



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Planning Commission

SUBJECT: SEE BELOW

DATE: April 26, 2007

COUNCIL DISTRICT: 7
SNI AREA: Tully-Senter

SUBJECT: PDC06-119. PLANNED DEVELOPMENT REZONING FROM LI LIGHT INDUSTRIAL ZONING DISTRICT TO A(PD) PLANNED DEVELOPMENT ZONING DISTRICT TO ALLOW CONSTRUCTION OF APPROXIMATELY 54,200 SQUARE FEET IN THREE, ONE- AND TWO-STORY BUILDINGS FOR OFFICE, RETAIL AND INCIDENTAL INDUSTRIAL USES ON A 3.62 GROSS ACRE SITE.

RECOMMENDATION

The Planning Commission voted 5-0-2 (Platten and Dillon absent) to recommend that the City Council approve a Planned Development Rezoning from LI Light Industrial Zoning District to A(PD) Planned Development Zoning District to allow construction of approximately 54,200 square feet in three, one- and two-story buildings for office and retail commercial uses as well as various industrial uses on a 3.62 gross acre site, located at/on the east side of Senter Road, approximately 550 feet northerly of Quinn Avenue.

OUTCOME

Should the City Council approve the Planned Development Rezoning, up to 54,200 square feet of commercial buildings may be built on the subject 3.62 gross acre site, consistent with the Development Standards for the subject rezoning. This future development would be subject to additional Development Permits.

BACKGROUND

On April 25, 2007, the Planning Commission held a public hearing to consider a Planned Development Rezoning from LI Light Industrial to A(PD) Planned Development Zoning District to allow construction of approximately 54,200 square feet in three, one- and two-story buildings for office and retail commercial uses as well as various industrial uses on a 3.62 gross acre site. The Director of Planning recommended approval of the project.

Staff made a brief presentation indicating that the development standards reflected in the Staff Report had not been included in the packet, but were delivered to the Commissioners prior to the hearing. These development standards included the required environmental mitigation measures

from the Mitigated Negative Declaration. The item was approved 5-0-2 (Platten and Dillon absent) with no discussion from the Commission or the public.

ANALYSIS

As noted in the original Staff Report, the proposed rezoning of the site from LI Light Industrial to A(PD) Planned Development Zoning District, as conditioned, is consistent with the pending San José 2020 General Plan Land Use/Transportation Diagram designation of Combined Industrial Commercial. Further the project provides an opportunity to further important goals and strategies of the General Plan and is in conformance with the Commercial Design Guidelines.

POLICY ALTERNATIVES

Not Applicable.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

Although this item does not meet any of the above criteria, staff followed Council Policy 6-30; Public Outreach Policy. A notice of the public hearing was distributed to the owners and tenants of all properties located within 500 feet of the project site and posted on the City website. The rezoning was also published in a local newspaper, the Post Record. This staff report is also posted on the City's website. Staff has been available to respond to questions from the public.

COORDINATION

This project was coordinated with the Department of Public Works, Fire Department, Police Department, Environmental Services Department and the City Attorney.

FISCAL/POLICY ALIGNMENT

This project is consistent with applicable General Plan policies and City Council approved design guidelines as further discussed in attached staff report.

COST SUMMARY/IMPLICATIONS

Not applicable.

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BUDGET REFERENCE

Not applicable.

CEQA

CEQA: ND (Negative Declaration).



