



COUNCIL AGENDA: 09-13-05
ITEM: 9.2

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Paul Krutko
Stephen Haase
Harry Mavrogenes
James Helmer

SUBJECT: See Below

DATE: September 8, 2005

Approved

Date

9/9/05

COUNCIL DISTRICT: 4 Rincon de los Esteros

SUBJECT: STATUS REPORT ON VISION NORTH SAN JOSE AND COMMENT
AND DIRECTION ON THE PROPOSED VISION NORTH SAN JOSE
IMPLEMENTATION PLAN

RECOMMENDATION

Staff recommends that the City Council accept this Status Report and the attached Proposed Implementation and direct staff to proceed with the Implementation Plan which includes staff actions regarding zoning ordinance changes, the development of design guidelines, green building incentives, transportation, water supply infrastructure, updates to the flood policy amongst other items.

The Vision North San Jose project implements the directives of both the Mayor's Getting Families Back to Work effort and Initiative No 6, "Improve Speed, Consistency, and Predictability of the Development Review Process, and Reduce Costs of Operating in San Jose"; and No. 11 "Revise Key Land Use and Transportation Policies to Reflect the New Realities of the San Jose Economy".

**STATUS REPORT AND REVIEW OF
VISION NORTH SAN JOSE IMPLEMENTATION
PLAN**

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BACKGROUND

On June 21, 2005, the City Council approved Vision North San Jose. The project establishes a framework to guide the growth and development of the North San Jose area as an important employment and housing center over the next 25 years. The City's goal for North San Jose is to recognize the changing needs of technology companies for more flexible use of office and industrial space in addition to providing supporting housing and retail uses. At build-out the plan will provide for the development of an additional 26.7 million square feet of R&D -office space, 1.7 million square feet of retail space, and 32,000 units of high-density residential units. Actions taken by the City Council included the modification of the North San Jose Area Development Policy, upheld certification of the North San Jose Environmental Impact Report and approval of related General Plan Amendments to facilitate the desired development outcomes.

At the June 21, 2005 Council meeting, Council directed staff to continue to work with community stakeholders who expressed concerns about the potential impacts that would be generated by the project. Throughout the development of Vision North San Jose staff met extensively with area residents and neighborhood groups, and representatives of industry trade associations and the development and corporate community. Council further directed staff to meet with adjoining jurisdictions including the Cities of Santa Clara and Milpitas and the County of Santa Clara to address concerns raised.

ANALYSIS

Legal Issues

On July 28, 2005, the County of Santa Clara, the City of Milpitas, and the City of Santa Clara filed lawsuits challenging the City's North San Jose EIR. Each jurisdiction contends that the EIR does not provide adequate mitigation for the impacts of development that will result from the implementation of the Vision North San Jose Project. Currently discussions between the City and these jurisdictions are on going.

Implementation Plan

The Council directed that staff develop an Implementation Plan for Vision North San Jose that would substantively address the issues raised by the City Council, community stakeholders and neighboring jurisdictions and would provide staff the tools with which to ensure the orderly build out of Vision North San Jose and serve as an effective tool to monitor the City's ability to meet related economic development goals.

The Implementation Plan has been structured to encompass each of the major activity areas required to successfully guide development in North San Jose. Major work areas include but not limited to:

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- Zoning and policy modifications
- Design guidelines
- Water supply infrastructure
- Transportation and related infrastructure
- Green building incentives

The Plan is structured to identify and describe significant tasks included in each category with additional information related to budget, staffing and lead staff responsibility. Staff will include the direction provided by the City Council on the Implementation Plan and continue to bring the Plan back to Council for periodic review and direction.

Development Activity

Several industrial, residential and retail developers as well as representatives of the North San Jose corporate community are developing preliminary plans to implement projects that advance the Vision North San Jose Project. In that sense, the Vision North San Jose plan is already working. The corporate and development community have already begun to take action and invest in the zoning changes and increased density allowed under the Project. Staff will continue to work with property owners and developers to provide input to development concepts and concurrently process applications for new development.

OUTCOMES

Council will review and accept the update on the Vision North San Jose project and provide comment on the supporting Implementation Plan.

PUBLIC OUTREACH

Staff continues to meet with departmental and legal representatives from the County of Santa Clara and the Cities of Santa Clara and Milpitas.

COORDINATION

Preparation of this memorandum has been coordinated with the City Attorney's Office and the Agency's General Counsel

COST IMPLICATIONS

No specific budget requests are requested at this time. The Vision North San Jose Implementation Plan identifies budget and staff resources required to implement the various tasks identified within the Implementation Plan. The Redevelopment Agency's Capital Improvement Program to be presented for Agency Board adoption on September 13, 2005, allocates \$3.9 million for design of high priority transportation infrastructure improvements, and towards the preparation of Design Guidelines and a Landscape Master Plan for North San Jose.



