



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Planning Commission

SUBJECT: SEE BELOW

DATE: July 26, 2007

COUNCIL DISTRICT: 4
SNI AREA: N/A

SUBJECT: C07-026. CONVENTIONAL REZONING OF A 9.8 SITE FROM IP INDUSTRIAL PARK ZONING DISTRICT TO CG COMMERCIAL GENERAL ZONING DISTRICT.

RECOMMENDATION

The Planning Commission voted 6-0-1 to recommend that the City Council approve the proposed Rezoning from the IP Industrial Park Zoning District to the CG Commercial General Zoning District to allow commercial uses on a 9.8 gross acres site.

OUTCOME

Should the City Council approve the Rezoning as recommended by the Planning Commission, the 9.8 gross-acre site will be zoned CG Commercial General Zoning District, consistent with the San José 2020 General Plan Land Use/Transportation Diagram designation of Combined Industrial/Commercial.

BACKGROUND

The property owner, Palm Inc, is requesting the Rezoning of the subject 9.8 gross-acre site, at the southeast corner of North First Street and Holger Way, from IP Industrial Park Zoning District to CG Commercial General Zoning District. The intent of the rezoning is to facilitate future retail uses and a hotel on a currently undeveloped site.

On July 18, 2007, the Planning Commission held a public hearing to consider a Rezoning from the IP Industrial Park Zoning District to the CG Commercial General Zoning District on a 9.8 gross-acre site. The Director of Planning recommended approval of the proposal. The item was considered as part of the consent calendar portion of the agenda. There was no comment by the public, and the Planning Commission recommended approval of the proposal.

ANALYSIS

This site was subject to a privately-initiated General Plan Amendment (File GP06-04-01) approved by the City Council to change the *San José 2020 General Plan* Land Use/Transportation Diagram designation from Industrial Park with Mixed Industrial Overlay to Combined Industrial/Commercial on an approximately 9.8-acre portion of the site at the northeasterly corner of North First Street and Headquarters Drive; retain Industrial Park and remove the Mixed Industrial Overlay on an approximately 12.6-acre portion of the site approximately 590 feet easterly of North First Street on the northerly side of Headquarters Drive; and retain Industrial Park with Mixed Industrial Overlay on an approximately 14-acre portion of the site at the northeasterly corner of North First Street and Holger Way. Because the subject 9.8 acre site has a General Plan land use designation of Combined Industrial/Commercial which provides for uses under a range of zoning districts, there is no conforming zoning district under the Zoning Code Section 20.120.110, and the proposal is brought to the Planning Commission for a recommendation prior to action by the City Council. Discussion regarding the conformance of the proposed rezoning and the pending project is discussed in the Analysis section of the attached Planning Commission staff report.

EVALUATION AND FOLLOW-UP

No specific Council direction has been made to staff for follow-up action as part of the prior General Plan Amendment (File GP06-04-01) for the subject rezoning.

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.

HONORABLE MAYOR AND CITY COUNCIL

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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.

CEQA

CEQA: Resolution No. 65459.

Akuni Danielson
JW JOSEPH HORWEDEL, SECRETARY
Planning Commission

For questions please contact Susan Walton at 408-535-7847.

cc:

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

Hearing Date/Agenda Number
P.C. 07-18-07
C.C. 08-14-07

File Number
C07-026

Application Type
Conventional Rezoning

Council District
4

Planning Area
North

Assessor's Parcel Number(s)
097-03-079

STAFF REPORT

PROJECT DESCRIPTION

Completed by: Chris Burton

Location: Southeast corner of North First Street and Holger Way

Gross Acreage: 9.8ac Net Acreage: 9.8ac Net Density: N/A

Existing Zoning: IP Industrial Park Existing Use: Vacant

Proposed Zoning: CG Commercial General Proposed Use: Commercial shopping center and hotel

