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PRESS RELEASE

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September 14, 2021

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Vallco SB 35 Project Moving Forward, But Still Faces Environmental, Other Issues

CUPERTINO, CA – On September 7, the Cupertino City Council received an update from City Manager Greg Larson regarding the Vallco Town Center SB 35 project. The update included information about the City's required processing of permits for the project even as the site is recently under County investigation for increased contaminants as reported by the property owner. The staff report and accompanying documents from the meeting can now be reviewed at cupertino.org/vallcosb35.

"The Cupertino City Council strongly supports affordable housing, not just for Cupertino, but for the benefit of our region," Mayor Darcy Paul said. "However, housing cannot be built without successfully addressing public safety concerns. Local communities must be treated as partners, not scapegoats, because engaging in honest dialog is what results in real problem-solving and better outcomes."

The project, which received ministerial approval in 2018, is a mixed-use development with 2,402 units of housing, approximately 1.81 million square feet of office space, and 400,000 square feet of retail uses. Fifty percent of the housing units are proposed to be somewhat affordable, as required by SB 35. The project encompasses approximately 51 acres of the former Vallco Mall property. The project is comprised of 11 buildings, each between seven to 22 stories in height with a green roof connecting the buildings. The project is expected to create nearly 8,700 jobs generating a need for more than 6,000 housing units, even though only 2,402 units are proposed. This housing deficit of more than 3,400 units only exacerbates the housing crisis Silicon Valley.

Highlights from the City Manager's September 7 update include:

• Vallco first learned of environmental contamination on its site no later than 2016. After three years, Vallco agreed to regulatory oversight and cleanup earlier this year.

- The County's Department of Environmental Health (DEH) has assumed oversight of the investigation and remediation of contaminated soils identified on the west side of Wolfe Road.
- The most recent inventory of contaminants posted by Vallco on the State's GeoTracker website shows more extensive contamination than previously reported throughout the western parcel. The identified contaminants include PCBs (a now banned class of chemicals that was widely used in electrical equipment prior to 1979) and the industrial solvent perchloroethylene (PCE), reported at concentrations well above residential regulatory thresholds.
- The County DEH has informed the City that they will require four to six weeks to review the documents Vallco has submitted to date and will likely require further investigations by Vallco to determine the sources and extent of the contamination.
- Despite these issues, the City has continued to review and process permits and agreements required by State law to complete construction of a project of this scale and complexity.

The City of Cupertino has released two building permits for the Vallco project for work west of Wolfe Road, but no soil disturbance can begin until DEH clears the parcel for construction. Four other building permit applications are pending and are being processed by City staff. The City previously approved offsite utility improvements in the public right-of-way.