COUNCIL AGENDA: 12-12-06
ITEM: 10.4(b)

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Planning Commission

SUBJECT: SEE BELOW

DATE: November 20, 2006

COUNCIL DISTRICT: 4
SNI AREA: None

SUBJECT: **GP06-04-02. General Plan amendment request to change the land use designation on a 27.4-acre site (the entire property consists of 29.9 acres, 2.5 acres of which is Private Open Space which will remain unchanged) from Industrial Park on 11.9 acres and Industrial Park with a Mixed Industrial Overlay on 15.5 acres to Neighborhood/Community Commercial on 6 acres and High Density Residential (25-50 du/ac) on 21.4 acres. The site is located on several parcels on the southwest corner of East Brokaw Road and Old Oakland Road.**

RECOMMENDATION

The Planning Commission voted 4-2-1 (Commissioners Kamkar and Zito opposed and Commissioner Dhillon abstained) to recommend approval of the General Plan amendment request.

OUTCOME

Approval of the General Plan amendment request could allow the development of up to 1,070 dwelling units and 60,800 square feet of neighborhood-serving commercial uses on the site. The General Plan amendment would also result in the loss of 27.4 acres of industrial-designated land and require an amendment to the North San Jose Area Development Policy to accommodate housing on the site.

Should the City Council deny the General Plan amendment request, the Director of Planning, Building and Code Enforcement and the Director of the Office of Economic Development recommend the City Council initiate a General Plan amendment to designate the entire 27.4-acre site Combined Industrial/Commercial, as recommended in the staff report. The Combined Industrial/Commercial land use designation would facilitate future development of a community and regional-serving shopping center on the site and avoid the need to amend the North San Jose Area Development Policy.

BACKGROUND

On November 13, 2006, the Planning Commission held a public hearing on the subject General Plan amendment request. The Director of Planning, Building and Code Enforcement and the Director of the Office of Economic Development recommended denial of the applicant's amendment request.

ANALYSIS

Public Testimony

Eric Morley, representing applicants Morley Bros. and the Riding Group, stated that the project conforms to the Industrial Conversion Framework criteria and will offer entry-level homes and revenue to support city services. Mr. Morley also stated that the proposal is consistent with the City's Retail Model and complies with many goals and policies in the General Plan. He cited the proposal's consistency with the Economic Development Strategy and that a future development project would contribute revenue to the Redevelopment Agency and provide revenue to the city from traffic impact fees. Mr. Morley also stated that the North San Jose Area Development Policy does not support "big box" retail as recommended by the City and that there is no deficiency of retail in the area. Mr. Morley summarized the proposal for a mixed-use project as furthering smart growth policies on the site.

Bena Chang, representing the Silicon Valley Leadership Group, indicated support for the proposal. She also cited the gap between entry-level and market-rate housing as the number one cost of doing business in Santa Clara County.

Dave Dollinger, representing Dollinger Properties, explained that his company would be developing the commercial component of the site. He stated that the site is not suitable for more than six acres of retail development due to the lack of freeway visibility.

Kerri Hamilton, representing the Berryessa Citizens Advisory Council, expressed opposition to the General Plan amendment. She cited the lack of destination shopping in the North San Jose/Berryessa area and concerns of traffic and hazardous materials impacts identified in the Environmental Impact Report (EIR). In response, Mr. Morley stated that the hazardous materials impacts identified in the EIR could be mitigated to a less than significant level. He also stated that clean-up work is currently underway to facilitate future residential development on the site.

Commissioner Platten noted that "big box" retail already exists in the area. Commissioner Zito indicated that the proposed residential density of 25-50 dwelling units per acre (du/ac) seemed too high for the site. He also inquired about the impacts of the project to school districts, transit options, and whether increasing the commercial component to ten acres is feasible. Mr. Morley responded that the actual development proposal would be slightly more than 25 du/ac. He stated that school impacts were adequately addressed in the EIR, and that the Orchard Elementary School and other schools serving the site have sufficient capacity. He also described the bus routes serving the site and noted that there are other transit options within one or two miles of the site. Mr. Morley stated that the City's Retail Model does not support the need for more than six acres of retail at this location.

Staff Response to Public Testimony

Planning staff stated that the applicant's remarks about the mixed-use village and the funds to support city services were speculative because no development application is currently on file. The City's Retail Model supports *both* community and regional-serving retail in the area. Staff also noted that the proposal is inconsistent with the Economic Development Major Strategy, because the Redevelopment Tax revenue generated by the residential use does not contribute to the City's General Fund, which supports key public services including fire, police, parks, and libraries. Staff further noted that the hazardous materials clean-up requires a new Remedial Action Workplan from the Department of Toxic Substances Control, and that the plan now excludes residential uses on a major portion of the site. Staff also noted that the High Density Residential (25-50 du/ac) land use designation is intended for the Downtown Core Area, transit corridors, and commercial centers; the applicant's proposal is not transit-oriented because there are no major transit routes near the site.

Staff noted the proposal's fundamental inconsistency with the North San Jose Area Development Policy's focus on development west of Interstate 880 within the Golden Triangle Area. The primary purpose of the Policy is to minimize vehicular traffic by facilitating jobs and housing development around transit stations along North First Street. Approval of the General Plan amendment to allow housing uses on the site would require amending the Policy to address the location of several hundred dwelling units on the currently industrial site, including supplemental environmental analysis and amendments to phasing triggers and allocation criteria to address traffic impacts caused by residential development on the site.

Staff also stated that San Jose is falling behind neighboring cities in growth of retail sales tax revenue, especially when the city's population and buying power is also experiencing substantial growth. Staff pointed out that large commercial sites with qualifying features such as the subject property are difficult to find in the City, and that the City has already identified other more suitable housing sites in the transit-oriented North San Jose area and Downtown.

Staff from the Office of Economic Development (OED) added that the site is truly a rare opportunity for retail and is crucial to help curb the severe leakage of retail tax revenue to other cities. Staff stated that the project is not smart growth, because the site is surrounded by industrial and commercial uses, and, therefore, it cannot be integrated into the surrounding neighborhood as required by the Industrial Conversion Framework. Staff also presented the findings of the EIR alternatives analysis, which disclosed that the staff recommended alternative of Combined Industrial/Commercial avoids the significant traffic impacts and generates fewer environmental impacts than the applicant's proposal. Given the numerous housing opportunity sites that provide better access to transit and location near jobs, staff concluded that this site is not as valuable for housing, and is a prime site for community and regional serving shopping location.

Commission Discussion

The Commission voted 6-0-1 (Commissioner Dhillon abstaining) to certify the EIR following a motion by Commissioner Platten seconded by Commissioner Zito.

Commissioner Platten subsequently moved to approve the applicant's proposal. He acknowledged that future development on the site would not be a transit village, but stated that mixed-use development is preferable. He added that it is difficult to recapture retail opportunities that have long been lost. Commissioner Zito inquired whether the staff recommended Combined Industrial/Commercial alternative is only for big box retail and OED staff responded in the negative. OED staff indicated that the site could accommodate two to five anchor stores with a mix of smaller commercial similar to the San Jose MarketCenter. Commissioner Zito expressed concerns about the proposed residential density range, and the applicant indicated that the range of 25-50 du/ac offers flexibility. Commissioner Kalra seconded the motion to approve the General Plan amendment request and commented on the ability of the future development proposal to create a great place. He does not believe the subject site has the same advantages that the MarketCenter and the Great Mall have to support retail.

Commissioner Kamkar expressed his opposition to the proposal and emphasized the need to preserve employment lands. Commissioner Zito stated that he did not support the motion because the subject site is the wrong place for such high density residential and that more commercial is needed on the site.

PUBLIC OUTREACH

- ☐ **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)**

In addition to on-site signage, a joint notice of the public hearings on the subject General Plan amendment before the Planning Commission on November 13, 2006 and City Council on December 12, 2006 was circulated to the property owners and residents within a 1000 foot-radius of the subject property. The Planning Department website contains information regarding the General Plan process, amendments, staff reports, and hearing schedules. Another 186 members of the public were notified through the email notification subscription service, in addition to prior discussions before the Planning Commission and City Council during the Spring 2006 General Plan hearing cycle. A Community Meeting was held on July 20, 2006 in City Hall, which was attended by representatives of the Berryessa Citizens Advisory Council and a representative of the PW Market. The attendees expressed concerns and opposition to the applicant's proposal during the community meeting.

Subsequent to the distribution of the Planning Commission staff report, staff received from the applicant a response to the staff analysis and four letters representing various organizations in support of the applicant's proposal. The Director of the Office of Economic Development also

submitted a separate letter to the Planning Commission to address the economic issues related to the proposal. Copies of this correspondence is attached to this memo.

This General Plan amendment is subject to the State of California Tribal Consultation Guidelines. To date, staff has received no response to the letters mailed to the tribal representatives.

COORDINATION

Preparation of this report has been coordinated with the Office of Economic Development and the Redevelopment Agency.

FISCAL/POLICY ALIGNMENT

Not applicable.

COST SUMMARY/IMPLICATIONS

Not applicable.

BUDGET REFERENCE

Not applicable.

CEQA

EIR Resolution to be adopted at the December 12, 2006 City Council hearing.

for JOSEPH HORWEDEL, SECRETARY
Planning Commission

For questions please contact Allen Tai in the Planning, Building and Code Enforcement Department at (408) 535-7866.

Attachments: Letters received on November 13, 2006 from applicants
Letter received on November 13, 2006 from the Director of the Office of Economic Development
Planning Commission staff report and attachments

November 11, 2006

The Honorable Xavier Campos, Chair
Planning Commission
City of San Jose
300 E. Santa Clara Street
San Jose, CA 95113

Dear Chair Campos and Commissioners:

We have had an opportunity to review the staff report and want to respond to some of particular comments and information provided in it. In addition, several statements in the staff report are factually inaccurate and require correction.

By way of background, the site is currently predominantly vacant land at this time and three existing office buildings are also predominantly vacant. A portion of the vacant land was previously the site of a metals recycling facility. The site is currently being voluntarily cleaned up by the property owners to unrestricted residential standards under the direction of and in coordination with the California Department of Toxic Substance Control. The EIR comprehensively analyzed this issue and concludes that there are no significant unavoidable impacts related to hazardous materials due to mitigations currently being implemented and proposed.

1. There are Factual Errors in the Staff Report and Attachments.

- The staff report states that "... the vast majority of residents currently living in North San Jose/Berryessa neighborhoods have no retail amenities and services within a 5-mile radius of their home". In fact, within 5 miles of our site, there is more than 5 million square feet of retail amenities and services in 32 shopping locations including neighborhood serving, Big Box, and Medium Box retail as well as Grocery Stores and Regional Shopping Centers. ***See Existing and Planned Retail-5 Mile Radius Map attached to this letter.***

- The staff report states that PW Markets is opposed to neighborhood serving businesses, such as the retail component of our project. PW Markets has written a letter that

strongly supports the plan as proposed and specifically opposes increasing the size of our project that would require a large grocery anchored center. PW Markets also opposes Big Box retail on the site. *See letter dated November 6, 2006 from Joy L. Belli, Owner, PW Markets, in support of the project in Attachment 9 of the Project Information Package.*

- The staff has stated to the Planning Commission and City Council that Lincoln Property Company had closed escrow on the Knight Ridder property (being marketed for 187,000 square feet of retail at Brokaw Road/I-880) and that Lincoln Property Company would like to combine that site with our location for a combined destination retail center. Both statements are incorrect. Lincoln Property Company has not closed escrow on the Knight Ridder property and has no interest in combining the two sites. Lincoln Property Company has terminated its contract to purchase the Knight Ridder site. See letter from John Herr, Executive Vice President of Lincoln Property Company dated May 30, 2006, explicitly stating that Lincoln Property Company has no interest in purchasing our site as part of its retail development on the Knight Ridder property. *See Attachment 4-Retail Market Analysis/Trade Area Assessments in Project Information Package.*

- The staff report includes its own fiscal information asserting that the project would be a fiscal drain on City services. The City fiscal information is simply incorrect and requires clarification to eliminate confusion.

  OED utilized a fiscal study economic model from an entirely different project that has nothing to with our application to support its position. To be clear, Economic & Planning Systems (EPS) is the fiscal consultant for the applicant of the project, not the City. However, the City published its analysis with Economic & Planning Systems' name on the front without EPS's input or consent. The City staff then used an economic model from another EPS project which led to inaccurate conclusions because it was based on errors and omissions along with faulty assumptions. We want to clarify that EPS did not consent to, sponsor or participate in the City's purported fiscal assessment of the project in any way.

  The economic model OED utilized had an entirely different project description (approximately 300 units). The site was not in a Redevelopment Area. The project did not include retail. The model assumptions for costs and revenues were either outdated or are simply not applicable to an assessment of our proposal. Furthermore, The City analysis actually ignored portions of our project's projected revenues (e.g. it excluded retail component revenues, did not analyze RDA tax increment, and mis-categorized some revenues into General Fund and not RDA).

In fact, the project is expected to generate $25 million to the Redevelopment Agency, pays for itself from a General Fund perspective and delivers $600,000 annually for affordable housing Citywide. ***See Attachment 8- Fiscal Impact Analysis Prepared by Economic & Planning Systems, June 2006 in the Project Information Package. Also see Response and Corrections to OED Fiscal Information attached to this letter.***

- When evaluating the project's consistency with the current North San Jose Development Area Policy, the City staff report identified the wrong railroad track to establish the boundary for the areas where encourage General Plan Amendments to residential use. The current Policy explicitly "encourages proposals to amend the General Plan to allow housing development 'westerly of the Union Pacific Railroad' and the Berryessa Planned Community..."(PAGE 6). In 1988, at the time of adoption of the Policy, there was only one Union Pacific Railroad Line in the vicinity. In its analysis, Staff incorrectly identified the former Southern Pacific Railroad Line adjacent to our site as the Union Pacific Railroad (subsequently purchased by UPRR and renamed in the 1990's). Our site is located westerly of the Union Pacific Railroad where the policy specifically encourages General Plan Amendments to residential use. ***See Section 7 below and Vicinity Map identifying railroad lines attached to this letter.***

- The staff report suggests that the broad coalition of stakeholders supporting our specific retail/residential mixed use plan somehow supports Big Box retail proposed by staff or that staff's Big Box retail plan is consistent with the recommendations in their letters. All of the neighbors, businesses, property owners, environmentalist, community stakeholders, and retail experts who have registered their support for the project have specifically supported integrated retail/residential mixed use on the site as proposed, not Big Box. For the report to suggest otherwise is misleading and not appropriate.

2. The Project is Consistent with the Adopted Economic Development Strategy.

We have utilized the City of San Jose Economic Development Strategy to inform our overall plan and utilized the City of San Jose Neighborhood Retail Model to design the retail format for the center as described below. The City's adopted Economic Strategy states that "the cost of housing is the single most important threat to the competitiveness of San Jose/Silicon Valley region" and "San Jose should continue to lead and work ... to increase the housing supply." (p. 30).

Our plan supports **Strategy No. 13 and several key "City Tactics" of Strategy No. 13** while also implementing other adopted **Economic Development Strategies,** such as "--For neighborhood retail, this effort should include 5-12 acre parcels for grocery/drugstore sizes meeting contemporary merchandising (Page 32); "--Match target store types to local demographics" (Page 32); "--Match the demand analysis to potential target retailers..." (Page 32).

In its analysis of our project the staff report fails to include **Economic Development Strategy No. 10 -- "Continue Emphasis on Developing New Housing, including New Housing Types in a Variety of Neighborhood Settings."** Clearly, the proposal implements this strategy with the housing types, location, and mixed use environment proposed.

The Brokaw Mixed Use Retail/Residential Village was designed specifically to comply with and fulfill the **City Neighborhood Retail Model**. We are proposing the 56,000 square foot retail in a thoughtfully integrated mixed-use village environment. Our plan envisions a drug store anchored center with a small market such as Trader Joe's, several restaurants and other neighborhood serving businesses. This concept is consistent with and implements the **City's Neighborhood Retail Model**. *See Attachment 3 and Attachment 6 in the Project Information Package for a detailed assessment of our compliance*

3. **The Project is Consistent with San Jose 2020 General Plan Economic Development Major Strategy.**

The City has already determined the site is not a critical employment site and one that is surrounded by a mix of uses when staff recommended designating the property with a "Mixed Industrial Overlay." Sites with this designation cannot, by definition, "compromise the integrity of areas reserved exclusively for industrial uses." If there was an opportunity for additional pressure to convert nearby lands, the site could not have been approved with the Mixed Industrial Overlay staff recommended to begin with. The Brokaw Mixed Use-Retail/Residential Village facilitates economic development by providing creating sales tax generating retail, providing services to the employment area of North San Jose and producing relatively affordable entry level market rate housing. This is the number one challenge to the area's economy as consistently noted by the Silicon Valley's executives and the City's own economic development strategy.

4. **The Project is Consistent with the San Jose 2020 General Plan Goals and Policies.**

The Mixed Use Village is consistent with San Jose 2020 General Plan and directly supports and/or implements more than 50 of its Strategies, Goals and Policies as well as other City objectives. *See Attachment 6-Conformance with City Strategies, Goals Policies and Implementation Measures, in the Project Information Package.*

5. **The City Needs Housing**

The City's adopted **Economic Development Strategy** states that "the cost of housing is the single most important threat to the competitiveness of San Jose/Silicon Valley region" and "San Jose should continue to lead and work ... to increase the housing supply." (p. 30).

According to *Towards the Future,* the industrial land supply and demand study commissioned by the City in 2004 San Jose will create 180,000 new jobs from 2004-2020. This job growth would require 105,000 housing units through 2020. The City currently maintains approximately 40,000 units in its General Plan holding capacity, some 65,000 units short of projected demand to meet job growth projections for San Jose. Even counting the 8,000 units in Phase I of the North San Jose 20/30 Plan and 3,000 units on the Hitachi Transit Village, 5,000 units in Evergreen, there will continue to be a shortage of more than approximately 49,000 units to meet the City's projected job growth. The City requires more than 4,000 (1.7 workers per household) acres of residential land inventory compared to the current 2,000 acres to meet projected job growth within the City of San Jose borders without further aggravating the housing shortfall we experience today.

According to the report, industrial land demand for driving and support industries in the City are expected to be 1,320-1,450 acres through 2020. The City currently maintains an effective industrial land supply of approximately 3,000 acres. Based on ABAG's projected housing requirements, the City has a projected residential land requirement of approximately 2,900 acres. This compares to an existing residential land supply of approximately 2,500 acres. Therefore, there will continue to be a need to develop new housing beyond that which is planned. As in the case of this project, appropriately located housing and mixed use projects can also pay for themselves and add significant revenues to the City.

6. The Project is Consistent with Adopted Industrial Conversion Framework.

The project complies with San Jose's "Framework to Evaluate Proposed Conversions of Employment Lands to Other Uses." This policy also allows for a change of use on the site to residential as it is in the North San Jose 5 Subarea and east of I-880. The Framework indicates that it is appropriate to "consider housing in areas that are close to existing residential areas and areas that could be integrated into the neighborhood framework." *See Attachment 5-Conformance with Framework, as a Guideline, to Evaluate Proposed Conversions of Employment Lands to Other Uses" in the Project Information Package.*

7. Big Box/"Destination" Retail Development is Not Consistent with the Updated North San Jose Development Policy.

Staff states that its Big Box approach will "offer Berryessa and North San Jose residents a full service destination to meet their shopping needs in San Jose." However, the updated North San Jose Area Development Policy explicitly states that "Large format commercial uses, which would potentially draw significant numbers of people from outside the Policy Area, are not supported by the Policy and would require additional environmental review" (PAGE 15). In addition, large scale "destination retail", which staff is specifically recommending in its report, was eliminated from the new Policy so as not to compete with Downtown and other areas.

8. The Project is Consistent with Current and Updated North San Jose Area Development Policy.

The current North San Jose Development Policy explicitly "encourages proposals to amend the General Plan to allow housing development 'westerly of the Union Pacific Railroad' and the Berryessa Planned Community..."(PAGE 6). Our site is located westerly of the Union Pacific Railroad as detailed above. The Policy further states that "By providing a resident workforce for existing and projected jobs, the need for long commutes to distant housing will be reduced." (PAGE 6). This project will help facilitate these important economic development objectives in North San Jose.

To further economic development objectives, the current Policy also allows industrial square footage development rights from sites like this to be transferred elsewhere in North San Jose where prime driving industry jobs elsewhere in North San Jose where prime driving industry job development is limited due to traffic constraints (like the eBay and BEA sites). If the project is approved, it would contribute more than 400,000 square feet of industrial development rights into the City's "FAR Pool", which is currently deficient my more than 1,000,000 square feet as a result of Development Agreements separately enter into between the City with eBay and BEA.

The site is located inside the updated North San Jose Area Development Policy Boundary in the southeastern portion, east of I-880. The staff states "The North San Jose Area Development Policy specifically states that conversions of industrial use to a residential use east of Interstate 880", is not supported by the policy. However, the staff misstated the language in the Policy, changing its meaning as it relates to our site. The Policy, in fact, states "Generally the conversion of an industrial use to a residential use **outside** of the Policy area (any property south or east of Interstate 880 or north of State Route 237) boundaries. The project is inside the Policy area boundary which does not preclude mixed use redevelopment. The commercial/retail component of our proposed project is specifically encouraged by the Policy.

In addition, the City Council reaffirmed the Framework for Conversions in November 2005 after the adoption of the North San Jose Development Area Policy in June 2005. Staff did not recommend any changes at that time to the Framework to preclude retail and residential development in North San Jose 5 Subarea, where the project is located. However, the North San Jose Area Development Policy explicitly excludes staff's Big Box proposal. The updated North San Jose Area Development Policy excludes "large format commercial uses" as they would generate significant numbers of people and traffic from outside the Policy area (PAGE 15).

Our proposal implements the objective of locating new housing in existing, established residential neighborhoods, near residential support services, jobs and alternative commute options. There are far more residential support services proximate to this site compared to the

North First Street area. The site is more appropriately developed with infill mixed use retail and housing, while continuing to encourage industrial land intensification efforts in prime driving industry employment areas, along with new residential opportunities in North First Street corridor where billions of dollars have been invested in transportation infrastructure.

9. There are No Unique Environmental Impacts.

There are no unique environmental impacts that cannot be mitigated with the exception of traffic and air quality at the General Plan level. This is typical for virtually all project of this size citywide. The graph presented by the staff identifying the significant impacts of various options, fails to also identify nearly all impacts are planned to be mitigated to less than significant. The staff's 350,000 square foot Big Box plan would generate twice the daily traffic and impact more intersections in the area compared project which includes 600 units and retail. As part of our Planned Development Rezoning application, our project will meet all established traffic Level of Services Standards (LOS) as required by the City.

The staff also indicates that "Housing adjacent to a railroad is likely to be subject to noise and vibration from the train activity". Staff is utilizing this argument to oppose residential on the site. If housing near rail lines creates such negative environmental impacts, then the vast majority of new development projects in San Jose, all Transit Oriented Development in San Jose and many City Initiated Housing Opportunity Sites would have been denied. On many of our projects, both current and past in San Jose, the city staff has urged us to locate units as close as possible to rail lines.

CONCLUSION

We agree with staff that the site is appropriate for conversion to alternative uses and should be converted to retail. Our proposal is the common sense choice for how to foster smart growth and a smart plan for the site. If this project is denied, the site won't be developed for Big Box retail. The owners won't sell it for this use because they don't believe in it, having pursued such options for many years without success. Our smart growth mixed use plan captures significant community benefits and adds value and character to the neighborhood. The alternative is a blighted site that remains as vacant land and underutilized office buildings indefinitely with no substantial benefit to the city.

The retail/residential mixed use plan is supported by business, environmentalist, labor, residential and business neighbors, as well as other property owners in the neighborhood. We request that you certify the Environmental Impact Report and recommend approval of the General Plan Amendment.

Thank you very much for your time and thoughtful consideration of our proposal. Please contact Eric Morley at 408.497.9722 if you have questions or need additional information about our proposal.

