Item 10.3

San José Innovative Project Pathway Program Early Consideration Project: 300 South 1st Street

File No. H24-051

November 8, 2025

Presenter: PBCE Director Chris Burton

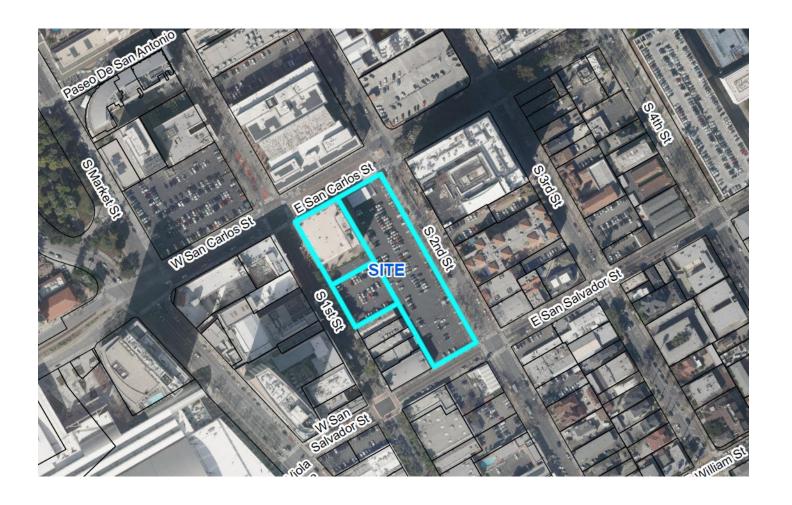
Project Description



Development Permit for the construction of a 30-story residential high rise with 1,147 residential units and a 10-level data center (eight floors above grade and approximately 336,799 square feet total) on an approximately 2.84-gross-acre site.

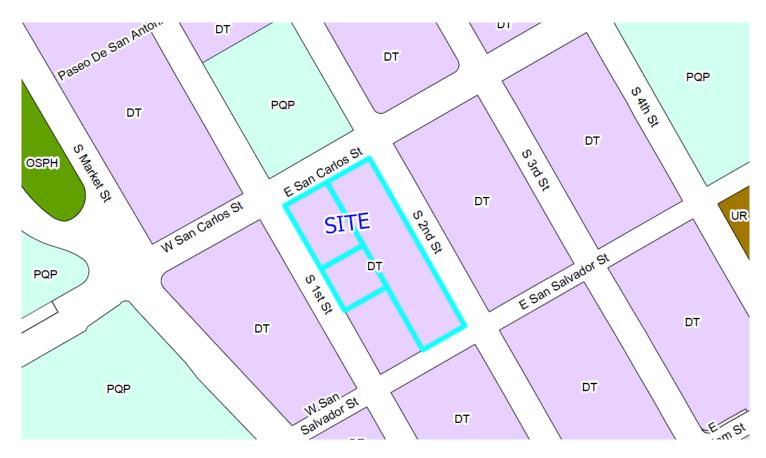


Project Location





General Plan



Land Use Designation: Downtown



Zoning District



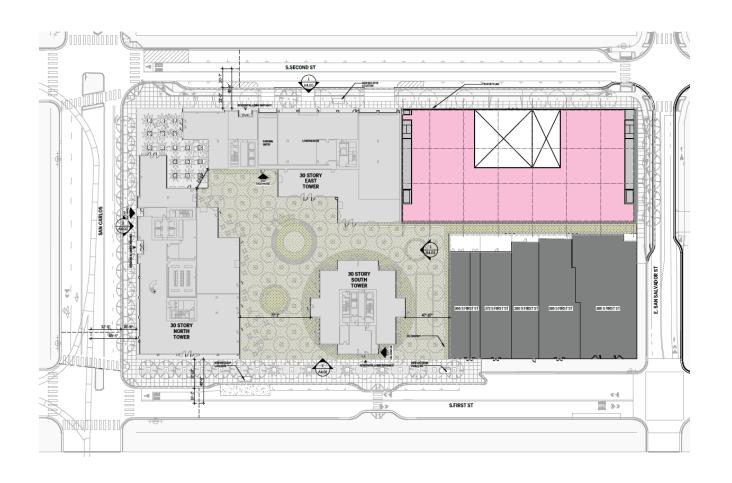
Downtown



Project Background

Existing Entitlement

- File No. H21-012 (Approved September 28, 2022)
- 20-story building with two towers totaling approximately 1.99 million square feet, including 60,430 gross square feet of ground floor retail/community service space and 1,319,340 gross square feet of commercial office space on a 2.84-gross acre site.





San José Innovative Project Pathway Program

Early Consideration of Meaningful Advances in:

- City's Fiscal Health
- Job Creation
- Housing Production
- Sustainability



Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Toni J. Taber, CMC

City Clerk

SUBJECT: SEE BELOW

DATE: November 5, 2024

SUBJECT: San José Innovative Project Pathway Program

Recommendation

As recommended by the Rules and Open Government Committee on October 30, 2024, create the San José Innovative Project Pathway Program (Pathway Program) to streamline the approval of development projects that provide an extraordinary benefit to the City of San José. The Pathway Program will provide a clear policy route for securing approval of innovative investment projects. The Pathway Program will:

- (a) Accept project applications that meaningfully advance city goals and require amendments to general plan text, zoning code allowed uses, or development standards or regulations.
- (b) Establish objective criteria for evaluating Pathway Program applications, ensuring alignment with city goals such as the city's fiscal health, job creation potential, housing production, and sustainability.
- (c) Delineate a clear submission process and minimum criteria for applicants, including required documentation and fees.
- (d) Restrict the initial geographical scope of this new program to the boundaries of the Downtown Growth Area.
- (e) Establish an early consideration review process at City Council for Pathway Program applications that meet pre-established criteria, enabling the Council to provide clear, timely direction to staff on whether to proceed with processing the application further.
- CEQA: Not a Project, File No. PP17-008, General Procedure and Policy Making resulting in no changes to the physical environment. (Mayor, Davis & Foley)

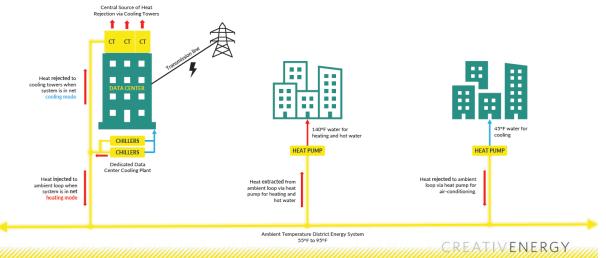
 [Rules Committee referral 10/30/2024 Item C.1]



General Plan Policies

SAN JOSE DISTRICT ENERGY Putting Data Center Waste Heat To Productive Use

Electricity powers the data center, which in turn produces heat. This heat is channeled into an ambient temperature district energy network designed to distribute thermal energy, allowing nearby buildings to use it for their heating and hot water needs. Heat pumps at each building can then draw from this energy network, raising the water temperature for heating purposes. Conversely, during warmer months, these heat pumps can work in reverse to extract heat from the buildings to cool them and release it back into the network for use by other buildings. If the neighborhood does not need this excess heat, the data center can dispell it into the air through central cooling towers.



Inconsistencies

- Downtown land use and vibrant urban environment
- Low employment density

Potential Opportunities

- Spurring construction and housing development
- Higher level of property and utility tax
- Creative Energy Exhibit (District Energy overlay)
- "Essential infrastructure"



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