ENVIRONMENTAL LEADERSHIP DEVELOPMENT PROJECT APPLICATION

Downtown West Mixed Use Plan in San José, California

Prepared for
Google LLC

August 2019

ESA

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ENVIRONMENTAL LEADERSHIP DEVELOPMENT PROJECT APPLICATION

Downtown West Mixed Use Plan

Introduction

The project applicant, Google LLC, ("applicant") is submitting this Application for certification of the Downtown West Mixed Use Plan ("project" or "plan") as an Environmental Leadership Development Project (ELDP), pursuant to Assembly Bill 900 (AB 900), the Jobs and Economic Improvement through Environmental Leadership Act of 2011, as amended effective January 1, 2018, and codified in Public Resources Code Section 21178 et. seq. Although codified within the California Environmental Quality Act (CEQA), the process for certification of the project as an ELDP is separate from all but a few of the steps required for preparing a CEQA environmental review document.

Project Proposal

Project Description

The applicant proposes to develop a mixed-use project within an approximately 80-acre area ("project site" or "project area") of downtown San José. The proposal would be phased and would include up to 7.3 million gross square feet (GSF) of commercial office space; up to 500,000 GSF of commercial retail space (including arts and cultural, educational, and institutional uses); a hotel with up to 300 guest rooms; up to 800 rooms of limited-term corporate accommodations; an approximately 100,000-GSF event facility with flexible and divisible spaces for hosting conferences and assemblies year-round; up to 5,900 housing units, some in buildings with commercial or other uses at the ground level; and, as replacement for existing parking spaces, up to 3,650 spaces all available for the public that will provide parking at market rates serving retail, office, and entertainment uses, including for off-site uses such as the SAP Center.

The project proposes a district-systems approach to deliver resource efficiency across water, energy and waste flows. A 100,000-square-foot central utility plant (CUP) would provide thermal heating and cooling energy via a district-wide system that would extend across the site; an option for an approximately 1 million gallons per day wastewater treatment facility on the project site that would treat, for beneficial reuse, wastewater streams; options for an evolved electrical distribution system with embedded renewable energy generation and storage, including a grid tied microgrid; a centralized area for solid waste collection, sorting and off-hauling, options for automatic waste collection; and two logistics hubs (each approximately 50,000 square feet) where inbound materials and supply deliveries directed to the site's commercial office buildings could

be inventoried and stored before being efficiently distributed in small-scale natural-gas or electric-powered trucks, to service on-site offices. Stormwater will be managed at a parcel level and within rights of way where required, with sustainable approaches adopted in accordance with the Santa Clara Valley Urban Runoff Pollution Prevention Program and best management practices.

The project would include open space and landscaping improvements throughout the project area, totaling approximately 15 acres, that would entail landscaped green space, new trees, shrubs and ornamental plantings, park areas and ecological enhancements within the riparian zone adjacent to Los Gatos Creek and the Guadalupe River. Within the project boundary, approximately 140 existing trees would remain and 170 existing trees would be removed. The project would add 450 street trees and 300 trees in open spaces. The project includes a new public access trail extending for a mile along the project area's north-south axis, including portions where it would meander along the creek edge and portions where it may follow street rights of way.

The project would also include various street network improvements, including extending Cahill Street, new streets connecting Cahill Street to Autumn Street, providing increased circulation in the center of the site while also reducing block size and providing building access; sidewalk widening and road diets (lane removal and reconfiguration) along Autumn Street, Montgomery Street, and Delmas Street, which include changing Autumn and Montgomery streets from one-way to two-way, and removing vehicular access on Montgomery Street south of San Fernando Street; streetscape enhancements, including improved streetscapes and intersection design, and new and improved bike facilities throughout the project that prioritize pedestrian and cyclist safety and improve linkages to downtown; and other improvements aimed at leveraging the site's proximity to Diridon Station, which currently includes Caltrain commuter rail and VTA light rail and is planned to include in the future Bay Area Rapid Transit (BART) commuter rail and high-speed rail service.

Project Location

The project area is located within a portion of downtown San José that the City designated as an Urban Village in the *Envision San José 2040 General Plan*[1] and most of the project area is located within of the *Diridon Station Area Plan (DSAP)*[2]. The City of San José is known for being a center of technological innovation and economic activity as it is the largest and most urban city in Silicon Valley. The city provides high quality municipal services, cultural and outdoor recreational opportunities, and an overall high quality of life for its residents. **Figure 1,** *Project Location Map***,** and **Figure 2,** *Aerial***,** shows the project location in an area generally bounded by Lenzen Avenue and the Union Pacific railroad tracks to the north; North Montgomery Street, Los Gatos Creek, the Guadalupe River, South Autumn Street, and Royal Avenue to the east; Auzerais Avenue to the south; and Sunol Avenue, Diridon Station and rail tracks to the west. The project also includes the area generally bounded by Los Gatos Creek to the