Sincerely,

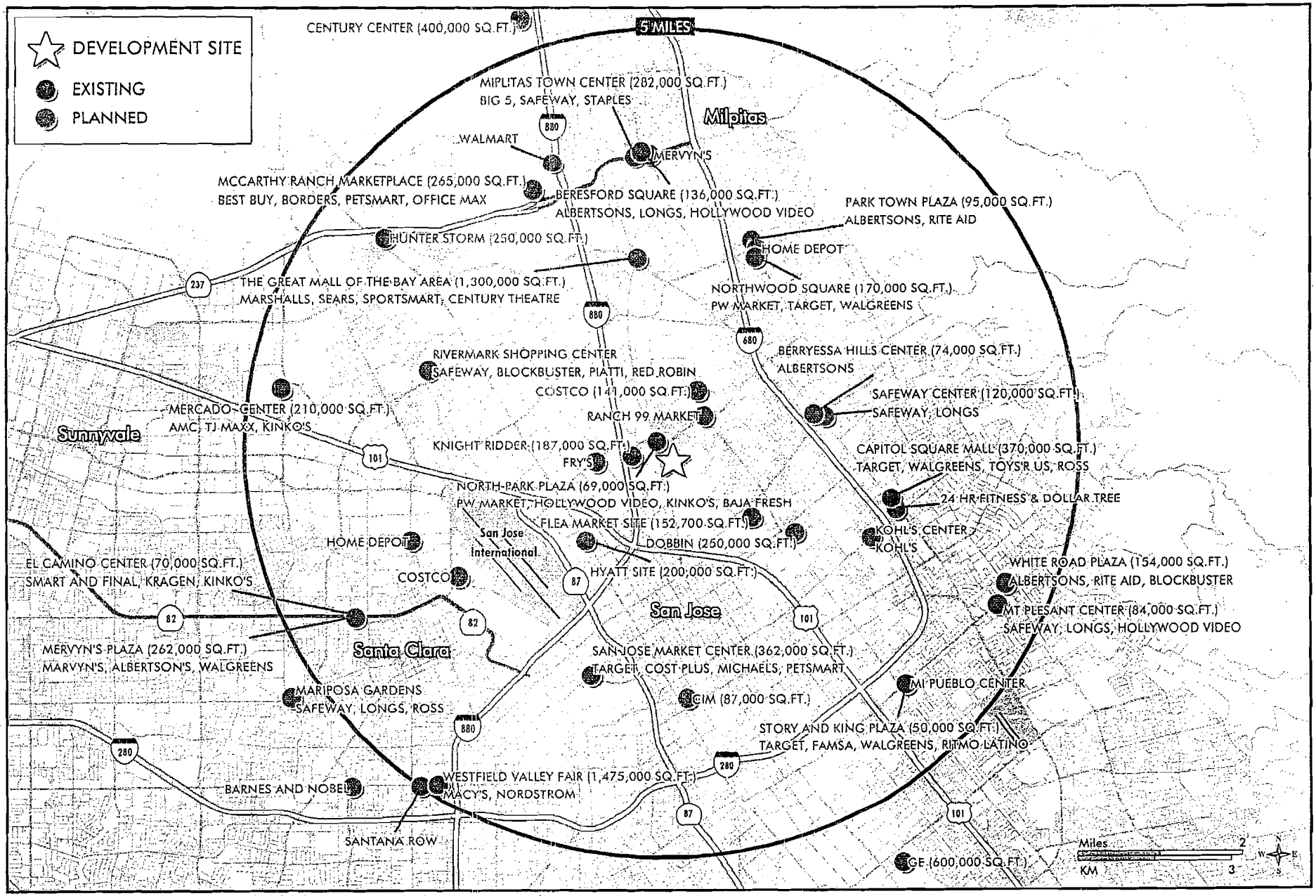
Eric Morley

Ken Riding
The Riding Group

Eric Morley
Morley Bros., LLC

Exhibit 1: Existing and Planned Major Retail

Development Site 5-Mile Radius



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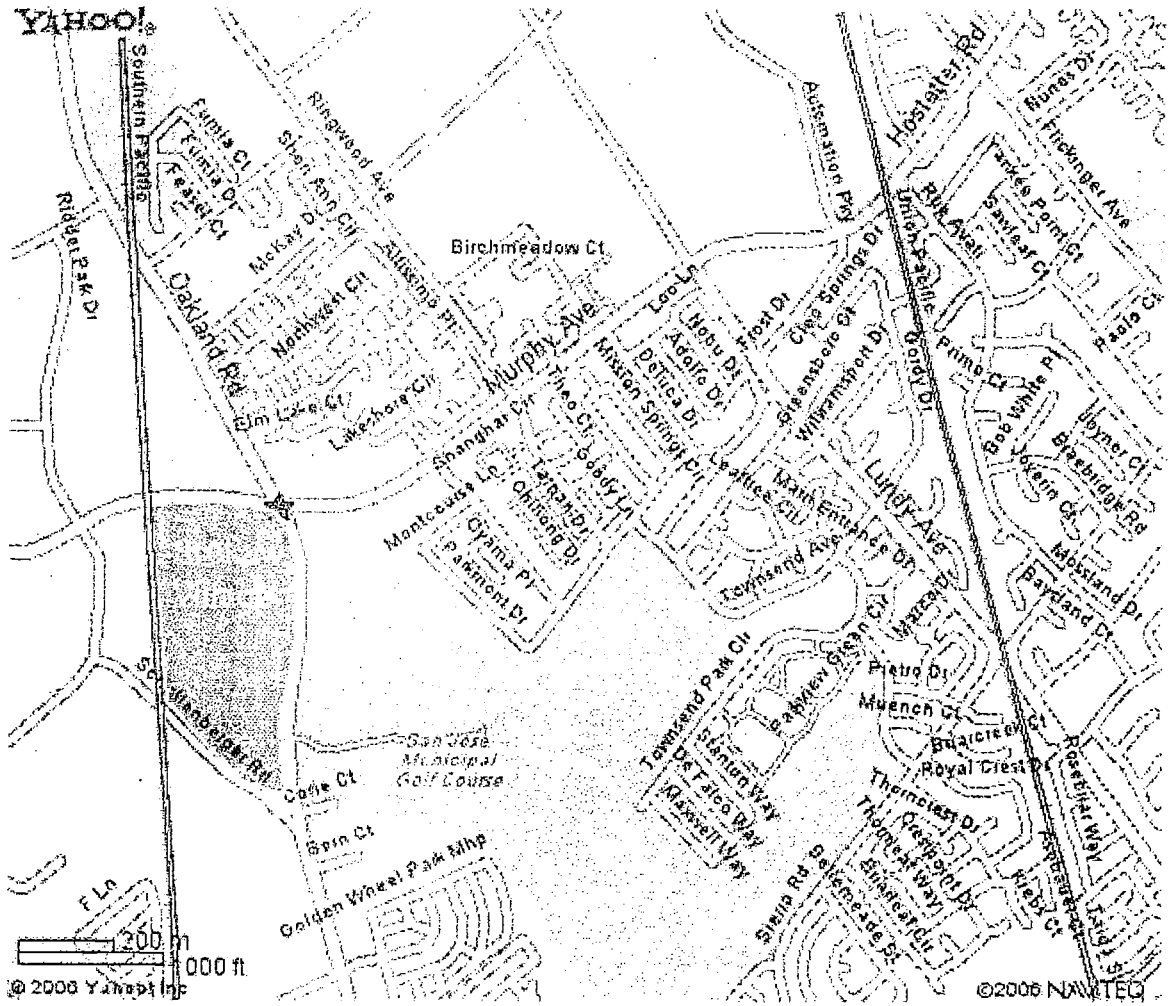
YAHOO!
Southern Pacific
Oakland Rd
Ridder Park Dr
Ringwood Ave
Short Fish Cir
Fumia Ct
Fumia Dr
Feasel Ct
McKay Dr
Northgate Cir
Birchmeadow Ct
Murphy Ave
Lakeshore Cir
Elm Lake Ct
Shanghai Cir
Montecosta Ln
Theo Ct
Goody Ln
Chinsong Dr
Cypress Pl
Paramont Dr
Mission Springs Dr
Adolfo Dr
Delfica Dr
Lee Ln
Nobu Dr
Frost Dr
Clear Springs Dr
Greenbelt Ct
Williamsport Dr
Lundy Ave
Mount Enterprise Dr
Townsend Ave
Autumn Ridge Pkwy
Hostetter Rd
Runes Dr
Flickinger Ave
Rick Avail
Yankee Point Ct
Sawleaf Ct
Radio Ct
Prime Ct
Bob White Pl
Joxeim Ct
Bluebridge Rd
Moss Land Dr
Bayland Dr
Pietro Dr
Muench Ct
Briarcrest Ct
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Thermcrest Dr
Crestpoint Dr
Thorne Ct Way
Sunnycrest Cir
Sierra Rd
Belleneade St
Townsend Park Cir
Stanford Way
De Talco Way
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Parkview Glen Cir
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Golden Wheel Park Mhp
Cafe Ct
Spin Ct
F Ln
200 m
1000 ft
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BROKAW MIXED USE
RETAIL/RESIDENTIAL VILLAGE

RESPONSE TO OFFICE OF ECONOMIC DEVELOPMENT FISCAL INFORMATION

The Office of Economic Development (OED) presented a letter and its fiscal information regarding the project to the Planning Commission on May 24, 2006. OED provided the information to the Planning Commission and City Council in an effort to persuade its members to deny the project, concluding that the project would be a fiscal drain on city services. These statements are factually inaccurate and require correction.

OED utilized a fiscal study economic model from an entirely different project (Lundy/McKay) that has nothing to with our application to support its position. To be clear, Economic & Planning Systems (EPS) is the fiscal consultant for the applicant of the project, not the City. However, the City published its analysis with Economic & Planning Systems' name on the front without EPS's input or consent. The City staff then used an economic model from another EPS project which led to inaccurate conclusions because it was based on errors and omissions along with faulty assumptions. We want to clarify that EPS did not consent to, sponsor or participate in the City's purported fiscal assessment of the project in any way.

The economic model OED utilized had an entirely different project description (approximately 300 units). The site was not in a Redevelopment Area. The project did not include retail. The model assumptions for costs and revenues were either outdated or are simply not applicable to an assessment of our proposal. Furthermore, The City analysis actually ignored portions of our project's projected revenues (e.g. it excluded retail component revenues, did not analyze RDA tax increment, and mis-categorized some revenues into General Fund and not RDA).

In fact, the project is expected to pay for itself from a General Fund standpoint and add millions of dollars to the Redevelopment Agency. Because of its location, density, "for-sale" nature, the existing resident serving amenities in the area, and good combination of proposed neighborhood serving retail and housing, the Brokaw Mixed Use Retail/Residential Village will pay for itself from a General Fund standpoint and will add substantial revenues to the Redevelopment Agency.

The Fiscal Impact (June 2006) prepared by EPS for the project applicant demonstrates that the project will generate approximately $63,000 in net fiscal surplus to the City's General Fund each year and provide approximately $25 million to the Redevelopment Agency. In

addition to delivering more than 100 units of truly affordable housing in the development, the project is expected to generate $627,000 annually to the Redevelopment Agency housing set aside fund for affordable housing projects throughout the City. It is important to recognize that EEPS is a well respected economic, fiscal and planning firm in the area. The City uses the company regularly for similar work on large projects, including the Coyote Valley Specific Plan process. The City assumptions EPS used for this project analysis were based on information the City has provided and are quite conservative.

Corrections to OED Fiscal Information

In general, the City's approach includes several faulty assumptions and approaches that are inconsistent with the analysis, the details of the Project, and/ or the fiscal assumptions developed by EPS based on more recent work directly for the City of San Jose. Key errors include:

1. **The methodology used by the City to estimate public safety costs is inconsistent with previous EPS reports and recent information from City departments based on recent City sponsored fiscal analysis.**

   The Lundy & McKay Fiscal Impact Analysis estimated police and fire costs based on those specific budget categories expected to be affected by added population. In the case of Police, these categories included Response to Calls for Service, Crime Prevention and Community Education, Investigative Services, and Traffic Safety. In the case of Fire, categories included were Emergency Response, Fire Prevention, Fire Safety Code Compliance, and Strategic Support. Contrary to the footnotes in Tables 9 and 10, the City's analysis appears to base police and fire costs on the total budgets for these departments, rather than selected categories. Because it includes administrative and other fixed costs that will not increase with population, this approach overestimates the cost per officer/ firefighter.

   Additionally, more detailed public safety cost assumptions have emerged from EPS's ongoing fiscal impact analysis for Coyote Valley at the direction of the City with information provided by the City. Information provided by the police and fire departments suggests an annual cost per police officer of $125,000 and a cost per firefighter of $120,000, significantly lower than the costs ($177,000 and $173,000, respectively) derived by the City's analysis.

2. **The City's analysis does not include property tax in lieu of Vehicle License Fee (VLF).**

   Consistent with the Lundy & McKay fiscal impact report, the City's analysis estimates Vehicle License Fee revenue on a per capita basis. However, the allocation of Vehicle License Fees changed with the "VLF-Property Tax Swap" of 2004, and the method for estimating total VLF revenue has been adjusted accordingly. Under the new method, as

provided by the Accounting Standards Committee of the California State Association of County Auditors, a portion of VLF is allocated at a statewide rate of $8.70 per capita. Property tax in lieu of VLF is allocated separately, based on annual growth in assessed value; total property tax in lieu of VLF is equal to the base value of property tax in lieu of VLF (FY 04-05), multiplied by the percent increase in assessed value above base year FY 04-05. The Project's assessed value is thus expected to result in significant additional revenues to the City from property tax in lieu of VLF, which are not accounted for in the City's analysis.

3. **The City's analysis relies on variable cost assumptions that do not reflect recent information from City departments.**

   As part of the Coyote Valley fiscal impact analysis, the City Finance Department has provided more detailed information to EPS regarding fixed and variable costs for City departments. This information has led EPS to revise a number of the variable cost assumptions used in the Lundy & McKay analysis. For example, recent discussions with the City suggest that 15 percent (rather than the 50 percent assumed in the City's analysis) of General Government, Finance, and Economic Development costs will vary based on population. As a result, the assumptions used in the City's analysis overestimate the actual costs expected to be generated by the Project.

4. **The Project is not expected to generate Park, Recreation, and Neighborhood Services as estimated in the City's analysis.**

   The Brokaw Mixed-Use Project will include a total of 3.8 acres of park land. These areas will be privately maintained by a Homeowners' Association and are therefore not expected to generate new Park, Recreation, and Neighborhood Services costs.

5. **The Project's retail component is not included in the City's analysis, resulting in underestimated assessed value and sales tax revenue.**

   According to the Project description, the Brokaw Mixed-Use Project includes approximately 56,400 square feet of retail. This component of the Project will both contribute to total Assessed Value and generate significant sales tax revenue not accounted for in the City's analysis, which estimates only new sales tax generated by Project residents' spending. (While a portion of sales at Project retail establishments will be made to Project residents, a portion is also assumed to be new sales to other residents of San Jose or neighboring cities.)

6. **The City's analysis does not account for the fact that the Project site is located in a Redevelopment Area, resulting in overestimated property tax revenue to the City and no estimate of impacts to the Redevelopment Agency.**

The Brokaw Mixed-Use Project site is located in the Rincon de los Esteros Redevelopment Area. As a result, the majority of the property tax generated by the Project (approximately 80 percent) will go to the City's Redevelopment Agency and for redevelopment and affordable housing purposes. Based on AB1290 methodology, it is estimated that 20 percent of the total property tax within the Redevelopment Area will pass through to various taxing entities. Within the Project's Tax Rate Area, 20.8 percent of pass-throughs go to the City of San Jose. The City's total property tax allocation is thus estimated to be approximately 4 percent of total property tax generated by the Project, rather than the 17.4 percent assumed in the City's analysis.

retail west

2034 Union Street

San Francisco, CA 94123

p 415 292 7200

f 415 775 1858

www.retailwestinc.com

RECEIVED
NOV 13 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

October 24, 2006

Mayor Ron Gonzales
City of San Jose
300 Santa Clara St.
San Jose, Ca 95113

Dear Mayor Gonzales:

As you may, know Retail West is the premier retail leasing firms in the Bay Area. Through extensive property, tenant and investment services, we help create innovative, integrated and exciting retail experiences in communities and neighborhood throughout the region and West. We represent tenants, large and small, including Chico's, Marshalls, T.J. Maxx, Whole Foods, Staples, Chili's, Peet's Coffee & Tea, Jamba Juice, Pottery Barn, and many other traditional and emerging retailers. We are active in the San Jose retail market on behalf of both tenants and landlords.

I have reviewed the proposal for the Brokaw Mixed Use Retail & Residential Village in the context of the surrounding retail properties and tenant bases, as well as planned retail in the immediate and broader area. The approximately 56,000 square foot neighborhood center along with new residences in this neighborhood is ideal from a retail perspective. As planned, the retail and residential elements of this site will positively relate to the existing and planned mix of retail in the area in terms of size, planned tenants and site design.

Therefore, I recommend the proposed neighborhood oriented retail format as opposed to regional Big Box or large format grocery store anchored centers given the trade area dynamics and the concentration of these types of users and shopping centers in the immediate retail trade area.

Sincerely,

Thad Logan
Partner
Retail West, Inc.
2034 Union Street
San Francisco, CA 94123
(415) 292-2684

RECEIVED
NOV 13 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

UNDERWOOD & ROSENBLUM, INC.
civil engineers and surveyors

Frank Rosenblum, PE, PLS
Principal Engineer / President

www.uandr.com

Tel: (408) 453-122
Fax: (408) 453-120
frank@uandr.com
1630 Oakland Road
Suite A114
San Jose, CA 95131

November 9, 2006

The Honorable Chuck Reed
Council Member
City of San Jose
300 E. Santa Clara Street, 18th Floor
San Jose, CA 95110

RE: SUPPORT FOR BROKAW MIXED USE Development Proposal

Dear Council Member Reed, Mayor and Council Members:

I am writing to request that you vote in favor of the Brokaw Mixed Use Development plan as proposed.

As a business owner in the immediate vicinity of the proposal, I support the development of additional residential units and neighborhood serving retail in the area. The proposed site of the Brokaw Mixed Use Development is an ideal location for new residential units given its proximity to existing housing and a large number of retail services within walking distance that would benefit from additional residents in the area. In addition, the project will greatly assist in redeveloping a blighted site.

Overall, this proposal for new retail and homes will be an asset to the north San Jose community. It will provide much needed housing and retail opportunities near existing job centers, will offer additional public open space in the neighborhood, and will add welcome residents to support our small businesses and ensure the economic vitality of the area.

I respectfully request your support for the Brokaw Mixed Use plan. Thank you for your consideration.

Sincerely,

Frank Rosenblum

cc: City Council
Mayor
Planning Commission
City Planning Staff

MD-MART, INC.

1630 Oakland Rd., #A108
San Jose, CA 95131
Bus: (408) 453-6468
Fax: (408) 453-6461
pc@md-mart.com
www.md-mart.com

PATRICK COATES
Marketing Director

RECEIVED
NOV 13 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

November 9, 2006

The Honorable Chuck Reed
Council Member
City of San Jose
300 E. Santa Clara Street, 18th Floor
San Jose, CA 95110

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Overall, this proposal for new retail and homes will be an asset to the north San Jose community. It will provide much needed housing and retail opportunities near existing job centers, will offer additional public open space in the neighborhood, and will add welcome residents to support our small businesses and ensure the economic vitality of the area.

I respectfully request your support for the Brokaw Mixed Use plan. Thank you for your consideration.

Sincerely,

cc: City Council
Mayor
Planning Commission
City Planning Staff

RECEIVED
NOV 13 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

COLLIERS
INTERNATIONAL

450 West Santa Clara Street
San Jose, California 95113 USA
Tel: 408-282-3800
Fax: 408-292-8100
www.colliersparrish.com

November 2, 2006

The Honorable Ron Gonzales, Mayor
City of San Jose
300 East Santa Clara Street, Floor 18
San Jose, CA 95113

Re: Brokaw Mixed Use Development

Dear Mayor Gonzales and Council Members:

I am writing to express my support for the General Plan Amendment at the corner of Brokaw and Old Oakland Roads. As on the leading retail brokers in Silicon Valley, I have brokered more than 1,000 leases and sales of retail product types in my career. I am very knowledgeable about the Brokaw/880 trade area and have executed several leases in the area over the past decade representing both tenants and landlords, including the shopping center directly across the street.

I have assessed the trade area and plans for the retail/residential mixed use development and feel that the amount, type and style of the retail format is the most appropriate for the site and area. The plan includes approximately 56,000 of neighborhood and community serving retail anchored by a drug store, and programmed to provide boutique grocery, dry cleaners, restaurants and other neighborhood and business serving retail.

If the retail component were to be increased to the next increment of shopping center size, it would require a full grocery anchor, which is not supportable in the trade area. Because PW Supermarket, Ranch 99 and Costco are all within a short distance (across the street and two blocks away), another grocery store would compete with not compliment the existing users in the trade area. In addition, given the dearth of big box and large format retailers already in the trade area and other superior sites that are being planned for big box uses nearby, this site is most appropriate for the neighborhood retail as proposed not additional big box retail.

The proposed neighborhood serving retail coupled with new homes will compliment the existing retail mix in the neighborhood. Therefore, I recommend that you support the plan as proposed.

Sincerely,

John Machado
Sr. Vice President

CITY OF
SAN JOSE
CAPITAL OF SILICON VALLEY

Office of Economic Development

November 13, 2006

San Jose Planning Commission
City of San Jose
200 East Santa Clara Street
San Jose, CA 95113

Re: General Plan Amendment (File No. GP06-04-02)
Approximately 27.4 acres bounded by E. Brokaw Road
And Old Oakland Road.

Dear Planning Commissioner:

The General Plan and the Economic Development Strategy strive for a balance between jobs, housing, and revenues to support the City's workforce and residents. San Jose is deficient in its jobs-housing balance. The City needs General Fund revenues to support police, fire, library and park operations. Residents want goods and services conveniently located to enhance their quality of life. Strengthening retail activity is a widely used municipal activity intended to enhance quality of life and revenues. Roughly 4% of San Jose's land base supports retail activity, the 4% of retail land supplies approximately 20% of City revenues for police, fire and park services.

The Economic Development Strategy includes fifteen strategic initiatives intended to support a vital and vibrant community. Strategic Initiative #13: Develop Retail to Full Potential, Maximizing Revenue Impact and Neighborhood Livability, directs staff to pursue a wide array of activities to increase San Jose's retail base including:

- Maximize City sales tax from City and privately funded activity.
- Attract community-serving retail, larger scale retail serving sub areas of the City and adjacent cities.
- Proactively initiate General Plan amendments and rezoning proposals for specific parcels suitable for retail, aimed at serving underserved sub areas of San Jose and adjoining communities.

The Office of Economic Development's 2004 Retail Study highlights that San Jose is under retailed. While we are making short-term progress, it is clear that unless the City is strategic and

200 E. Santa Clara Street, San José, CA 95113 tel (408) 535-8181 fax (408) 292-6719
www.sjeconomy.com

persistent in creating new retail the gap will continue to widen. The Association of Bay Area Governments, ABAG projects that by 2030 over 400,000 new residents will live in San Jose and 250,000 new jobs will be generated in San Jose. Steve Levy of the Continuing Study of the California Economy projects that the effective buying power of San Jose/Santa Clara County will out strip San Mateo County, San Francisco County and Alameda County's effective buying power, due in large part to the strong population, jobs, and household income numbers in our area. An analysis of per capital sales tax in Santa Clara County shows that San Jose's per capita sales tax lags far behind many of our neighbors. San Jose's per capital sales tax is $127, Cupertino's is $205, Santa Clara's is $306, Milpitas' is $202, Campbell's is $218, Mountain View's is $176 and Sunnyvale's is $181. San Jose's neighbors have designated significant amounts of land to develop strategic retail projects, many on their city's borders.

San Jose is under retailed due to significant barriers in locating retail sites. It is difficult to find sites that are adequately sized, on significant arterials, with proper access. Brokers, retailers and developers echo these concerns. The Fox and Markovits property possesses all of these characteristics and is suitable for community serving anchor retail opportunities and neighborhood retail opportunities. North San Jose and Berryessa are already under retailed. There are very few sites with the potential to accommodate retail in the area. The addition of residents and employees through implementation of the North San Jose plan and the addition of thousands of housing units in Berryessa as a result of projects like the Flea Market will cause a much greater gap in the provision of retail.

