards Management Corp.
APN: 015-31-054

Project Description: The project site is primarily fallow farmland with a single-family house and some accessory structures located near the southern portion of the site. The site is currently supported by well water and a septic tank system. The project includes two development options. Option 1 proposes approximately 1,197,700 square feet of light industrial development and Option 2 proposes an approximately 2.35 million square foot data center and up to four stories tall.

Location: The 66.5-acre project site is located north of Highway 237 between Zanker Road and Coyote Creek in the City of San José.

As the Lead Agency, the City of San José will prepare an Environmental Impact Report (EIR) for the project referenced above. The City welcomes your input regarding the scope and content of the *environmental information that is relevant to your area of interest, or to your agency's statutory responsibilities* in connection with the proposed project. If you are affiliated with a public agency, this EIR may be used by your agency when considering subsequent approvals related to the project. The project description, location, and probable environmental effects that will be analyzed in the EIR for the project can be found on the City's Active EIRs website at www.sanjoseca.gov/activeeirs, including the EIR Scoping Meeting information.

According to State law, the deadline for your response is 30 days after receipt of this notice; however, we would appreciate an earlier response, if possible. Please identify a contact person, and send your response to:

City of San José
Department of Planning, Building and Code Enforcement
Attn: Kieulan Pham, Environmental Project Manager
200 East Santa Clara Street, 3rd Floor Tower
San José CA 95113-1905
Phone: (408) 535-3844, e-mail: Kieulan.pham@sanjoseca.gov

Harry Freitas, Director
Planning, Building and Code Enforcement

Deputy



Date

5-20-16

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May 27, 2016

Introduction

The purpose of an Environmental Impact Report (EIR) is to inform decision-makers and the general public of the environmental effects of a proposed project that an agency may implement or approve. The EIR process is intended to provide information sufficient to evaluate a project and its potential for significant impacts on the environment; to examine methods of reducing adverse impacts; and to consider alternatives to the project.

The EIR for the proposed project will be prepared and processed in accordance with the California Environmental Quality Act (CEQA) of 1970, as amended. In accordance with the requirements of CEQA, the EIR will include the following:

- A summary of the project;
- A project description;
- A description of the existing environmental setting, environmental impacts, and mitigation measures for the project;
- Alternatives to the project as proposed; and
- Environmental consequences, including (a) any significant environmental effects which cannot be avoided if the project is implemented; (b) any significant irreversible and irretrievable commitments of resources; (c) the growth inducing impacts of the proposed project; and (d) cumulative impacts.