JOSEPH HORWEDEL, SECRETARY
Planning Commission

For questions please contact Mike Enderby at 408-535-7800.

cc: ELS Properties Corp, 2222 Senter Road, San Jose, CA 95112;

Green Valley Corporation, Dba Barry Swenson Builder, Attn: Aaron Barger, 777 North First Street, 5th Floor, San Jose, CA 95112

CITY OF SAN JOSÉ, CALIFORNIA
Department of Planning, Building and Code Enforcement
200 East Santa Clara Street
San José, California 95113

STAFF REPORT

Hearing Date/Agenda Number
P.C. 04/25/07 Item:

File Number
PDC06-119

Application Type
Planned Development Rezoning

Council District
7

Planning Area
South

Assessor's Parcel Number(s)
477-73-043

PROJECT DESCRIPTION

Completed by: S. Martina Davis

Location: East side of Senter Road, approximately 200 feet southerly of Burke Street

Gross Acreage: 3.62

Net Acreage: 3.62

Net Density: N/A

Existing Zoning: LI Light Industrial

Existing Use: Commercial Laundry Facility

Proposed Zoning: A(PD) Planned Development

Proposed Use: Up to 54,605 square feet of commercial, office,
and limited industrial uses

GENERAL PLAN

Completed by: SMD

Land Use/Transportation Diagram Designation
Light Industrial (Combined Industrial Commercial Pending)

Project Conformance:
 Yes No
 See Analysis and Recommendations

SURROUNDING LAND USES AND ZONING

Completed by: SMD

North: Light industrial uses

A(PD) Planned Development

East: Light industrial uses

LI Light Industrial

South: Retail (under construction)

A(PD) Planned Development

West: Retail (Costco)

A(PD) Planned Development

ENVIRONMENTAL STATUS

Completed by: SMD

Environmental Impact Report
 Mitigated Negative Declaration (Circulated March 6, 2007)

Exempt
 Environmental Review Incomplete

FILE HISTORY

Completed by: SMD

Annexation Title: McKinley No. 61

Date: August 3, 1973

PLANNING DEPARTMENT RECOMMENDATIONS AND ACTION

Approval
 Approval with Conditions
 Denial
 Uphold Director's Decision

Date: _____

Approved by: _____
 Action
 Recommendation

OWNER

ELS Properties Corp
2222 Senter Road
San Jose, CA 95112

DEVELOPER/APPLICANT

Green Valley Corporation
Dbas Barry Swenson Builder
Attn: Aaron Barger
777 North First Street, 5th Floor
San Jose, CA 95112

PUBLIC AGENCY COMMENTS RECEIVED

Completed by: SMD

Department of Public Works

See Attached Memoranda.

Other Departments and Agencies

N/A

GENERAL CORRESPONDENCE

None received.

ANALYSIS AND RECOMMENDATIONS

BACKGROUND

The applicant, Barry Swenson Builder, is requesting a Planned Development Rezoning from LI Light Industrial to A(PD) Planned Development to allow up to 54,605 square feet of commercial, office, and limited industrial uses. The project site is located on the east side of Senter Road, approximately 200 feet southwesterly of Burke Street on a 3.62-gross-acre site. The subject site is currently occupied by a commercial laundry located in an industrial building with associated site improvements. Surrounding the site are light industrial uses to the north and east and commercial uses to the south and west.

A Planned Development Rezoning is required to allow a range of commercial, office, and industrial uses, consistent with the proposed Combined Industrial/Commercial General Plan designation. Additionally, a Planned Development Zoning is required to allow more flexibility in setbacks than in the CG Commercial General Zoning District, which is the conventional zoning district that fits this proposal best.

The City Council will consider a change to the General Plan Designation on the subject site from Light Industrial to Combined Industrial/Commercial on April 24, 2007 (file no. GP06-07-04). The Combined Industrial/Commercial designation is intended to allow a compatible mixture of office, commercial, and industrial uses. Staff is supportive of the subject General Plan Amendment to change the designation to Combined Industrial/Commercial.

Project Description

The proposed zoning to A(PD) Planned Development would allow the construction of up to 55,000 square feet for commercial and office purposes in three one to two story buildings. The Rezoning would allow the permitted uses of the CG Commercial General and IP Industrial Park Zoning Districts by right. Conditional and Special uses of either of these Zoning Districts may be allowed subject to the issuance of a Planned Development Permit, which is subject to the discretion of the Director of Planning, Building and Code Enforcement. Several compatible light industrial uses would be allowed subject a Planned Development

Permit or Amendment, which is subject to the discretion of the Director of Planning, Building and Code Enforcement.