The key is balance. San Jose needs jobs and General Fund revenues in addition to much needed housing. Please support the Planning staff's recommendations with regard to the subject site.

Sincerely,

Paul Krutko, Director
Office of Economic Development

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: PLANNING COMMISSION **FROM:** Joe Horwedel

SUBJECT: SEE BELOW **DATE:** November 13, 2006

COUNCIL DISTRICT: 4
SNI AREA: None

SUBJECT: **GP06-04-02. General Plan Amendment request to change the land use designation on an approximately 27.4-acre site (the entire property consists of 29.9 acres, 2.5 acres of which is Private Open Space which will remain unchanged) from Industrial Park on 11.9 acres and Industrial Park with a Mixed Industrial Overlay on 15.5 acres to Neighborhood/Community Commercial on 6 acres and High Density Residential (25-50 dwelling units per acre) on 21.4 acres. The site is located on several parcels on the southwest corner of East Brokaw Road and Old Oakland Road (1633 Old Oakland Road, and 1040, 1060, and 1080 East Brokaw Road).**

SUPPLEMENTAL MEMORANDUM

RECOMMENDATION

Staff recommends no change to the General Plan Land Use/Transportation Diagram designation of Industrial Park on 11.9 acres and Industrial Park with Mixed Industrial Overlay on 15.5 acres on the subject site (i.e., denial of the proposed amendment) because the proposal to change the land use designations to Neighborhood/Community Commercial on 6 acres and High Density Residential (25-50 dwelling units per acre) on 21.4 acres is fundamentally inconsistent with the *San Jose 2020 General Plan*, Economic Development Strategy, and the North San Jose Area Development Policy.

In order to provide maximum flexibility to accommodate uses supportive of the City's economic development goals and policies, staff recommends that the City Council initiate a General Plan amendment to designate the entire 27.4-acre site Combined Industrial/Commercial, which would allow either Light Industrial or Industrial Park uses or a full range of commercial uses that are compatible with industrial uses, or a mix of both industrial and commercial uses on the site.

BACKGROUND

During the Spring 2006 General Plan hearing, Planning staff brought forward the subject amendment to the Planning Commission and City Council for early consideration when it was found that the application was fundamentally inconsistent with the *San Jose 2020 General Plan*, Economic Development Strategy, and North San Jose Area Development Policy. The Planning Commission and the City Council directed staff to complete processing this amendment for later consideration. Staff has since completed the environmental review process, additional staff analysis, and public outreach. The Spring 2006 Planning Commission staff report and Council memo dated June 13, 2006 provide additional background for the subject General Plan amendment and are attached to this memorandum.

Completion of supplementary staff analysis and public outreach confirms that this proposal is substantially inconsistent with adopted City policies, and it would also result in significant unavoidable traffic and air quality impacts. The proposal is also not supported by the Berryessa Citizens Advisory Council. Planning staff coordinated with the Office of Economic Development (OED), Redevelopment Agency, and the Housing Department in providing a thorough analysis of the proposed General Plan amendment.

The following reasons were identified in the previous staff report (attached) for recommending denial:

1. Inconsistency with adopted Economic Development Strategy;
2. Inconsistency with *San José 2020 General Plan* Economic Development Major Strategy;
3. Inconsistency with North San José Area Development Policy;
4. Inconsistency with the San José 2020 General Plan Goals and Policies;
5. Inconsistency with previous City Council actions to maintain land uses on the site that provide economic development opportunities;
6. Inconsistency with the Industrial Conversion Framework; and
7. Residential use on this property is not needed to support the General Plan Housing Major Strategy.

The remainder of this memorandum highlights the additional analysis completed since the Spring 2006 General Plan hearing.

RETAIL DEVELOPMENT ON SUBJECT SITE

During the June 13, 2006 Council hearing, Council asked staff to provide additional information on how a regional retail center may be developed on the site. Specifically, questions were raised around the optimum size for retail at this site, the demand for a shopping center at this location, and the proximity of the site to freeway access.

Staff analysis shows that the entire site must be preserved to provide optimum-sized retail services to adequately meet the high demand for retail services in the city. The subject site is an excellent opportunity site for a combination of regional and neighborhood-serving retail, and it is one of the very few large sites that exist in the North San Jose/Berryessa area. The Office of

Economic Development (OED) and Redevelopment Agency (RDA) found that the subject site could support between 325,000 to 350,000 square feet or more of commercial retail space, similar to the successful San Jose MarketCenter development. A shopping center of this scale is the minimum necessary to help recapture the retail leakage to nearby cities and offer Berryessa and North San Jose residents a full-service destination to meet their shopping needs within San Jose. The demand for retail needs is such that the entire 27.4-acre site is needed for a shopping center. Moreover, the 2004 Retail Study shows that the City of San José is under-served by retail throughout many areas of the City, and of particular interest is retail trade area #4 in the North San Jose/Berryessa community. According to the 2004 Retail Study, the North San Jose/Berryessa community has substantial un-met demand for both neighborhood and regional serving retail. It is important to develop retail on this site not only to fill current demand but in anticipation of the new jobs and housing planned in North San Jose and the considerable population growth in Berryessa and citywide.

In response to questions of whether the subject site will be a good retail site, staff provides a comparison of the subject site to the characteristics of the highly successful San Jose MarketCenter.

Table 1: Comparison of Subject Site to San Jose MarketCenter

	Site Area	Gross Floor Area	Riparian Corridor	Along railway?	Distance from freeway
San Jose MarketCenter	39 acres	385,000 s.f.	Guadalupe River	Yes	Approx. 1,000 ft.
Subject Site	27.4 acres	Projected 350,000 s.f.	Coyote Creek	Yes	Approx. 1,500 ft.

As shown in the above matrix, the subject site closely resembles the characteristics of the MarketCenter site. Both sites have interfaces with a riparian corridor and a railroad. These interfaces often create potential environmental impacts such as damage to sensitive riparian habitat or noise and vibration from train activity. The success of the MarketCenter demonstrates that commercial land uses are appropriate for interfacing active rail; both residential and commercial uses would be able to respect the sensitivity of riparian corridors. In contrast, housing adjacent to a railroad is likely to be subject to noise and vibration from the train activity.

The viability of retail development is not an issue on the site because it is in close proximity to freeway access and has visible frontage along two major roadways. For comparison, the Great Mall of Milpitas is located more than ¾-mile from the nearest freeway. Additionally, many options exist for the subject site to provide adequate exposure, including monument signage.

In summary, the subject site represents a rare opportunity site for the City to provide the North San Jose/Berryessa community a full-service shopping destination that is also consistent with economic development goals of the City. The subject site affords significant opportunities from a retail development perspective, which not only benefits the North San Jose area and the workers and residents within, but also the vast majority of residents currently living in the North San Jose/Berryessa neighborhoods that have no retail amenities and services within a 5-mile radius of their home. Large retail development on the subject site would potentially eliminate the need for residents in the North San Jose/Berryessa area to have to drive out of the city boundaries or southeast to shop for basic needs. Employment uses on the site would also be

compatible with the surrounding environment and would avoid a number of environmental issues related to placing housing on the site.

North San Jose Area Development Policies

While the revised North San Jose Area Development Policy (Policy) that was adopted by the City Council on June 21, 2005 remains pending due to ongoing litigation that has not yet been finally resolved, staff analyzed this General Plan amendment request based on both the Policy that is currently in place (last revised in 2003) and the revised Policy adopted in 2005.

North San Jose Area Development Policy Currently In Place

The subject General Plan amendment request is inconsistent with the goals and objectives of the current Policy, which is to "achieve better balance among jobs, housing supply and transportation capacities by increasing the supply of housing within the Golden Triangle Area." The proposal to develop housing on the subject site is inconsistent with the current Policy, which specifically states that housing development should occur "westerly of the Union Pacific Railroad" to "preclude impacts on existing neighborhoods in the Berryessa area." The subject site is located east of the Union Pacific Railroad and outside of the Golden Triangle Area. Therefore, the proposal is inconsistent with the current Policy that is in place.

Revised North San Jose Area Development Policy

The applicant's proposal for residential development on this site (east of Interstate 880) is fundamentally inconsistent with the purpose and underlying objectives of the recently updated and amended Policy that remains pending, in the following respects:

- The Policy intentionally directs residential development to the core of North San Jose for the beneficial purposes of internalizing vehicle trips related to the proposed intensification of industrial development in the area.

- The Policy specifically indicates that conversion of an industrial use to a residential use east of Interstate 880 does not provide a significant benefit to regional or North San Jose area traffic conditions and is <u>not supported</u> by the Policy.

- Counting the units towards the 32,000 units cap undermines the ability of the City to balance the land uses and transportation system of the intensification by removing housing from within the Core Area.

The purpose of the North San Jose Area Development Policy (Policy) is to retain and expand San Jose's job base and align the Innovation Triangle to the needs of current and future workplaces and workers. This means evolving North San Jose from a traditional industrial park to a multi-faceted innovation district, which involves upgrading transportation systems, traffic and pedestrian circulation, creating opportunities for more jobs and more homes near those jobs. The Policy Area, bounded by Route 237, Interstate 880 and US Highway 101, is positioned to accommodate 26.7 million square feet of R&D office space, 32,000 units of high density worker

homes in walkable, livable neighborhoods close to public transit and integrated with existing residential enclaves in North San Jose. Future residential growth provides housing opportunities in close proximity to jobs to allow employees to reduce their commute travel times, make increased use of transit facilities and to reduce overall traffic congestion. The extensive traffic modeling for the Policy showed that there would be substantial congestion of the area roadway network unless thousands of housing units were built in the core of North San José that would capture peak hour trips within the immediate area of the planned significant intensification of jobs. By locating residential units within the core area, additional significant transportation improvements are avoided, making the Policy financially feasible for the planned job intensification.

Locating residential development to the west of Interstate 880 will create an added strain on an already congested east-west transportation movement where the City and North San Jose Developers will be paying to build new overcrossings to accommodate the planned growth. **The North San Jose Area Development Policy specifically states that conversion of an industrial use to a residential use east of Interstate 880 does not provide a significant benefit to regional or North San Jose area traffic conditions and is <u>not supported</u> by this Policy. Thus the applicant's proposal is fundamentally inconsistent with the purpose and underlying objectives of the Policy.** If the Council were to decide to approve a General Plan amendment on this site for housing, it would create the need for necessary changes to the Policy to accommodate residential development proposed on this site.

Furthermore, the Policy included a specific cap in the amount of housing that could be accommodated based on the benefits afforded in capturing and internalizing the trips generated by the new job intensification, and minimizing the amount of land lost from job generating uses. The addition of 535 to 1,070 housing units proposed under this General Plan amendment challenges those assumptions and introduces long term consequences as it relates to the phasing triggers and total housing unit cap of the Policy. If the project is approved, counting the units towards the 32,000 units cap undermines the ability of the City to balance land uses and the transportation system by removing housing from within the core area. If the units do not count against the 32,000 cap, it would allow others to file separate applications and EIRs to assess their traffic impacts on an individual basis and mitigate impacts on an incremental basis. This could result in loading the cumulative impact mitigation onto a smaller pool of projects and thereby increasing their costs.

Lastly, staff is developing a plan to address the timing of specific residential projects in the Policy under the 32,000 dwelling unit capacity established in the Policy, and in particular, which of the currently more than 8,000 units on file should be recommended for approval in the first phase of 8,000 units. The Policy provides criteria already on the selection process for which projects should move forward, and proposed new housing east of Interstate 880 is identified as not supported by the Policy. The phasing issues will be addressed in early 2007 with the City Council following the conclusion of staff research and meetings with the property owners and developers in North San Jose. Denial of this General Plan amendment request would avoid the issues discussed above.

ENVIRONMENTAL IMPACT REPORT

An Environmental Impact Report (EIR) for the subject General Plan amendment request was prepared in conformance with the California Environmental Quality Act (CEQA). The EIR provides program level environmental review appropriate for the consideration of amendments to the *San Jose 2020 General Plan*. The EIR identified the following significant impacts as resulting from the proposed General Plan amendment to develop residential and commercial uses on the site:

- Transportation (Significant Unavoidable)
- Hazardous Materials
- Cultural Resources
- Noise
- Air quality (Significant Unavoidable)
- Biology
- Hydrology and water quality
- Geology and soils
- Construction impacts (air quality and water quality)
- Cumulative transportation and air quality

The proposed General Plan amendment would result in significant and unavoidable long-term traffic impacts. Key transportation links in the amendment vicinity that are already projected to operate at Level of Service "E" or "F" in the long term would experience significant traffic volume increases. In other words, the proposed amendment would worsen the commute pattern during the morning and evening for several major streets already projected to operate below the City's Level of Service policy standard ("D"). These significant impacts would occur in areas north of US 101, West of Interstate 880, as well as within the vicinity of Coyote Creek. Furthermore, because the proposed amendment would potentially increase households and reduce jobs, it would result in more than 500 morning and evening peak hour trips at the site. This, in effect, would cause the already congested project area to experience even more congestion, which the EIR cites as a "detrimental amount" of congestion in the vicinity of the project site.

In addition to significant traffic impacts, the project's impact on air quality is also considered significant unavoidable because the additional residential units and population are not included in the Bay Area Air Quality Management District (BAAQMD) Regional Clean Air Plan. The implementation of identified mitigation measures would reduce the impacts on regional air quality, but not to a less than significant level, due to its size and potential to generate a substantial increase in air pollutant emissions. In sum, there will be significant and unavoidable impacts to transportation and air quality.

Environmental analysis also disclosed that many hazardous materials exist on the site as a result of the site's history as a metals recycling facility. Soils analyses found at least fourteen various chemicals of concern, including Arsenic, Cadium, Chromium III, Copper, Lead, dichloro-diphenyl trichloroethane (DDT), polychlorinated biphenyls (PCBs), polynuclear aromatic hydrocarbons (PAHs) that include benzo (a) pyrene, benzo (b) flouranthene, total petroleum, hydrocarbons diesel (TPHd), total petroleum hydrocarbons motor oil (TPHmo), and total oil and grease (TOG) are dispersed throughout different areas of the site. In many instances, soils analyzed contained chemical levels that exceeded the California Human Health Screening Levels (CHHSLs), which are standards established by the California Office of Environmental Health Hazard Assessment and the California Environmental Protection Agency (CalEPA) for

evaluating risks and hazards to human health. Methane vapors have also been detected on the western portion of the site near an existing debris pit. A soil vapor investigation found that the methane vapors could result in impacts to future users of the site.

The approved method of cleanup by the Department of Toxic Substances Control (DTSC) involves consolidating contaminated soils into an underground consolidation cell located on the western portion of the site. While this method would facilitate redevelopment of the site, it would require a deed restriction to exclude residential uses above the consolidation cell. In order for residential development to occur on the entire 21.4 acres proposed for High Density Residential (25-50 du/ac), DTSC would need to approve a new Removal Action Work Plan (RAW). It is important to note that a new RAW could include relocating the consolidation cell to the 6-acre portion of the site proposed to be designated Neighborhood/Community Commercial. Under that scenario, General Plan Discretionary Alternate Use policies that would potentially allow residential uses on commercially designated land cannot apply because land above the consolidation cell would not meet remediation levels for residential use.

Alternatives Analysis

The EIR also analyzed several alternatives. Per CEQA Guidelines, the alternatives analysis is conducted mainly for the purpose of identifying alternatives that would avoid the identified significant impacts from the proposed amendment. The following table illustrates that a proposal with residential land uses would generate many significant impacts to the environment that non-residential land uses would avoid. Most importantly, the EIR shows that the applicant's proposal will add a detrimental amount of congestion to already crowded roadways while the staff recommended non-residential uses would avoid this impact. Moreover, the staff recommended alternative is also consistent with the economic development goals, *San Jose 2020 General Plan* goals and policies, and both the North San Jose Area Development Policy currently in effect and the updated and amended policy that remains pending final resolution of litigation.

Table 2: Comparison of Land Use Alternatives and Significant Impacts to the Environment

	Biological Resources	Hydrology/ Water Quality	Geology /Soils	Cultural Resources	Construction Impacts	Traffic	Noise/ Vibration	Air Quality	Hazards/ Hazardous Materials	Cumulative Air Quality	Cumulative Traffic
Applicant's Proposal	X	X	X	X	X	X	X	X	X	X	X
Reduced Scale 11.9 ac HDR (25-50 du/ac)	X	X	X	X	X	X	X	X	X*	X	X
6 ac NCC; 21.4 ac MHDR (12-25 du/ac)	X	X	X	X	X	X**	X		X	X	
9 ac NCC; 18.4 ac HDR (25-50 du/ac)	X	X	X	X	X	X	X	X	X*		
GC/ HDR (25-50 du/ac)	X	X	X	X	X	X	X	X	X*		
IP/GC	X	X	X	X	X						
CIC (Staff recommended)	X	X	X	X	X					X	

* Impact may be avoided depending on site design and configuration.
** Some traffic impacts may be avoided.

PUBLIC OUTREACH

A joint notice of the public hearings to be held on the subject General Plan amendment before the Planning Commission on November 13, 2006 and City Council on December 12, 2006 was circulated to the property owners and residents within a 1000 foot-radius of the subject property. The Planning Department web site contains information regarding the General Plan process, amendments, staff reports, and hearing schedules. This web site is available to any member of the public and contains the most current information regarding the status of the General Plan amendments.

Community Meeting: A community meeting was held for this General Plan amendment on July 20, 2006. Three members of the Berryessa community, one representing the Berryessa Citizens Advisory Council (BCAC), City staff and Council staff attended the meeting. The community members were generally concerned about the proposed land use change. In particular, BCAC representative Kerri Hamilton cited concerns such as traffic congestion and the hazardous, toxic conditions of the site from past heavy industrial activities on the site. Ms. Hamilton also noted that there should be more large-scale retail because the Berryessa area is underserved. The need for additional community-serving retail and a shopping destination for the Berryessa community were also brought up during the discussions. In addition, the manager of the nearby PW supermarket was opposed to the idea of neighborhood-serving businesses, citing that a second supermarket, such as a Trader Joes, would be detrimental competition to existing neighborhood businesses nearby.

General Correspondences: The applicant submitted letters of support from various community and business organizations as well as property managers of two nearby apartment complexes (attached). In summary, these organizations generally support the idea of creating a mixed–use neighborhood at Brokaw and Oakland Road, citing the benefits of the site's proximity to existing housing and retail services. The staff supported alternative of Combined Industrial/Commercial is consistent with the same vision of establishing a mixed-use neighborhood. The area further east of Oakland Road is predominantly residential in character with few neighborhood-serving commercial uses. Staff's proposal to preserve the subject site for the development of a community shopping center would enhance the community by balancing residential uses with community serving retail, and furthering the widely supported mixed-use neighborhood concept as recommended by the various organizations.

State of California Tribal Consultation: This General Plan amendment is subject to the State of California Tribal Consultation Guidelines. To date, staff has received no response to the letters mailed to the tribal representatives.

CONCLUSION

The proposed General Plan amendment request to change the General Plan Land Use designation from the existing Industrial Park on 11.9 acres and Industrial Park with Mixed Industrial Overlay on 15.5 acres to High Density Residential (25-50 DU/AC) on 21.4 acres and Neighborhood/ Community Commercial on 6 acres is inconsistent with the City's Economic Development Strategy and Major Strategies, goals and policies of the General Plan. Approval of this General

Plan amendment would diminish the City's ability to provide community-serving retail services, provide employment opportunities for low, medium, and highly skilled workers, maintain a diverse economy, and provide long-term growth potential for a needed tax base. In addition, the proposed General Plan amendment would contribute significantly to worsening already congested roads in the Berryessa community, as well as increasing air pollution at the regional level. Furthermore, approval of this amendment would trigger the need to further amend both the current and pending versions of the North San Jose Area Development Policy and conduct environmental review to address the issue of additional housing sites beyond those identified in the respective versions of the North San Jose Area Development Policy and how such developments are to be treated by the provisions of the Policy. In addition, the local community's position reaffirms staff's recommendation for the entire site to be explicitly preserved for future retail commercial uses. Staff's assessment is supported by the local neighborhood (Berryessa Citizens Advisory Council) and is focused on the long-term viability of the City and communities in North San Jose and the greater Berryessa area.

Stanley Ketchum

for Joseph Horwedel, Acting Director
Planning, Building and Code Enforcement

Attachments

1. June 13, 2006 Council Memo with attachments and May 24, 2006 Planning Commission Staff Report
2. Notice of EIR Public Hearing.
3. Letters from various organizations, submitted by the applicant, received November 6, 2006
4. Email from Kerri Hamilton and letters from Berryessa Citizens Advisory Council, received November 3, 2006 and June 9, 2006
5. City Department and Public Agency comments received

COUNCIL AGENDA: 06-13-06
ITEM: 10.4

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Planning Commission

SUBJECT: SEE BELOW

DATE: June 1, 2006

COUNCIL DISTRICT: 4
SNI AREA: None

SUBJECT: FILE # GP06-04-02. Tentative Denial of General Plan Amendment request to change the land use designation on an approximately 27.4-acre site (the entire property consists of 29.9 acres, 2.5 acres of which is Private Open Space which will remain unchanged) from Industrial Park on 11.9 acres and Industrial Park with a Mixed Industrial Overlay on 15.5 acres to Neighborhood/Community Commercial on 6 acres and High Density Residential (25-50 dwelling units per acre) on 21.4 acres. The site is located on several parcels on the southwest corner of East Brokaw Road and Old Oakland Road (1633 Old Oakland Road, and 1040, 1060, and 1080 East Brokaw Road).

RECOMMENDATION

The Planning Commission voted 4-0-1-1 (Commissioners Platten absent and Dhillon abstained) to recommend continued processing of the General Plan Amendment request to change the land use designation on an approximately 27.4-acre site from Industrial Park on 11.9 acres and Industrial Park with a Mixed Industrial Overlay on 15.5 acres to Neighborhood/Community Commercial on 6 acres and High Density Residential (25-50 dwelling units per acre) on 21.4 acres. The site is located on several parcels on the southwest corner of East Brokaw Road and Old Oakland Road (1633 Old Oakland Road, and 1040, 1060, and 1080 East Brokaw Road).

BACKGROUND

On May 24, 2006, the Planning Commission held a public hearing for early consideration of a privately initiated General Plan Amendment request to change the land use designation on an approximately 27.4-acre site from Industrial Park on 11.9 acres and Industrial Park with a Mixed Industrial Overlay on 15.5 acres to Neighborhood/Community Commercial on 6 acres and High Density Residential (25-50 dwelling units per acre) on 21.4 acres. The site is located on several parcels on the southwest corner of East Brokaw Road and Old Oakland Road (1633 Old Oakland Road, and 1040, 1060, and 1080 East Brokaw Road). The early consideration process is intended to provide an opportunity early in the process for the Planning Commission and City Council to determine (1) whether such an application should be denied based upon substantial inconsistencies with adopted Council policies prior to

completion of environmental review, or (2) whether the application should be directed for complete processing, including environmental review. The Director of Planning, Building and Code Enforcement recommended denial of the General Plan amendment.

Vice Chair Campos asked for a staff report and Planning staff explained the purpose of the early consideration process, public notification for the proposal, as well as reasons why staff recommended denial of the proposal. Paul Krutko, Director of the City's Office of Economic Development (OED) commented that the project site is ready to be developed as a retail site that will support the City's General Fund services. The OED Director stated that the retail leakage identified in 2004 as 25% in the city is equivalent to $1.8 billion and represents how San Jose is falling behind neighboring cities especially when the city's population and buying power is also experiencing substantial growth. The OED Director also acknowledged that large commercial sites with qualifying features such as the subject property are difficult to find in the city. He added that the particular site has issues not suitable for housing and that Redevelopment Tax revenue generated by the residential use cannot fund general city services. The OED Director noted that the balance of housing and commercial uses is important, but the City has already identified other sites suitable for housing. Commissioner Zito asked the OED Director what he envisioned for development on the site, and the OED Director stated that the site would support commercial development similar to the new Market Center on Coleman Avenue.