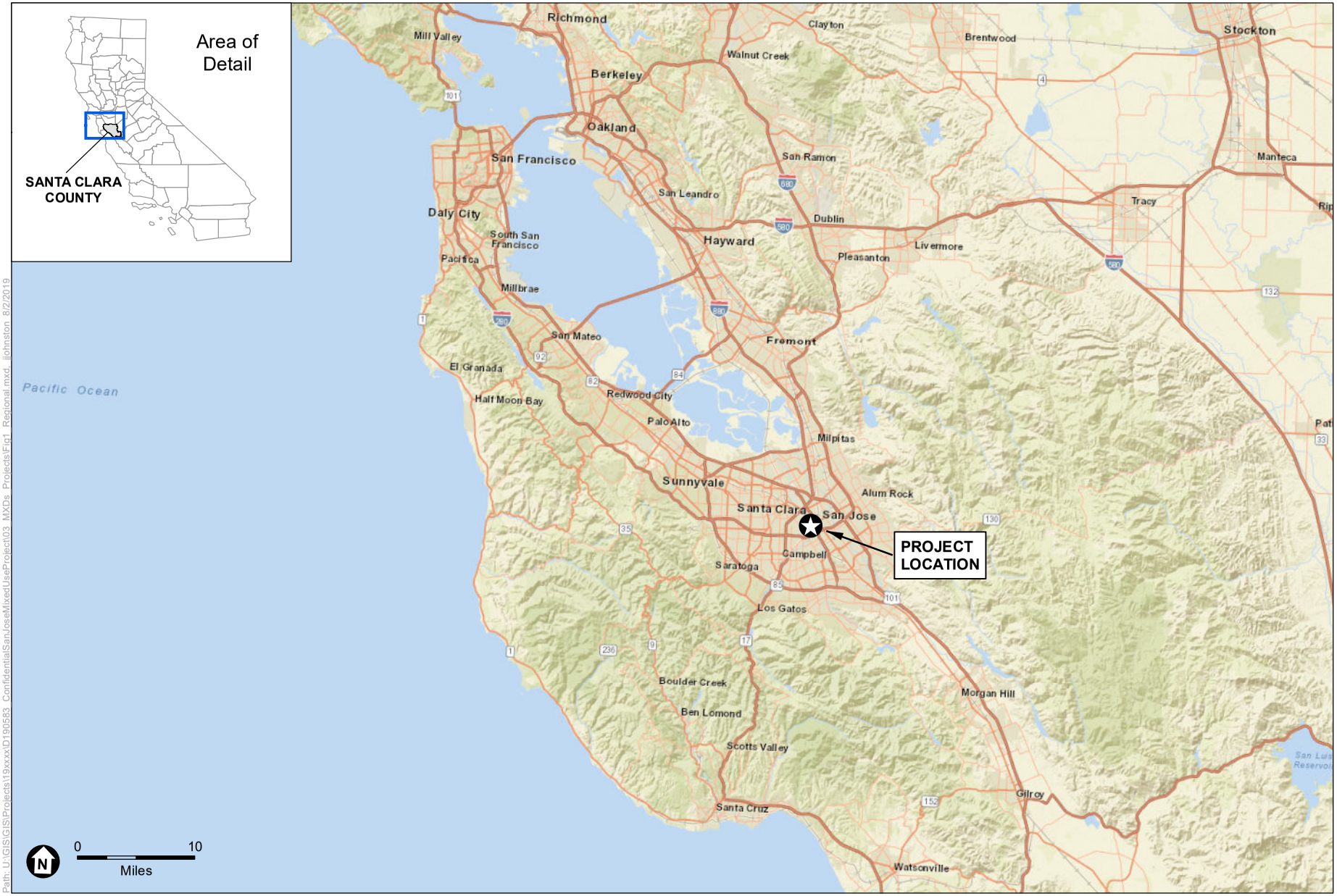
1 City of San José. *Envision San José 2040 General Plan.* November 1, 2011. Amended December 18, 2018. Available at: http://www.sanjoseca.gov/DocumentCenter/View/474.

2 City of San José. *Diridon Station Area Plan*. June 17, 2014. Available at: http://www.sanjoseca.gov/index.aspx?NID=1743.

west, San Fernando Street to the south, the Guadalupe River to the east, and Santa Clara Street to the north. While most of the land being studied as part of the project as described above is owned by Google LLC, some parcels are under option, while some parcels are subject to discussions currently underway for inclusion in the project. These parcels are included in this application to ensure full analysis of the anticipated project. In conjunction with the Urban Village designation, the City adopted the DSAP, which establishes a vision for Diridon Station and the surrounding area in response to the planned extension of BART and high-speed rail service to San José. The proposed project would require the City to consider a number of amendments to the DSAP as part of the approvals required.

The project site is located at the confluence of a network of regional transportation facilities and lies within a transit oriented development area. The San José Diridon Station, a central passenger rail hub just outside and to the west of the project boundaries, is served by Caltrain, Altamont Commuter Express (ACE), Santa Clara Valley Transportation Authority (VTA) light rail, Amtrak Capitol Corridor, Amtrak Coast Starlight, and will be served by BART, with plans for high-speed rail service connecting San Francisco and Los Angeles. Bus services at the Diridon Station include California Shuttle Bus, Amtrak Thruway Bus (55 Monterey-San José Express, 86- King City/San José/SJ Airport), Monterey-Salinas Transit, Santa Cruz Metro (Highway 17 Express), local VTA bus lines 22, 63, 64, 65, 68, 168, 181, 522, DASH Downtown Area Shuttle, and employer shuttles. A Downtown San José/Santa Clara BART extension with a stop on West Santa Clara Street is expected to be completed by 2026. State Route (SR) 87 intersects with the project area at San Fernando Road in the south and then generally runs north-south parallel to the project area approximately 1,000 feet to its east; Interstate 280 (I-280) is immediately adjacent to the south; and I-880 is accessible via the Alameda/San Carlos Street approximately 5,500 feet to the northwest of the project area.

Within the project area vicinity are established neighborhoods including the Garden-Alameda neighborhood to the north; St. Leo's neighborhood to the west; Sunol-Midtown to the south; and the Market-Almaden/Lakehouse neighborhoods to the east of State Route 87. The Norman Y. Mineta San José International Airport is located approximately 4 miles to the north of the project area, accessible from SR-87.



SOURCE: ESRI

Diridon Mixed Use Project

Figure 1
Project Location Map

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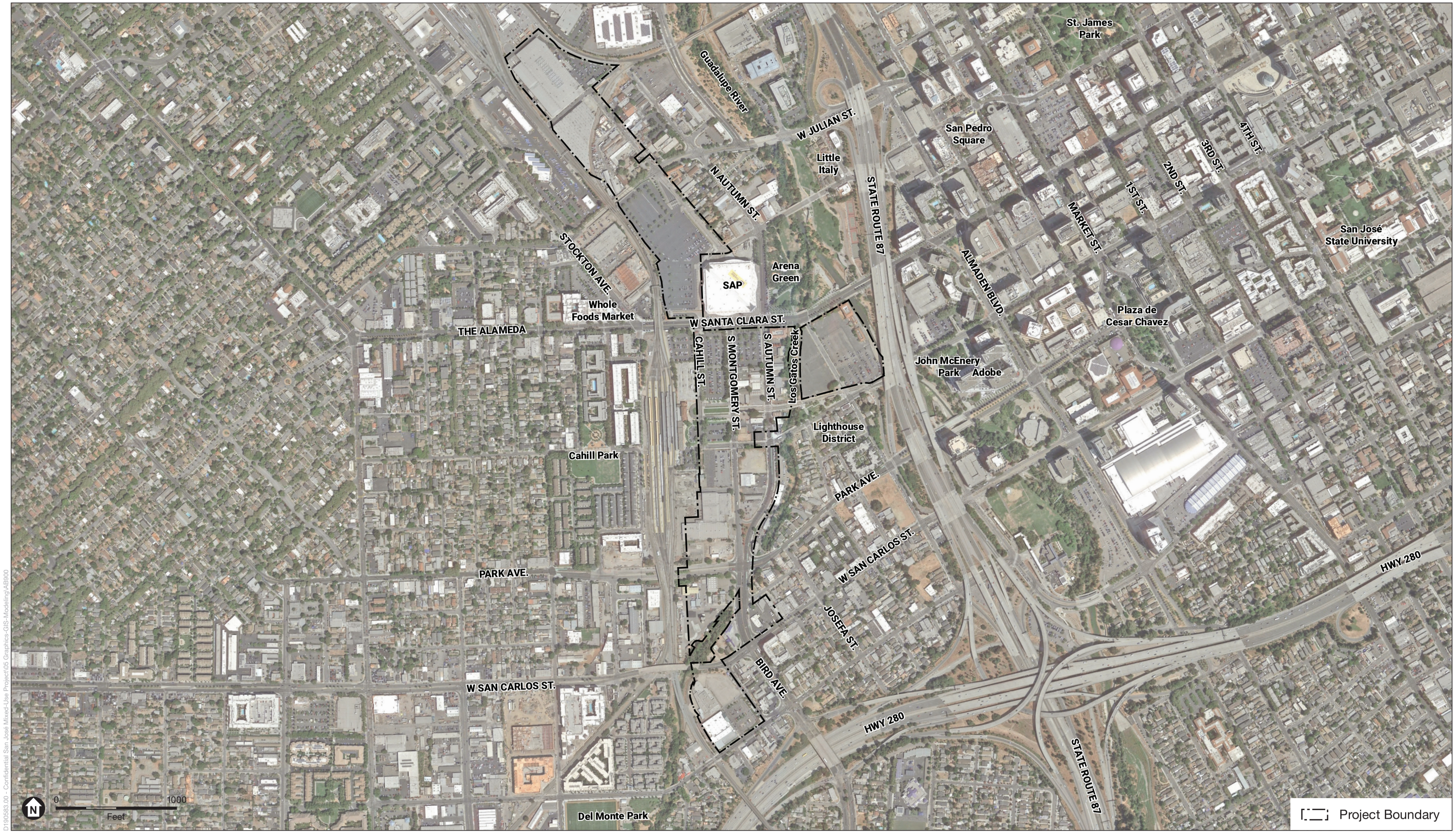