It is noteworthy that the stormwater control plan in the attached reduced plan set has been revised to show treatment of 100% of the site. The revised plan has been reviewed by staff and is available for public review.

ENVIRONMENTAL REVIEW

An Initial Study was prepared for the proposed Rezoning and previous General Plan Amendment (GP06-07-04). A Mitigated Negative Declaration was circulated for public review by the Director of Planning, Building and Code Enforcement on March 6, 2007 and adopted on March 27, 2007. The Mitigated Negative Declaration identified mitigation measures in the following categories: Air Quality and Cultural Resources. A list of the required mitigation measures is included in the attached draft development standards.

GENERAL PLAN CONFORMANCE

The current San Jose 2020 General Plan Land Use/Transportation Diagram Designation of the subject site is Light Industrial. The proposed commercial development is not compatible with the existing Light Industrial designation, however, on April 24, 2007 the City Council will consider a change to the General Plan Designation on the subject site to Combined Industrial/Commercial (file no. GP06-07-04). The Combined Industrial/Commercial land use designation is intended for commercial, office, or industrial development or a compatible mixture of these uses. The uses of the Industrial Park, Light Industrial, General Commercial, and Neighborhood/Community Commercial land uses are consistent with this use category. As discussed further in the analysis section of this report, the proposed rezoning to A(PD) Planned Development would allow compatible commercial, industrial park, and light industrial uses on the subject site, therefore would be consistent with the proposed Land Use Designation. If the City Council chooses not to approve the pending General Plan Amendment the Land Use Designation would remain as Light Industrial, therefore the project would not be consistent with the General Plan and should be denied.

ANALYSIS

The analysis section of this report focuses on proposed uses, site parking, and conformance to the Commercial Design Guidelines with respect to setbacks, site organization, and architecture.

Proposed Uses

As discussed above in the General Plan Conformance section, the proposed Combined Industrial/Commercial land use designation is intended for commercial, office, or industrial developments or a compatible mixture of these uses. The proposed structures would provide approximately 34 commercial condominium spaces, ranging in size from approximately 1,400 square feet to 1,700 square feet, and approximately 9,000 square feet of second story office space. The proposed development standards would allow by right the permitted uses of the CG Commercial General and IP Industrial Park Zoning Districts, as amended. Conditional and Special uses of these districts would require discretionary review by the Director of Planning, Building and Code

Enforcement to ensure compatibility with the site and other adjacent uses through a Planned Development Permit or Amendment. Additionally, the Combined Industrial/Commercial designation is also appropriate for compatible industrial uses; therefore staff is recommending that the following Light Industrial uses be allowed subject to the discretion of the Director through a Planned Development Permit or Amendment: Industrial Services, establishment for the repair, cleaning of household, commercial or industrial equipment or products, sales of office furniture, industrial equipment and machinery, and trade and vocational schools. These limited industrial uses would be reviewed through the Planned Development Permit or Amendment process to ensure compatibility with the commercial and office uses at the site. This process would include public outreach, and would be subject to the discretion of the Director to require any appropriate and compatible site upgrades that the proposed use would require.

Parking

The property will be subject to the requirements of the Parking and Loading chapter of Title 20. The majority of commercial uses require a parking ratio of 1 space per 200 net square feet of tenant space; however certain uses, such as restaurants, require more parking. Office uses require 1 space per 250 net square feet of tenant space. The proposed development would provide parking at a ratio of one space per 200 net square feet of retail area for the majority of the tenant spaces. The second story tenant spaces, considered office space, would be parked at a ratio of one space per 250 net square feet. The proposal also builds in parking to allow 4,500 net square feet of restaurants at the site. The proposed development standards would require a parking analysis be maintained for the site to ensure that enough parking exists for all tenants. Additionally, the development standards would require a parking analysis be performed by planning and/or building staff for every new tenant at the site which would require a higher parking ratio than one space per 200 net square foot for the first floor, and one space per 250 net square feet for the second floor. The current proposal provides parking in accordance with the Zoning Ordinance standards, and the analysis of each use proposed at the site would ensure that enough parking is available on the site to support the use.