Applicant Eric Morley stated that he envisions a mixed-use village in a well-established neighborhood with existing services. Mr. Morley stated that the project conforms to the Industrial Conversion Framework and will offer entry-level homes and revenue to support city services. Mr. Morley stated that staff selectively analyzed the project and that the North San Jose Area Development Policy does not support Big Box retail on the site. He also added that the early consideration process does not provide the opportunity for public input. The OED Director responded to the applicant's comments by stating that the Office of Economic Development had multiple meetings with the applicant and that OED had expressed strong opposition to the project. There were no public speakers on this item.

Vice Chair Campos asked for a staff response to the applicant's comments. Planning staff clarified that the applicant's remarks about the mixed-use village and the funds to support city services were speculative because no development application is currently on file. Planning staff added that the North San Jose Area Development Policy did not oppose large-format retail; rather it states that such uses would require separate environmental review, because the traffic capacity analyzed in the Policy does not include large-format retail uses.

Commissioner Zito stated that the property is located in a questionable area and would want to understand the impacts of the proposal. He recommended continued processing of the application in order to allow further analysis. Commissioner Levy commented that this site is unique and agreed that it would be appropriate for commercial use since there are few parcels of the subject size with few sensitive receptors in the immediate vicinity.

The Planning Commission voted 4-0-1-1 (Commissioners Platten absent and Dhillon abstained) to recommend continued processing of General Plan Amendment request to change the land use designation on an approximately 27.4-acre site from Industrial Park on 11.9 acres and Industrial Park with Mixed Industrial Overlay on 15.5 acres to Neighborhood/Community Commercial on 6 acres and High Density Residential (25-50 dwelling units per acre) on 21.4 acres at the southwest corner of East Brokaw Road and Old Oakland Road.

ALTERNATIVES

Not applicable.

PUBLIC OUTREACH

In addition to on-site signage, a joint notice of the public hearings on the subject General Plan amendment before the Planning Commission on May 24, 2006 and City Council on June 13, 2006 was circulated to the property owners and residents within a 1000 foot-radius of the subject property. The Planning Department website contains information regarding the General Plan process, amendments, staff reports, and hearing schedules. Another 186 members of the public were notified through the email notification subscription service, in addition to discussions at the Developer's Roundtable and the City Council Rules Committee. If Council decides to allow continued processing of the amendment, then Planning staff will continue to coordinate with the applicant, Council District 4 staff, and neighborhood group representatives to schedule community meetings and additional public outreach.

Subsequent to the distribution of the Planning Commission staff report, staff received from the applicants nine letters representing various organizations in support of the applicant's proposal. The Director of the Office of Economic Development and the Redevelopment Agency also submitted separate letters to the Planning Commission to address the economic issues related to the proposal. Copies of these correspondences are attached to this memo.

COORDINATION

Preparation of this report has been coordinated with the City Attorney's Office, Housing Department, Office of Economic Development, and the Redevelopment Agency.

COST IMPLICATIONS

Not applicable.

BUDGET REFERENCE

Not applicable.

CEQA

Incomplete. Preparation of an Environmental Impact Report would be required for continued processing of this application.

for JOSEPH HORWEDEL, SECRETARY
Planning Commission

For questions please contact Allen Tai in the Planning, Building and Code Enforcement Department at (408) 535-7866.

Attachments: Letters received on May 23, 2006 from Project Applicants
Letter received on May 24, 2006 from the Director of the Office of Economic Development with attachment
Letter received on May 24, 2006 from the Redevelopment Agency

Item #7d

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MAR 16 2006

CHARITIES HOUSING
An Affiliate of Catholic Charities of Santa Clara County

RECEIVED
MAY 23 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

March 14, 2006

Mr. Joe Horwedel, Acting Director
Department of Planning, Building and Code Enforcement
200 E. Santa Clara Street
San Jose, CA 95113

Re: 1040, 1060, 1080 Brokaw Road-Retail/Residential Mixed Use

Dear Mr. Horwedel:

Charities Housing Development Corporation has had preliminary discussions with The Riding Group regarding the company's mixed-use, retail/residential proposal at the corner of Brokaw and Old Oakland Roads.

The mixed-use plan would provide approximately 600 units, of which 20% would be affordable. Our organization is eager to participate in developing this significant affordable housing opportunity in the North San Jose/Berryessa area. I also understand the project is in a redevelopment area which would generate millions of additional dollars for the City's affordable housing projects elsewhere.

We support residential use on this site and hope the City will consider the benefits for affordable housing in reviewing The Riding Group's mixed use plan here.

Sincerely,

Chris Block
Executive Director

465 S. First Street, San Jose, CA 95113 main: 408.282.1133 fax: 408.280.1311 www.charitieshousing.org

UFCW
a VOICE for working America LOCAL 428

RECEIVED
MAY 23 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

May 19, 2006

Hon. Mayor Ron Gonzales
City Hall
200 East Santa Clara Street
San Jose, CA 95113

Dear Mayor Gonzales,

I write to express the support of the United Food and Commercial Workers, Local 428 of the Ridding Group and Morley Bros, LLC mixed-use proposal located at southwest corner of Brokaw and Old Oakland Roads.

UFCW represents more than 9000 members, mostly in San Jose. Critical to our members and their families is the availability of quality affordable housing. We are pleased with the Riding Group and Morley Bros. mixed-use proposal which has good mix of housing, both market rate and affordable units, additional open space, as well as the opportunity for great neighborhood serving retail. We feel this is a quality project that deserves your support.

While we are supportive of the Ridding Group/Morley Bros. proposal, we are extremely concerned that the entire site could be devoted completely to retail—specifically for one or more "big box" stores. We would oppose such a proposal. The Office of Economic Development staff has also publicly stated that they are targeting the Knight Ridder property west of the project site and other sites in the immediate area for this use as well.

The City's desire to increase sales tax revenue is understandable, but we respectfully ask that you consider the other impacts of large format and big-box retail stores such as traffic, primarily lower paying jobs, the lack of character and quality of life it adds to a neighborhood and the likelihood of actually attracting "new" sales tax dollars given the extent of the regional serving and big box format retail in the immediate trade area.

You have an opportunity to approve a project that will provide working families with a quality place to live and help an already mixed use neighborhood build character and further define itself. We ask you to take advantage of this opportunity, reject the staff's recommendation for early denial of the application and give guidance to allow this mixed-use proposal to move forward as proposed by the applicant.

Sincerely,

Ronald J. Lind
President

Ronald J. Lind
President

Phil Salgado
Secretary-Treasurer

United Food & Commercial Workers
International Union, Local 428
240 South Market Street
San Jose, CA 95113-2382
408-998-0428 Fax: 408-971-8355
www.ufcw428.org

DOLLINGER PROPERTIES

RECEIVED
MAY 23 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

May 17, 2006

The Honorable Ron Gonzales, Mayor
City of San Jose
200 E. Santa Clara Street
San Jose, CA 95113

Re: Brokaw and Old Oakland

Dear Mayor Gonzales and Council:

Our firm has developed many retail projects throughout the State of California including the new power center currently under construction in Mountain View. We are the retail partner with the Riding Group for the Brokaw Mixed Use site.

It is our opinion that the only retail concept that will work on this site referenced above is an approximately 55,000 square foot high end, neighborhood and community serving shopping center with various neighborhood oriented uses including a drug store, restaurants, dry cleaners and maybe a small high end grocery component, The maximum area needed for this type of retail is approximately five to six acres. If the area was expanded any larger (say 8-12 acres) then you would have to go to a typical food anchored center which would compete directly with several other centers including the Sobrato development across the street and the Ranch 99 shopping center nearby. In addition, Costco, with extensive grocery operations, is developing a 141,000 square foot store near the site at Automation Parkway and Murphy Avenue. Expanding larger than 12 acres would require us to do a power center and we feel very strongly that would not occur for the following reasons:

1. There is no freeway visibility.
2. There are existing power centers at both McCarthy Ranch (880 @ 237) and The Great Mall of the Bay Area that are within the trade area as well as Eastridge Mall.
3. There is a site (Knight Ridder Site) that is planning a 187,000 sq. ft. power center and in our opinion it is a better site for power retail.
4. The former PALM campus (Route 237 and N. 1st Street) is currently being planned for approximately 300,000 square feet of retail development.

555 Twin Dolphin Drive, Suite 600 Redwood City, CA 94065 650/508.8666 FAX 650/508.8686

DOLLINGER PROPERTIES

We were one of the finalists to purchase the Knight Ridder site, but dropped out at the end after talking to many retailers as we felt there were no tenants available for that project other than Lowe's. There is insufficient depth in the market in this I-880 corridor trade area as a result of all the other existing and well established power centers.

We look forward to developing a high quality neighborhood and community serving retail center integrated with homes in Brokaw Mixed Use. This unique, integrated approach will create synergy that will promote the retail environment and increase the quality of life in the neighborhood. With existing, well established power centers nearby and the Knight Ridder and PALM sites planned for additional major retail locations, Costco securing the Automation Drive site, an additional up to 350,0000 square feet of retail on the site referenced above is not feasible from a market perspective.

I hope this helps inform your decision making related to the policy issues for the site. Please call me if you would like to discuss this further.

Sincerely,

David Dollinger

555 Twin Dolphin Drive, Suite 600 Redwood City, CA 94065 650/508.8666 FAX 650/508.8686

RECEIVED
MAY 23 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

Santa Clara County Housing Action Coalition

The Santa Clara County Housing Action Coalition is comprised of a broad range of organizations and individuals who have, as a common goal, the vision of affordable, well-constructed and appropriately located housing

May 19, 2006

Joe Horwedel
Acting Director Planning Building & Code Enforcement
City of San Jose
801 North First Street, Room 400
San Jose, CA 95110

Dear Mr. Horwedel,

We write on behalf of the Santa Clara County Housing Action Coalition to express our support of the Brokaw Mixed Use Development by The Riding Group and the Morley Bros.

By way of background, the Housing Action Coalition includes more than 100 organizations and individuals. Its goal is the production of well-built, appropriately-located homes that are affordable to families and workers in Silicon Valley. Organizations participating in the HAC include the Silicon Valley Leadership Group, the Home Builders Association, Greenbelt Alliance, the Sierra Club, the League of Women Voters, Santa Clara County Association of Realtors, California Apartment Association Tri-County Division, and Santa Clara County School Boards Association.

As you know, the need for entry-level housing persists. One of the biggest challenges to meeting this need is finding land suitable for homes. Fortunately, the City of San Jose has been the leader in identifying sites appropriate for housing, especially in the North San Jose area per the recent Vision North San Jose Plan. After reviewing this proposal, we feel this site would make an excellent location for a housing and mixed use community and encourage your support.

The Housing Action Coalition supports the Brokaw Mixed Use Development. Thank you for your consideration of our comments.

Sincerely,

Lee Wieder
HAC co-chair

Margaret Bard
HAC co-chair

Housing Action Coalition, c/o SVLG, 224 Airport Parkway, Suite 620, San Jose, CA. 95110

Silicon Valley Leadership Group

224 Airport Parkway, Suite 620
San Jose, California 95110
(408)501-7864 Fax (408)501-7861
http://www.svlg.net
CARL GUARDINO
President & CEO

AART J. DE GEUS
Immediate Past Chair, SVLG
Synopsys, Inc.
Board Officers:
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Cassatt Corporation
MICHAEL CANNON
Vice Chair
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Bank of America
BRIAN HALLA
National Semiconductor
JEANETTE HORAN
IBM Corporation
LEONARD KWIATKOWSKI
Lockheed Martin Space Systems Co.
RICHARD LEVY
Varian Medical Systems
PAUL LOCATELLI, S.J.
Santa Clara University
HIROAKI NAKANISHI
Hitachi Global Storage Technologies
LEN PERHAM
Optimal Corporation
KIM POLESE
SpikeSource
STAV PRODROMOU
Alien Technology
BYRON SCORDELIS
Greater Bay Bancorp
DAVID J. SHIMMON
Celerity, Inc.
MICHAEL SPLINTER
Applied Materials, Inc.
JOYCE M. TAYLOR
AT&T Inc.
WILLIAM D. WATKINS
Seagate Technology
KENNETH WILCOX
Silicon Valley Bank
DAVID WRIGHT
EMC Corporation
JOANN ZIMMERMAN
Kaiser Permanente
Working Council Chair
LEON BEAUCHMAN
AT&T Inc.

Founded in 1977 by
DAVID PACKARD

May 19, 2006

RECEIVED
MAY 23 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

Joe Horwedel
Acting Director Planning Building & Code Enforcement
City of San Jose
801 North First Street, Room 400
San Jose, CA 95110

Dear Mr. Horwedel,

We write on behalf of the Silicon Valley Leadership Group to express our support of the Brokaw Mixed Use Development by The Riding Group and the Morley Bros.

By way of reference, David Packard of Hewlett-Packard founded the Silicon Valley Leadership Group (SVLG), formerly the Silicon Valley Manufacturing Group, in 1978. Today, the Group represents more than 190 of the Valley's most respected private sector employers, which collectively provide approximately 250,000 local jobs—or nearly one of every four in Silicon Valley.

As you know, there is a high demand for entry-level homes and a very limited supply of suitable land. One of the biggest challenges to meeting this need is finding land suitable for homes. Fortunately, the City of San Jose has been the leader in identifying sites appropriate for housing, especially in the North San Jose area per the recent Vision North San Jose Plan. After reviewing this proposal, we feel this site would make an excellent location for a housing and mixed use community and encourage your support.

The Silicon Valley Leadership Group supports the Brokaw Mixed Use Development by the Riding Group and Morley Bros. Thank you for your consideration of our comments.

Sincerely,

Carl Guardino
President & CEO

RECEIVED
MAY 2 3 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

FOX PROPERTIES
A Division of Markovits & Fox
14125 Capri Drive
Los Gatos, CA 95032

Tel: 408 364 1265
Fax: 408 364 0765

office@foxprop.com

March 13, 2006

Council Member Chuck Reed
Dist. 4 Council
200 E. Santa Clara Street
San Jose, CA 95113

Dear Chuck:

As you know we are currently in escrow with the Riding Group to sell our property at the corner of Old Oakland and Brokaw Roads. Their proposal of a mixed use development will be a win-win not only for the city but also for nearby residences and businesses.

While we realize the importance of sales tax revenue to the City's General Fund, we also believe there is a significant quality of life issue to consider as well. In our opinion, the combination of residential and retail development at this site presents an opportunity to address both issues. Given the property's location within the Redevelopment Agency, the incremental increase in value would greatly enhance the City's ability to fund major redevelopment projects. Furthermore, the increased number of residential units would increase the number of dollars spent at the nearby neighborhood businesses. From a quality of life standpoint, a mixed use development would be a great compliment to the nearby residential neighborhoods, the adjacent retail, the golf course, the creek, and the easily accessible bus line. This is an ideal setting for a residential community given the easy access to services and the relatively quiet surroundings.

We appreciate the importance of planning a community development that blends market driven forces with the needs of the community, and we feel that the Riding Group has demonstrated this in their plan. As long time owners of this and other property in the neighborhood, we believe the mixed use plan with retail and residential proposed by The Riding Group is the best balance at this location.

If it would fit in your busy schedule, we would be pleased to meet with you to further discuss this project.

Thank you for your consideration.

Sincerely,

Marvin and Rob Fox
Markovits & Fox
14125 Capri Dr. #4
Los Gatos, CA 95032
408-364-2265

LFM PROPERTIES

RECEIVED
MAY 23 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

March 9, 2006

The Honorable Ron Gonzales, Mayor
City of San Jose
200 E. Santa Clara Street
San Jose, CA 95113

RE: SUPPORT-The Riding Group-Mixed Use Development Proposal

Dear Mayor Gonzales:

As the leasing agent for the R&D building located at 1075 E. Brokaw directly across the street from the proposed project, I am writing to recommend that the City approve the mixed use retail/residential development plans identified in GP-06-04-02. Our property will be a neighbor of the Riding development and will be one of the most impacted by this new mixed use community.

I fully support the development proposal by the Riding Group given the residential and retail components. Such a development will be the best and highest use of the given property for the neighborhood without congesting the roads.

The combination of retail, residential and employment uses is ideal in this neighborhood which already has a strong mixed use character. The neighborhood has combined these types of varied uses for nearly two decades, and the development of housing, jobs and retail all close to pedestrian, transit, bike and transportation alternatives is smart planning. The addition of this project will only enhance the neighborhood and will provide a significant additional retail base for the city, while providing housing for Silicon Valley workers and their families.

I request that you approve the retail/residential mix development as proposed by the Riding Group.

Thank you for your consideration of our opinions.

Linda Fox Mighdoll

Linda Fox Mighdoll
LFM Properties
(408) 379-6730
migfox@sbcglobal.net

cc: Planning Commission
Council Members
Planning Department

256 E. Hamilton Ave., Suite M • Campbell, CA 95008 • FAX 408 379-6731 • Telephone (408) 379-6730

WESTCORE
PROPERTIES

RECEIVED
MAY 23 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

March 14, 2006

Mr. Joe Horwedel, Acting Director
Department of Planning Building and Code Enforcement
200 E. Santa Clara Street
San Jose, CA 95113

Re: 1040, 1060, 1080 Brokaw Road-Retail/Residential Mixed Use

Dear Mr. Horwedel:

As the owner of two properties and several buildings directly adjacent to and across the street from the property referenced above, we are writing to register our support for the Riding Group's mixed use, retail/residential proposal at the corner of Brokaw and Old Oakland Roads. We own and manage 880 Ridder Park Drive and 1001 Ridder Park Drive.

The plan makes sense for the neighborhood and is very compatible with surrounding uses. We support the proposal and mix of retail and residential uses that has been proposed by the Riding Group.

We request that you approve the mixed use plan.

Sincerely,

Neil A. Johnson
Director of Acquisitions
Westcore Properties, LLC

MAY 11 2006 11:26 westcore Properties, LLC (415)277-5495 p.2

10600 North De Anza Blvd.
Suite 200
Cupertino, CA 95014-2075

408.446.0700
Facsimile: 408.446.0583
www.sobrato.com

RECEIVED
MAY 23 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

SOBRATO
| DEVELOPMENT COMPANIES

March 13, 2006

The Honorable Chuck Reed, Council Member
District #4
City of San Jose
200 E. Santa Clara Street
San Jose, CA 95113

RE: GP-06-04-02, SUPPORT-Brokaw Mixed Use

Dear Council Member Reed:

On behalf of Sobrato Development Companies, I am writing to request that you approve General Plan Amendment GP-06-04-02. The project consists of up to 50,000 square feet of neighborhood serving retail and 600 condominiums on the 30 acres. The proposed project is directly across the street from our retail center, residential apartment homes and near many of our commercial properties.

However, our interest goes well beyond any one project or application. As the single largest owner of real estate in Santa Clara County, we hold the long view for Silicon Valley and our portfolio in the region. As one of the leading providers of Office/R&D and other commercial space to Silicon Valleys leading high tech companies, we recognize that the single greatest barrier to creating jobs and retaining workers in San Jose is the availability and affordability of housing. We hear time and time again from high tech CEO's that housing is the single most critical factor in maintaining Silicon Valley's competitiveness in an increasingly global economy.

There is currently a convergence of market dynamics that provides for you to substantially address the critical housing supply needs of our workforce and also redevelop in mixed use areas with established services. We believe that selective redevelopment of vacant land and employment space that make sense, such as this proposal, are appropriate and should be encouraged.

We are also the largest property owner in the immediate neighborhood, maintaining substantial holdings of commercial, retail and residential property in the immediate neighborhood of the proposed project. Residential, retail and business uses have coexisted in this well established mixed use neighborhood for years. New neighborhood retail and homes at this location are both appropriate and beneficial to both the existing neighborhood and employment base.

This proposal provides workforce housing and at the same time, promotes economic development through retail and other benefits which, as evidenced by the project, are not mutually exclusive. The project locates housing next to jobs, services, transit options and is well served by more than 100 resident serving retail and commercial businesses in walking distance. The project will be complimentary to this already mixed use neighborhood.

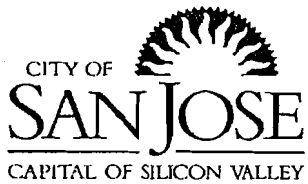
We urge you and your colleagues to approve the Brokaw Mixed Use village as proposed by the applicant.

Best Regards,

John M. Sobrato
Managing Partner
johnm@sobrato.com

cc: Mayor Ron Gonzales
Council Members
Planning Department

Item 10



Office of Economic Development

May 24, 2006

San Jose Planning Commission
City of San Jose
200 East Santa Clara Street
San Jose, CA 95113

Re: General Plan Amendment (File No. GP06-04-02)
Approximately 27.4 acres bounded by E. Brokaw Road
And Old Oakland Road.

Dear Planning Commissioner:

In my capacity as the Director of the Office of Economic Development (OED), I ask that you support Planning staff's request for early denial of the proposed Fox and Markovitz proposed General Plan amendment. The Fox and Markovitz site would be best used as a retail site.

The General Plan and the Economic Development Strategy strive for a balance between jobs, housing, and revenues to support the City's workforce and residents. San Jose is deficient in its jobs-housing balance. The City needs General Fund revenues to support police, fire, library and park operations. Residents want goods and services conveniently located to enhance their quality of life.

The Office of Economic Development's 2004 Retail Study highlights that San Jose is 25% under retailed. In order to fill the gap an additional $1.8 billion dollars worth of purchases would need to be made in the City. Projects such as the General Electric, San Jose Market Center, and Eastridge expansion are helping to close some of the present gap, more needs to be done. The amount of retail square footage developed is not the question, it is the actual sales, goods purchased, and the resulting 1% sales tax is what must be considered.

While we are making short-term progress, it is clear that unless the City is strategic and persistent in creating new retail the gap will continue to widen. ABAG projects that by 2030 over 400,000 new residents will live in San Jose and 250,000 new jobs will be generated in San Jose. Steve Levy of the Continuing Study of the California Economy projects that the effective buying power of San Jose/Santa Clara County will out strip San Mateo County, San Francisco County and Alameda County's effective buying power, due in large part to the strong

200 E. Santa Clara Street, San José, CA 95113 **tel** (408) 535-8181 **fax** (408) 292-6719
www.sjeconomy.com

Report

Fox & Markovits Project (GP06-04-02)
Fiscal Impact Analysis

Prepared by:
City of San Jose

Methodology by:
Economic & Planning Systems

May 2006

Introduction

The following report has adopted the methodology developed by Economic & Planning Systems for a prior residential project to be located at Lundy & McKay (June 2004, EPS Report #13167). The Lundy & McKay Fiscal Impact Analysis was produced for the Riding Group. Utilizing the same variable cost approach, this report updates various numbers reflecting the proposed Fox and Markovits project (GP06-04-02).

Three basic assumptions made in this analysis:

- A detailed breakdown of proposed units was not available therefore in Table 2 persons/per household is assumed to be the same as the Lundy & McKay project.
- Additionally, no information was available as to the number of miles of streets/roads that the City would be responsible to service as a result of the Fox & Markovits proposed project, therefore it is assumed to be zero in Table 2.
- In Table 3, the average sales price is estimated to be $550,000. This figure is higher than the Lundy & McKay average sales price of $490,000 and is also higher than the current asking price of existing units at $481,000 on the market today.

Table- by-Table Assumptions and Analysis

Table 1- Summarizes the revenue and expenditures to the City from the Fox & Markovits project. If all assumptions hold true, the Fox & Markovits mixed-use project costs the City more than the revenue received.

Table 2- Assumed earlier, the persons/per household is assumed to be the same from the Lundy & McKay analysis. As such, this results in 1,718 new residents. For context, the 2006 State of California Department of Finance E-6 report finds the persons/per household in San Jose is 3.18. Assuming everything else constant in the model, the increase in residents/per household from 2.81 (assumed in the model) to 3.18 still results in costs exceeding revenue to the City.

