



Memorandum

TO: HONORABLE MAYOR

FROM: Rosalynn Hughey

**SUBJECT: MEMORANDUM OF AGREEMENT
FOR COLEMAN HIGHLINE**

DATE: February 10, 2020

Approved

Date

2-14-20

COUNCIL DISTRICT: 3

RECOMMENDATION

Approve Memorandum of Understanding between the City of San José and the City of Santa Clara regarding Responsibilities for Construction Permits and Inspection Activities for the Proposed Coleman Highline Office Development Project by Coleman Airport Partners Tranche 2, LLC.

OUTCOME

Approval of this Memorandum of Understanding (MOU) will delineate the construction permitting and inspection responsibilities and approval authority between the cities of San José and Santa Clara for Parking Garage 4 in Tranche 2 of the Coleman Highline office development project.

BACKGROUND

Coleman Highline is an office development project on an approximately 36.03 acre site located on the northwest side of Earthquakes Way between Coleman Avenue and Champions Drive, 34.44 acres of which is located within San José boundaries and 15.91 acres is located within Santa Clara boundaries (see Exhibit A). The purpose of this MOU is to identify permitting and inspection responsibilities for buildings and site improvements, or portions thereof, located in Santa Clara boundaries.

Coleman Highline is located in the A(PD) Planned Development Zoning District (File No. PDC19-007), which allows an up to 18,000 seat soccer stadium (Avaya Stadium), 1.5 million square feet of office/R&D, 75,000 square feet of retail, and 300 hotel rooms on an approximately 92.5 gross acre site located on the south side of Coleman Avenue, westerly of Newhall Street.

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The Coleman Highline office development is being constructed in two tranches. Tranche 1 is fully located within San José and consists of four office buildings totaling 715,168 square feet, two amenities buildings totaling 22,889 square feet that are incidental to the office buildings, two commercial buildings totaling 7,664 square feet, 175 hotel rooms, and two parking garages on a 19.67-acre site. One Tranche 1 office building is occupied by Roku, one commercial building will be occupied by Specialty's, and the remaining three Tranche 1 office buildings are under construction. Tranche 1 improvements are not part of this MOU since they are wholly located within San José boundaries.

Tranche 2 consists of two phases on a 16.74-acre site. Phase 1 is entitled for approximately 576,892 square feet of office (Verizon Media), 48,930 square feet of amenities buildings, one utility structure, various site improvements and private streets, and a 645,363 square foot parking garage (Garage 4), of which 423,743 square feet is located within San José and 221,620 square feet is located within Santa Clara. The City of San Jose entitled Phase 1 in 2019, including the portion of Garage 4 within San Jose boundaries, through Planned Development Permit File No. PD19-012 and Planned Development Permit Amendment File No. PDA19-012-01. The City of Santa Clara entitled the portion of Garage 4 that is within Santa Clara boundaries on February 5, 2020, through Architecture and Site Application File No. PLN2019-13977. Garage 4, an associated landscaping area, site improvements, and a portion of the private streets are the subject of this MOU for construction permitting and inspection purposes, as San Jose and Santa Clara boundaries bisect this parking garage. Planning staff from the cities of San Jose and Santa Clara have coordinated during the Garage 4 entitlement review processes.

Phase 2 of Tranche 2 is fully located within San Jose and, therefore, would not be subject to this MOU. Coleman Airport Partners (CAP)Tranche 2, LLC, filed a Planned Development Permit (File No. PD19-033) on November 26, 2019 for an approximately 367,377-square foot four-story, five-level parking structure, and plans to file a separate Planned Development Permit in the future for additional office development for Phase 2.

ANALYSIS

The attached MOU was prepared by the City staff from San Jose and Santa Clara in coordination with CAP. This MOU provides for the City of San José's Building Division, Bureau of Fire Prevention, Department of Public Works, and any other relevant City department to review and approve the entirety of Garage 4's construction drawings and inspect its construction, associated on-site improvements, grading and drainage, and private streets. Prior to the City of San José's issuance of permits for construction, construction and development taxes will be collected and will be paid to the jurisdiction in which the respective portion of Garage 4 is constructed.

CONCLUSION

This MOU allows the City of San José to provide Building, Fire and Public Works permitting and inspection approvals for Garage 4 located in San Jose and Santa Clara jurisdictions. The MOU will minimize overlap and redundancy in construction plan check and inspection by both jurisdictions. It also streamlines the construction process for CAP and office tenants, all of which are fully located within San José. The Planning Division of both jurisdictions will continue to separately review and approve land use and architectural entitlements; the review and entitlements are not subject to this MOU.

This MOU is tentatively scheduled for the City of Santa Clara's February 25, 2020 Council meeting.

EVALUATION AND FOLLOW-UP

This MOU will not require any follow-up consideration or action by Council.

CLIMATE SMART SAN JOSE

The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

Public outreach and public hearing notices were mailed to property owners and tenants located within 1,000 feet of the Garage 4 site by the cities of San José and Santa Clara during each respective Planning entitlement process.

This memorandum is posted on the City's Council Agenda website for the February 25, 2020 Council meeting.

COORDINATION

This memorandum was coordinated with the Department of Public Works, the Bureau of Fire Prevention and City Attorney's Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

HONORABLE MAYOR AND CITY COUNCIL

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CEQA

Determination of Consistency with the FMC/Coleman Avenue Environmental Impact Report (Resolution No. 71716), the Airport West Stadium and Great Oaks Place Project Environmental Impact Report (Resolution No. 75309), the Envision San José 2040 General Plan Final Environmental Impact Report (Resolution No. 76041), the Envision San Jose 2040 General Plan Final Supplemental Environmental Impact Report (Resolution No. 77617), and addenda thereto.

/s/

ROSALYNN HUGHEY, Director

Planning Building and Code Enforcement

For questions, please contact Sylvia Do, Planning Division Manager, at (408) 535-7907.

Attachments: Exhibit A-Site Map

Exhibit B-Site Plan

EXHIBIT B - SITE PLAN