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SOURCE: Google Maps, 2019

Diridon Mixed Use Project

Figure 2
Aerial

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Project Variants

The proposed project's mix of land uses are represented by two variant site plans ("Variant A" and "Variant B"), both with similar overall programs, but distinct distribution of uses across the project area (**Table 1,** *Program Variants*).

TABLE 1
PROGRAM VARIANTS

	Variant A	Variant B
Development Program		
Residential Units	3,000 - 5,900	3,000 - 5,700
Retail GSF	300k - 500k	300k - 500k
Hotel (rooms)	200-300	200-300
Limited-term Corporate Accommodations (rooms)	Up to 800	Up to 800
Office GSF	5.5 M- 7.3M	5.5 M- 7.1M
Event Center GSF	100k	100k
Central Utility Plant (District Systems) GSF	100k	100k
Logistics/Warehouse GSF	100k	100k
Parking/Loading		
Public Parking (stalls)	3,650	3,550
Residential Parking (stalls)	2,360	2,280
Total Parking Stalls	6,010	5,830

Assumptions:
1. All GSF rounded to the nearest 100k.
2. Retail uses include a variety of active ground-floor uses, including but not limited to retail, restaurant, arts and cultural uses, and educational and institutional uses.
3. Approximately 150k-200k of Office GSF could become standalone amenity, hotel, or retail.
4. Parking reflects assumed ratio of 0.4 stalls/unit for residential. All parking stall counts reflect upper bound.

Variant A

Variant A assumes residential uses, open space, and office uses clustered in the northern zone (north of Santa Clara Street) (**Figure 3**, *Variant A*). Office would be sited along the eastern edge of the rail right-of-way. Cahill Street would be extended from its current terminus at West Santa Clara Street to North Montgomery Street in the north (and to Park Street in the south) to enhance connectivity. An event center is anticipated to front a landscaped plaza/assembly area, in the vicinity of the SAP Center, a hotel with up to 300 guest rooms is planned in the vicinity to complement the event center.

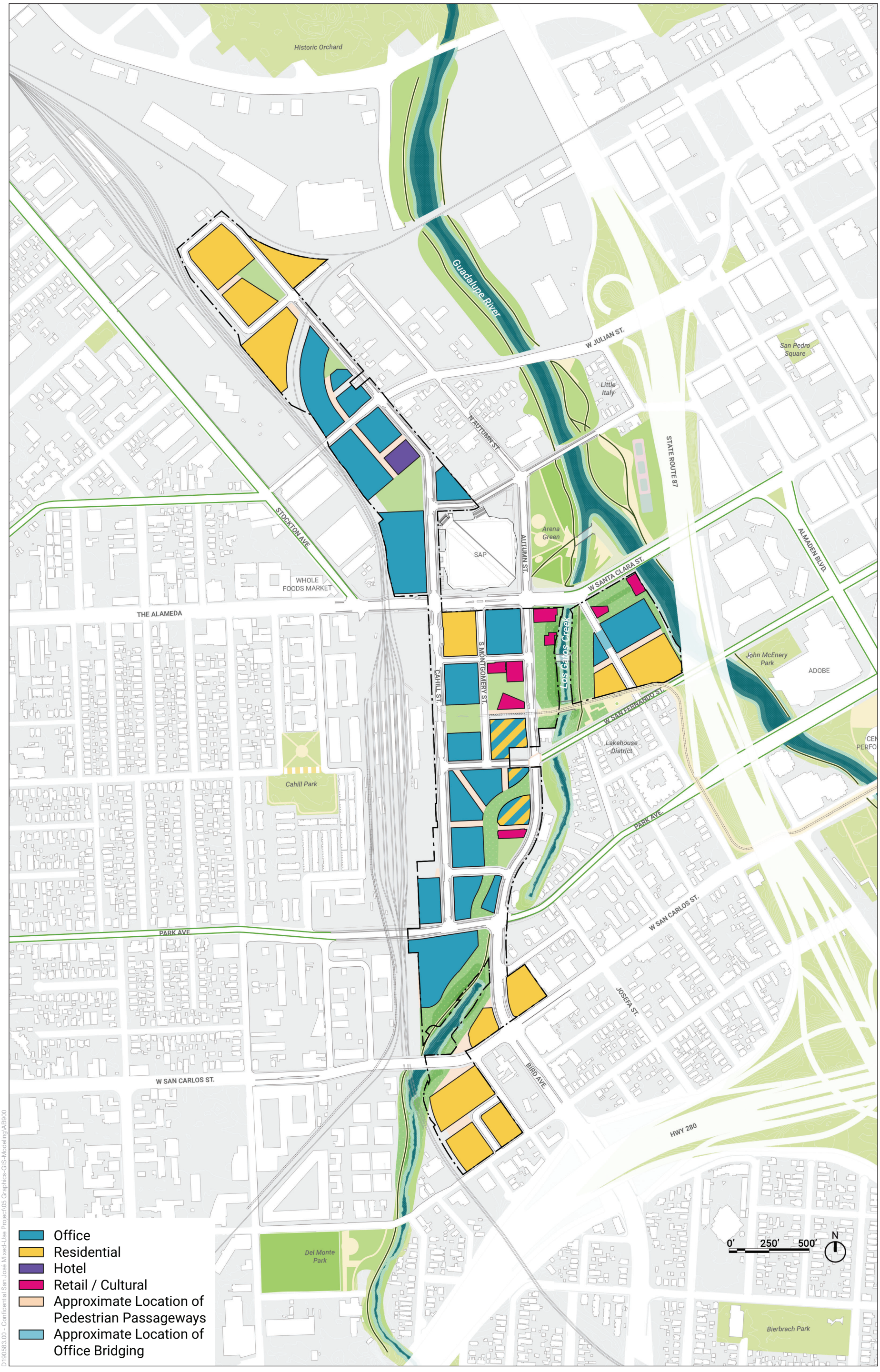
The project's central core, generally bounded by West Santa Clara Street to the north and Park Avenue to the south, would contain a mix of all the project's program uses and is intended to function as a destination and vibrant focal point for the project area. The area's activity would be pedestrian-