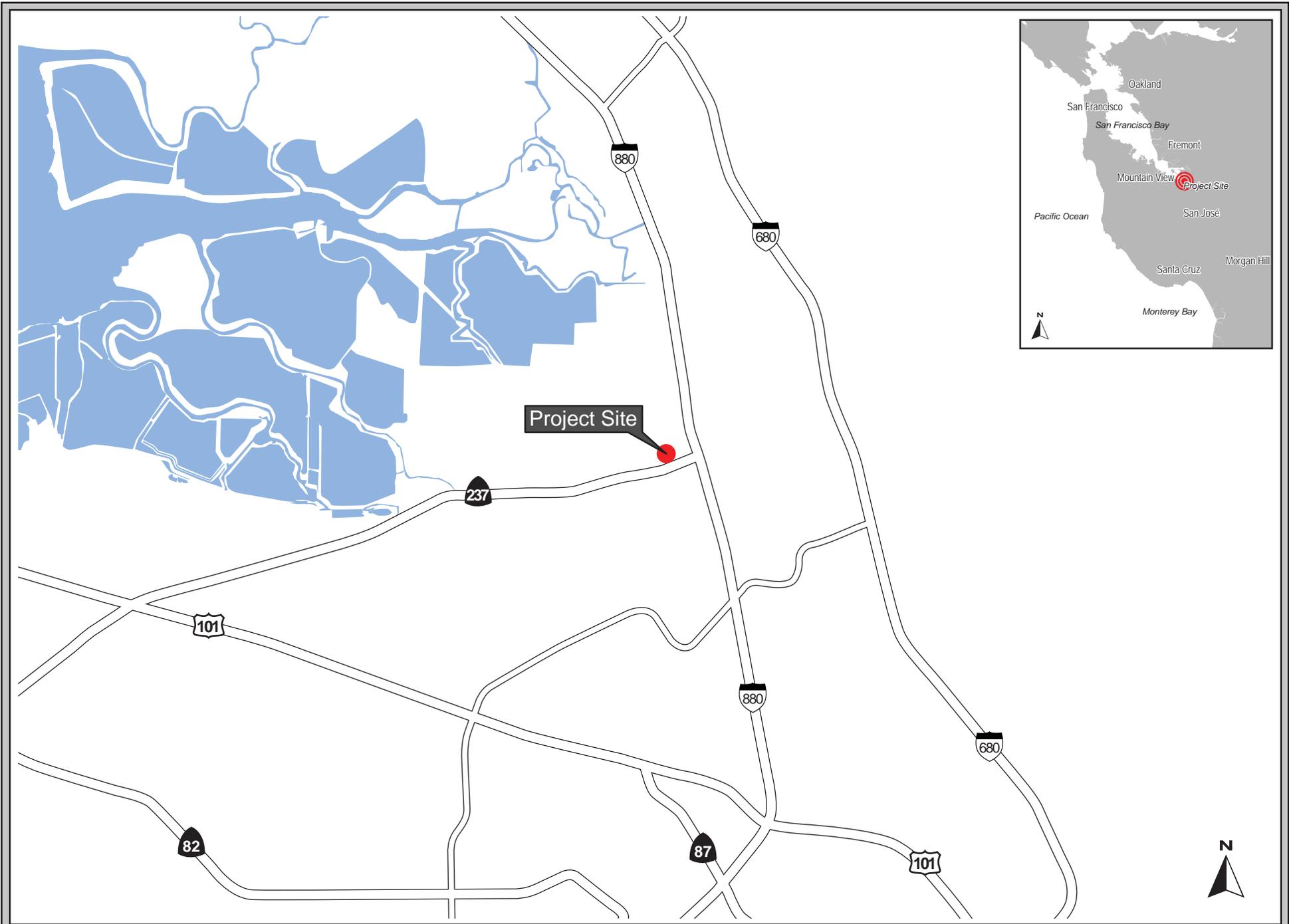
Project Location

The 66.5-acre project site is located north of Highway 237 between Zanker Road and Coyote Creek in the City of San José (see Figures 1, 2, and 3).

Project Description

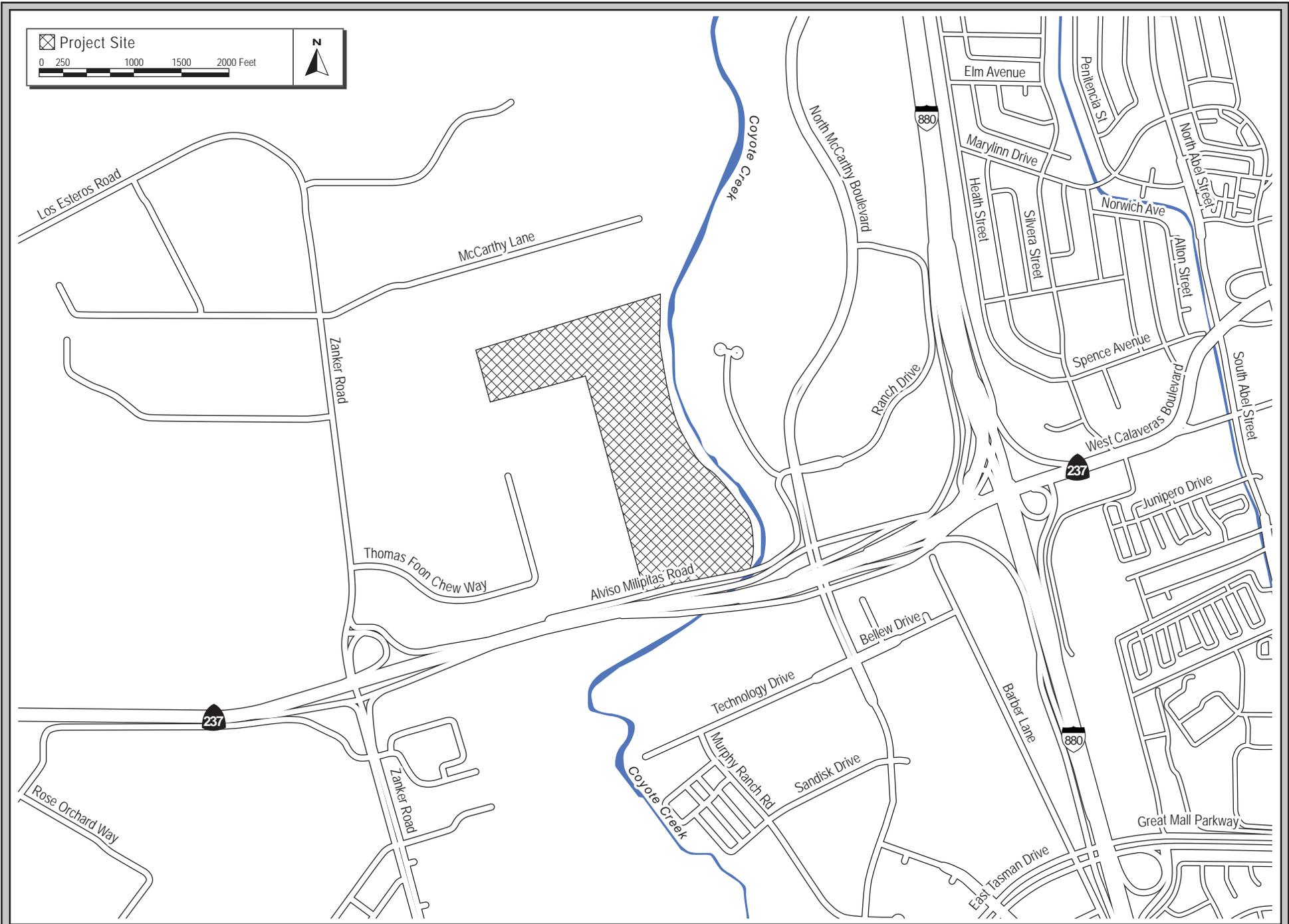
The project site is primarily fallow farmland with a single-family house and some accessory structures located near the southern portion of the site. The site is currently supported by well water and a septic tank system. The project includes two development options. Option 1 proposes approximately 1,197,700 square feet of light industrial development and Option 2 proposes an approximately 2.35 million square foot data center and up to four stories tall.