Conformance with Commercial Design Guidelines

Setbacks

The Commercial Design Guidelines (CDG's) recommend a 25 foot setback from the street to buildings and parking. Currently a 17 foot front setback is proposed. This reduced setback would match the setback of the previously approved development directly adjacent to the south of the site, and it would bring additional building mass to the street; therefore staff believes that it is appropriate in this circumstance.

The CDG's recommend an interior setback of at least five feet to adjacent non-residential uses. The project proposes a zero building setback to the south property line, five feet to the east property line, and a minimum of 10 feet to the north property line. A minimum five foot landscape setback is proposed at all interior property lines adjacent to proposed parking. The development standards as recommended by staff would allow zero building setback at all interior property lines. Given that all interior property lines are adjacent to commercial or industrial uses, and the setback would be obscured from view from

the site by the proposed buildings, staff believes that little benefit would be provided by requiring the five foot setback recommended by the CDG's unless needed for emergency exits. Additionally, the development directly adjacent to the south was recently approved with no required interior setbacks, and this project would match that proposal.

Site Organization

The Commercial Design Guidelines recommend that all buildings on the same site should have a strong spatial and functional relationship to each other, and that parking should be provided within convenient walking distances of all tenants. The project consists of three buildings that form a "u" shape along the interior property lines, with parking in the center of the site and in two small parking areas in the northeast and southeast corners of the site. The central parking lot would be easily accessible to all tenant spaces, and parking is proposed directly in front of all the tenant spaces. The two parking areas in the rear corners of the site would not function well for customer parking. These comprise dead end at the rear of the site, therefore they would cause circulation problems with heavy use. Staff is recommending that these parking areas be restricted to employee parking only, which would alleviate demand on them. The mechanics of how this would be achieved would be worked out at the Planned Development Permit. To the extent that industrial uses are proposed, these uses should orient their service areas and roll up doors to the parking area at the rear corners only.

Architecture

This project consists of two one-story buildings and one two-story building. The proposed buildings are stucco clad with metal roofs, metal canopies, and wooden trusses. The buildings provide articulation and interest through the use of varied heights and styles of roofs, building relief, and through the use of awnings, canopies, and covered walkways.. As is typical for a Planned Development Rezoning, the architecture that is shown is considered "conceptual" and will undergo further review by staff at the Planned Development Permit stage, including review of building materials, roofing, colors, lighting, and other details.