Table 3- Figures for Household Income for San Jose is based upon San Jose's Sphere of Influence (SOI) using ABAG's Projection 2005. As noted earlier, the average sales price is assumed to be $550,000. This figures is estimated a little higher than existing statistics. A search of www.mlslistings.com conducted on May 23, 2006, for condominiums located in zip code 95131, shows the average asking rate to be $427,000. Similarly, according to the Santa Clara County Association of Realtors, the March 2006 average asking rate for condominiums in San Jose is $481,000. All Utility figures are assumed to be the same as the Lundy & McKay project. If month utility figures are raised by 60% to correct for the 2004 figures from EPS, the Fiscal Impact Analysis still results in costs exceeding revenues to the City of San Jose.

Table 4- All figures have been updated to most recent data available. All sources are the same as the Lundy & McKay Analysis.

Table 5- All general fund figures are based upon the City of San Jose's Proposed 2006-2007 Operating Budget. All allocation percentage are based upon the same assumptions as the Lundy & McKay Analysis.

Table 6- Based upon the Fox & Markovits proposed project, the City will receive over $500 thousand in property tax revenue, assuming the average sale price of $490,000. The City's share of 17.4% is based upon the 2005-2006 Santa Clara County Tax Book (Page 41). The turnover rate is assumed to be the same as Lundy & McKay Analysis.

Table 7-The percentages for sales tax are assumed to be the same as the Lundy & McKay Analysis. The only change that has occurred is in the Expenditures Captured by San Jose. The original Bay Area Economics Retail Report produced for the City in 2004 found a 24% leakage of sales to outside of San Jose. A more recent analysis performed by the City of San Jose incorporating recent retail developments found that the leakage out of San Jose is now at 19%. Therefore the assumed capture rate of expenditures is 81%.

Table 8- All figures assumed to be the same as the Lundy & McKay Analysis.

Table 9-10 Both Police and Firefighter employment figures have been updated to reflect figures from the City of San Jose's 2006-2007 Proposed Operating Budget.

Conclusion

Using the basic assumptions from the Lundy & McKay Fiscal Impact Analysis and providing updates to available figures, as it stands, Fox & Markovits has a negative impact to the City of San Jose.

Table 1
Annual Fiscal Impact Summary at Project Buildout
Fiscal Impact Analysis of Fox Markovits Project

Item	Project Total
Total Project General Fund Revenue	
Property Tax	$573,504
Property Transfer Tax	$87,265
Sales Tax	$127,622
Franchise Tax	$32,454
Utility Users Tax	$67,312
Fines, Forfeitures,and Penalties	$22,582
Revenue from State Government	$17,129
Subtotal Revenues	$927,869
Total Project General Fund Expenditures	
General Government	$51,651
Finance	$10,298
Economic Development	$3,860
Fire	$231,870
Police	$459,122
Capital Maintenance	
General Services	$36,378
Total Transportation	$0
Total Capital Maintenance	$36,378
Community Service	
Environmental Services	$2,248
Library	$37,277
Park, Recreation & Neighborhood Services	$81,635
Planning, Building & Code Enforcement	$32,329
Total Community Services	$153,489
Non-Departmental	$90,081
Subtotal Expenditures	$1,036,749
Net Fiscal Balance	($108,880)

Table 2
Project Description
Fiscal Impact Analysis of Fox Markovits Project

Item	Total		Persons/ Household		Number of Households (1)	New Population
Development						
Townhomes						
Plan 1-2BR	-	units	2.50		#VALUE!	#VALUE!
Plan 2-3BR	-	units	3.25		#VALUE!	#VALUE!
Plan 3-3BR	-	units	3.25		#VALUE!	#VALUE!
Plan 4-4BR	-	units	4.00		#VALUE!	#VALUE!
	0		3.25		#VALUE!	#VALUE!
Condominiums						
1BR	-	units	2.00		#VALUE!	#VALUE!
2BR	-	units	2.50		#VALUE!	#VALUE!
2BR	-	units	2.50		#VALUE!	#VALUE!
3BR	-	units	3.25		#VALUE!	#VALUE!
1BR	-	units	2.00		#VALUE!	#VALUE!
1BR	-	units	2.00		#VALUE!	#VALUE!
Total/Average	0		2.38		#VALUE!	#VALUE!
Total Development						
Urban/Live/Work Lofts	370	units	3.25	3.25	363	1180
Condominiums	231	units	2.38	2.38	227	538
	601		2.81		590	1718
New Parks (2)						
Park	2.1	acres				
Public Road Adjancy						
Public Roads	0	miles				
Project Share (50%)	0	miles				

Table 3
Description of Typical New Household
Fiscal Impact Analysis of Fox Markovits Project

Item	Estimating Factors		Description/Source
Population	2.81	per unit	Table 2
Household Income ($2005)	$90,400		ABAG 2005
Average Sales Price*	$550,000		OED-SCCOAR, EPS
Turnover	8%	per year	RAND 2002
Total Utility Bill			
Water	$30	per mo	EPS
Telephone Bill (1)	$35	per mo	EPS
Electricity Bill	$32	per mo	EPS
Gas Bill	$90	per mo	EPS
Cable Bill (2)	$30	per mo	EPS
Total per month	$217		
Total per year	$2,604		

(1) Intrastate service only
(2) Assumes unit receives cable service
* Current MLS Listing for Condo's in the 95131 have an average asking price of $427,00(

Table 4
Citywide Demographic Data
Fiscal Impact Analysis of Fox Markovits Project

Item	Amount	Notes
Households (2006)	301,848	DOF E5 File
Mean Household Income ($2005)	$90,400	ABAG 2005
Single Family Housing Units (2006)	194,570	DOF E5 File
Multifamily Housing Units (2006)	96,250	DOF E5 File
Population (2006)	953,679	DOF E5 File

Table 5
General Fund 2006/07 and Estimating Factors
Fiscal Impact Analysis of Fox Markovits Project

Item	Table Reference	06-07 Proposed General Fund	% Variable Costs (1)		Allocation	Factor	Project Total
Revenues							
Fund Balance		$107,778,614			-	not estimated	-
Property Tax	Table 6	$183,914,000			17.35%	of Assessed Value	$573,504
Property Transfer Tax	Table 6	-			$3	per $1,000 of value of homes sold annually	$87,265
Sales Tax	Table 7	$144,008,000			1.00%	of estimated sales	$127,622
Transient Occpancy Tax		$7,600,000			-	not estimated	-
Franchise Tax	Table 8	$36,904,000			5.00%	gross receipts	$32,454
Utility Users Tax	Table 8	$76,098,000			5.00%	of utility bills	$67,312
License and Permits		$74,660,399			-	not estimated	-
Fines, Forfeitures,and Penalties		$12,536,567	100%		$13	per capita	$22,582
Revenue from Money & Property		$10,541,869			-	not estimated	-
Revenue from Local Agencies		$45,290,121			-	not estimated	-
Revenue from State Government		$9,509,479	100%		$10	per capita	$17,129
Motor Vehicle In Leiu Fee	-				-	not estimated	
Airplane In-Lieu Fee	-				-	not estimated	-
Revenue from Federal Government		$1,533,307			-	not estimated	-
Department Charges		$29,460,375			-	not estimated	-
Other Revenue (2)		$11,044,499			-	not estimated	-
Transfers and Reimbursements		$95,808,271			-	not estimated	-
Gas Tax Transfer					-	not estimated	-
Subtotal Revenues		$846,687,501					$927,869
Expenditures							
General Government (3)		$57,348,388	50%		$30	per capita	$51,651
Finance (4)		$11,434,248	50%		$6	per capita	$10,298
Economic Development		$4,285,491	50%		$2	per capita	$3,860
Redevelopment		$1,356,285			-	not estimated	-
Fire	Table 9	$128,724,531	100%		$173,017	per firefighter	$231,870
Police	Table 10	$254,885,193	100%		$176,942	per police officer	$459,122
Capital Maintenance (5)							
General Services		$20,195,398	100%		$21	per capita	$36,378
Public Works		$9,517,193			-	not estimated	-
Transportation (6)							
Street Landscape		$11,163,076	100%	per road mile	$4,854	per road mile	$0
Pavement Maintenance		$6,483,896	100%	per road mile	$2,819	per road mile	$0
Traffic Maintenace		$11,131,574	100%	per road mile	$4,840	per road mile	$0
Other (7)		$4,547,362	100%	per road mile	$1,977	per road mile	$0
Total Transportation		$33,325,908	100%	per road mile	$14,490	per road mile	$0
Community Service							
Environmental Services		$1,664,344	75%	percapita	$1	per capita	$2,248
Library		$27,592,546	75%	percapita	$22	per capita	$37,277
Park, Recreation & Neighborhood Services		$60,426,882	75%	percapita	$48	per capita	$81,635
Planning, Building & Code Enforcement		$35,895,574	50%	percapita	$19	per capita	$32,329
Total Community Services		$125,579,346	75%	percapita	$99	per capita	$153,489
Non-Departmental (8)		$200,035,520	25%	percapita	$52	per capita	$90,081
Subtotal Expenditures		$846,687,501					$1,036,749
Total Net		$0					($108,880)

(1) Percentage of costs that increases with growth, as opposed to fixed costs
(2) Includes rimbursements from investment programs
(3) Includes city attorney, auditor, clerk, manager, mayor, council, emergency services, employee services, and information technology
(4) Includes independent police auditor
(5) Includes general services, public works and transportation
(6) City Budget forecast of 2,295 mi of roads to be maintained by city 2004 annual report.
(7) Other transportation costs funded by General fund
(8) Includes citywide expenses, transfers, capital contributions and reserves

Table 6
Property Tax Calculation
Fiscal Impact of Fox Markovits Project

	Assumptions	Project Total
Total Assessed Value		
Project Sales Value/Unit (1)		$550,000
Number of Units		601
Projected Assessed Value		$330,550,000
Property Tax Total	1.00% of Assessed Value	$3,305,500
City Property Tax Share	17.4% of Assessed Value	$573,504
Transfer Tax	$3.30 per $1,000 of value of homes sold annua	$87,265
Turnover Rate (2)	8%	

(1) Average market price of all units
(2) Assumes that on average, 8% of the residents are sold in any given yea

Table 7
Sales Tax Calculations
Fiscal Impact Analysis of Fox Markovits Project

	Assumptions	Number
Income Assumptions		
Average Household Income	$90,400 per household	
Average HH Taxable Retail Expenditure (1)		
Average Household Expenditure	29% of income	$26,216
Total Expenditure Captured by San Jose		
Expenditures per New Household	81% of taxable exp (2)	$21,235
Total New Retail Sales		
New Households	601	$12,762,211
Total New Sales Taxes		
New Housholds	1.00% of estimated sales	$127,622

(1) Bureau of Labor Statistics: assumes households with average incomes over $70,000 spend 29% of income on taxable expenditures
(2) Represents the estimated average capture rate for the City of San Jose based on City Report, BAE Retail Study 2004, Figures updated to 2005

Table 8
Utility Tax Calculation
Fiscal Impact Analysis of Fox Markovits Project

	Assumptions	Project Total
Utility Tax	5% of utility bills	
Annual Utility Bill per Home	$2,604	$2,604
Tax per home	$112	$112
Total Taxes		$67,312
Franchise Fees		
Water	2% gross receipts	
Annual Water Bill Per Home	$360	$360
Franchise Fee per Home	$7	$7
Total		$4,207
Cable	5% gross receipts	
Annual Cable Bill Per Home	$360	$360
Franchise Fee per Home	$18	$18
Total		$10,818
Gas & Electric	2% gross receipts	
Annual Gas & Electric Bill Per Home	$122	$122
Franchise Fee per Home	$29	$29
Total		$17,429
Total Franchise Fees		$32,454

(1) Includess electricity, gas and phone. Excludes cabile services because cable is not subject to utility user ta:
(2) Calculated on cable, gas, and electric

Figures are all assumed from Lundy & McKay Fiscal Impact Analysis Repor

Table 9
Fire Department Expenses
Fiscal Impact Analysis of Fox Markovits Project

Item	
Number of Firefighters 2006 (1)	744
Per 1,000 population	0.78
Buildout Project Population	1718
Total New Firefighters Required	1.34
Annual General Fund	$173,017
Expenditures per firefighter (2)	$231,870

(1) Includes Chiefs, Captains, Engineers and Firefighters: Proposed 2006-2007 Budget
(2) Includes Emergency Response, Fire Prevention and Fire Safety and Code Enforcement: Proposed 2006-2007 Operating Budget

Table 10
Police Department Expenses
Fiscal Impact Analysis of Fox Markovits Project

Item	
Number of Officers 2006	1440.5
Per 1,000 population	1.51
Buildout Project Population	1718
Total New Officers Required	2.59
Annual General Fund (1)	$176,942
Expenditures per Officer	$459,122

(1) Includes response calls for service, crime prevention & community education, investigative services and traffic safety services: Proposed 2006-2007 Operating Budgel

MEMORANDUM

TO:	**Jenny Nusbaum, Planning, Building, and Code Enforcement**
FROM:	**Donald Rocha, Redevelopment Agency - Industrial Division**
RE:	**Comments on GP06-04-02**
DATE:	**May 24, 2006**

Thank you for the opportunity to provide comments on GP06-04-02. The San Jose Redevelopment Agency supports the recommendations from PBCE staff to:

- Deny the GPA request to change the Land Use/Transportation Diagram designation from Industrial Park on 11.9 acres and Industrial Park with Mixed Industrial Overlay on 15.5 acres to Neighborhood/Community Commercial on 6 acres and High Density Residential on 21.4 acres on an approximately 27.4-acre site located on several parcels on the southwest corner of East Brokaw Road and Old Oakland Road;
- Initiate a GPA to change the Land Use/Transportation Diagram designation from Industrial Park on 11.9 acres and Industrial Park with Mixed Industrial Overlay on 15.5 acres to Combined Industrial/Commercial on 27.4 acres.

The site is located within the North San José Development Policy Area (NSJADP), and within the Rincon de Los Esteros Redevelopment Area. The request for residential uses would eliminate employment land and reduce the potential for sales tax revenue, therefore it is critical to preserve the potential for sales tax revenue, and most importantly preserve the land for employment uses. The NSJADP already identifies sites for conversion to residential (up to 24,700 units) and the inclusion of additional residential units presents a number of issues in respect to environmental clearance, traffic impacts, public services, and infrastructure improvements.

In addition, the site in question represents a valuable opportunity for developing a large retail commercial center, thus the recommended Combined Industrial/Commercial designation will provide for maximum flexibility to allow either future industrial or commercial development or a mix of both uses. These sites have been recommended for location at the edges of San José and in high-growth areas so that resident dollars will be retained in San José and new shoppers will be attracted from nearby cities. Based on the conclusions of staff's analysis the amendment site represents a valuable opportunity for developing a large retail commercial center.

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Department of Planning, Building and Code Enforcement
200 East Santa Clara Street
San José, California 95113-1905

GENERAL PLAN AMENDMENT
STAFF REPORT
SPRING 2006 HEARING

Hearing Date/Agenda Number:	P.C. May 24, 2006 Item: 7d
File Number:	GP06-04-02
Council District and SNI Area:	4
Major Thoroughfares Map Number:	51
Assessor's Parcel Number(s):	237-03-061, -069, -070
Project Manager:	Jenny Nusbaum and Allen Tai

PROJECT DESCRIPTION: General Plan Amendment request to change the land use designation on an approximately 27.4-acre site (the entire property consists of 29.9 acres, 2.5 acres of which is Private Open Space which will remain unchanged) from Industrial Park on 11.9 acres and Industrial Park with Mixed Industrial Overlay on 15.5 acres to Neighborhood/Community Commercial on 6 acres and High Density Residential (25-50 dwelling units per acre) on 21.4 acres.

LOCATION: Southwest corner of East Brokaw Road and Old Oakland Road (1633 Old Oakland Road, and 1040, 1060, and 1080 East Brokaw Road).	**ACREAGE:** 27.4 acres

APPLICANT/OWNER: The Riding Group/Applicant; Markovits & Fox, Inc./Owner

GENERAL PLAN LAND USE / TRANSPORTATION DIAGRAM DESIGNATION:

Existing Designation: Industrial Park on 11.9 acres and Industrial Park with Mixed Industrial Overlay on 15.5 acres

Proposed Designation: Neighborhood Community/Commercial on 6 acres and High Density Residential (25-50 DU/AC) on 21.4 acres.

EXISTING ZONING DISTRICT(S): Heavy Industrial and Light Industrial

SURROUNDING LAND USES AND GENERAL PLAN DESIGNATION(S):

North: Office uses with Industrial Park land use designation

South: Coyote Creek riparian corridor, Light Industrial/office uses; Private Open Space, Public Park/Open Space, and Heavy Industrial

East: Commercial/Office uses with Light Industrial land use designation

West: Coyote Creek riparian corridor, active Union Pacific Railroad, Office building with Light Industrial land use designation

ENVIRONMENTAL REVIEW STATUS: **Incomplete.**

PLANNING STAFF RECOMMENDATION:

1. No change to the existing General Plan land use designations of Industrial Park on 11.9 acres and Industrial Park with Mixed Industrial Overlay on 15.5 acres.
2. City Council initiate a General Plan amendment to change the existing General Plan land use designations to Combined Industrial/Commercial on the entire 27.4-acre site.

Approved by: Stan Ketter
Date: May 18, 2006

PLANNING COMMISSION RECOMMENDATION:

CITY COUNCIL ACTION:

CITY DEPARTMENT AND PUBLIC AGENCY COMMENTS RECEIVED:

Correspondence from various City Departments addressing specific development issues regarding the future residential use of property is contained in the project file and will be considered if the project continues through the process.

GENERAL CORRESPONDENCE:

None.

INTRODUCTION

When City departments determine that proposed land use amendments to the *San José 2020 General Plan* are inconsistent with adopted Council policies, the Administration may bring those amendments to the Planning Commission for consideration of a denial recommendation to the City Council at the first available General Plan hearing. This approach provides an opportunity at the earliest point in the process for the Planning Commission and City Council to consider identified policy issues and to determine (1) whether such an application should be denied based upon those inconsistencies prior to completion of environmental review, or (2) whether any such application should be directed for complete processing, including environmental review.

A Planning Commission recommendation and Council direction early in the processing of such amendments could potentially save applicants and the City time and money in the continued processing of such proposals. A Council decision to direct staff to complete processing for later consideration during a General Plan Amendment public hearing would in no way indicate how the Council might ultimately vote upon that amendment during that hearing – such a decision would indicate only that the Council is not opposed to considering such a proposal with complete environmental review at a later date.

RECOMMENDATION

Denial without Environmental Clearance

Staff recommends no change to the General Plan Land Use/Transportation Diagram designation of Industrial Park on 11.9 acres and Industrial Park with Mixed Industrial Overlay on 15.5 acres on the subject site (i.e., denial of the proposed amendment) because the proposal to change the land use designations to Neighborhood/Community Commercial on 6 acres and High Density Residential (25-50 dwelling units per acre) on 21.4 acres is substantially

inconsistent with adopted policies in the San José 2020 General Plan and the City's Economic Development Strategy.

Environmental clearance is incomplete for this application. The Planning Commission has the options to recommend to the City Council: (1) denial of the General Plan amendment, or (2) direct staff to continue processing the application and complete environmental review for consideration of the amendment at a later General Plan hearing.

Council-Initiated General Plan Amendment

Based on the conclusions of staff's analysis that the amendment site represents a valuable opportunity for developing a large retail commercial center, staff recommends that the City Council initiate a General Plan amendment to designate the entire 27.4-acre site Combined Industrial/Commercial so the site has maximum flexibility to allow either future industrial or commercial development or a mix of both uses.

PROJECT DESCRIPTION

This is a privately initiated General Plan amendment request to change the *San José 2020 General Plan* Land Use/Transportation Diagram designation from Industrial Park on 11.9 acres and Industrial Park with Mixed Industrial Overlay on 15.5 acres to Neighborhood/Community Commercial on 6 acres and High Density Residential (25-50 dwelling units per acre) on 21.4 acres on an approximately 27.4-acre site located on several parcels on the southwest corner of East Brokaw Road and Old Oakland Road (1633 Old Oakland Road, and 1040, 1060, and 1080 East Brokaw Road). Approval of the proposed General Plan amendment would potentially allow between 535 and 1,070 residential units on this site, which has readily available transportation access to support continuing industrial use and development.

The site is located within the North San José Development Policy Area, and within the Rincon de Los Esteros Redevelopment Area.

The site's existing Industrial Park land use designation allows a wide variety of industrial uses, including research and development, manufacturing and assembly, and offices. The Mixed Industrial Overlay designation on 15.5 acres of the site is intended to preserve a supply of land for industrial uses while allowing for commercial or public/quasi-public uses that would not compromise the integrity of the industrial area. Appropriate locations for the overlay designation are areas that already contain, or are surrounded by, non-exclusive industrial areas that contain a mix of uses. These areas provide opportunities for land uses that may have difficulty locating in commercial or residential areas due to neighborhood concerns, land use compatibility, scale of operation or other similar issues.

The High Density Residential (25-50 DU/AC) land use designation that is proposed for the site is typified by three- to four-story apartments or condominiums over parking. A mixture of housing types, subject to overall density limits, could also be considered under the High Density Residential (25-50 DU/AC) land use designation. However, this land use designation is not appropriate for this site. This density is intended near the Downtown Core Area, near commercial centers with ready access to freeways or expressways, and in the vicinity of rail

stations within the Transit-Oriented Development Corridors Special Strategy Areas.

Typical uses in the proposed Neighborhood/Community Commercial land use designation are neighborhood-serving retail and service establishments. Future uses in the Neighborhood/ Community Commercial designation should develop in the form of shopping centers, as a group of commercial establishments planned and developed as a unit, and related in size and type of shops to the trade area served.

BACKGROUND

Site and Surrounding Land Uses

The site is located on the west side of Oakland Road, approximately 300 feet north of Schallenberger Road, and is bounded by Oakland Road to the east, Coyote Creek to the south, Union Pacific Railroad tracks to the west, and East Brokaw Road to the north.

Formerly one parcel, in 1984, the site was subdivided to facilitate development of three R&D/office buildings (Fairway Business Park) at the southwest corner of Oakland and Brokaw Roads. One of these three buildings was constructed in the mid-1980s; the other two buildings were built in the late 1990s. The 15.5-acre portion of the site with the existing Mixed Industrial Overlay was formerly used as a metal recycling facility, which closed in March 2000. All buildings associated with the metal recycling facility were removed in December 2001.

1. Surrounding land uses include industrial park/office uses, a commercial shopping center (North Park Plaza), and multi-family residential uses to the north and northeast, PS Business Park and the Municipal Golf Course to the east, Coyote Creek, the adjacent riparian corridor, and the Union Pacific Railroad to the west, and riparian corridor and Coyote Creek to the south.

Previous General Plan amendments on this Site

In 2000, the site was the subject of a General Plan amendment (File No. GP00-04-03) that changed the land use designation from Heavy Industrial to Industrial Park on 27.5 acres and the remainder of the property to Private Open Space on 2.5 acres, reflecting the required riparian setback for future development. Given the changing character of the general area, the site was no longer well suited for heavy industrial uses.

In 2003, the 15.5-acre portion of the site previously occupied by the metal recycling facility was the subject of a General Plan amendment (File No. GP03-04-05) that added a Mixed Industrial Overlay to the existing Industrial Park land use designation. The intent of adding the Mixed Industrial Overlay on this portion of the site was to provide a greater opportunity for industrial, compatible non-industrial, or a combination of both types of uses in order to help facilitate economic development opportunities.

Fig.1. Aerial Photograph of the site and the surrounding area, taken in 2001.

ANALYSIS

The following points summarize staff's main reasons for recommending denial of the proposed General Plan amendment:

1. Inconsistency with adopted Economic Development Strategy

Conversion of the site to High Density Residential (25-50 DU/AC) on 21.4 acres and Neighborhood/Community Commercial on 6 acres would compromise the potential of the site for the type and scale of retail uses envisioned by the City's adopted Economic Development Strategy to be supported by existing and future market demand.

The Economic Development Strategy adopted by City Council in November 2003 includes fifteen (15) Strategic Initiatives and identifies tactics to achieve these initiatives. Strategic Initiative No. 13 is to **"Develop retail to full potential, maximizing revenue impact and neighborhood livability."** One of the tactics identified to achieve this initiative is identifying sites of at least 20 acres to accommodate larger retailers offering home furnishings, general merchandise, consumer electronics, and apparel. These sites should be located strategically at the edges of San José and in high-growth areas so that resident dollars will be retained in San José and new shoppers will be attracted from nearby cities.