GENERAL PLAN

Land Use/Transportation Diagram Designation
Combined Industrial/Commercial

Project Conformance:
 Yes No
 See Analysis and Recommendations

SURROUNDING LAND USES AND ZONING

North: Vacant IP Industrial Park

East: Vacant IP Industrial Park

South: Industrial IP Industrial Park

West: Multi Family Residential A(PD) Planned Development

ENVIRONMENTAL STATUS

Environmental Impact Report (GP2020 EIR certified 8-16-94) Exempt
 Negative Declaration circulated on Environmental Review Incomplete
 Negative Declaration adopted on

FILE HISTORY

Annexation Title: Lick No 20

Date: December 3, 1985

PLANNING DEPARTMENT RECOMMENDATIONS AND ACTION

Approval
 Approval with Conditions
 Denial
 Uphold Director's Decision

Date: July 11, 2007

Approved by: *Susan Walton*
 Action
 Recommendation

OWNER / APPLICANT

Palm Inc.
950 W. Maude Avenue
Sunnyvale, CA 94085

PUBLIC AGENCY COMMENTS RECEIVED

Completed by: Chris Burton

Department of Public Works

No comments or requirements.

Other Departments and Agencies

See attachment.

GENERAL CORRESPONDENCE

None received.

ANALYSIS AND RECOMMENDATIONS

BACKGROUND

The property owner, Palm Inc, is requesting the Rezoning of the subject 9.8 gross-acre site, at the southeast corner of North First Street and Holger Way, from IP Industrial Park Zoning District to CG Commercial General Zoning District. The intent of the rezoning is to facilitate future retail uses and a hotel on a currently undeveloped site. The existing uses surrounding the site include industrial/office and research and development, except for the uses located to the west across North First Street where a mobilehome park and a multi-family residential development are located. An industrial use is located southerly of the multi-family development. There is a pending rezoning application on that industrial site with a proposal for a 992-unit residential development.

This site was subject to a privately-initiated General Plan Amendment (File GP06-04-01) approved by the City Council to change the *San José 2020 General Plan* Land Use/Transportation Diagram designation from Industrial Park with Mixed Industrial Overlay to Combined Industrial/Commercial on an approximately 9.8-acre portion of the site at the northeasterly corner of North First Street and Headquarters Drive; retain Industrial Park and remove the Mixed Industrial Overlay on an approximately 12.6-acre portion of the site approximately 590 feet easterly of North First Street on the northerly side of Headquarters Drive; and retain Industrial Park with Mixed Industrial Overlay on an approximately 14-acre portion of the site at the northeasterly corner of North First Street and Holger Way. Because the subject 9.8 acre site has a General Plan land use designation of Combined Industrial/Commercial which provides for uses under a range of zoning districts, there is no conforming zoning district under the Zoning Code Section 20.120.110, and the proposal is brought to the Planning Commission for a recommendation prior to action by the City Council.

There is currently a Conditional Use Permit application (File CP07-038) on file for the subject site to allow a 73,000 square foot shopping center and a 170 room hotel, and a Site Development Permit application (H07-018) on file for the adjacent 12.6 acre industrial portion of the larger site to allow approximately 888,000 square feet of office space.

Site and Surrounding Uses

The site, a vacant property, as stated above, has a land use designation of Combined Industrial/Commercial. Combined Industrial/Commercial is a designation intended to allow either developments with a mixture of compatible commercial and industrial uses, or to allow projects which are wholly commercial or industrial. The site is currently zoned IP Industrial Park which does not allow development of an entirely retail and hotel project.

The larger site is a gateway to the North San José industrial area also known as Innovation Triangle. It is located at the southeasterly corner of State Route 237 and North First Street in an area bounded by State Route 237, North First Street, and Holger Way. This part of North First Street is a two- to four-lanes Arterial with a raised center median. Access to the larger site is provided by North First Street and Zanker Road via Holger Way, which bisects the site.