focused, and be anchored by Montgomery and Autumn streets, which would contain a variety of ground-floor, civic-oriented uses, including but not limited to arts and cultural uses, educational and institutional uses, and retail and restaurant establishments amongst residential buildings. In this central zone, the project proposes enhanced landscaping and improved open space amenity and access to Los Gatos Creek to the east of Autumn Street and possible reuse and new programming of existing structures on Autumn Street.

The project area's proposed southern zone (south of Park Avenue) would include a mix of office and residential buildings. Residential buildings developed south of Los Gatos Creek are envisioned as extensions of existing adjacent residential neighborhoods. Access to Los Gatos Creek would be enhanced within the southern zone. New buildings adjacent to the riparian zone would be set back up to 50 feet from the edge of the creek embankment. A new multi-use pathway would follow the creek edge.

Variant B

Overall, Variant B (**Figure 4**, *Variant B*) would maintain a similar mix of uses compared to Variant A. However, Variant B would have a different geographic distribution of land uses north of West Santa Clara Street, in the project's northern zone. Variant B assumes that a cluster of parcels immediately north of West Santa Clara Street would be developed as residential, rather than office, while the northernmost parcels on the site would be developed as office, rather than residential. In Variant B, the parcel immediately west of the SAP Center could be developed either as office or as residential.



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SOURCE: SITELAB urban studio, 2019

Diridon Mixed Use Project

Figure 3
Variant A

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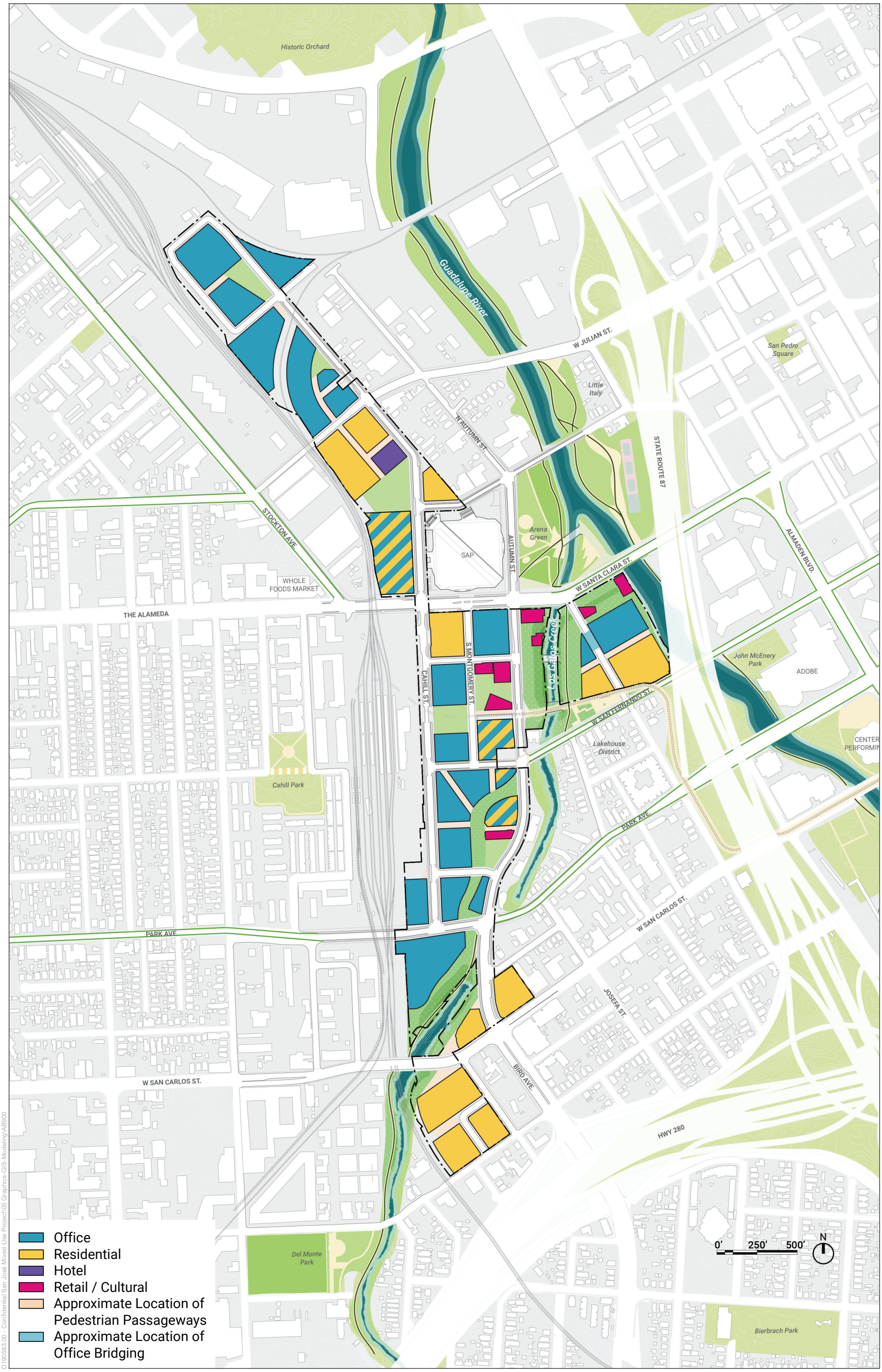

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SOURCE: SITELAB urban studio, 2019

Diridon Mixed Use Project

Figure 4
Variant B

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Project Construction and Phasing

The project would remove existing buildings across a range of uses, as well as existing parking uses. The SAP Center (a large sports and events arena) is outside of the project boundary and would remain in place and continue to operate business as usual.