PUBLIC OUTREACH

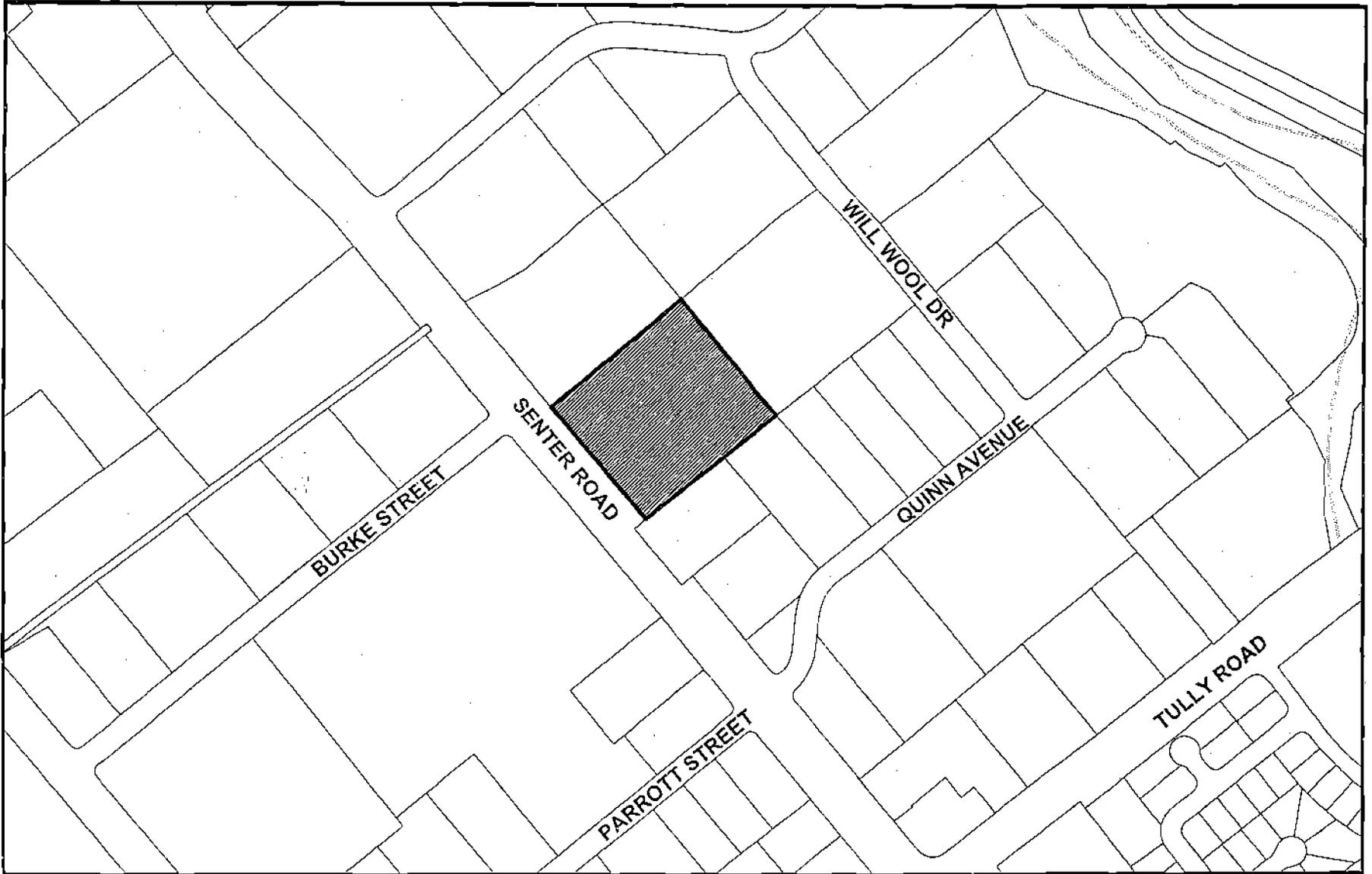
The proposed rezoning was presented at the regularly scheduled meeting of the Tully-Senter Strong Neighborhood Initiative group on March 1, 2007. The attendees had no objection to the proposal. They expressed that they support the proposal and support allowing additional commercial uses in the area.

A notice of the public hearing was distributed to owners and tenants of all properties located within 1,000 feet of the project location. This staff report was made available on the City's website prior to the City Council hearing. Signage has been posted at the site to inform the public about the proposed change. Staff has been available to discuss the project with interested members of the public.

RECOMMENDATION

Planning staff recommends that the Planning Commission forward a recommendation to the City Council to approve the proposed rezoning for the following reasons:

1. The proposed project is consistent with the proposed San José 2020 General Plan Land Use/Transportation Diagram designation of Combined Industrial/Commercial.
2. The project furthers the goals and objectives of the City's commercial land use policies.
3. The proposed rezoning is compatible with existing and proposed uses on the adjacent and neighboring properties.