The City's Office of Economic Development and the Redevelopment Agency have identified this site as one that offers a rare opportunity for redevelopment with Community Retail uses. There are very few sites within the City that meet the criteria for Community Retail.

Typically, a Community Retail Center requires at least 20 acres of land appropriately configured to accommodate large-format stores. The subject site is more than 20 acres in size and consists of large assembled parcels in single ownership, with convenient access to freeways and arterial streets.

The existing General Plan land use designations on the subject site provide the opportunity for community-serving retail uses to address the City's unmet retail needs as identified in the adopted Economic Development Strategy.

The site is unique in size, location, and proximity to transportation to serve the retail needs of both a local and regional population and is within close and convenient access to Interstate 880, East Brokaw Road, and Old Oakland Road.

Redevelopment of the site with Community Retail uses would be consistent with the City's Economic Development Strategic Initiatives. The City's *Economic Development Strategy*, *The San José Neighborhood Retail Model Summary Report*, the *San José 2020 General Plan*, and analyses provided by the Association of Bay Area Governments, show that approximately 10 million square feet of building area for retail uses will be needed to support Driving Industries and Business-Support/People-Serving Industries through 2020.

According to the 2004 Retail Study by Bay Area Economics, the City of San José is under-served by retail throughout many areas of the City. This is resulting in a leakage of sales out of San José into other communities such as Milpitas and Santa Clara. The report goes on to identify local retail trade areas that would benefit by having more retail in the form of grocery, drug, and apparel stores. Of particular interest is local retail trade area #4 in the Greater Berryessa community. Local retail trade area #4 incorporates the subject site and, according the report, has un-met demand for retail in the area. The report suggests at least 100,000 square feet of mixed retail types could be supported.

2. Inconsistency with San José 2020 General Plan Economic Development Major Strategy

Conversion of the site to residential uses would eliminate employment land and reduce the potential for sales tax revenue. The General Plan's Economic Development Major Strategy strives to make San José a more "balanced community" by encouraging more commercial and industrial growth. Maintaining the subject site with the existing Industrial Park and Industrial Park with Mixed Industrial Overlay land use designations would not only preserve the potential for sales tax revenue, but would also preserve the land for employment uses.

3. Inconsistency with North San José Area Development Policy

In the updated North San José Development Policy Area, developing new housing east of Interstate 880 is intentionally *not* encouraged because the Policy focuses on placing development near existing housing sites where residential support services are available. The purpose of the North San Jose Area Development Policy was, in part, to guide residential development to occur adjacent to existing residential development, have close proximity to jobs, and provide a traffic benefit by locating residential development to the west of Interstate 880, where a number of access points to regional highways exist. The project

location, however, is not adjacent to residential development, have limited access to the core employment area in North San Jose, and is within an area where few pedestrian amenities are available.

4. Inconsistency with the San José 2020 General Plan Goals and Policies

   a. **The proposal is inconsistent with *Economic Development Goal No. 2* to create a stronger municipal tax base** by obtaining a greater share of total commercial development in the County by nurturing and encouraging the expansion of commercial development in the City.
   b. **The proposal is inconsistent with the Commercial Land Use Goal,** which emphasizes the need to locate new commercial uses in the community to facilitate convenient shopping and easy access to professional services and to contribute to the economic base of the City.
   c. **The proposal is inconsistent with *Commercial Land Use Policy No. 1:*** "Commercial land in San José should be distributed in a manner that maximizes community accessibility to a variety of retail commercial outlets and services and minimizes the need for automobile travel. New commercial development should be located near existing centers of employment, ..."

5. Inconsistency with Previous City Council Actions to Maintain Land Uses on the Site that provide Economic Development Opportunities

   Conversion of the site to High Density Residential (25-50 DU/AC) on 21.4 acres and Neighborhood/Community Commercial on 6 acres would contradict previous City Council actions. The City Council has reviewed the site and approved General Plan amendments twice in the last six years to allow a wide range of Industrial Park and compatible commercial uses on the site. The intention with each of these land use changes was to maintain potential economic development opportunities on the site.

6. Residential Uses on Property not Required for Support of General Plan Housing Major Strategy

   The subject site and surrounding industrial area do not meet Transit-Oriented Development criteria and are more valuable to the City to support economic development than for additional residential development. San José continues to plan, approve, and issue building permits for more housing than any other city in the Northern California. The City has continued to be proactive in its efforts commitment to meet the community's housing needs through a variety of innovative development strategies, including proactively planning for mixed-use and transit-oriented development. In particular, the recent approval of the North San José Area Development Policy will facilitate the addition of up to 24,700 units of new, high-density residential in the North First Street Transit-Oriented Development Corridor. In the updated North San José Development Policy Area, developing new housing east of Interstate 880 was intentionally not encouraged because the Policy focuses on placing development near existing housing sites where residential support services are available.

7. Consistency with the Adopted Industrial Conversion Framework

Conversion of 21.4 acres of the site to High Density Residential (25-50 DU/AC) would reduce the potential to provide commercial uses to meet the City's need for community-serving retail, and would not provide an equivalent benefit to the City. The site is located within North San José 5 subarea as identified in the study. The Framework identifies this portion of North San José 5 east of I-880 to consider for conversion to housing, retail, or other Household Serving Industries only in areas that are close to existing residential areas and areas that could be integrated into a neighborhood framework. The criteria for consideration include an assessment of costs and benefits to the City that would result from the conversion to non-industrial uses. The existing Industrial Park with Mixed Industrial General Plan land use designation on the 15.5-acre portion of the site already allows non-industrial uses, such as retail uses, that would address City identified unmet shopping needs in the surrounding area while still maintaining employment and revenue potential for the City. The proposed land use change would not provide these same benefits to the City, and would, therefore, be less consistent with the Framework criteria.

Conclusion

The proposed General Plan amendment request to change the General Plan Land Use designation from the existing Industrial Park on 11.9 acres and Industrial Park with Mixed Industrial Overlay on 15.5 acres to High Density Residential (25-50 DU/AC) on 21.4 acres and Neighborhood/ Community Commercial on 6 acres is inconsistent with the City's Economic Development Strategy and fundamental Major Strategies, goals and policies of the General Plan. Approval of this General Plan amendment would diminish the City's ability to provide community-serving retail services, provide employment opportunities for low, medium and high skilled workers, maintain a diverse economy, and provide long-term growth potential for a needed tax base.

While the Mixed Industrial Overlay designation on the 15.5-acre portion of the site would allow large format commercial uses, this report identifies the need for the entire site to be explicitly preserved for future retail commercial uses. In order to provide maximum flexibility to accommodate such uses in the future, Planning staff recommends that the City Council initiate a General Plan amendment to designate the entire 27.4-acre site Combined Industrial/Commercial, which would allow either industrial or a full range of commercial uses that are compatible with industrial uses, or a mix of both industrial and commercial uses on the site. A proposal for Combined Industrial/Commercial would require environmental clearance before it could be considered for approval by the City Council.

ENVIRONMENTAL REVIEW

Pursuant to Section 15270 of the CEQA Guidelines, CEQA does not apply to projects which a public agency rejects or disapproves. An Environmental Impact Report would be required for completion of environmental clearance under CEQA for the City Council to consider approval of the General Plan amendment request.

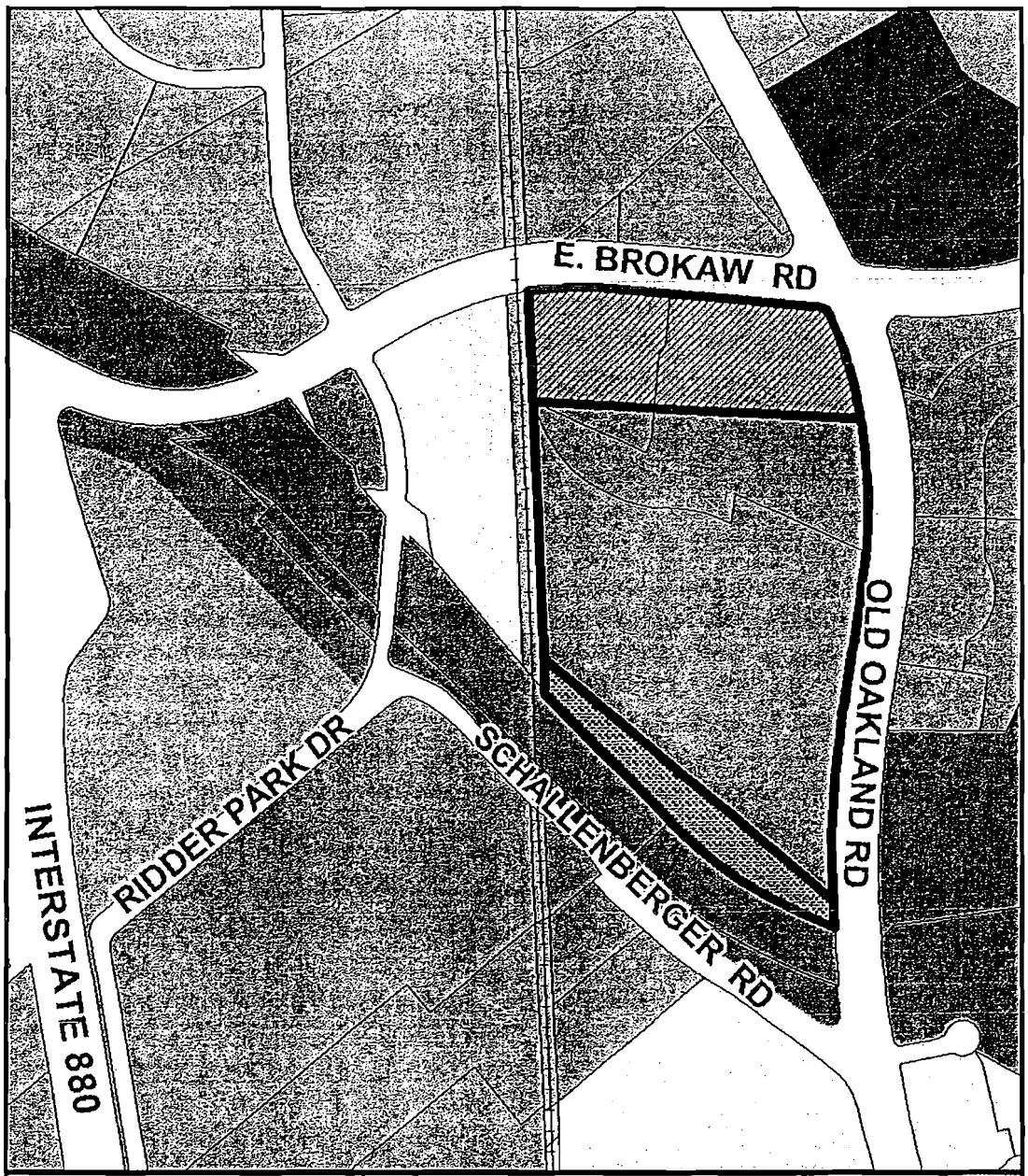
PUBLIC OUTREACH

A joint notice of the public hearings to be held on the subject General Plan amendment before the Planning Commission on May 24, 2006 and City Council on June 13, 2006 was circulated to the property owners and residents within a 1000 foot-radius of the subject property. The Planning Department web site contains information regarding the General Plan process, amendments, staff reports, and hearing schedules. This web site is available to any member of the public and contains the most current information regarding the status of the General Plan amendments. If Council decides not to consider the General Plan amendment unless environmental clearance is completed, then Planning staff will continue to coordinate with the applicant, Council District 4 staff, and neighborhood group representatives to schedule community meetings and additional public outreach.

COORDINATION

Preparation of this report has been coordinated with the City Attorney's Office, Housing Department, Office of Economic Development, and the Redevelopment Agency.

GP06-04-02



SAN JOSE

Department of Planning, Building and Code Enforcement
Planning Services Division

Propose to change to Neighborhood/Community Commercial

Propose to change to High Density Residential (25-50 DU/AC)

Open Space No Change

NORTH

Scale 1" = 500'
Quad: 51

RECEIVED
NOV 07 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

2277 Alum Rock Avenue
San Jose, California 95116
408.258.4977 Fax - 408.258.1761

November 6, 2006

The Honorable Chuck Reed, Council Member
District #4
300 E. Santa Clara St.
San Jose, CA 95113

Re: Retail/Residential General Plan Amendment-Brokaw/Old Oakland Road

Dear Council Member Reed:

As the owner of PW Markets, I am writing to register our support for Brokaw Mixed Use Retail/Residential Village. As you may know, we have been in the supermarket business in the City of San Jose and the Silicon Valley since 1943 proving high quality shopping experience and quality jobs to our employees. With our headquarters here in San Jose, we have been a long term stakeholder in the community.

One of our stores is directly across the street from the proposed development and we believe that creating additional community of homes near shopping makes sense for the neighborhood and will help support all of the surrounding neighborhood businesses. With Costco's extensive grocery operation around the corner, the Safeway Store in Rivermart, the 99 Ranch Market, and our store so close to the proposed center, we do not support increasing the size of the retail that would necessitate additional large scale grocery operations. We also do not support big box retail for the site and feel that the proposed neighborhood retail center would create nice synergy with existing retail in the neighborhood.

We urge your support of the proposed General Plan Amendment which would be a benefit to our neighborhood.

Thank you for considering our perspective.

Joy L. Belli

Joy L. Belli

Greg Gatzke
Principal

1590 Oakland Road, Suite B109
San Jose, CA 95131
T 408.436.2085
F 408.436.2081
C 408.455.2918
greg@zagtech.com
www.zagtech.com

November 1, 2006

The Honorable Chuck Reed
Councilmember
City of San Jose
300 E. Santa Clara Street, 18th Floor
San Jose, CA 95110

RE: SUPPORT FOR BROKAW MIXED USE Development Proposal

Dear Councilmember Reed, Mayor and Council Members:

I am writing to request that you vote in favor of the Brokaw Mixed Use Development plan as proposed.

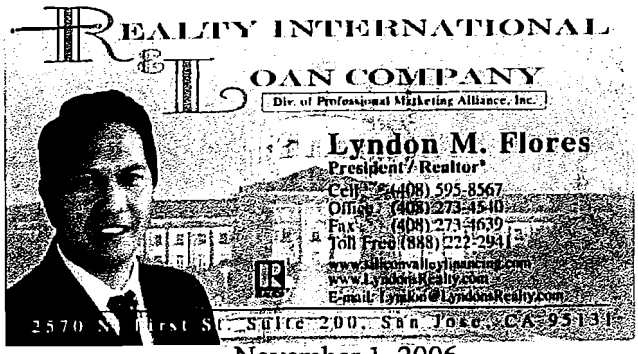
As a business owner in the immediate vicinity of the proposal, I support the development of additional residential units and neighborhood serving retail in the area. The proposed site of the Brokaw Mixed Use Development is an ideal location for new residential units given its proximity to existing housing and a large number of retail services within walking distance that would benefit from additional residents in the area. In addition, the project will greatly assist in redeveloping a blighted site.

Overall, this proposal for new retail and homes will be an asset to the north San Jose community. It will provide much needed housing and retail opportunities near existing job centers, will offer additional public open space in the neighborhood, and will add welcome residents to support our small businesses and ensure the economic vitality of the area.

I respectfully request your support for the Brokaw Mixed Use plan. Thank you for your consideration.

Sincerely,

cc: City Council
Mayor
Planning Commission
City Planning Staff



November 1, 2006

The Honorable Chuck Reed
Councilmember
City of San Jose
300 E. Santa Clara Street, 18th Floor
San Jose, CA 95110

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I respectfully request your support for the Brokaw Mixed Use plan. Thank you for your consideration.

Sincerely,

cc: City Council
Mayor
Planning Commission
City Planning Staff

SONIC MEDIA

• Marketing • Printing • Graphic Design

Michael Gravatt
General Manager

90 Oakland Road Suite B111
n Jose, California 95131

Phone: 408.453.0638
Fax: 408.437.0840
sonicmediaprint@yahoo.com

November 1, 2006

The Honorable Chuck Reed
Councilmember
City of San Jose
300 E. Santa Clara Street, 18th Floor
San Jose, CA 95110

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I respectfully request your support for the Brokaw Mixed Use plan. Thank you for your consideration.

Sincerely,

cc: City Council
Mayor
Planning Commission
City Planning Staff

DEVEL CONSTRUCTION, INC.
General Contractors' Lic. No. 493386

Kenneth O. Birdsall
President

1590 OAKLAND ROAD, SUITE B107
SAN JOSE, CA 95131
e-mail: kbirdsall@develconstruction.com

(408) 453-0455
FAX (408) 453-0458
Mobile (408) 640-8670

November 1, 2006

The Honorable Chuck Reed
Councilmember
City of San Jose
300 E. Santa Clara Street, 18th Floor
San Jose, CA 95110

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Overall, this proposal for new retail and homes will be an asset to the north San Jose community. It will provide much needed housing and retail opportunities near existing job centers, will offer additional public open space in the neighborhood, and will add welcome residents to support our small businesses and ensure the economic vitality of the area.

I respectfully request your support for the Brokaw Mixed Use plan. Thank you for your consideration.

Sincerely,

Kenneth O. Birdsall

cc: City Council
Mayor
Planning Commission
City Planning Staff

Woodland Meadow Apartments
1600 Whitewood Drive
San Jose, CA 95131

WOODLAND
MEADOW
APARTMENT HOMES

October 31, 2006

The Xavier Campos, Chair
Planning Commission
300 E. Santa Clara St.
San Jose, CA 95113

RE: Mixed-Use Development Plan at Brokaw/Oakland Road

Dear Chair Campos and Commissioners:

As a neighbor in the area, I am writing to recommend that the Planning Commission approve the General Plan Amendment for to allow for a retail/residential mixed -use development on the Southwest corner of Oakland Road and Brokaw Avenue. By way of background, Woodland Meadow Apartments, which includes 366 apartment homes, is located near proposed project.

Our community is located next to Office/R&D buildings and a residential condominium development. Since its development in 1992, this community has been well received by the market.

New neighborhood serving retail coupled with new homes makes sense in our area. The site plan is well conceived and addresses interface with adjacent properties including a creek, golf course, offices, retail shops and resident serving businesses.

Again, we request that the Planning Commission recommend approval of the General Plan Amendment as proposed to allow for a new retail/residential development.

Sincerely,

Mike Johnson

Mike Johnson
Property Manager
Woodland Meadow Apartments
cc: Mayor
Council Members
Planning Department

1600 WHITEWOOD DRIVE · SAN JOSE, CALIFORNIA 95131
FAX (408) 441-6867 · PHONE (408) 441-7600 · WOODLANDMEADOWAPTS.COM

Willow Lake
APARTMENT HOMES

Willow Lake Support Letter

October 27, 2006

Mr. Joe Horwedel, Acting Director
Department of Planning, Building & Code Enforcement
City of San Jose
300 East Santa Clara Street
San Jose, CA 95113

RE: Brokaw Mixed Use

Dear Mr. Horwedel:

On behalf of Willow Lake Apartments and Prometheus Real Estate Group, I am writing to express our support for Brokaw Mixed Use, the retail/residential village planned at the corner of Old Oakland Road and Brokaw Avenue. We have reviewed the proposal and feel that the new for sale housing will compliment the existing retail, residential (for sale and rental) and businesses in our neighborhood. The new retail development will compliment the existing retail establishments in our neighborhood.

We have thousands of residents in our immediate neighborhood. This 508 unit apartment home community was completed in 1990. The community includes frontage on Oakland Road has retail, residential and industrial neighbors in very close proximity.

Our neighborhood was specifically designed to include many neighborhood services including banks, grocery stores, cafes, restaurants, medical offices and other services. The neighborhood is also well established and very walkable. The neighborhood is located in the one of the City of San Jose's largest employment areas. In fact, several of our residents walk to work at nearby employers.

We would also add that our tenants often comment on the pleasant nature of the neighborhood. Several have expressed interest in remaining in the neighborhood long term and could possibly purchasing one of the new homes in the new development.

1331 LAKESHORE CIRCLE · SAN JOSE, CA 95131 · PHONE (408) 453-7272 · FAX (408) 453-0426 · WWW.WILLOWLAKEAPTS.COM

Willow Lake
APARTMENT HOMES

We request that the Planning Commission and City Council approve the new retail/residential mixed use development.

Sincerely,

Karna Holmes
Property Manager

cc: Mayor Gonzales
City Council Members

1331 LAKESHORE CIRCLE · SAN JOSE, CA 95131 · PHONE (408) 453-7272 · FAX (408) 453-0426 · WWW.WILLOWLAKEAPTS.COM

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CITY OF SAN JOSE
PLANNING DEPARTMENT

RECEIVED
NOV 01 2006

SIERRA CLUB
FOUNDED 1892

October 27, 2006

The Honorable Ron Gonzales, Mayor
City of San Jose
200 E. Santa Clara Street
San Jose, CA 95113

Re: Brokaw and Old Oakland Mixed Use General Plan Amendment

Dear Mayor and Council:

We recently learned that the Council is evaluating a general plan amendment to rezone the Brokaw and Oakland Road site for retail/residential mixed-use. On behalf of the Loma Prieta Chapter of the Sierra Club, I am writing to express our support to the proposed general plan amendment.

As you are aware, land-use decisions have a tremendous impact on community and environmental quality. Transit-oriented infill, preferably mixed-use with residential serving commercial, provides an essential strategy for reducing sprawl and traffic congestion. The jobs/housing imbalance throughout the peninsula generates tremendous pressure for poor development in distant areas such as Morgan Hill and Dublin. This in turn generates automobile traffic with its concurrent air and water quality degradation. These pressures create a vicious circle with increased pressure for automobile infrastructure. By one recent study, fifty percent of the land in San Jose is allocated to automobiles in roads and parking. Furthermore, recent EPA studies have shown that good infill can reduce traffic by putting housing near jobs.

The Sierra Club supports the proposed general plan amendment for the Brokaw and Oakland Road site to mixed-use retail/residential. We urge the Council to consider the environment benefit of creating a mixed-use neighborhood that is in close proximity to jobs and transits. The Sierra Club looks forward to becoming more engaged in the process that will determine the ultimate reuse of the Brokaw and Old Oakland site.

Sincerely,

Stephanie Schaaf
Chair, Sustainable Land Use Committee
Sierra Club, Loma Prieta Chapter

Loma Prieta Chapter 3921 East Bayshore Road Ste 204 Palo Alto, Ca. 94303
TEL: [650] 390-8411 FAX: [650] 390-8497 www.sierraclub.org/chapters/lomaprieta

CORNISH & CAREY COMMERCIAL

C&C

ONCOR INTERNATIONAL

JIM RANDOLPH
SENIOR VICE PRESIDENT RETAIL SERVICES

June 5, 2006

Mayor Ron Gonzales & San Jose City Council
City of San Jose
200 East Santa Clara Street
San Jose, CA 95113

Dear Mayor Gonzales:

As one of the leading real estate brokers in Silicon Valley, I am writing to register my support for the Brokaw Mixed Use-Retail/Residential Village. I work extensively with small mid-size and large format (Big Box) retailers and am intimately familiar with the I-880 retail trade area in which the project site is located. I have reviewed the plans and analyzed the trade area from a market perspective.

We support the development concept for approximately 6 acres of neighborhood serving retail as part of the proposed mixed-use project for the property at Brokaw Road and Old Oakland Roads. The size of center and type of retailers targeted complies with the City's Retail Model and would fill a niche in the retail trade area, while complimenting surrounding retail centers. There is not sufficient demand for additional Big Box sites in the trade given the retail supply in the trade area.

We feel that any destination retail box users will target the Knight Ridder site if they are interested in the Brokaw Trade Area because of the freeway visibility to I-880. The Knight Ridder site is in escrow with Lincoln Properties and they are actively marketing the property to large format retailers along with mid-size box users. Lowe's does have an interest in Knight Ridder and has had discussions with Lincoln Properties. Presently we are not aware of any large format retailers other than Lowe's that is interested in the area except Costco, which is purchasing the Sobrato site at Automation.