Construction would be split into three phases, depending on the variant, starting as early as 2021. The first phase would open in 2024. Phasing for Variants A and B is described below, although these phasing tables are illustrative (**Table 2**, *Variant A Construction Phasing*; **Table 3**, *Variant B Construction Phasing*). Some phases may adjust, may occur in a different order, or occur concurrently. However, the entire development program is expected to take at least ten years. All analysis has made the most aggressive and impactful assumptions to be conservative.

TABLE 2
VARIANT A CONSTRUCTION PHASING

	Phase			
Development Program	**1 2021-2024**	**2 2024-2027**	**3 2027-2030**	**Total**
Residential Units	2,000	2,300	1,600	5,900
Retail GSF	100,000	280,000	120,000	500,000
Hotel (rooms)	0	0	300	300
Limited-term Corporate Accommodations (rooms)	250	250	300	800
Office GSF	2,600,000	2,600,000	2,100,000	7,300,000
Event Center GSF	0	0	100,000	100,000
District Systems GSF	100,000	0	0	100,000
Logistics/Warehouse GSF	50,000	0	50,000	100,000
Parking				
Public Parking (stalls)	1,300	1,300	1,050	3,650
Residential Parking (stalls)	800	920	640	2,360
Total Parking Stalls	2,100	2,220	1,690	6,010

Note: Parking stall counts are average anticipated number to be delivered per phase.

TABLE 3
VARIANT B CONSTRUCTION PHASING

	Phase			
Development Program	**1 2021-2024**	**2 2024-2027**	**3 2027-2030**	**Total**
Residential Units	1,300	3,100	1,300	5,700
Retail GSF	60,000	320,000	120,000	500,000
Hotel (rooms)	0	0	300	300
Limited-term Corporate Accommodations (rooms)	250	250	300	800
Office GSF	2,600,000	2,600,000	1,900,000	7,100,000
Event Center GSF	0	0	100,000	100,000
District Systems GSF	100,000	0	0	100,000
Logistics/Warehouse GSF	50,000	0	50,000	100,000
Parking				
Public Parking (stalls)	1,300	1,300	950	3,550
Residential Parking (stalls)	520	1,240	520	2,280
Total Parking Stalls	1,820	2,540	1,470	5,830

Note: Parking stall counts are average anticipated number to be delivered per phase.

Permitting

The applicant is requesting approval for anticipated amendments to the General Plan, Diridon Station Area Plan, Planned Development Zoning, and a Master Planned Development Permit, zoning map amendments, development agreement, tentative and final maps, and ministerial permits. The applicant will additionally coordinate with the Valley Water, Santa Clara County Airport Land Use Commission, Department of Toxic Substances Control, Regional Water Quality Control Board, and any other state or federal agencies with regulatory oversight for notices, permits, and other related environmental compliance requirements.

Consistency with Statutory Requirements for CEQA Streamlining

This application was prepared in accordance with the Governor's Guidelines for Streamlining Judicial Review under CEQA, which is provided on the Governor's Office of Planning and Research Website (http://opr.ca.gov/ceqa/california-jobs.html).

The following information (in addition to all figures and appendix materials) is submitted to establish that the project satisfies the statutory requirements for CEQA streamlining as further informed by the criteria set forth in the Governor's Guidelines under California Public Resources Code Section 21178 et seq.

1. Information to show the project is residential, retail, commercial, sports, cultural, entertainment, or recreational in nature.

The project includes office, retail, arts and cultural uses, residential, hotel, an event facility, district systems, logistics/warehouse, open space, and public parking. As described above, the project would contain 5.5 to 7.3 million GSF of office, 300,000 to 500,000 GSF of retail, up to 300 hotel rooms, up to 800 rooms of limited-term corporate accommodations, 3,000 to 5,900 dwelling units, 100,000 GSF of an event center, 100,000 GSF of district systems, 100,000 GSF of logistics/warehouse, and approximately 15 acres of open space. Up to a total of 6,010 parking spaces would be provided for residential units and the public.

Land use diagrams for the two project variants are included as **Figure 3**, *Variant A*, and **Figure 4**, *Variant B*.

2. Information to show the project will qualify for LEED Gold Certification. The application shall specify those design elements that make the project eligible for LEED Gold Certification, and the applicant shall submit a binding commitment to delay operating the project until it receives LEED Gold Certification. If, upon completion of construction, LEED Gold Certification is delayed as a result of the certification process rather than a project deficiency, the applicant may petition the Governor to approve project operation pending completion of the certification process.

The project would incorporate design and construction standards that would reduce energy and water use, encourage compact development and more walkable neighborhoods, and create healthier indoor and outdoor environments. The project would achieve the United States Green Building Standards (USGBC) Leadership in Energy and Environmental Design (LEED) Neighborhood Development (ND) Gold Certification. The project would adhere to the LEED v4 ND rating system in which at least one building would be required to achieve LEED Gold. The project anticipates certification under LEED ND: Plan, which is designated for neighborhood-scale projects in any phase of planning and design and up to 75% constructed. Should LEED ND be superseded by LEED for Cities and Communities, a similar standard currently being

contemplated by the USGBC, the project would adhere to the applicable new standard. LEED provides a level of flexibility for projects to choose the credits and project features that would contribute to certification.

Either project variant would integrate low-impact development and transportation demand management, energy efficiency, water conservation, and other green-building practices to achieve a minimum LEED ND Gold certification. Achieving LEED ND Gold Certification requires obtaining at least 60 points across five categories, listed below with anticipated minimum strategies and possible additional strategies:

- Smart Location and Linkage (SLL): A central, urban location (10 points), access to high quality transit (7 points), bicycle facilities (2 points), and housing and jobs proximity (3 points)
- Neighborhood Pattern and Design (NPD): walkable streets (9 points), compact development (6 points), mixed-use neighborhoods (4 points), access to civic and public space (1 point), transportation demand management (2 points)
- Green Infrastructure and Buildings (GIB): certified green buildings (5 points), optimized building energy performance (2 points), indoor water use reduction (1 point), outdoor water use reduction (2 points), rainwater management (4 points), and district heating and cooling (2 points)
- Innovation (IN): to be studied
- Regional Priority (RP): to be studied

The above anticipated strategies would result in up to 60 out of the required 60 points needed for LEED ND Gold. Other strategies that are currently under study, or may be studied as part of further design investigation, totaling up to 30 additional points, include:

- Neighborhood Pattern and Design (NPD): housing types and affordability (7 points), reduced parking footprint (1 point), connected and open community (2 points), transit facilities (1 point), access to recreation facilities (1 point), visitability and universal design (1 point), community outreach and involvement (2 points), and tree-lined and shaded streetscapes (2 points)
- Green Infrastructure and Buildings (GIB): building reuse (1 point), historic resource preservation and adaptive reuse (2 points), heat island reduction (1 point), solar orientation (1 point), renewable energy production (3 points), infrastructure energy efficiency (1 point), wastewater management (2 points), solid waste management (1 point), and light pollution reduction (1 point)

Under LEED ND: Plan, final LEED certification is anticipated to be granted in a later phase of project planning and design. If certification is delayed as part of the certification process, the project sponsor would petition the Governor to approve project operation pending completion of the certification process, as permitted under Public Resources Code Section 21178 et seq.

