



DRIVING A STRONG ECONOMY COMMITTEE

Executive Summary September 27, 2004

The meeting was convened at 1:33 p.m.

Members Present: Chair Forrest Williams, Vice-Chair Terry Gregory, Councilmember Chuck Reed, Councilmember Judy Chirco

Staff Present: Mark Linder, Ed Moran, Paul Krutko, John Weis, Stephen Haase, Manuel Pineda, Joe Horwedel, Andrew Crabtree

1. Parkland Dedication Ordinance and Park Impact Ordinance Proposed Revisions (Parks, Recreation & Neighborhood Services)

Upon motion of Councilmember Reed, seconded by Councilmember Chirco, the Committee accepted the staff's request for deferral of, "Parkland Dedication Ordinance and Park Impact Ordinance Proposed Revisions" until November 22, 2004.

2. Status of Industrial Lands (Office of Economic Development, Planning, Building & Code Enforcement, Redevelopment Agency, Department of Transportation)

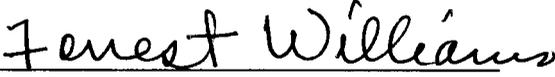
Upon motion of Councilmember Reed, seconded by Vice-Chair Gregory, the Committee accepted the staff's report, "Status of Industrial Lands".

3. Sign Code Amendments (Planning, Building & Code Enforcement)

Upon motion of Councilmember Reed, seconded by Councilmember Chirco, the Committee accepted staff's report, "Sign Code Amendments".

4. Oral Petitions
None
5. Adjournment

Meeting was adjourned at 3:07 p.m.


Forrest Williams, Chair
Driving A Strong Economy Committee



DRIVING A STRONG ECONOMY COMMITTEE
Report
September 27, 2004

Members Present: Chair Forrest Williams, Vice-Chair Terry Gregory, Councilmember Chuck Reed, Councilmember Judy Chirco

Staff Present: Mark Linder, Ed Moran, Paul Krutko, John Weis, Stephen Haase, Manuel Pineda, Joe Horwedel, Andrew Crabtree

The meeting was convened at 1:33 p.m.

1 **Parkland Dedication Ordinance and Park Impact Ordinance Proposed Revisions (Parks, Recreation & Neighborhood Services)**

Upon motion of Councilmember Reed, seconded by Councilmember Chirco, the Committee accepted staff's request for deferral until November 22, 2004 of this report.

2. **North San Jose Area Development Policy Update (Office of Economic Development, Planning, Building & Code Enforcement, Redevelopment Agency, Department of Transportation)**

Stephen Haase, Director of Planning, Building & Code Enforcement, Paul Krutko, Director of the Office of Economic Development, Manuel Pineda, Senior Civil Engineer, Department of Transportation and John Weis, Deputy Executive Director, Redevelopment Agency, presented this staff report. The proposed update of the North San Jose Area (NSJ) Development Policy was previously discussed at the March 22, 2004 DSE Committee meeting. Within the Economic Development Strategy, one of the strategic initiatives is, "Revise Key Land Use and Transportation Polices to Reflect the New Realities of the San Jose Economy". During the Getting Families Back to Work Study Sessions, real estate developers and several driving industry CEOs indicated they would like to use the land within North San Jose more strategically, building vertically dense campuses along transit corridors with adjacent supporting commercial uses. The policy update project area consists of 4,700 acres of

prime industrial land. The technology park is currently developed with 44 million square feet of industrial office, research and development and light manufacturing space and 6, 675 residential units. Land use entitlements have been issued for an additional 7.5 million square feet of industrial development. The current average Floor Area Ratio (FAR – allowed development square feet divided by total site square feet) for industrial development throughout the entire project is 34%. Staff hopes to complete the work required for adoption of the new Area Development Policy and accompanying General Plan Amendments by December 2004.