The existing General Plan Land Use/Transportation Diagram land use designations surrounding the site are predominantly industrial: Industrial Park lies to the east and northeast across State Route 237, and to the south across Headquarters Drive; Combined Industrial/Commercial under the Alviso Specific Plan lies to the north of State Route 237 on both sides of North First Street. Land use designations west of North First Street are Medium Low Density Residential (8 DU/AC), High Density Residential (25-50 DU/AC), and Industrial Park with a Transit Employment Residential District Overlay.

The existing uses surrounding the site include industrial/office and research and development, except for the uses located to the west across North First Street where a mobile home park and a multi-family residential development are located. An industrial use is located southerly of the multi-family development. There is a pending rezoning application on this industrial site with a proposal for a 992-unit residential development.

ENVIRONMENTAL REVIEW

The environmental impacts of this project were addressed by a Final EIR entitled, "San José 2020 General Plan," and certified on August 16, 1994, by the City of San José City Council.

PUBLIC OUTREACH

A notice of the public hearing was published, posted on the City's web site and distributed to the owners and tenants of all properties located within 500 feet of the project site. Staff has been available to discuss the proposal with members of the public.

GENERAL PLAN CONFORMANCE

The site is designated Combined Industrial/Commercial on the San José 2020 General Plan Land Use/Transportation Diagram. The proposed CG Commercial General Zoning District would allow commercial uses consistent with the Combined Industrial/Commercial land use designation.

ANALYSIS

The City's proposed CG Commercial General Zoning District is a district intended to serve the needs of the general population. This district allows for a full range of retail and commercial uses with a local or regional market. Development is expected to be auto-accommodating and includes larger commercial centers as well as regional malls. The Combined Industrial/Commercial General Plan land use designation on the 9.7 acres is intended for commercial, office, or industrial developments or a compatible mixture of these uses. "Big box" retail as a stand-alone use or as part of a larger retail development is appropriate in this designation. Uses should be arranged on the site in a manner that avoids land use incompatibilities. The proposed rezoning to CG Commercial General Zoning District would conform with the General Plan and would facilitate implementation of development that is both consistent with the General Plan and compatible with surrounding uses.