Scale: 1"= 350'
Map Created On: 11/01/2006
Noticing Radius: 500 feet

File No: PDC06-119

District: 7

Quad No: 100

**DRAFT
MITIGATED NEGATIVE DECLARATION**

The Director of Planning, Building and Code Enforcement has reviewed the proposed project described below to determine whether it could have a significant effect on the environment as a result of project completion. "Significant effect on the environment" means a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance.

NAME OF PROJECT: 2222 and 2232 Senter Road Rezoning and General Plan Amendment

PROJECT FILE NUMBER: PDC06-119 and GP06-07-04

PROJECT DESCRIPTION: General Plan amendment request to change the land use designation from Light Industrial to Combined Industrial/Commercial and Planned Development Rezoning from LI Light Industrial Zoning District to A(PD) Planned Development Zoning District to allow construction of approximately 54,200 square feet in several one and two-story buildings for office and retail commercial uses on an approximately 3.6-acre site, and subsequent permits.

PROJECT LOCATION & ASSESSORS PARCEL NO.: East side of Senter Road, approximately 200 feet southerly of Burke Street; 477-73-043

COUNCIL DISTRICT: 7

APPLICANT CONTACT INFORMATION: Barry Swenson Builder
Attn. Aaron Barger
777 N 1st Street
San Jose, CA 95112

FINDING

The Director of Planning, Building & Code Enforcement finds the project described above will not have a significant effect on the environment in that the attached initial study identifies one or more potentially significant effects on the environment for which the project applicant, before public release of this draft Mitigated Negative Declaration, has made or agrees to make project revisions that clearly mitigate the effects to a less than significant level.

MITIGATION MEASURES INCLUDED IN THE PROJECT TO REDUCE POTENTIALLY SIGNIFICANT EFFECTS TO A LESS THAN SIGNIFICANT LEVEL

I. AESTHETICS – The project will not have a significant impact on this resource, therefore no mitigation is required.

II. AGRICULTURE RESOURCES – The project will not have a significant impact on this resource, therefore no mitigation is required.

III. AIR QUALITY –

- Implement the measures recommended by the BAAQMD during construction, as listed below.
 1. Water all active construction areas at least twice daily and more often during windy periods. Active areas adjacent to residences should be kept damp at all times.
 2. Cover all hauling trucks or maintain at least two feet of freeboard. Dust-proof chutes shall be used as appropriate to load debris onto trucks during demolition.
 3. Pave, apply water at least twice daily, or apply (non-toxic) soil stabilizers on all unpaved access roads, parking areas, and staging areas.
 4. Sweep daily (with water sweepers) all paved access roads, parking areas, and staging areas and sweep streets daily (with water sweepers) if visible soil material is deposited onto the adjacent roads.
 5. Hydroseed or apply (non-toxic) soil stabilizers to inactive construction areas (i.e., previously-graded areas that are inactive for 10 days or more).
 6. Enclose, cover, water twice daily, or apply (non-toxic) soil binders to exposed stockpiles.
 7. Limit traffic speeds on any unpaved roads to 15 mph.
 8. Replant vegetation in disturbed areas as quickly as possible.
 9. Suspend construction activities that cause visible dust plumes to extend beyond the construction site.
 10. During renovation and demolition activities, removal or disturbance of any materials contains asbestos, lead paint or other hazardous pollutants will be conducted in accordance with BAAQMD rules and regulations.

- Implement the following measures during construction to reduce diesel particulate matter exhaust from construction equipment.
 1. Opacity is an indicator of exhaust particulate emissions from off-road diesel powered equipment. The project shall ensure that emissions from all construction diesel powered equipment used on the project site do not exceed 40 percent opacity for more than three minutes in any one hour. Any equipment found to exceed 40 percent opacity (or Ringelmann 2.0) shall be repaired immediately.
 2. The contractor shall install temporary electrical service whenever possible to avoid the need for independently powered equipment (e.g. compressors).
 3. Diesel equipment standing idle for more than two minutes shall be turned off. This would include trucks waiting to deliver or receive soil, aggregate, or other bulk materials. Rotating drum concrete trucks could keep their engines running continuously as long as they were onsite.
 4. Properly tune and maintain equipment for low emissions.