The Traffic Impact Analysis has been largely completed and preparation of the project Environmental Impact Report (EIR) is underway. It is anticipated that the EIR will be distributed for public review at the end of November, allowing preparation of a Final EIR in January 2005. Amending the North San Jose Area Development Policy is a critical project that will help secure San Jose's economic vitality, by creating a denser corporate center while promoting livability. A delay in revising the Policy could result in significant missed opportunities for companies seeking to expand or locate in San Jose if the market improves in the near future.

Vice-Chair Gregory asked how does the Coyote Valley development size compare to the North San Jose project. Staff responded that the Coyote Valley planning area is about 6,000 acres, and the industrial area to be developed is 1000-1500 acres with the potential of generating 60,000 additional jobs.

Vice-Chair Gregory asked if there was a formal task force assigned for the North San Jose area. Staff responded the NSJ policy update a specific assignment from the Council out of the 2003 Getting Families Back to Work council directives. The effort is staff driven, implementing current policy and making recommendations to update the existing policy. John Weis, Deputy Executive Director stated that staff, property owners and developers would move together in regular meetings and agree on funding mechanisms and other improvements.

Councilmember Reed asked what kind of response has the City of Santa Clara provided. Staff responded that the City of Santa Clara did not sign the original development policy and have proceeded into high-rise development. Both Stephen Haase and Paul Krutko are scheduled to meet with the City's Planning Director. Councilmember Reed stated that several smaller 2-3-story buildings in the North San Jose area are sitting empty and an amended policy is needed to allow owners to tear these obsolete buildings down and rebuild to meet the demands of higher density buildings. Existing industrial lands are being converted into residential use, so the urgency to have an area for future industrial growth is imperative.

Councilmember Chirco asked how the current FAR limit was determined and expressed concern about lost opportunities with businesses not locating in San Jose. Staff responded it is based on traffic impact. Councilmember Chirco would like

development of residential areas within the industrial park to be attractive and not have the feeling of being an isolated community.

Upon motion of Councilmember Reed, seconded by Vice-Chair Gregory, the Committee accepted staff's report on, "North San Jose Area Development Policy Update".

3. Sign Code Amendments (Planning, Building & Code Enforcement)

Joe Horwedel, Deputy Director, Planning, Building & Code Enforcement, presented this staff report. Changes to the Sign Code have been proposed over the past year to address the Getting Families Back to Work initiative as well as ideas suggested by the development community and staff. Specific amendments may increase the sign area allowed; others modify how existing signage area may be used on a building or site. The result of these proposed changes would be to allow more even application of signage regulations, allow staff to work on more creative designs, and to match signage to uses in a better manner. These proposed changes will be incorporated in a draft ordinance that would be presented to the City Council at a November meeting. Outreach to the sign industry and the development community would occur prior to the Council consideration of the ordinance.

Councilmember Reed asked staff to define the downtown boundaries. Staff responded that the proposed expansion of the Downtown Sign Zone would include parts of the Civic Center Redevelopment Area, specifically, the 4th Street Garage, the New City Hall, the City Hall Garage and First United Methodist Church projects. The current Downtown Sign Zone is generally bounded by Highway 280, 4th Street, Julian Street, and Highway 87.

Chair Williams asked what kind of signage is on the Adobe buildings. Staff responded that on the top of the building are frosted panels, which is a part of the actual building architecture. The Adobe logo is placed elsewhere on the building.

Vice-Chair Gregory described signs that are affixed to certain businesses along McLaughlin and Story Roads, and situations where a residential garage had been converted into a business. He asked if these are legal. Staff responded that most likely the signs are not. Properties along there are zoned residential permitting only one square foot of signage. Garage conversions were outlawed four years ago, unless they already existed with a permit, then they were 'grandfathered' and allowed. Staff also stated that was a low Code Enforcement priority for enforcement given the City's current budget situation.

Upon motion of Councilmember Reed, seconded by Councilmember Chirco, the Committee accepted staff's report on, "Sign Code Amendments".

4. **Oral Petitions**
None

5. **Adjournment**
The meeting was adjourned at 3:07 p.m.

Forrest Williams

Forrest Williams, Chair
Driving a Strong Economy Committee