Again, we support the mixed use plan proposed by The Riding Group and feel it is the best fit for the site from a market perspective.

Sincerely,

CORNISH & CAREY COMMERCIAL

Jim Randolph

Jim Randolph
Senior Vice President

6/5/06 10:16 AM - 013 RANDOLPH.doc

2804 MISSION COLLEGE BOULEVARD, SUITE 120, SANTA CLARA, CA 95054 • (408) 727 9600 FAX (408) 988 6340

North American Offices: Atlanta, Baltimore, Boston, Buenos Aires, Chicago, Dallas, Denver, Houston, Los Angeles, Mexico City, New York City, Philadelphia, Phoenix,

LINCOLN
PROPERTY
COMPANY

May 30, 2006

Mr. Ken Riding
The Riding Group
99 Almaden Blvd., Suite 720
San Jose, CA 95113

Re: Markovits and Fox Property

Dear Ken,

As we discussed this morning, Lincoln Property Company is under contract to purchase the Knight Ridder property at Brokaw Road and Highway 880 in San Jose, California. Our intention is to purchase, entitle and develop only the Knight Ridder site for retail. Our acquisition and development plans do not include the Markovits and Fox property.

Sincerely,

LINCOLN PROPERTY COMPANY COMMERCIAL, INC.

John Herr
Executive Vice President

LINCOLN PROPERTY COMPANY
601 CALIFORNIA STREET
SUITE 700
SAN FRANCISCO, CA 94108
(415) 981-7878
(415) 981-6331 FACSIMILE

Silicon Valley Leadership Group

224 Airport Parkway, Suite 620
San Jose, California 95110
(408)501-7864 Fax (408)501-7861
http://www.svlg.net
CARL GUARDINO
President & CEO

AART J. DE GEUS
Immediate Past Chair, SVLG
Synopsys, Inc.
Board Officers:
WILLIAM T. COLEMAN III
Chair
Cassell Corporation
MICHAEL CANNON
Vice Chair
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Board Members:
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University of California, Santa Cruz
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Bank of America
BRIAN HALLA
National Semiconductor
JEANETTE HORAN
IBM Corporation
LEONARD KWIATKOWSKI
Lockheed Martin Space Systems Co.
RICHARD LEVY
Varian Medical Systems
PAUL LOCATELLI, S.J.
Santa Clara University
HIROAKI NAKANISHI
Hitachi Global Storage Technologies
LEN PERHAM
Optimal Corporation
KIM POLESE
SpikeSource
STAV PRODROMOU
Allen Technology
BYRON SOORDEUS
Greater Bay Bancorp
DAVID J. SHIMMON
Calerity, Inc.
MICHAEL SPLINTER
Applied Materials, Inc.
JOYCE M. TAYLOR
AT&T Inc.
WILLIAM D. WATKINS
Seagate Technology
KENNETH WILCOX
Silicon Valley Bank
DAVID WRIGHT
EMC Corporation
JOANN ZIMMERMAN
Kaiser Permanente
Working Council Chair
LEON BEAUCHMAN
AT&T Inc.
Founded in 1977 by
DAVID PACKARD

May 19, 2006

Joe Horwedel
Acting Director Planning Building & Code Enforcement
City of San Jose
801 North First Street, Room 400
San Jose, CA 95110

Dear Mr. Horwedel,

We write on behalf of the Silicon Valley Leadership Group to express our support of the Brokaw Mixed Use Development by The Riding Group and the Morley Bros.

By way of reference, David Packard of Hewlett-Packard founded the Silicon Valley Leadership Group (SVLG), formerly the Silicon Valley Manufacturing Group, in 1978. Today, the Group represents more than 190 of the Valley's most respected private sector employers, which collectively provide approximately 250,000 local jobs—or nearly one of every four in Silicon Valley.

As you know, there is a high demand for entry-level homes and a very limited supply of suitable land. One of the biggest challenges to meeting this need is finding land suitable for homes. Fortunately, the City of San Jose has been the leader in identifying sites appropriate for housing, especially in the North San Jose area per the recent Vision North San Jose Plan. After reviewing this proposal, we feel this site would make an excellent location for a housing and mixed use community and encourage your support.

The Silicon Valley Leadership Group supports the Brokaw Mixed Use Development by the Riding Group and Morley Bros. Thank you for your consideration of our comments.

Sincerely,

Carl Guardino
President & CEO

Santa Clara County Housing Action Coalition

The Santa Clara County Housing Action Coalition is comprised of a broad range of organizations and individuals who have, as a common goal, the vision of affordable, well-constructed and appropriately located housing

May 19, 2006

Joe Horwedel
Acting Director Planning Building & Code Enforcement
City of San Jose
801 North First Street, Room 400
San Jose, CA 95110

Dear Mr. Horwedel,

We write on behalf of the Santa Clara County Housing Action Coalition to express our support of the Brokaw Mixed Use Development by The Riding Group and the Morley Bros.

By way of background, the Housing Action Coalition includes more than 100 organizations and individuals. Its goal is the production of well-built, appropriately-located homes that are affordable to families and workers in Silicon Valley. Organizations participating in the HAC include the Silicon Valley Leadership Group, the Home Builders Association, Greenbelt Alliance, the Sierra Club, the League of Women Voters, Santa Clara County Association of Realtors, California Apartment Association Tri-County Division, and Santa Clara County School Boards Association.

As you know, the need for entry-level housing persists. One of the biggest challenges to meeting this need is finding land suitable for homes. Fortunately, the City of San Jose has been the leader in identifying sites appropriate for housing, especially in the North San Jose area per the recent Vision North San Jose Plan. After reviewing this proposal, we feel this site would make an excellent location for a housing and mixed use community and encourage your support.

The Housing Action Coalition supports the Brokaw Mixed Use Development. Thank you for your consideration of our comments.

Sincerely,

Lee Wieder
HAC co-chair

Margaret Bard
HAC co-chair

Housing Action Coalition, c/o SVLG, 224 Airport Parkway, Suite 620, San Jose, CA. 95110

UFCW
a VOICE for working America LOCAL 428

May 19, 2006

Hon. Mayor Ron Gonzales
City Hall
200 East Santa Clara Street
San Jose, CA 95113

Dear Mayor Gonzales,

I write to express the support of the United Food and Commercial Workers, Local 428 of the Ridding Group and Morley Bros, LLC mixed-use proposal located at southwest corner of Brokaw and Old Oakland Roads.

UFCW represents more than 9000 members, mostly in San Jose. Critical to our members and their families is the availability of quality affordable housing. We are pleased with the Riding Group and Morley Bros. mixed-use proposal which has good mix of housing, both market rate and affordable units, additional open space, as well as the opportunity for great neighborhood serving retail. We feel this is a quality project that deserves your support.

While we are supportive of the Ridding Group/Morley Bros. proposal, we are extremely concerned that the entire site could be devoted completely to retail—specifically for one or more "big box" stores. We would oppose such a proposal. The Office of Economic Development staff has also publicly stated that they are targeting the Knight Ridder property west of the project site and other sites in the immediate area for this use as well.

The City's desire to increase sales tax revenue is understandable, but we respectfully ask that you consider the other impacts of large format and big-box retail stores such as traffic, primarily lower paying jobs, the lack of character and quality of life it adds to a neighborhood and the likelihood of actually attracting "new" sales tax dollars given the extent of the regional serving and big box format retail in the immediate trade area.

You have an opportunity to approve a project that will provide working families with a quality place to live and help an already mixed use neighborhood build character and further define itself. We ask you to take advantage of this opportunity, reject the staff's recommendation for early denial of the application and give guidance to allow this mixed-use proposal to move forward as proposed by the applicant.

Sincerely,

Ronald J. Lind
President

Ronald J. Lind
President

Phil Falcato
Secretary - Treasurer

United Food & Commercial Workers
International Union, Local 428
240 South Market Street
San Jose, CA 95113-2382
408-998-0428 Fax: 408-971-8355
www.ufcw428.org

DOLLINGER PROPERTIES

May 17, 2006

The Honorable Ron Gonzales, Mayor
City of San Jose
200 E. Santa Clara Street
San Jose, CA 95113

Re: Brokaw and Old Oakland

Dear Mayor Gonzales and Council:

Our firm has developed many retail projects throughout the State of California including the new power center currently under construction in Mountain View. We are the retail partner with the Riding Group for the Brokaw Mixed Use site.

It is our opinion that the only retail concept that will work on this site referenced above is an approximately 55,000 square foot high end, neighborhood and community serving shopping center with various neighborhood oriented uses including a drug store, restaurants, dry cleaners and maybe a small high end grocery component, The maximum area needed for this type of retail is approximately five to six acres. If the area was expanded any larger (say 8-12 acres) then you would have to go to a typical food anchored center which would compete directly with several other centers including the Sobrato development across the street and the Ranch 99 shopping center nearby. In addition, Costco, with extensive grocery operations, is developing a 141,000 square foot store near the site at Automation Parkway and Murphy Avenue. Expanding larger than 12 acres would require us to do a power center and we feel very strongly that would not occur for the following reasons:

1. There is no freeway visibility.
2. There are existing power centers at both McCarthy Ranch (880 @ 237) and The Great Mall of the Bay Area that are within the trade area as well as Eastridge Mall.
3. There is a site (Knight Ridder Site) that is planning a 187,000 sq. ft. power center and in our opinion it is a better site for power retail.
4. The former PALM campus (Route 237 and N. 1st Street) is currently being planned for approximately 300,000 square feet of retail development.

555 Twin Dolphin Drive, Suite 600 Redwood City, CA 94065 650/508.8666 FAX 650/508.8686

DOLLINGER PROPERTIES

We were one of the finalists to purchase the Knight Ridder site, but dropped out at the end after talking to many retailers as we felt there were no tenants available for that project other than Lowe's. There is insufficient depth in the market in this I-880 corridor trade area as a result of all the other existing and well established power centers.

We look forward to developing a high quality neighborhood and community serving retail center integrated with homes in Brokaw Mixed Use. This unique, integrated approach will create synergy that will promote the retail environment and increase the quality of life in the neighborhood. With existing, well established power centers nearby and the Knight Ridder and PALM sites planned for additional major retail locations, Costco securing the Automation Drive site, an additional up to 350,0000 square feet of retail on the site referenced above is not feasible from a market perspective.

I hope this helps inform your decision making related to the policy issues for the site. Please call me if you would like to discuss this further.

Sincerely,

David Dollinger

555 Twin Dolphin Drive, Suite 600 Redwood City, CA 94065 650/508.8666 FAX 650/508.8686

RECEIVED
MAR 16 2006

CHARITIES HOUSING
An Affiliate of Catholic Charities of Santa Clara County

March 14, 2006

Mr. Joe Horwedel, Acting Director
Department of Planning, Building and Code Enforcement
200 E. Santa Clara Street
San Jose, CA 95113

Re: 1040, 1060, 1080 Brokaw Road-Retail/Residential Mixed Use

Dear Mr. Horwedel:

Charities Housing Development Corporation has had preliminary discussions with The Riding Group regarding the company's mixed-use, retail/residential proposal at the corner of Brokaw and Old Oakland Roads.

The mixed-use plan would provide approximately 600 units, of which 20% would be affordable. Our organization is eager to participate in developing this significant affordable housing opportunity in the North San Jose/Berryessa area. I also understand the project is in a redevelopment area which would generate millions of additional dollars for the City's affordable housing projects elsewhere.

We support residential use on this site and hope the City will consider the benefits for affordable housing in reviewing The Riding Group's mixed use plan here.

Sincerely,

Chris Block
Executive Director

465 S. First Street. San Jose, CA 95113 main: 408.282.1133 fax: 408.280.1311 www.charitieshousing.org

WESTCORE
PROPERTIES

March 14, 2006

Mr. Joe Horwedel, Acting Director
Department of Planning Building and Code Enforcement
200 E. Santa Clara Street
San Jose, CA 95113

Re: 1040, 1060, 1080 Brokaw Road-Retail/Residential Mixed Use

Dear Mr. Horwedel:

As the owner of two properties and several buildings directly adjacent to and across the street from the property referenced above, we are writing to register our support for the Riding Group's mixed use, retail/residential proposal at the corner of Brokaw and Old Oakland Roads. We own and manage 880 Ridder Park Drive and 1001 Ridder Park Drive.

The plan makes sense for the neighborhood and is very compatible with surrounding uses. We support the proposal and mix of retail and residential uses that has been proposed by the Riding Group.

We request that you approve the mixed use plan.

Sincerely,

Neil A. Johnson
Director of Acquisitions
Westcore Properties, LLC

10600 North De Anza Blvd.
Suite 200
Cupertino, CA 95014-2075

408.446.0700
Facsimile: 408.446.0583
www.sobrato.com

SOBRATO
DEVELOPMENT COMPANIES

March 13, 2006

The Honorable Chuck Reed, Council Member
District #4
City of San Jose
200 E. Santa Clara Street
San Jose, CA 95113

RE: GP-06-04-02, SUPPORT-Brokaw Mixed Use

Dear Council Member Reed:

On behalf of Sobrato Development Companies, I am writing to request that you approve General Plan Amendment GP-06-04-02. The project consists of up to 50,000 square feet of neighborhood serving retail and 600 condominiums on the 30 acres. The proposed project is directly across the street from our retail center, residential apartment homes and near many of our commercial properties.

However, our interest goes well beyond any one project or application. As the single largest owner of real estate in Santa Clara County, we hold the long view for Silicon Valley and our portfolio in the region. As one of the leading providers of Office/R&D and other commercial space to Silicon Valleys leading high tech companies, we recognize that the single greatest barrier to creating jobs and retaining workers in San Jose is the availability and affordability of housing. We hear time and time again from high tech CEO's that housing is the single most critical factor in maintaining Silicon Valley's competitiveness in an increasingly global economy.

There is currently a convergence of market dynamics that provides for you to substantially address the critical housing supply needs of our workforce and also redevelop in mixed use areas with established services. We believe that selective redevelopment of vacant land and employment space that make sense, such as this proposal, are appropriate and should be encouraged.

We are also the largest property owner in the immediate neighborhood, maintaining substantial holdings of commercial, retail and residential property in the immediate neighborhood of the proposed project. Residential, retail and business uses have coexisted in this well established mixed use neighborhood for years. New neighborhood retail and homes at this location are both appropriate and beneficial to both the existing neighborhood and employment base.

This proposal provides workforce housing and at the same time, promotes economic development through retail and other benefits which, as evidenced by the project, are not mutually exclusive. The project locates housing next to jobs, services, transit options and is well served by more than 100 resident serving retail and commercial businesses in walking distance. The project will be complimentary to this already mixed use neighborhood.

We urge you and your colleagues to approve the Brokaw Mixed Use village as proposed by the applicant.

Best Regards,

John M. Sobrato
Managing Partner
johnm@sobrato.com

cc: Mayor Ron Gonzales
Council Members
Planning Department

FOX PROPERTIES
A Division of Markovits & Fox
14125 Capri Drive
Los Gatos, CA 95032

Tel: 408 364 1265
Fax: 408 364 0765

office@foxprop.com

March 13, 2006

Council Member Chuck Reed
Dist. 4 Council
200 E. Santa Clara Street
San Jose, CA 95113

Dear Chuck:

As you know we are currently in escrow with the Riding Group to sell our property at the corner of Old Oakland and Brokaw Roads. Their proposal of a mixed use development will be a win-win not only for the city but also for nearby residences and businesses.

While we realize the importance of sales tax revenue to the City's General Fund, we also believe there is a significant quality of life issue to consider as well. In our opinion, the combination of residential and retail development at this site presents an opportunity to address both issues. Given the property's location within the Redevelopment Agency, the incremental increase in value would greatly enhance the City's ability to fund major redevelopment projects. Furthermore, the increased number of residential units would increase the number of dollars spent at the nearby neighborhood businesses. From a quality of life standpoint, a mixed use development would be a great compliment to the nearby residential neighborhoods, the adjacent retail, the golf course, the creek, and the easily accessible bus line. This is an ideal setting for a residential community given the easy access to services and the relatively quiet surroundings.

We appreciate the importance of planning a community development that blends market driven forces with the needs of the community, and we feel that the Riding Group has demonstrated this in their plan. As long time owners of this and other property in the neighborhood, we believe the mixed use plan with retail and residential proposed by The Riding Group is the best balance at this location.

If it would fit in your busy schedule, we would be pleased to meet with you to further discuss this project.

Thank you for your consideration.

Sincerely,

Marvin and Rob Fox
Markovits & Fox
14125 Capri Dr. #4
Los Gatos, CA 95032
408-364-2265

LFM PROPERTIES

March 9, 2006

The Honorable Ron Gonzales, Mayor
City of San Jose
200 E. Santa Clara Street
San Jose, CA 95113

RE: SUPPORT-The Riding Group-Mixed Use Development Proposal

Dear Mayor Gonzales:

As the leasing agent for the R&D building located at 1075 E. Brokaw directly across the street from the proposed project, I am writing to recommend that the City approve the mixed use retail/residential development plans identified in GP-06-04-02. Our property will be a neighbor of the Riding development and will be one of the most impacted by this new mixed use community.

I fully support the development proposal by the Riding Group given the residential and retail components. Such a development will be the best and highest use of the given property for the neighborhood without congesting the roads.

The combination of retail, residential and employment uses is ideal in this neighborhood which already has a strong mixed use character. The neighborhood has combined these types of varied uses for nearly two decades, and the development of housing, jobs and retail all close to pedestrian, transit, bike and transportation alternatives is smart planning. The addition of this project will only enhance the neighborhood and will provide a significant additional retail base for the city, while providing housing for Silicon Valley workers and their families.

I request that you approve the retail/residential mix development as proposed by the Riding Group.

Thank you for your consideration of our opinions.

Linda Fox Mighdoll

Linda Fox Mighdoll
LFM Properties
(408) 379-6730
migfox@sbcglobal.net

cc: Planning Commission
Council Members
Planning Department

Tai, Allen

From: kerri hamilton [kerrihamilton2004@yahoo.com]

Sent: Friday, November 03, 2006 11:58 AM

To: Tai, Allen

Subject: Re: Markovits & Fox GP06-04-02 (Brokaw and Oakland Roads)

Dear Planning Commissioners;

Berryessa Citizens Advisory Council remains steadfastly against the Markovits and Fox proposed General Plan Amendment. As cited in the EIR, there are many significant unavoidable impacts. This site is not within the NSJADP conversion overlay area, and would compromise the plan.

We also believe that this is an important site to retain for sales tax revenue.

We firmly support the position of the City's professional staff on this matter.

Sincerely,

Kerri Hamilton

Want to start your own business? Learn how on Yahoo! Small Business.

Berryessa Citizens Advisory Council

RECEIVED
JUN 12 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

June 9, 2006

Honorable Mayor and City Council
City of San José
200 East Santa Clara Street
San José, CA 95113

RE: Park Trust Fund Reconciliation-June 20 Council Agenda

Dear Honorable Mayor and Council Members,

The Berryessa Citizens Advisory Council (BCAC) joins with the Citizens for a Livable San José (CALSJ) in requesting that the Park Trust Fund Reconciliation Report, prepared by staff and approved by the Parks and Recreation and Planning Commissions, be approved by Council immediately. Much time and effort has gone into this reconciliation, and we believe that it is thorough and should be accepted without delay.

Regards,

Dale Osborn
President, Berryessa Citizens Advisory Council

BCAC has been a neighborhood association since 1973. Residents of San Jose City Council District 4 and/or the Berryessa Union School District are eligible to join BCAC. BCAC meets at 7:30PM on the second Monday of each month at the Berryessa Community Center. Visit their web site at www.BcacOnline.org

June 9, 2006

RECEIVED
JUN 12 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

Honorable Mayor and City Council
City of San José
200 East Santa Clara Street
San José, CA 95113

RE: 6/13 Council Agenda, General Plan Items 10.2, 10.3, 10.4

Dear Honorable Mayor and Council Members,

I respectfully request that you support the recommendations of staff for early denial of the following General Plan Amendendments:

Item 10.2, GP05-03-05 A desire to help Goodwill Industries, or any particular property owner or builder, is not a good reason to pass a General Plan Amendment to convert strategically located light industrial land to residential use. The potential loss of 1000 or more jobs, and the long-term impact on the city of the loss of an important light industrial area are not acceptable. Thousands of new housing units are already entitled, and there are tens of thousands of additional units, which can be built in areas already designated for housing.

Item 10.3, GP05-04-03 This is a clear example of an incompatible land use, regardless of Bible Way's history of being a good neighbor. We have seen the domino impact in several areas of the city. Driving successful businesses out of San Jose is unacceptable!

Item 10.4, GP06-04-02 The Markovits and Fox property is one of the rare sites of significant size, which is well located for commercial use. I agree with the OED's assessment of the economic potential of this site. According to the California EPA's Department of Toxic Substance Control, the cleanup currently underway will only bring the contaminants on this site (including PCB's) to levels suitable for commercial use.

I urge you to follow the advice of our city's professionals on all of the above.

Sincerely,

Kerri Hamilton

Kerri Hamilton

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

JUL 27 2006

Memorandum

TO: Stan Ketchum
Planning, Building
and Code Enforcement

FROM: Manuel Pineda

SUBJECT: **TRAFFIC IMPACT ANALYSIS FOR GP06-04-02 (Alternative A)**

DATE: 07-25-06

Approved

Date

File Number: GP06-04-02 (Alternative A)
Location: S/W corner of E. Brokaw and Old Oakland Roads
Acreage: 27.4 ac.
Description: Industrial Park and Industrial Park w/ Mixed Industrial Overlay to Neighborhood/Community Commercial and High Density Res. (25-50 DU/AC) (Add 734 HH, Delete 1170 J)
Outside Special Subarea (Remainder of City)

We have reviewed the subject General Plan Amendment (GPA) and submit the following comments. This GPA requires a computer model traffic impact analysis based on established criteria. We have completed the CUBE analysis, and the results of the analysis indicate that the impacts exceed the established significant threshold. Therefore, we conclude that the proposed land use change is projected to have a significant traffic impact.

The applicants shall contact the Department of Transportation to review and discuss the results of the analysis and obtain traffic data necessary for the preparation of the EIR. The cumulative traffic impact analysis will be performed by the City, and cumulative traffic impact report will be prepared by a consultant to be selected. This cumulative traffic impact report shall be incorporated into all EIRs within this GPA cycle.

Please contact Paul Ma at 975-3272 if you have any questions.

MANUEL PINEDA
Senior Civil Engineer
Department of Transportation

MP:PM
cc: Jenny Nusbaum
Allen Tai

CITY OF
SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: Stan Ketchum
Planning, Building
and Code Enforcement

FROM: Manuel Pineda

SUBJECT: **TRAFFIC IMPACT ANALYSIS FOR GP06-04-02 (Alternative B)**

DATE: 07-25-06

Approved

Date

File Number: GP06-04-02 (Alternative B)
Location: S/W corner of E. Brokaw and Old Oakland Roads
Acreage: 27.4 ac.
Description: Industrial Park and Industrial Park w/ Mixed Industrial Overlay to Neighborhood/Community Commercial and Medium High Density Res. (25-50 DU/AC)
(Add 404 HH, Delete 1207 J)
Outside Special Subarea (Remainder of City)

We have reviewed the subject General Plan Amendment (GPA) and submit the following comments. This GPA requires a computer model traffic impact analysis based on established criteria. We have completed the CUBE analysis, and the results of the analysis indicate that the impacts exceed the established significant threshold. Therefore, we conclude that the proposed land use change is projected to have a significant traffic impact.

The applicants shall contact the Department of Transportation to review and discuss the results of the analysis and obtain traffic data necessary for the preparation of the EIR. The cumulative traffic impact analysis will be performed by the City, and cumulative traffic impact report will be prepared by a consultant to be selected. This cumulative traffic impact report shall be incorporated into all EIRs within this GPA cycle.

Please contact Paul Ma at 975-3272 if you have any questions.

