



Fw: Item 3.4 Data Centers and PG&E Partnership Status Report – Public Comment

From Agendadesk <Agendadesk@sanjoseca.gov>

Date Tue 5/19/2026 9:18 AM

To Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: City Clerk <city.clerk@sanjoseca.gov>

Sent: Tuesday, May 19, 2026 7:28 AM

To: Agendadesk <Agendadesk@sanjoseca.gov>

Subject: FW: Item 3.4 Data Centers and PG&E Partnership Status Report – Public Comment

From: Shannon Thomas [REDACTED]

Sent: Monday, May 18, 2026 6:38 PM

To: City Clerk <city.clerk@sanjoseca.gov>

Subject: Item 3.4 Data Centers and PG&E Partnership Status Report – Public Comment

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Agenda Item 3.4 Data Centers and PG&E Partnership Status Report

Measure I was approved by voters in 2022 to transform public decision-making. Under Charter Section 608 [1] and the Equity Values and Standards Council Policy [2] the City is obligated to center equity,

accountability, and meaningful community engagement in its decisions. To date there have been no public study sessions on the cumulative public health impacts of bringing this many data centers online in San José. For a buildout of this scale and consequence, Council must exercise proper due diligence by holding a public study session on the cumulative public health impacts.

At a minimum, the City must address the following:

- 1 Robust public outreach proportionate to the scale of this historic buildout
- 2 An independent cumulative impacts analysis covering all proposed and anticipated data center projects, rather than fragmented project-by-project review
- 3 A comprehensive study of air pollution from all backup power sources, fuel types, annual testing hours, outage scenarios, and emergency operating assumptions with clear mitigation requirements
- 4 Legal assurances regarding water quality and water use, including risks tied to closed-loop system blowdowns, failures, and backup water sourcing
- 5 Clear penalties, enforcement mechanisms, and accountability for violations of public health mandates
- 6 Full public disclosure of projected electricity demand, transmission and distribution upgrades, and any long-term cost risks to ratepayers
- 7 Baseline and ongoing public health monitoring for nearby communities, including impacts related to air quality, noise, and heat
- 8 Concrete job guarantees for permanent jobs, with local hire and labor standards
- 9 A community benefits framework with enforceable public accountability, not vague promises of economic growth

The memorandum from the City Manager's office makes clear that the City is advancing a historic buildout tied to 2,000 MW of new regional transmission capacity and a growing pipeline of large-load projects. At the same time, it states that no additional City Council follow-up is expected beyond annual status reports, that no board or commission input is associated with this action, and that the entirety of the stated public outreach is that the memorandum will be posted on the City Council agenda website for the April 21, 2026 meeting. That is not meaningful public outreach for an item of enormous consequence. A buildout of this scale demands public engagement proportionate to its impact. It is not enough to market San José to industry, hold press events, attend conferences, and meet with more than 50 potential developers while residents are treated as an afterthought and receive only an agenda posting after key frameworks are already underway. That imbalance is unacceptable, especially for infrastructure and land use decisions with potentially long-term consequences for public health, environmental quality, neighborhood conditions, and utility systems. Residents deserve a dedicated public study session before San José moves further down a path that could lock in major pollution and public health burdens. If the City believes its safeguards are sufficient, then those claims should withstand public scrutiny, independent analysis, and questioning on the record. Anything less would fail both the spirit of Measure I and the public the Council is sworn to serve.

Thank you,

Shannon Thomas

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FW: May 27, 2026 Rules & Open Gov Committee Item C.2 - Public Comment Letter

From City Clerk <city.clerk@sanjoseca.gov>

Date Wed 5/27/2026 7:36 AM

To Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>; Agendadesk <Agendadesk@sanjoseca.gov>

1 attachment (118 KB)

May 27 Rules Committee Item C2 - Data Centers.pdf;

From: ellina yin [REDACTED]
Sent: Wednesday, May 27, 2026 7:25 AM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: RE: May 27, 2026 Rules & Open Gov Committee Item C.2 - Public Comment Letter

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RE: May 27, 2026 Rules & Open Gov Committee Item C.2 - Public Comment Letter

Please see attached public comment letter for the above referenced meeting.

With Gratitude,

ELLINA YIN

Chief Executive Officer | Dreaming Collaborative, Inc.

***I sent this email at a time that was convenient for me, which may be outside of your working hours. Please don't feel the need to respond during your free or family time.*

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Wednesday, May 27, 2026

Dear Members of the Rules & Open Government Committee,

We write as a coalition of residents, environmental advocates, public health advocates, community stakeholders, and tech workers and researchers regarding the accelerating expansion of AI-era data center development in San José and the memorandum submitted by Mayor Mahan, Councilmember Candelas, Councilmember Cohen, and Councilmember Ortiz signed May 19, 2026.

We ask the Rules Committee to recommend that Council direct the City Manager to:

1. Establish a minimum content requirement that standards include quantitative thresholds, not aspirational language, for energy use, water consumption, emissions, noise, and backup generation.
2. Publish a public dashboard of all existing, approved, proposed, and pipeline data center projects in San José that includes, for each project: location, ownership, estimated megawatt (MW) demand, amount and type of water used or expected to be used, backup generation capacity, actual General Fund revenue to date, and permanent jobs created by operating facilities. This dashboard should be live before any new development agreements are executed.
3. Suspend execution of new data center development agreements until draft standards have been released for public comment to ensure new commitments reflect the standards the Memo itself says are needed.
4. Conduct a cumulative environmental analysis of all existing and planned projects before individual approvals proceed, so that aggregate energy demand, water use, and emissions impacts are assessed as a whole, in addition to project by project analysis.
5. Ensure that the stakeholder process for developing standards includes structured, equitable, and accessible participation of local communities, including a variety of stakeholders such as neighborhood associations, CBOs, environmental groups, and independent technical experts in areas where data centers are currently sited or proposed.
6. Prohibit City staff, Councilmembers and the Mayor from signing nondisclosure agreements with data center developers.