3. Information to show the project will achieve at least 15 percent greater transportation efficiency than comparable projects. "Transportation efficiency" is defined as the number of vehicle trips by employees, visitors, or customers to the project divided by the total number of employees, visitors, and customers. The applicant shall provide information setting forth its basis for determining and evaluating comparable projects and their transportation efficiency, and how the project will achieve at least 15 percent greater transportation efficiency. For the purpose of this provision, comparable means a project of the same size, capacity and location.

The *AB 900 Transportation Assessment*, dated August 22, 2019, for the project provides detailed trip generation calculations for existing land uses and a range of TDM performance outcomes. The assessment compares the variants to a Comparable Project, which has the same size, mix of land uses and location, but no TDM programs, to establish at least 15 percent greater transportation efficiency. The *AB 900 Transportation Assessment* is attached to this Application as Appendix A, and is summarized below.

The project would significantly reduce automobile trips through a comprehensive design including a mix of land uses including both residential and commercial. The project benefits from a prime location in downtown San José that is close to high frequency transit, provides walkable streets and spaces, and minimizes accessory parking for on-site land uses. However, the Comparable Project is assumed to have the same location and mix of uses.

Transportation Demand Management Program

Google has a long history of successful TDM programs, achieving drive alone mode shares in Mountain View and Sunnyvale that are substantially below the average mode shares of those cities. Its programs are constantly evolving to adjust to market demands, new technologies, and employee home locations, and would continue to evolve to meet the demands of this project. The scenarios modeled in the *AB 900 Transportation Assessment* are illustrative examples of possible ways to achieve the necessary mode splits based on existing Google programs. The modeling demonstrates that there are a variety of transportation demand management strategies that can enable employees to get to work while leaving their cars at home.

Office TDM strategies are anticipated to include subsidized transit passes, market-rate workplace parking, and express buses to complement existing high-quality, high-frequency public transit. Residential TDM strategies are anticipated to include:

- Parking ratio of 0.4 spaces/unit (below city requirements and ITE assumptions)
- Unbundled parking
- An onsite transportation coordinator
- Marketing –encouragement and incentives to residents

- Technology-based services to encourage transit, walking, biking
- Transit-pass program
- Car-share subsidy
- Bike storage/parking

Project Variants Trip Generation

The project would generate a range of daily vehicle trips depending on the year (due to the phased buildout) and the TDM scenario. At full buildout, the project would generate approximately 24 million to 25 million annual vehicle trips, or 43-44% of the project's total person trips.[3]

Comparable Project Trip Generation

The Comparable Project and the project variants are assumed to have the same size, mix of land uses, and location.

At full buildout, the Comparable Project would generate 29-30 million annual vehicle trips, or 55% of the Comparable Project's total person trips.

Trip Generation Summary

The project variants are differentiated from the Comparable Project through a combination of office and residential TDM strategies, implementation of quality urban design and a fine-grained street network, and a consolidated logistics center, which would reduce delivery trips.

This difference results in a greater than 15 percent transportation efficiency for both variants of the project at every phase, compared to the Comparable Project (**Table 4**, *Transportation Efficiency by Phase*).

[3] A person trip is defined as a trip by one person in any mode of transportation.

TABLE 4
TRANSPORTATION EFFICIENCY BY PHASE

Project	Phase 1 Transportation Efficiency	Phase 2 Transportation Efficiency	Phase 3 Transportation Efficiency
Variant A	0.447	0.459	0.444
Variant A Comparable	0.568	0.558	0.552
Reduction from Comparable Project	**21.2%**	**17.8%**	**19.5%**
Variant B	0.430	0.459	0.445
Variant B Comparable	0.569	0.558	0.553
Reduction from Comparable Project	**24.4%**	**17.7%**	**19.4%**

4. Information to show the project is located on an infill site, defined at Public Resources Code Section 21061.3, and in an urbanized area, as defined at Public Resources Code Section 21071.

The project site is largely located within the Diridon Station Area Plan portion of downtown San José. An infill site is defined in Public Resources Code Section 21061.3 as a site that "has been previously developed for qualified urban uses." A "qualified urban use" is defined in Public Resources Code Section 21072 as "any residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses." The project site meets this definition as it includes various uses such as residential, entertainment, cultural, commercial, and office. The project site is located in an urbanized area as defined in Public Resources Code Section 21071, as it is in "an incorporated city" that has a population of at least 100,000 persons. The City of San José is an incorporated city that has an estimated population of 1.03 million according to the 2018 estimates prepared by the United States Census Bureau.[4] Therefore, either project variant would be considered an urban infill development because of the location on an infill site previously developed with a qualified urban uses in an urbanized area.

[4] U.S. Census Bureau. *San José City.* Accessed August 3, 2019. Available at: https://www.census.gov/quickfacts/fact/table/sanjosecitycalifornia,US/PST045218.

5. For a project that is within a metropolitan planning organization for which a sustainable communities strategy or alternative planning strategy is in effect, information to show the project is consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy, for which the State Air Resources Board, pursuant to subparagraph (H) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, has accepted a metropolitan planning organization's determination that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets. For the purposes of this provision, "in effect" means that the sustainable communities strategy or the alternative planning strategy has been adopted by the metropolitan planning organization, and that the Air Resources Board has accepted the metropolitan planning organization's determination that the sustainable communities strategy or alternative planning strategy meets the adopted greenhouse gas reduction targets and is not the subject of judicial challenge.

The Project meets this requirement because it is in a transit priority area and a Priority Development Area, and meets the strategies in the Plan Bay Area 2040, as discussed below.