Option 1 would include seven two-story light industrial buildings with a maximum height of 45 feet and a floor area ratio (FAR) of 0.43. Approximately 2,621 parking spaces would be provided in surface lots surrounding the buildings. Types of uses could include warehousing, wholesaling, light industrial manufacturing, and associated service establishments.



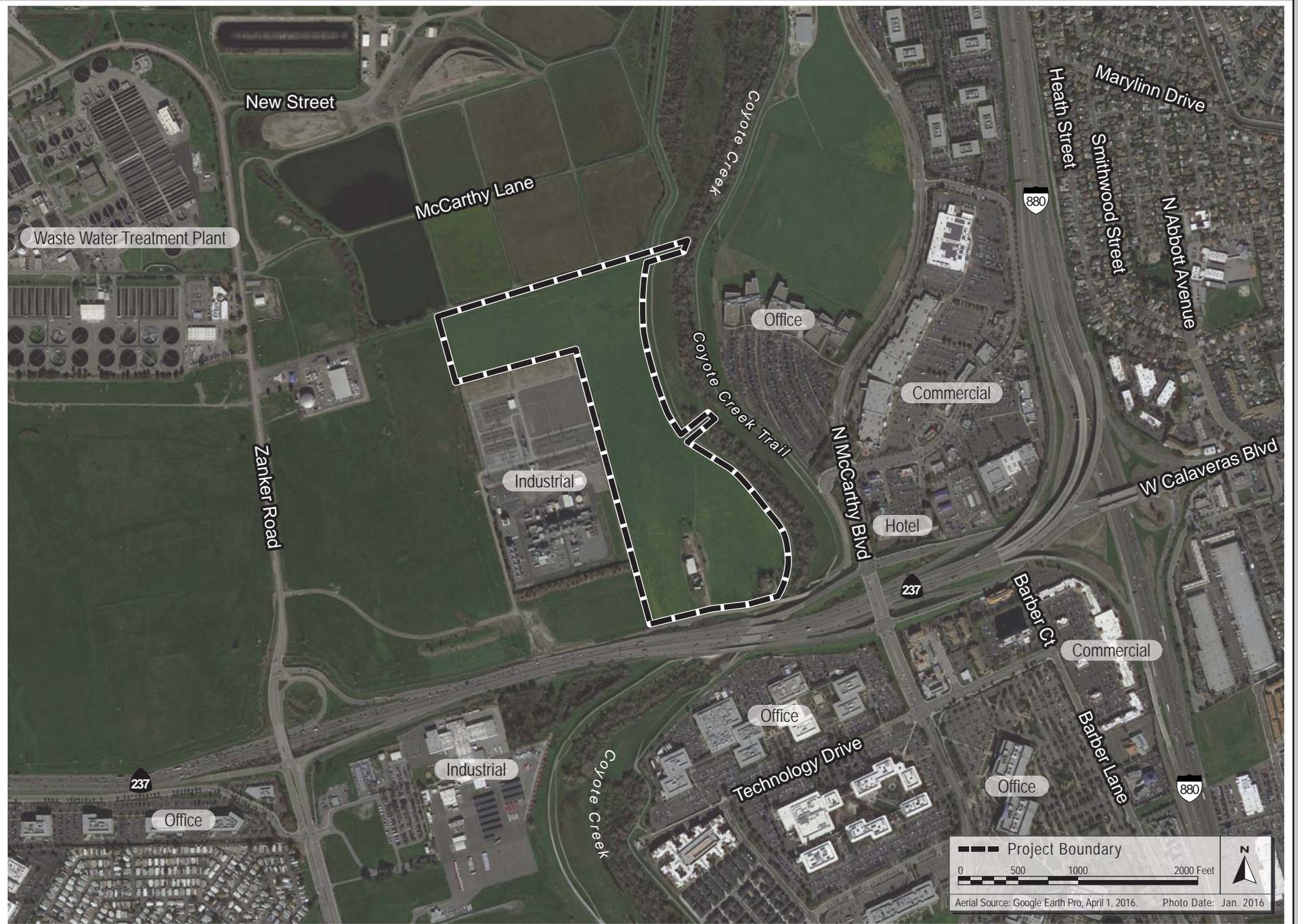
REGIONAL MAP

FIGURE 1



VICINITY MAP

FIGURE 2



AERIAL PHOTOGRAPH AND SURROUNDING LAND USES

FIGURE 3

Option 2 would include five buildings for data center uses. The three main buildings would be a maximum height of 100 feet and the two secondary structures would be a maximum of 30 feet tall. Approximately 350 parking spaces would be provided in three surface lots located adjacent to the main buildings. A new approximately 103,300 square foot electrical substation with a maximum height of 45 feet would be constructed along the northern boundary of the project site.

Access to the site would be provided by two new public streets from Zanker Road. Existing access from Ranch Drive near the southeast corner of the site would be maintained over Coyote Creek. Under Option 1, the project site would be accessed from both northern and southern entry points. Under Option 2, the project site would be accessed through a secured entry adjacent to the substation.

There are very few existing utilities on-site; therefore, water, sanitary sewer, stormwater, electrical, natural gas, and telecom facilities will be extended onto the site. A new stormwater outfall to Coyote Creek and emergency back-up generators may also be necessary.

The project site is designated *LI – Light Industrial* under the City’s General Plan and zoned *A(PD) – Agricultural Planned Development*. Development of the project would be consistent with the City’s General Plan land use designation and the Alviso Master Plan. It is anticipated that the project would be rezoned to the conventional zoning designation of *Light Industrial*. Data Centers are conditional uses in this zoning district.

Possible Required Project Approvals:

1. Rezoning
2. Conditional Use Permit
3. Site Development Permit
4. Grading, Building, and Occupancy Permits

Potential Environmental Impacts of the Project

The EIR will identify the significant environmental effects anticipated to result from development of the project as proposed. Mitigation measures will be identified for significant impacts, as warranted. The EIR will include the following specific environmental categories as related to the proposed project:

1. Land Use

The project site is surrounded by public and private utilities/power stations, Coyote Creek, percolation fields, and remnant vacant property. The EIR will describe the existing land uses adjacent to and within the project area, in addition to the current General Plan and zoning designations of the site. Land use impacts that would occur as a result of the proposed project will be analyzed, including the consistency of the project with the City’s General Plan and Zoning Code and compatibility of the proposed and existing land uses in the project area.

2. *Aesthetics and Visual Resources*

The EIR will describe the existing visual setting of the project area and the visual changes that are anticipated to occur as a result of the proposed project. The EIR will also describe the project's conformance with the City of San José General Plan policies pertaining to visual and aesthetic impacts.

3. *Geology*

The project site is located in the most seismically active region in the United States. The EIR will discuss the possible geological impacts associated with seismic activity and the existing soil conditions on the project site.

4. *Hydrology and Water Quality*

The EIR will address the possible flooding issues of the site as well as the effectiveness of the proposed storm drainage system and the project's effect on stormwater quality consistent with the requirements of the Regional Water Quality Control Board. The EIR will also include the percentage of pervious and impervious surfaces on-site (under existing and project conditions), and a list of proposed stormwater control measures that meet Low Impact Development Requirements.