COORDINATION

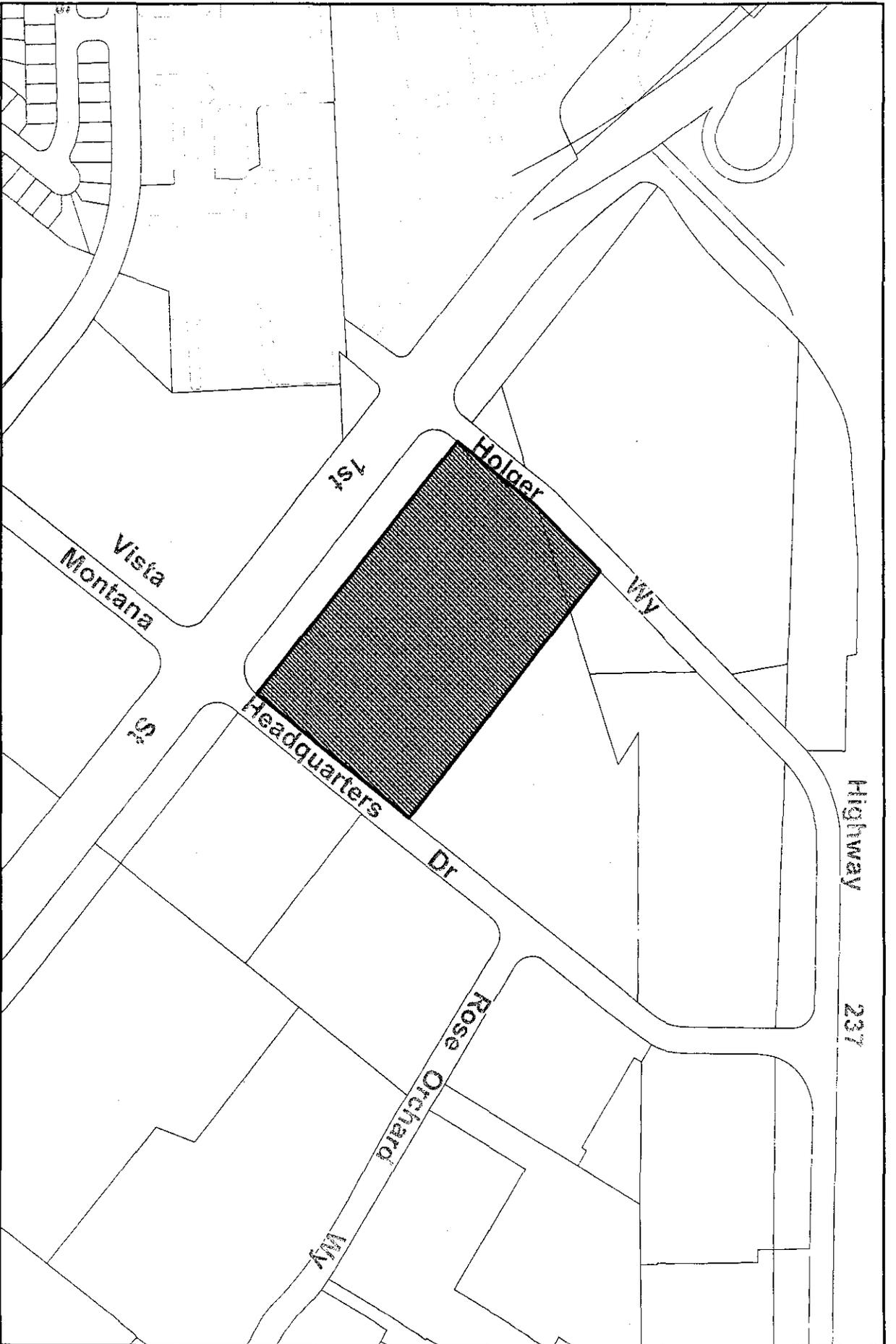
This project was coordinated with the Department of Public Works, Fire Department, Building Division, Environmental Services Department and the City Attorney.

RECOMMENDATION

Planning staff recommends approval of the proposed zoning for the following reasons:

1. The proposed rezoning is in conformance with the General Plan Land Use/Transportation Diagram designation of Combined Industrial/Commercial.
2. The proposed rezoning will facilitate development of this site that is consistent with the General Plan and compatible with the surrounding uses.

Attachments



Scale: 1" = 300'
Noticing Radius: 500 feet

File No: C07-026

Council District: 4

Quad No: 35



**USE OF A PROGRAM EIR
SAN JOSE 2020 GENERAL PLAN FINAL EIR**

Pursuant to Section 15168 of the CEQA Guidelines, the City of San Jose has determined that the project described below is pursuant to or in furtherance of the Final Environmental Impact Report (EIR) for the San Jose 2020 General Plan and does not involve new significant effects beyond those analyzed in this Final EIR. Therefore, the City of San Jose may take action on the project as being within the scope of the Final EIR.

PROJECT DESCRIPTION AND LOCATION

C07-026. Conventional Rezoning for a project located on the southeast corner of North First Street and Holger Way on a 9.8 gross acre site with a San Jose 2020 General Plan Land Use/Transportation Diagram Designation of Combined Industrial/Commercial from the IP Industrial Park Zoning District to CG Commercial General Zoning District.