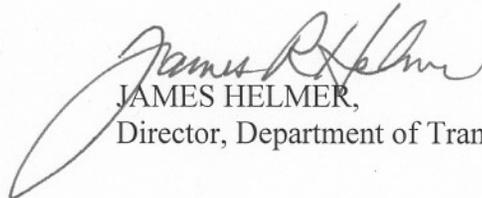
STEPHEN HAASE, Director
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Executive Director,
San Jose Redevelopment Agency



JAMES HELMER,
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North San Jose Policy Implementation Proposed Work Plan

The following Work Plan prepared by the Community and Economic Development City Service Area includes tasks identified in response to the following general goals:

- 1) Address Council concerns/issues
- 2) Address concerns/issues raised by community stakeholders
- 3) Address concerns/issues raised by other jurisdictions (Milpitas, County, Santa Clara)
- 4) Proceed on implementation items for adopted Policy as identified by staff

Implementation Action #1: Zoning and Policy Modifications

The General Plan changes adopted as part of the North San Jose policy update allow a mix of uses beyond that of any of the City's current standard zoning districts. Establishment of two new zoning districts will facilitate redevelopment within the Policy area by simplifying and accelerating the entitlement process. Modifications to the Zoning Ordinance can also be used to create incentives for Green Building projects and other desirable development. The North San Jose area Flooding Policy also needs to be updated to reflect the new Area Development Policy and to incorporate recently revised FEMA maps.

Tasks:

- Create and apply new "**Core Industrial**" zoning district.
- Create and apply new "**Transit/Employment Residential**" zoning district.
- Create Zoning Ordinance **incentives and/or streamlining procedures** for new industrial projects located within the Policy Area.
- Update North San Jose Area **Flooding Policy** to address new FEMA maps and other policy changes. (\$50,000 funding committed from Redevelopment Agency).
- Develop **Green Building Incentives and/or Requirements Program**. Create Policy Incentives for Use of Sustainable/Green Architecture. Provide special handling / expedited service to projects eligible for LEED certification. Consider possible incentives based upon LEED certification. Adopt a (Citywide or NSJ area) policy that encourages public and private facilities to include green building design features into new construction, remodeling, and maintenance.
- Respond to privately initiated General Plan changes.
- Respond to privately initiated Zonings.

Possible Products/Outcomes:

- Core Industrial zoning district
- Transit/Employment Residential zoning district.
- Zoning Ordinance incentives and/or streamlining procedures
- Updated Flooding Policy
- Green Building Incentives and/or Requirements
- Privately initiated General Plan changes
- Privately initiated Zonings

Lead Staff: Planning

Support Staff: Public Works, Environmental Services, Office of Economic Development,
Redevelopment Agency

Time frame: January – March 2006

Budget: 0.25 FTE Planning

Implementation Action #2: Design Guidelines and Vision Document

Preparation of design guidelines will support the successful implementation of the North San Jose Area Development Policy goal to establish a premier corporate environment along the North First Street corridor. While the adopted Policy includes a basic description of the City's vision for the North San Jose Core Area and other sub-areas, additional text description and graphics will better communicate this vision and provide clarity for prospective developers. The document will generally be used to provide a vision to assist developers, but some portions may be proscriptive. The City also needs to update the Los Esteros landscape plan and prepare design guidelines for public areas in support of the new North San Jose vision.

Tasks:

- Prepare Urban Design / Implementation Guidelines for Core Area. Key issues include design of public areas, residential/industrial interfaces, location of retail, integration of residential development within Core Area, North First Street geometric layout, and public access to open space and circulation areas.
- Update Rincon de Los Esteros landscape master plan.
- Incorporate Green Building practices
- Prepare other outreach/informational documents
- Conduct additional outreach

Possible Products/Outcomes:

- Urban Design / Implementation Guidelines for Core Area.
- Updated Rincon de Los Esteros landscape master plan.
- Additional outreach/informational documents and activities.

Lead Staff: Redevelopment Agency, Office of Economic Development

Support Staff: Planning, Transportation

Time frame: June 2006

Budget: 0.3 FTE Agency
0.2 FTE Planning

(\$300,000 from Redevelopment Agency: \$100,000 Design Consultant; \$50,000
Landscape Consultant; \$150,000 Engineering Consultant)

Implementation Action #3: Water Supply and Infrastructure

Experience gained during preparation of the North San Jose policy suggests the benefit of closer coordination with the Water District for ongoing long-range planning efforts, along with the potential need to expand the water supply, recycled water supply, storm sewer and sanitary sewer infrastructure within the North San Jose area. Such expansion could be accomplished as development occurs, advance planning and design will facilitate the redevelopment within North San Jose and provide for a more efficient design overall.

Tasks:

- Form team with ESD and DPW staff to further study water supply & sanitary sewer issues.
- Coordinate with the Water District on Water Supply Issues and to develop compatible approaches to long term planning.
- Develop Plan/Policy for Expansion of the Recycled Water Pipeline System.
- Commit to WPCP capacity study at 80% with member support - Modify the City's policies to state that the City will initiate planning for expansion of the WPCP once usage reaches 80% of total WPCP capacity (Policy currently requires such a study once 85% of capacity is reached.) The City would pursue such a study if other WPCP jurisdictions agree to participate and provide a share of the funding.
- Develop plan to expand the recycled water pipeline within NSJ to target areas identified for intensification within the NSJ Policy. Construction of infrastructure should be coordinated with construction of the new "Grid Streets" included as part of the Policy transportation improvement program. Expansion should be completed within 10 years. Research additional conservation measures (e.g. ultra-low flow toilets) that could be required beyond current requirements.

Possible Products/Outcomes:

- Coordinated long-term planning with the Water District on Water Supply Issues.
- Plan/Policy for Expansion of the Recycled Water Pipeline System.
- Commitment to WPCP capacity study at 80% with member support
- Identification of additional water conservation measures

Lead Staff: Planning, Environmental Services

Support Staff: Public Works

Time frame: June 2006

Budget: 0.3 FTE Planning
0.3 FTE Environmental Services