



## ATTACHMENT 8

Jones Lang LaSalle Brokerage, Inc.  
2300 Geng Road, Suite 100 Palo Alto CA 94303  
tel +1 650 815 2200 fax +1 650 815 2201

April 14, 2014

Shaunn Mendrin  
Hanson Hom  
City of Sunnyvale  
456 West Olive Ave  
Sunnyvale, CA 94088

Dear Gentlemen:

I reviewed the City of Sunnyvale Report to Planning Commission and would like to provide some feedback from our actual experience in marketing the property over the last 3+ years. A few comments regarding the report:

Staff makes note of the PG&E sub-station. Because of the sub-station, the hazardous materials permits that once existed for the SDC (the former fab) and the significant amount of air handling infrastructure that was once in the SDC (since sold as the building was stripped of its equipment), we aggressively sought a user (lessee or buyer) who could utilize one or more of those attributes. We focused part of our marketing efforts on power intensive users such as data center operators or solar manufacturers (once a promising new industry for the area), thinking the SDC could accommodate at least a pilot line if it wasn't big enough for production manufacturing.

Regarding data centers, we contacted all of the major data center operators and did have discussions with a few, including DRT, a national operator who is active in the Bay Area. Unfortunately, the conversations never got far due to the fact that the City of Sunnyvale is served by PG&E and the cost of power is significantly higher than in neighboring Santa Clara. That is why the vast majority of data center operators focus their attention on Santa Clara sites. Availability of power is not the issue – cost is the constraint. JLL has a major data center practice group and I would suggest that you talk to Chris Sumter (925-786-8722) if you would like to understand this issue better as the site is not suitable for a data center.

Our marketing efforts for reuse of the existing industrial infrastructure were equally unsuccessful. The 465,000 sf of buildings are seriously under-parked for office use (1066 stalls or 2.3/1000 parking) in addition to being obsolete so industrial/manufacturing/data center alternatives were the only viable reuse for the property. However, the demand just did not exist. The lack of interest in the site for manufacturing was not surprising as this is consistent with the general market activity and shifting labor availability in the region.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Kammerer", with a long horizontal line extending to the right.

Craig Kammerer  
Managing Director  
Lic #00934183