Council District 4

County Assessor's Parcel Numbers 097-03-079

The environmental impacts of this project were addressed by a Final EIR entitled, "San Jose 2020 General Plan," and findings were adopted by City Council Resolution No. 65459 on August 16, 1994. The Program EIR was prepared for the comprehensive update and revision of all elements of the City of San Jose General Plan, including an extension of the planning timeframe to the year 2020. The following impacts were reviewed and found to be adequately considered by the EIR:

- | | | |
|-------------------------|-------------------------|-------------------------|
| Traffic and Circulation | Soils and Geology | Noise |
| Cultural Resources | Hazardous Materials | Land Use |
| Urban Services | Air Quality | Aesthetics |
| Energy | Facilities and Services | Water Quality/Resources |
| Open Space | Schools | Drainage and Flooding |
| Vegetation and Wildlife | | |

The City of San Jose may take action on the proposed project as being within the scope of the General Plan and uses of the Program EIR in that (1) the Final EIR is a Program EIR pursuant to CEQA and CEQA Guidelines Section 15168. (2) it is determined that no new significant impacts will occur from this proposed project, and no new mitigation measures would be required beyond those contained in the General Plan and Final EIR pursuant to CEQA Guidelines 15162.

Chris Burton
Project Manager

Joseph Horwedel, Director
Planning, Building and Code Enforcement

7/14/07
Date

Joseph Horwedel
Deputy

Memorandum

TO: Christopher Burton
Planning and Building

FROM: Ebrahim Sohrabi
Public Works

**SUBJECT: RESPONSE TO
DEVELOPMENT APPLICATION**

DATE: 05/21/07

PLANNING NO.: C07-026
DESCRIPTION: Conforming Conventional Zoning from the IP Industrial Park Zoning District to the CG Commercial General Zoning District to allow commercial uses on a 9.8 gross acres site
LOCATION: southeast corner of North First Street and Holger Way
P.W. NUMBER: 3-11445

Public Works received the subject project on 05/01/07 and submits the following comments:

1. The project is located within Maintenance District 20 which maintains the enhanced landscaped median islands on North First Street within the boundaries of the district. Properties within the district pay for the maintenance through annual assessments placed on the County property tax bills. The assessment will continue to be collected on the property tax bills which is calculated at approximately \$109 per acre and is adjusted annually by the Consumer Price Index.
2. The project is located within North San Jose Development Policy (NSJDP) area and will be required to participate in the payment of NSJDP traffic impact fee.

Please contact the Project Engineer, Ryan Do, at 408-535-6897 if you have any questions.



Ebrahim Sohrabi
Senior Civil Engineer
Transportation and Development Services Division

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MAY 10 2007



CITY OF SAN JOSE
DEVELOPMENT SERVICES

Memorandum

TO: Christopher Burton

FROM: Nadia Naum-Stoian

DATE: 05/09/07

**SUBJECT: FINAL RESPONSE TO
DEVELOPMENT APPLICATION**

Re: Plan Review Comments

PLANNING NO: C07-026

DESCRIPTION: Conforming Conventional Zoning from the IP Industrial Park Zoning District to the CG Commercial General Zoning District to allow commercial uses on a 9.8 gross acres site

LOCATION: southeast corner of North First Street and Holger Way

ADDRESS: southeast corner of North First Street and Holger Way

FOLDER #: 07 013182 ZN

The Fire Department's review was limited to verifying compliance of the project to Article 9, Appendix III-A, and Appendix III-B of the 2001 California Fire Code with City of San Jose Amendments (SJFC). Compliance with all other applicable fire and building codes and standards relating to fire and panic safety shall be verified by the Fire Department during the Building Permit process.

The application provided does not include adequate information for our review; Fire Department staff will provide further review and comments when additional information is received as part of subsequent permit applications.