Senate Bill (SB) 375 was adopted by the legislature in August 2008 and signed into law by the Governor in September 2008. This legislation links regional planning for housing and transportation with the greenhouse gas (GHG) reduction goals in Assembly Bill 32. Each Metropolitan Planning Organization is required to adopt a Sustainable Communities Strategy to encourage compact land development to reduce passenger vehicle miles traveled and vehicle trips so that the region will meet targets established by the California Air Resources Board (CARB) for reducing GHG emissions. In September 2010, CARB adopted regional GHG targets for passenger vehicles and light trucks for the years 2020 and 2035 for the various Municipal Planning Organizations in California. Two climate protection targets were established for the San Francisco Bay Area by CARB: a per capita reduction of GHG emissions by 7 percent by year 2020 and 15 percent by year 2035.[5]

The project is within the jurisdiction of the Association of Bay Area Governments (ABAG). ABAG and the Metropolitan Transportation Commission (MTC) adopted Plan Bay Area 2040, the region's updated long-range Regional Transportation Plan (RTP) and Sustainable Communities Strategy (SCS), in July 2017. The Plan updates the population and employment forecasts, but keeps the land use and transportation strategies set forth in the 2013 SCS. These strategies include promoting high density infill development, building more multi-family housing

[5] California Air Resources Board. *SB 375 Regional Greenhouse Gas Emissions Reduction Targets.* Available at: https://ww3.arb.ca.gov/cc/sb375/finaltargets2018.pdf Accessed on July 15, 2019.

in mixed use communities, and improving mobility and accessibility with non-single occupancy vehicle (SOV) options. The Environmental Impact Report (EIR) for the Plan Bay Area 2040 (Plan) shows that the Plan would achieve a 14.3 percent per capita carbon dioxide emissions reduction from passenger vehicles by 2020 and a 15.5 percent per capita reduction by 2035, thereby exceeding the SB 375 targets.[6] Furthermore, the *Performance Assessment Report* for the Plan demonstrates an 18 percent reduction by 2040.[7]

The Plan focuses on where the region is expected to grow and what transportation investments would support that growth. It encourages infill development and multifamily development particularly close to public transit and in walkable neighborhoods. The project variants, once approved, would be consistent with the "general use designation, density, building intensity, and applicable policies specified for the project area in …a sustainable communities strategy" as required in Public Resources Code Section 21180(b)(1). The development program provides for reasonable-density infill development in a transit priority area (TPA) as defined in Public Resources Code Section 21099(a)(7). A TPA is defined as an area within one-half mile of a major transit stop that existing or planned. Section 21064.3 of the PRC defines a "major transit stop" as a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods. With the Diridon Station adjacent to the project, the project fulfills this definition of a TPA. The project site is also located in a Priority Development Area per the Plan. Priority Development Areas (PDAs) focus growth in transit-rich communities so as to leverage existing infrastructure and reduce greenhouse gas emissions by lowering vehicle miles traveled. The project fulfills the PDAs definition by being located within an existing community, within a half mile of frequent transit, and in an area planned for future housing and job growth.

6. Information to show that for a multifamily residential project, evidence that 1) private vehicle parking spaces are priced and rented or purchased separately from dwelling units; or 2) the dwelling units are subject to affordability restrictions that prescribe rent or sale prices, and the cost of parking spaces cannot be unbundled from the cost of dwelling units.

For the residential portion of either project variant, unbundled parking would be provided for all market rate dwelling units.

7. Information to show that the project will result in a minimum investment of $100 million in California through the time of completion of construction.

The project site encompasses approximately 80 acres and includes a range of 3,000 to 5,900 residential units; 300,000 to 500,000 GSF of retail, cultural, and arts uses; up to 300 rooms of

6 Association of Bay Area Governments and Metropolitan Transportation Commission. *Plan Bay Area 2040*. Available at: http://2040.planbayarea.org/reports Accessed on July 15, 2019.

7 Association of Bay Area Governments and Metropolitan Transportation Commission. *Final Performance Assessment Report*. Available at: http://2040.planbayarea.org/reports Accessed on July 15, 2019.

hotel; up to 800 rooms of limited-term employee accommodation; 5.5 to 7.3 million GSF of office; 100,000 GSF of event center, 100,000 GSF of district systems; 100,000 GSF of logistics/warehouse; up to approximately 6,010 parking spaces; and approximately 15 acres of open space. Development would total over 10 million new GSF. Based on anticipated project costs, either of the two project variants would significantly exceed the minimum investment of $100 million described in Public Resources Code Section 21183(a). Either project variant would be constructed over the course of three or more phases, accounting for at least ten years of construction, and including over 30 new-construction buildings and a number of retained and rehabilitated buildings. In addition, with a range of approximately 500 to 1,500 construction workers on a typical day during construction, based on current prevailing wages, construction labor costs alone would be over $1 billion.

8. Information to show that the project will satisfy the prevailing and living wage requirements of Public Resources Code Section 21183(b).

Public Resources Code Section 21183(b) requires that a project to be certified by the Governor must create "high-wage, highly skilled jobs that pay prevailing wages for construction jobs and living wages and provide construction jobs and permanent jobs for Californians, and help reduce unemployment." Public Resources Code Section 21183(b) defines “jobs that pay prevailing wages” as “all construction workers employed in the execution of the project will receive at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code.” The applicant would include the prevailing wage requirement in either project variants and all construction contracts.

With 500 to 1,500 construction jobs estimated on-site at any given time during construction, and construction anticipated to total a cumulative of at least ten years, the proposed project is expected to generate well over 10,000 construction jobs over the course of its buildout.

The project will also create tens of thousands of permanent jobs across a range of skill and income levels, including high wage, highly skilled jobs.

Jobs associated with Google office buildings could include workers across a range of business units, including but not limited to engineering, legal, and finance. They would also include a range of jobs in Google’s extended workforce such as retail, cafe workers, security, facilities, hotel and the like, who would be paid market-rate wages and provided with a minimum benchmark of benefits, including 12 weeks of paid family leave, tuition reimbursement, and comprehensive healthcare.

Lastly, in the Memorandum of Understanding (MOU) Between the City of San Jose and Google LLC, entered into December 4, 2018, Google and the City of San Jose jointly committed to “create broad job opportunities … for San Jose residents of all skill and educational levels and diverse backgrounds to prepare for and secure jobs that provide wages that enable families to thrives in this high cost region.” Both construction and permanent jobs generated by this project are a part of the joint commitment described in the MOU, which is attached as Appendix B.

9. Information establishing that the project will not result in any net additional greenhouse gas emissions. This information includes (1) a proposed methodology for quantifying the project's net additional greenhouse gas emissions, and (2) documentation that quantifies both direct and indirect greenhouse gas emissions associated with the project's construction and operation, including emissions from the project's projected energy use and transportation related emissions; and quantifies the net emissions of the project after accounting for any mitigation measures. This information is subject to a determination signed by the Executive Officer of the Air Resources Board that the project does not result in any net additional greenhouse gas emissions, following the procedures set forth in section 6 of the Governor's Guidelines.

CARB must review the analysis of GHG from construction and operation of the project variants. The analysis should include the technical basis for characterizing and analyzing GHG emissions and for identifying and quantifying the GHG reduction potential of proposed strategies to fully offset any GHG emissions generated by a proposed Project. A GHG Report prepared by Arup presents the technical methodology for and results of quantifying the GHG emissions from the existing activities on the project site and the GHG emissions from construction and operation of the project or project variants. The *GHG Emissions Methodology and Report* is attached as Appendix C.