Rationale:

We welcome the memorandum's acknowledgment that uniform standards are needed. The concerns it identifies—energy demand, water consumption, diesel backup generation, greenhouse gas emissions, wildlife habitat, cumulative neighborhood impacts—are precisely the concerns residents have been raising for months. Non-disclosure agreements (NDAs) obscure anticipated costs and resource demands, leaving our community unaware of project details and impacts. A memorandum that acknowledges these problems while directing the City Manager to *develop* standards, on no specified timeline, with no minimum enforceable content, without public input, and alongside a pipeline of approximately 34 projects already in motion, does not

resolve those concerns; it defers them. We ask the Rules Committee and the Council to close that gap.

On the Economic Case

The memorandum cites roughly 60 Santa Clara data centers generating \$45 million in General Fund revenue in FY2025, an average of \$750,000 per facility, then asserts a single San José data center can generate "up to \$7 million annually." No explanation is offered for that ninefold jump. The Committee/Council should also know that Santa Clara operates its own municipal utility, Silicon Valley Power, giving it a direct revenue stream from electricity sales that San José, served by PG&E, cannot replicate. The \$7 million figure may describe a single large hyperscale facility under optimistic assumptions. It should not be used as a general policy anchor without a published fiscal methodology showing facility size, tax category assumptions, and net revenue after city infrastructure costs.

The credibility of any economic case rests on a foundation the City has not yet established for the public: **a reliable count** of how many data centers actually exist and operate in San José today. At the April 21 City Council meeting, the City Manager's Office stated that San José has roughly 20 data centers in operation and 34 data center applications in its development pipeline. A recent data center water study by [Santa Clara University](#) identifies 31 data centers. Industry source [DataCenterMap.com](#) identifies 31 existing and 13 planned data centers. These figures from City administration, an independent academic institution, and an industry tracking service differ substantially.

The City should answer three straightforward questions:

- (1) how many and what type of data centers are operating in San José today,
- (2) what General Fund revenue have they actually generated (to date and per year), and
- (3) how many permanent jobs does each employ.

Staff should then publish a fiscal impact analysis showing expected revenue per facility type, net city infrastructure costs, and a comparison of what those same employment lands could yield under alternative uses consistent with the Envision San José 2040 General Plan.

On Jobs and Land Use

The General Plan identifies San José's long-term economic strategy as a major regional employment center built on sustained job growth, transit-oriented districts, and balanced land use. Hyperscale data centers are among the most land- and utility-intensive forms of industrial development while generating among the fewest permanent jobs per acre. Commitments made to data center development are commitments not made to manufacturing, life sciences, logistics, or mixed-use employment that generates broader workforce and community benefit.

We are asking the City to publicly demonstrate, with specific figures, how AI-era hyperscale facilities align with General Plan employment and land use objectives before additional employment lands are committed.

On Conflating Traditional Cloud Infrastructure with AI-Era Hyperscale Facilities

To build public support for data center expansion, the memorandum cites telehealth, remote work, and online education as services the new data centers would provide. In fact, those services run on conventional facilities operating at 20 to 50 megawatts. What is actually entering San José's pipeline are **AI hyperscale campuses approaching 100 to 500 megawatts of cumulative electrical demand**, with power densities up to ten times higher, hundreds of backup generators, and cooling systems that bear no resemblance to anything the City has previously permitted. A standards framework built around the former will fail to address the latter. The City should not conflate them, and neither should the Rules Committee.

On Cumulative Impact

Environmental review documents for proposed San José data centers already describe individual facilities approaching 100 megawatts of electrical demand with hundreds of backup diesel generators. These are not incremental additions to existing infrastructure. They represent a significant industrial utility demand that the City's current review framework was not designed to evaluate cumulatively.

The experiences of Northern Virginia and Memphis cited in the memorandum illustrate what often happens when individual project approvals proceed without a cumulative framework: fossil fuel capacity expands to meet aggregate demand, and backup generator operations produce nitrogen oxide emissions at levels that trigger public health concerns. The memorandum raises these examples but does not ask whether San José's current regulatory framework would prevent the same outcomes. We are asking that question now, and we want a specific answer before additional projects advance.

The memorandum correctly identifies the stakes. The standards development process the memo initiates is only meaningful if it produces enforceable requirements, is grounded in honest fiscal and environmental analysis, addresses the full range of residents concerns and reflects their input, and is completed before the pipeline of pending projects forecloses the choices it is meant to inform.

We look forward to engaging constructively in that process and urge the Rules Committee to ensure it moves with the urgency and specificity these highly impactful decisions require.

Respectfully,

Nova Jayaraj
Silicon Valley Youth Climate Action

Joseph Richardson
Open Source San José, Executive Director
San José resident

Linda Hutchins-Knowles
Mothers Out Front Silicon Valley Co-founder
San José resident

Ellina Yin
Dreaming Collaborative, CEO
San José resident

Praneetha Potiny
Tech Workers Coalition Bay Area