5. *Biological Resources*

The project site is fallow farmland with little vegetation; however, it is designated burrowing owl habitat in the Santa Clara Valley Habitat Plan. Protocol-level burrowing owl surveys will be completed on the site. Potential impacts to the adjacent riparian corridor of Coyote Creek will be identified. The EIR will discuss the overall loss of existing habitat and the project's consistency with the Santa Clara Valley Habitat Plan.

6. *Hazards and Hazardous Materials*

The project site was historically used as agricultural land and may contain residual pesticides. The EIR will summarize known hazardous materials conditions on and adjacent to the project site and will address the potential for the proposed development to result in significant hazardous materials impacts.

7. *Cultural Resources*

The project area has a high sensitivity for potentially buried archaeological sites. A cultural resources evaluation will be prepared for the proposed project to determine if there are potential subsurface cultural materials on-site and in the project area. A literature review of previously recorded sites will be conducted at the Northwest Information Center at Sonoma State University. A site reconnaissance will be completed due to the proximity of Coyote Creek, a sensitive cultural resource. The EIR will analyze the potential for as yet undocumented subsurface resources (i.e., prehistoric/historic cultural, Native American, and paleontological) to be to be encountered during project construction.

8. *Transportation and Circulation*

The EIR will examine the existing traffic conditions in the immediate vicinity of the project site. A Transportation Impact Analysis (TIA) will be prepared that addresses both development options to identify the transportation impacts of the proposed project on the existing local and regional transportation system and the planned long-range transportation network. The TIA will be completed according to City of San José and Congestion Management Program (CMP) requirements.

9. *Air Quality*

The EIR will address the regional air quality conditions in the Bay Area and discuss the proposed project's impacts to local and regional air quality according to 2011 Bay Area Air Quality Management District (BAAQMD) guidelines and thresholds. BAAQMD recommends a 1,000-foot radius for assessing community risks and hazards from Toxic Air Contaminant (TAC) stationary sources. Due to the distance between sensitive receptors and the project site, a TAC analysis is not required.

10. *Noise*

The project site is designated *Light Industrial* under the General Plan and is not located in proximity to sensitive land uses such as residential development. The EIR will determine existing noise levels on-site utilizing the City's General Plan and Municipal code and noise levels will be evaluated for consistency with applicable standards and guidelines of the City of San José. Potential noise impacts to wildlife within the adjacent riparian corridor will be identified.

11. *Utilities*

Implementation of the proposed project will result in an increased demand for utilities and public facilities compared to existing conditions. The EIR will examine the need to expand utilities to the site and the potential impacts of the project on public services, including utilities such as sanitary and storm drains, water supply, and solid waste management.

12. *Public Services*

Implementation of the proposed project will increase the daytime employee population of the City which will result in an increased demand on public services, including police and fire protection. The EIR will address the availability of public facilities and service systems and the potential for the project to require the construction of new facilities.

13. *Energy*

Implementation of the proposed project will result in an increased demand for energy on-site. The EIR will address the increase in energy usage on-site and proposed design measures to reduce energy consumption.

14. Greenhouse Gas Emissions

The EIR will address the proposed project's contribution to regional and global greenhouse gas emissions based on the City's greenhouse gas emissions reduction strategy. Proposed design measures to reduce energy consumption, which in turn would reduce greenhouse gas emissions, will be discussed.

15. Alternatives

The EIR will examine alternatives to the proposed project including a "No Project" alternative and one or more alternative development scenarios depending on the impacts identified. Other alternatives that may be discussed could include reduced development alternatives (e.g., smaller project site or reduced density alternatives), alternative land uses, and/or alternative locations. Alternatives discussed will be chosen based on their ability to reduce or avoid identified significant impacts of the proposed project while achieving most of the identified objectives of the project.

16. Significant Unavoidable Impacts

The EIR will identify those significant impacts that cannot be avoided, if the project is implemented as proposed.

17. Cumulative Impacts

The EIR will include a Cumulative Impacts section that will address the potentially significant cumulative impacts of the project when considered with other past, present, and reasonably foreseeable future projects in the development area.

In conformance with the CEQA Guidelines, the EIR will also include the following sections: 1) consistency with local and regional plans and policies, 2) growth inducing impacts, 3) significant irreversible environmental changes, 4) references and organizations/persons consulted, and 5) EIR authors.