Construction activities include demolition of existing onsite structures, site preparation, grading, shoring and excavation, structural work, exterior skin and interior finishes, and paving. Construction activities generate GHG emissions from heavy-duty construction equipment, material-hauling trucks, and construction-worker vehicles. These emissions were calculated using the most current version of the California Emissions Estimator Model (CalEEMod), Version 2016.3.2. Total GHG emissions from construction activities are estimated at 97,189 $MTCO_2e$ for the project.

Operational GHG emissions sources included in the analysis were: on-road motor vehicles (mobile sources), building energy (electricity and natural gas), water and wastewater, solid waste, as well as area and stationary emissions sources. Trip generation and the corresponding vehicle miles travelled (VMT) were based on a project-specific analysis by Nelson\Nygaard Consulting Associates. As described in Appendix A, *AB 900 Transportation Assessment*, the analysis included a range of TDM measures depending on the land use type. The analysis estimated the proposed daily trips from residents, employees, and visitors to the project site. Operational GHG emissions are estimated at 217,572 $MTCO_2e$ annually for the project in 2032 (full buildout), but varies based on the project variant, phasing schedule and level of development.

To offset the increase in GHG emissions from project construction beginning in 2021 and operations through 2062, the applicant commits to measures to ensure there would be no net additional GHG emissions associated with the project. Measures such as installing on-site solar

panels, additional electric vehicle charging stations, and additional local or regional renewable power would be explored as a means to achieve GHG mitigation. For remaining emissions, the project sponsor currently provides offsets for all business activities through the purchase of renewable power and retirement of the associated renewable energy credits as well as purchase of verifiable, permanent GHG offsets. The applicant commits to extend these activities to cover all scopes of emissions related to construction and operation of this project.

10. Information establishing that the project will comply with requirements for commercial and organic waste recycling in Chapters 12.8 (commencing with Public Resources Code Section 42649) and 12.9 (commencing with Public Resources Code Section 42649.8) of Part 3 of Division 30, as applicable.

California has had statutory and regulatory requirements related to solid waste recycling for well over 10 years requiring local governments to reduce solid waste in landfills with waste diversion programs. The two more recent statutes, in Chapters 12.8 and 12.9 of Division 30 of the Public Resources Code related to waste management, require recycling of solid waste and organic waste.

Chapter 12.8 requires that businesses that generate more than four cubic yards of commercial solid waste per week or is a multi-family dwelling with five units or more shall arrange for recycling services, consistent with state or local laws or requirements, including a local ordinance or agreement, applicable to the collection, handling, or recycling of solid waste, to the extent that these services are offered and reasonably available from a local service provider.

Chapter 12.9 requires that businesses generating four cubic yards or more of organic waste per week arrange for recycling services for that organic waste. As of January 1, 2020, if the State determines that statewide disposal of organic waste has not been reduced to 50 percent of the level of disposal during 2014, a business that generates two cubic yards or more per week of commercial solid waste shall arrange for the organic waste recycling services. This requirement for waste reduction increases to 75 percent of the 2014 level by 2025 per SB 1383. These statutes also require local jurisdictions to establish a commercial solid waste recycling program if it did not already have one as of July 2012, and an organic solid waste recycling program by January 2016 if it did not already have one.

The project would be subject to these statutory requirements and will comply by following all applicable requirements of San José's local recycling and composting ordinances. On October 30, 2007, the San José City Council adopted Resolution 74077 establishing a goal of reducing the amount to be landfilled by 75 percent by 2013 and zero waste by 2022. In San José, "zero waste" is defined as landfilling no more than 10 percent of waste, or recycling 90 percent. San José's overall recycling rate was 73 percent in 2013 and 66 percent in 2015.

The designated waste hauler for the City of San José, Republic Services, works toward optimizing diversion rates by simply requiring residents and businesses to separate waste into two categories - dry and wet. These waste streams are further separated and diverted at the Newby Island Resource Recovery Park and Zero Waste Energy facilities

Google waste operations in the Bay Area typically practice the separation of waste into landfill, mixed recycling, compost, and cardboard. With optimal operations and appropriate segregation, a diversion rate of 80-90% from landfill could be achieved.

To further improve the diversion rate from landfill in furtherance of the City of San José's goals, feasibility of the following strategies may be investigated across the project, including multifamily residential buildings as applicable:

1. Revising waste streams: Align with Republic Services' waste separation scheme and transition from four streams (landfill, mixed recycling, compost, and cardboard) to two streams (dry and wet).

2. Implementing technology that monitors waste volumes and trends: Incorporate smart technology that helps to increase the purity of waste streams and captures waste data.

3. Culture and procurement change: Implement changes that reduce day-to-day waste generation such as normalizing reusable utensils and removing single-serving snacks in workplace café areas.

4. Mindful partnerships: Source from vendors that complement zero-waste-to-landfill goals (such as those that use reduced packaging), and sourcing from local and ethical vendors. Work with local government to ensure that resources, such as the right technology to process waste, is available for optimal diversion. Purchase restroom paper towels that may be recycled.

5. Supporting educational campaigns that improve the purity of waste streams: Explore educating and training employees on good waste separation practices.

6. Incentivize employees and residents: Employ incentives to improve purity of each stream.

Construction of the project would generate an estimated 380,000 cubic yards of debris, and an estimated 1.3 million net cubic yards of soil from excavation of the site. The City of San José Environmental Services Department has a Construction and Demolition Diversion (CDD) Program consistent with Part 15, Chapter 9 of the San José Municipal Code. The CDD program offers financial incentives to encourage recycling and requires a recycling rate of 75 percent or more. The CDD program is more stringent than the 65 percent recycling rate set by CALGreen regulations.

Thus, the applicant would be required to comply not only with the Public Resources Code requirements for commercial and organic waste recycling, but also with the requirements of San José's local ordinances requiring recycling and composting solid waste both during construction and during operation of the project.

11. Information documenting a binding agreement between the project proponent and the lead agency establishing the requirements set forth in Public Resources Code Sections 21183(e) (applicant will comply with all mitigation measures and that environmental mitigation measures will be monitored and enforced by the Lead Agency for the life of the obligation), (f) (applicant will pay costs for hearing by Court of Appeal), (g) (applicant will pay costs of preparing the administrative record).

Written acknowledgement from the project sponsor containing commitments regarding Public Resources Code Sections 21183(e)(f) and (g) is attached as Appendix D, *Project Sponsor Letter*. The applicant is committed to comply with all Mitigation Monitoring and Reporting Program measures from the EIR included as conditions of approval and that those conditions would be fully enforceable by the San José Planning, Building, and Code Enforcement Department and the Environmental Services Department. The applicant agrees to pay the costs for hearing by the Court of Appeal, and would pay the costs of preparing the record of proceedings.