Nadia Naum-Stoian
Fire Protection Engineer
Bureau of Fire Prevention
Fire Department
(408) 535-7699



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CITY OF SAN JOSE
DEVELOPMENT SERVICES

Memorandum

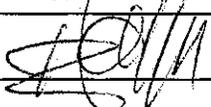
ENVIRONMENTAL SERVICES (ESD)

TO: Chris Burton
Department of Planning,
Building, & Code Enforcement

FROM: Matt Krupp
Environmental Services

SUBJECT: Response to Development
Application

DATE: Staff Review Agenda
May 10, 2007

APPROVED: 

DATE: 5/21/07

PLANNING NO. :	C07-026
LOCATION:	southeast corner of North First Street and Holger Way
DESCRIPTION:	Conforming Conventional Zoning from the IP Industrial Park Zoning District to the CG Commercial General Zoning District to allow commercial uses on a 9.8 gross acres site
APN:	09703079

ESD received the subject project and is submitting the following additional conditions and comments. Questions regarding these comments may be directed to the program contact given or to me at (408) 975-2578.

Source Control

Commercial

The proposed development must conform to the City of San Jose (City) industrial waste discharge regulations¹. Any non-domestic wastewater discharge into the sanitary sewer system will require Source Control staff to review and approve the final plans. An Industrial Wastewater Discharge Permit may also be required. Implementation of Best Management Practices (BMPs) adopted by the City for specific commercial groups may also be required.

The inclusion of any of the following commercial uses requires Source Control staff to review and approve the final plans:

¹ In accordance with the San Jose Municipal Code, Chapter 15.14 - Industrial Waste Discharge Regulations

Integrated Waste Management (IWM)

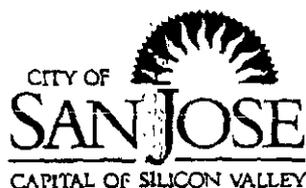
Office Building

1. The proposed commercial development must follow the requirements for recycling container space². When 30 percent or more of the original floor space is added to an existing building, provision must be made for the storage and collection of recyclables. Project plans must show the placement of recycling containers, for example, within the details of the solid waste enclosures.
2. It is recommended that scrap construction and demolition debris be recycled instead of disposing of it in a landfill. An infrastructure exists within San Jose to accommodate such recycling efforts. Additional information may be found at <http://www.sjrecycles.org/business/cddd.htm>. For further information, contact the Commercial Solid Waste Program at (408) 535-3515.
3. Collection space should be provided for built-in recycling containers/storage on each floor/office or alcoves for the placement of recycling containers.

Urban Runoff

Please be aware that effective August 15, 2006, all projects that create or replace 10,000 square feet of impervious surface will be required to hydraulically size their post-construction treatment control measures to address water quality according to the City of San Jose's Post-Construction Urban Runoff Management Policy (Policy 6-29). Please reference all post-construction stormwater treatment features on future plans and see Policy 6-29 for details. Please refer to the SCVURPPP C3 Handbook found on www.scvurppp.org or <http://www.sanjoseca.gov/planning/stormwater/slideshow.asp> for guidance.

² In accordance with the California Public Resources Code, Chapter 18, Articles 1 and 2



Memorandum

TO: John Davidson
Planning Department

FROM: Tim Town
Municipal Water System

SUBJECT: Muni Water Comments
On Proposed Development

DATE: May 7, 2007

San Jose Municipal Water System has reviewed the proposed development C07-026 regarding a Conforming Conventional Zoning from the IP Industrial Park Zoning District to the CG Commercial General Zoning District to allow commercial uses on a 9.8 gross acre site located at the southeast corner of North First Street and Holger Way, and has the following comments:

There are potable and recycled water mains available to serve this development.

This development is subject to the following fees:

- Major Water Facilities Fee
- Meter Fee
- Engineering and Inspection Fee

Additionally, the developer is responsible for all costs associated with constructing potable and recycled water facilities needed to serve the site.

All water wells within the site shall be abandoned in accordance with Santa Clara Valley Water District regulations prior to receiving water service from Muni Water.

If you have any questions please contact me at 277-3671. Thanks for the opportunity to comment.

Timothy S. N. Town

Timothy S. N. Town
Associate Civil Engineer
Municipal Water System