IV. BIOLOGICAL RESOURCES – The project will not have a significant impact on this resource, therefore no mitigation is required.

V. CULTURAL RESOURCES –

- The project shall retain a qualified archaeologist during construction/demolition/excavation on the site to spot-check monitor for potential resources. If any cultural materials are exposed or discovered during either site preparation or subsurface construction activities, operations shall be halted within 25 feet of the find and a qualified archaeologist retained for evaluation and further recommendations. Potential recommendations could include evaluation, collection, recordation, analysis, and reporting of any significant cultural materials. If the find is determined to be significant, a mitigation program shall be prepared and submitted to the Director of Planning, Building, and Code Enforcement for consideration and approval. Copies of appropriate reports should also be forwarded to the CHRIS/NWIC.
- Pursuant to Section 7050.5 of the Health and Safety Code, and Section 5097.94 of the Public Resources Code of the State of California in the event of the discovery of human remains during construction, there shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent remains. The Santa Clara County Coroner shall be notified and shall make a determination as to whether the remains are Native American. If the Coroner determines that the remains are not subject to their authority, the Coroner shall notify the Native American Heritage Commission to attempt to identify descendants of the deceased Native American. If no satisfactory agreement can be reached as to the disposition of the remains pursuant to this State law, then the land owner shall re-inter the human remains and items associated with Native American burials on the property in a location not subject to further subsurface disturbance.

VI. GEOLOGY AND SOILS – The project will not have a significant impact on this resource, therefore no mitigation is required.

VII. HAZARDS AND HAZARDOUS MATERIALS – The project will not have a significant impact on this resource, therefore no mitigation is required.

VIII. HYDROLOGY AND WATER QUALITY – The project will not have a significant impact on this resource, therefore no mitigation is required.

IX. LAND USE AND PLANNING – The project will not have a significant impact on this resource, therefore no mitigation is required.

X. MINERAL RESOURCES – The project will not have a significant impact on this resource, therefore no mitigation is required.

XI. NOISE – The project will not have a significant impact on this resource, therefore no mitigation is required.

XII. POPULATION AND HOUSING – The project will not have a significant impact on this resource, therefore no mitigation is required.

XIII. PUBLIC SERVICES – The project will not have a significant impact on this resource,

therefore no mitigation is required.

XIV. RECREATION – The project will not have a significant impact on this resource, therefore no mitigation is required.

XV. TRANSPORTATION / TRAFFIC – The project will not have a significant impact on this resource, therefore no mitigation is required.

XVI. UTILITIES AND SERVICE SYSTEMS – The project will not have a significant impact on this resource, therefore no mitigation is required.

XVII. MANDATORY FINDINGS OF SIGNIFICANCE – The project will not substantially reduce the habitat of a fish or wildlife species, be cumulatively considerable, or have a substantial adverse effect on human beings, therefore no additional mitigation is required.

PUBLIC REVIEW PERIOD

Before 5:00 p.m. on **March 26, 2007**, any person may:

- (1) Review the Draft Mitigated Negative Declaration (MND) as an informational document only; or
- (2) Submit written comments regarding the information, analysis, and mitigation measures in the Draft MND. Before the MND is adopted, Planning staff will prepare written responses to any comments, and revise the Draft MND, if necessary, to reflect any concerns raised during the public review period. All written comments will be included as part of the Final MND;

Joseph Horwedel, Director
Planning, Building and Code Enforcement

Circulated on: 3/6/07

Alexi A. Amick
Deputy

Adopted on: _____

Deputy