MANUEL PINEDA
Senior Civil Engineer
Department of Transportation

MP:PM
cc: Jenny Nusbaum
Allen Tai

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: Stan Ketchum
Planning, Building
and Code Enforcement

FROM: Manuel Pineda

SUBJECT: **TRAFFIC IMPACT ANALYSIS FOR GP06-04-02 (Alternative 1)**

DATE: 07-10-06

Approved

Date

File Number: GP06-04-02 (Alternative 1)
Location: S/W corner of E. Brokaw and Old Oakland Roads
Acreage: 27.4 ac.
Description: Industrial Park and Industrial Park w/ Mixed Industrial Overlay to Combined Industrial Commercial
(Delete 814 J)
Outside Special Subarea (Remainder of City)

We have reviewed the subject General Plan Amendment (GPA) and submit the following comments. This GPA requires a computer model traffic impact analysis due to special circumstances of large retail employment and trip increases. We have completed the analysis for the subject GPA, and the results of the analysis indicate that the impact from the proposed land use change is less than significant based on established criteria.

The applicants shall contact the Department of Transportation to review and discuss the results of the analysis and obtain traffic data necessary for the preparation of the EIR. The cumulative traffic impact analysis will be performed by the City, and cumulative traffic impact report will be prepared by a consultant to be selected. This cumulative traffic impact report shall be incorporated into all EIRs within this GPA cycle.

Please contact Paul Ma at 975-3272 if you have any questions.

Paul Ma

for MANUEL PINEDA
Senior Civil Engineer
Department of Transportation

MP:PM
cc: Jenny Nusbaum
Allen Tai

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: Jenny Nusbaum
Planning, Building
and Code Enforcement

FROM: P. Paul Ma

SUBJECT: **TRAFFIC IMPACT ANALYSIS FOR GP06-04-02 (Alternative 2)**

DATE: 07-10-06

Approved

Date

File Number: GP06-04-02
Location: S/W corner of E. Brokaw and Old Oakland Roads
Acreage: 13.7 ac.
Description: Industrial Park and Industrial Park w/ Mixed Industrial Overlay to General Commercial
(Delete 466 HH)
Outside Special Subarea (Remainder of City)

We have reviewed the subject General Plan Amendment (GPA) and submit the following comments. The estimated number of new PM peak hour trips resulting from the proposed land use change is below the exemption threshold established for this area. Therefore, this GPA is exempt from a computer model traffic impact analysis.

If an Environmental Impact Report (EIR) is required for this GPA for other reasons, the EIR must include a traffic impact analysis report for the project and a cumulative analysis for all GPAs on file this year. Additional traffic data will be provided to the applicant's traffic engineering consultant for the preparation of the report.

Please contact Paul Ma at 975-3272 if you have any questions.

P. PAUL MA
Transportation Systems Planning Manager
Department of Transportation

PM
cc: Allen Tai

CITY OF
SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: Stan Ketchum
Planning, Building
and Code Enforcement

FROM: Manuel Pineda

SUBJECT: **TRAFFIC IMPACT ANALYSIS FOR GP06-04-02 (Alternative 3)**

DATE: 07-10-06

Approved

Date

File Number: GP06-04-02 (Alternative 3)
Location: S/W corner of E. Brokaw and Old Oakland Roads
Acreage: 27.4 ac.
Description: Industrial Park and Industrial Park w/ Mixed Industrial Overlay to General Commercia and High Density Res. (25-50 DU/AC)
(Add 547 HH, Delete 1110 J)
Outside Special Subarea (Remainder of City)

We have reviewed the subject General Plan Amendment (GPA) and submit the following comments. This GPA requires a computer model traffic impact analysis based on established criteria. We have completed the CUBE analysis, and the results of the analysis indicate that the impacts exceed the established significant threshold. Therefore, we conclude that the proposed land use change is projected to have a significant traffic impact.

The applicants shall contact the Department of Transportation to review and discuss the results of the analysis and obtain traffic data necessary for the preparation of the EIR. The cumulative traffic impact analysis will be performed by the City, and cumulative traffic impact report will be prepared by a consultant to be selected. This cumulative traffic impact report shall be incorporated into all EIRs within this GPA cycle.

Please contact Paul Ma at 975-3272 if you have any questions.

for Paul Ma

MANUEL PINEDA
Senior Civil Engineer
Department of Transportation

MP:PM
cc: Jenny Nusbaum
Allen Tai

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

RECEIVED
APR 28 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

Memorandum

TO: Stan Ketchum
Planning, Building
and Code Enforcement

FROM: Manuel Pineda

SUBJECT: **TRAFFIC IMPACT ANALYSIS FOR GP06-04-02**

DATE: 04-24-06

Approved

Date

File Number: GP06-04-02
Location: S/W corner of E. Brokaw and Old Oakland Roads
Acreage: 27.4 ac.
Description: Industrial Park and Industrial Park w/ Mixed Industrial Overlay to Neighborhood/Community Commercial and High Density Res. (25-50 DU/AC) (Add 854 HH, Delete 1206 J)
Outside Special Subarea (Remainder of City)

We have reviewed the subject General Plan Amendment (GPA) and submit the following comments. This GPA requires a computer model traffic impact analysis based on established criteria. We have completed the CUBE analysis, and the results of the analysis indicate that the impacts exceed the established significant threshold. Therefore, we conclude that the proposed land use change is projected to have a significant traffic impact.

The applicants shall contact the Department of Transportation to review and discuss the results of the analysis and obtain traffic data necessary for the preparation of the EIR. The cumulative traffic impact analysis will be performed by the City, and cumulative traffic impact report will be prepared by a consultant to be selected. This cumulative traffic impact report shall be incorporated into all EIRs within this GPA cycle.

Please contact Paul Ma at 975-3272 if you have any questions.

for Paul Ma

MANUEL PINEDA
Senior Civil Engineer
Department of Transportation

MP:PM
cc: Jenny Nusbaum
Allen Tai

San Jose
Water
Company

374 West Santa Clara St.
San Jose, CA 95196-0001

April 3, 2006

RECEIVED
APR 05 2006
PLANNING DEPARTMENT

Allen Tai
City of San Jose
Department of Planning, Building & Code Enforcement
200 E. Santa Clara Avenue, Tower 3rd Floor
San Jose, CA 95113

Reference: Water Supply Assessment (WSA) for the Oakland Road Fox Property Project

Dear Mr. Tai:

The City of San Jose (City) requested a WSA from San Jose Water Company (SJWC) for the Oakland Road Fox Property General Plan Amendment per your letter dated March 16, 2006. The Oakland Road Fox Property project site consists of three parcels on 27.4 acres located on the southwest corner of East Brokaw Road and Oakland Road. The northernmost portion of the project site is currently developed with three office/research and development buildings and the remaining portion of the site is vacant. The proposed project consists of a land use designation change from industrial park and industrial park with a mixed industrial overlay to a neighborhood/community commercial and high density residential, with a maximum of 1,070 residential units and 50,000 square feet of retail.

The water usage of this proposed development was included in the growth projections of SJWC's 2005 Urban Water Management Plan. In addition, a hydraulic analysis of SJWC's existing distribution system was performed with and without the Oakland Road Fox Property Project demand of 252,000 gallons per day (175 gallons per minute) or approximately 92 million gallons per year. This demand was based on the City's estimates of 225 gallons per day usage for each single family high density residential unit and 0.0751 gallons per day per square foot of retail space. The model results showed that the additional Oakland Road Fox Property Project demand had a minimal impact on the existing distribution system. SJWC should be able to adequately supply the Oakland Road Fox Property Project without any additional source of supply or system operation changes.

If you have any questions, call me at (408) 279-7862.

Sincerely,

Nicole Dunbar, P.E.

Nicole Dunbar, P.E.
Planning Supervisor

Tai, Allen

From: Ferrier, Dennis
Sent: Thursday, March 30, 2006 1:59 PM
To: Tai, Allen
Cc: Prevetti, Laurel; Clark, Jodie; Walton, Susan; Hannon, Michael; Matthews, Jamie; Pardun, Marty
Subject: GP06-04-02 _ LEA - PROJECT NOTICE
Importance: High

Hello Allen,

RE: GP06-04-02 _ Markovits & Fox _ 1633 Old Oakland Road [Closed Solid-Waste Landfill Site]

Please be aware that this site contains an old undocumented **solid waste disposal site**.

The LEA staff (PBCE) are providing you notice that project proposals for this site will require discretionary approval from the California Integrated Waste Management Board - Local Enforcement Agency (LEA). LEA staff have (currently) an active application for project review for a commercial development (BKF Engineers). LEA staff observed a notice that the applicant is now proposing a new (different) project.

Please circulate a copy to us if a new project application (IS), general plan designation, landuse/zoning, etc., are proposed. Environmental review conducted for projects at this site must be circulated through the State Clearinghouse @ Office of Planning & Research (OPR).

Dennis R. Ferrier, BS, REHS #4605
SUPERVISING ENVIRONMENTAL SPECIALIST
Department of Planning, Building and Code Enforcement
Code Enforcement Division
170 W. San Carlos Street
San Jose, CA 95113
Office: (408) 277-8725
Fax: (408) 275-9780
EMAIL: Dennis.Ferrier@SanJoseCA.Gov

NOTICE TO RECIPIENT: This email is meant only for the intended recipient of the transmission, and may be a communication privileged by law. If you receive this email in error, any review, use, dissemination, distribution, or copying of this email is strictly prohibited. Please notify us immediately of the error by return email and please delete this message from your system.

Tai, Allen

From: Pardun, Marty
Sent: Friday, March 17, 2006 9:17 AM
To: Tai, Allen
Cc: Ferrier, Dennis
Subject: Markovits & Fox Disposal Site - General Plan Amendment Proposal

Greetings,

The Markovits and Fox property at 1633 Old Oakland Road is a disposal facility with an assigned Solid Waste Information System (SWIS) number: 43-AN-0026.

I inspect the site as an agent (inspector) with the Local Enforcement Agency (LEA) for the California Integrated Waste Management Board and we have previously reviewed the *Closure/Post-Closure Land Use Plan (*PULP) for conformance with the California Code of Regulations. *Routed a copy to you today.

The LEA requests to be informed and participate in any early consultation on the proposed project for this site.

If you have any questions, I can be reached at 277-8724

marty

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Marty Pardun
ENVIRONMENTAL INSPECTOR
BADGE #0141

Planning, Building & Code Enforcement
Code Enforcement Division
170 W. San Carlos Street
San José, CA 95113

tel (408) 277-8724
fax (408) 277-3290
marty.pardun@sanjoseca.gov
www.sanjoseca.gov/code

CITY OF
SAN JOSE
CAPITAL OF SILICON VALLEY

SENDER:
- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Mr. Todd Adair
BKF Engineers
540 Price Avenue
Redwood City, CA 94063-1411

7001 0360 0000 2490 0376

4b. Service Type Return Receipt Requested
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery 5/7

5. Received By: *(Print Name)*

8. Addressee's Address *(Only if requested and fee is paid)*

6. Signature: *(Addressee or Agent)*
X Kelly Gabey

PS Form **3811**, December 1994 Domestic Return Receipt

Thank you for using Return Receipt Service.

May 4, 2004

Mr. Todd Adair
BKF Engineers
540 Price Avenue
Redwood City, CA 94063-14

COPY

Subject: Closure/Post-Closure Land Use Proposal
1633 Old Oakland Road, San Jose, CA
APN: 237-030-070

Dear Mr. Adair,

I have reviewed the *Closure/Post-Closure Land Use Proposal Plan (PULP)* for conformance with California Code of Regulations (CCR), Title 27 (T-27) for the Facility located at *1633 Old Oakland Road, San Jose, CA 95131.*
The closure document is well written and I provide a Conditional Approval of the Closure Plan with the following comments:

1. Provide when available any additional information to be included in the Vapor Report for inclusion into the PULP.

2. Provide (when developed) the specific plan for construction management that may be prepared to coordinate various construction plans or schedules.

3. Provide a Closure Completion Form with those items identified in the PULP

I have responded below to your questions that were identified with the application package.

1. The Health and Safety Plan submitted to the Department of Toxic Substance Control (DTSC) adequately describes the, "soil remediation plan" for this project and a separate Soil Management Plan is not required.

2. The CQA Plan identifies "certified" professionals in the design and construction of this

project and no additional certifications would be required. It should be noted that those persons conducting gas sampling must be trained on the testing equipment prior to actual testing.

3. The LEA will conduct at minimum *Quarterly* inspections (T-27, Sec 20530 ~ 21190) once the site is "closed" and an inspection schedule is established.

4. Gas probe monitoring will be conducted and reported *Quarterly* by the applicant (T-27, Sec 20919). The gas monitoring frequency can be modified at a later date as requested by the applicant.

5. The Financial Assurances mechanism is a function of the CIWMB and they will provide the funding formula for the subject property.

If you have any questions concerning this correspondence, please do not hesitate to contact me directly at (408) 277-8724.

Marty Pardun

Marty Pardun
Environmental Inspector

c. Mr. Marvin Fox, Markovits & Fox, Inc.
Mr. Jacques Graber, CIWMB, Closure
Mr. Jamie Matthews, City of San Jose, Code
Mr. Dennis Ferrier, City of San Jose, Code LEA

Santa Clara Valley Water District

5750 ALMADEN EXPWY
SAN JOSE, CA 95118-3686
TELEPHONE (408) 265-2600
FACIMILE (408) 266-0271
www.valleywater.org
AN EQUAL OPPORTUNITY EMPLOYER

File: 20026
Coyote Creek

February 21, 2006

Mr. Allen Tai
Planning Division
Department of Planning, Building, and
Code Enforcement
City of San Jose
200 East Santa Clara Street, Third Floor
San Jose, CA 95113-1905

Subject: GP06-04-02, Assessor Parcel Nos. 237-03-061, 069, and 070

Dear Mr. Tai:

The Santa Clara Valley Water District (District) has received the subject General Plan Amendment application to change the Land Use designation from Industrial Park on a 24.3 acres and Private Open Space on 5.5 acres with Mixed Industrial Overlay to Neighborhood/Community Commercial on 6 acres, Private Open Space on 2.5 acres, and High Density Residential (25-50 DU/AC) on 21.3 acres located at the southwest corner of East Brokaw Road and Old Oakland Road, adjacent to Coyote Creek.

The District is in the planning stages for the improvement of Coyote Creek between Montague Expressway and Interstate 280. As such, the project applicant should be aware that right of way from the parcel adjacent to Coyote Creek may be needed for the construction of the flood protection improvements. In addition to providing flood protection to the surrounding areas, we will be coordinating with the City to identify opportunities for public recreation and access.

Please refer to our letter dated January 3, 2003 (enclosed) for our comments as they are still applicable.

If you have any questions or comments, you can contact me at (408) 265-2607, extension 3174, or at syung@valleywater.org.

Sincerely,

Samuel Yung

Samuel Yung
Associate Civil Engineer
Community Projects Review Unit

Enclosure: Letter dated January 3, 2003
cc: S. Tippets, S. Yung, T. Hipol, M. Klemencic, G. Fowler, File (2)
sy:mf
0221b-pl.doc

Santa Clara Valley Water District

5750 ALMADEN EXPWY
SAN JOSE, CA 95118-3614
TELEPHONE (408) 265-2600
FACSIMILE (408) 266-0271
www.valleywater.org
AN EQUAL OPPORTUNITY EMPLOYER

ENCLOSURE

File: 20026
Coyote Creek

January 3, 2003

Mr. Caleb Gretton
Department of Planning, Building, & Code Enforcement
City of San Jose
801 North First Street, Room 400
San Jose, CA 95110-1795

Subject: Site Development (H01-10-071)—1633 Old Oakland Road, Fox Properties

Dear Mr. Gretton:

The Santa Clara Valley Water District (District) has reviewed the subject site development plans to construct three industrial buildings totaling 275,000 square feet on a 17.98 acre site, received on October 31, 2002. The following are our comments:

The site is adjacent to Coyote Creek, a District flood control facility. A 1977 agreement between the District and Markovits and Fox granted the District a 40-foot wide ingress-egress easement along the southerly property line of the project site. The agreement also includes a provision for future purchase by the District. Should the District acquire the easement, the owners shall remove any materials or improvements from the 40-foot wide strip of land. At this time, the District is not acquiring the easement; however, it may be needed in the future pending completion of planning efforts for flood protection improvements to Coyote Creek.

Current Federal Emergency Management Agency (FEMA) maps show that a portion of the site is within Zone A8 and would be subject to flooding to an elevation of 55 to 58 feet in the event of a 1 percent flood, based on the FEMA datum. The remaining portion of the site is within Zone D, an area of undetermined but possible flood hazard. To comply with federal flood insurance regulations, the lowest floor and highest adjacent grade of any building within the flood zone must be above the one percent water surface elevation. We recommend the lowest floor be a minimum of 2 feet above the 1 percent water surface elevation.

Because the site is greater than 5 acres, the developer must file a Notice of Intent to comply with the State's National Pollutant Discharge Elimination System General Permit for Storm Water Discharges Associated With Construction Activity with the State Water Resources Control Board. The developer must also prepare, implement, and maintain a Storm Water Pollution Prevention Plan and provide measures to minimize or eliminate pollutant discharges from construction activities and from the parking lot and landscaped areas after construction.

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FEB 27 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

The development should be designed to prevent overbank drainage into the creek. The overland release point should be directed to Old Oakland Road. Prior to approval of the grading plan, the developer shall submit two copies to the District for review and comment.

District records show ten wells on the project site. The wells should be properly maintained or abandoned in accordance with the District's standards. Property owners or their representatives should call the Wells and Water Production Unit at (408) 265-2607, extension 2660, for more information regarding well permits and registration or abandonment of any wells.

According to District records, a permit was issued in 1962 for the construction of a 24-inch outfall with a 3-foot wide shaped earth ditch and a sacked concrete headwall. At the time, the construction was in accordance with District standards. However, it has come to the attention of the District that a poured concrete spillway was constructed without a permit and is not in compliance with District standards. Prior to issuance of a permit, the District will evaluate the existing structure and may require the spillway be removed or reconstructed.

When development plans become available, please submit two sets of plans for our review and issuance of a permit. In accordance with District Ordinance 83-2, a District permit is required if the property improvements are proposed within 50 feet of Coyote Creek or within the District's easement. Prior to approval, the submittal shall include improvement, grading, fencing, topography, landscape, and irrigation plans for engineering review. For clarity, the dimensioned cross sections should indicate the top of the Coyote Creek bank, the edge of the levee roads, property line, fence, and landscaping areas between the development and the riparian setback.

Please reference District File No. 20026 on future correspondence regarding this project. If you have any questions or comments, you can contact me at (408) 265-2607, extension 3174, or at syung@valleywater.org.

Sincerely,

Samuel Yung

Samuel Yung
Associate Engineer
Community Projects Review Unit

cc: S. Tippets, S. Yung, T. Hipol, L. Melton, M. Klemencic, S. Katric, G. Fowler, File (2)
sy:fd
0102h-pl.doc

CITY OF
SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

DATE: 02/16/06

TO: Allen Tai
FROM: Nadia Naum-Stoian

Re: Plan Review Comments

PLANNING NO:	GP06-04-02
DESCRIPTION:	GENERAL PLAN AMENDMENT request to change the Land Use designation on an approximate 27.4-acre site from Industrial Park on 11.9 acres and Industrial Park with Mixed Industrial Overlay on 15.4 acres to Neighborhood/Community Commercial on 6 acres and High Density Residential (25-50 DU/AC) on 21.4 acres.
LOCATION:	southwest corner of East Brokaw Rd and Old Oakland Rd (1633 Old Oakland Rd)
ADDRESS:	southwest corner of East Brokaw Rd and Old Oakland Rd (1633 Old Oakland Rd) (1040 E BROKAW RD)
FOLDER #:	06 003160 AO

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.
Planner to check with Hazardous Materials Division, , Michael Murtiff, for Environmental concerns, and Fire Administrative Officer Geoff Cady for response impact.

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

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: Jenny Nusbaum
Planning and Building

FROM: Ebrahim Sohrabi
Public Works

SUBJECT: **RESPONSE TO GENERAL PLAN AMENDMENT APPLICATION**

DATE: 2/10/06

PLANNING NO.:	GP06-04-02
DESCRIPTION:	GENERAL PLAN AMENDMENT request to change Land Use designation from Industrial Park on 24.3 acres and Private Open Space on 5.5 acres with Mixed Industrial Overlay to Neighborhood/Community Commercial on 6 acres, Private Open Space on 2.5 acres, and High Density Residential (25-50 DU/AC) on 21.3 acres.
LOCATION:	southwest corner of East Brokaw Rd and Old Oakland Rd (1633 Old Oakland Rd)
P.W. NUMBER:	3-05830

Public Works received the subject project on 01/31/06 and submits the following comments:

[D] Flood Zone
[NO] Geological Hazard Zone
[NO] State Landslide Zone
[YES] State Liquefaction Zone
[*] Inadequate Sanitary capacity (*See comments below)
[NO] Inadequate Storm capacity
[NO] Major Access Constraints
[NO] Near-Term Traffic Impact Analysis

* **Comments:** *Sanitary capacity is available for this site, however connection to the sanitary system is limited to Brokaw Road only. The existing sanitary mains on Oakland Road do not have capacity for this proposed project, but the existing 42" sanitary main on Brokaw Road does. The future site design for this project must incorporate this limitation into its design.*

Please contact the Project Engineer, Andrew Turner at 535-6899 if you have any questions.

EBRAHIM SOHRABI
Senior Civil Engineer
Transportation and Development Services Division

ES:AT:jk

SANTA CLARA
Valley Transportation Authority

February 10, 2006

City of San Jose
Department of Planning and Building
200 East Santa Clara Street
San Jose, CA 95113

Attention: Jenny Nusbaum

Subject: City File No. GP06-04-02 / Brokaw-Oakland Commercial

Dear Ms. Nusbaum:

Santa Clara Valley Transportation Authority (VTA) staff have reviewed the General Plan changes for Neighborhood/Community Commercial on 6 acres, Private Open Space on 2.5 acres, and High-Density Residential (25-50 du/ac) on 21.3 acres at the southwest corner of East Brokaw Road and Old Oakland Road. We have the following comments.

Site Design

From the information provided, it is unclear how the various elements of the project will interface with each other and the pedestrian realm. However, given the proposed density, the potential for place making exists—that is, combining high-quality design, mixed land uses and pedestrian spaces. Currently, this part of San Jose features few pedestrian amenities, is lacking sidewalks and is dominated by large industrial buildings that are located away from the street. Adding 532 to 1065 homes to this neighborhood will necessitate the inclusion of retail and restaurants nearby, ideally as part of the project and within walking distance of residents.

VTA's *Community Design & Transportation (CDT) Guidelines* should be used when designing this development. This document provides guidance on site planning, building design, street design, preferred pedestrian environment, intersection design and parking requirements. The *CDT Guidelines* are available upon request to agency staff. For more information on *CDT Guidelines*, please call Chris Augenstein of the CMP at 408-321-5725.

Street Design

VTA suggests that the street layout follow a grid-type design with multiple entrances. This will allow cars and pedestrians multiple routes to get around and helps orient travelers.

Bicycle Facilities

The project site is immediately adjacent to Coyote Creek and the proposed Coyote Creek Trail. This trail is being master planned by City of San Jose Parks and Recreation Department to be a 16-mile long corridor connecting Highway 237 and the existing trail between SR 237and Montague Expressway to the existing county trail to Hellyer Anderson County Park.

The site design should not compromise the optimal future development of this trail as described in the Uniform Interjurisdictional Trail Design Use and Management Guidelines, April 15, 1999. In particular, see Design Guidelines UD-1.1 on page 11 for siting the dwelling units vis a vis the trail and Figures T-5B and T-18. Public amenities such as water and interpretive signs would be welcomed as described on page 29.

In addition, a bike and pedestrian bridge connecting the site to the other side of the creek is recommended to maximize nonmotorized access and circulation in the neighborhood. Such a bridge would be especially important if the trail is built on the west side of the creek but is recommended for overall nonmotorized circulation regardless. See Guideline UD -4.1 on Page 24 and Figure T-17.

Bus Service

If the project moves forward, VTA recommends that the City condition the developer to provide the following improvements for the two bus stops on Old Oakland Road adjacent to the project site:

<u>Sothbound Old Oakland, south of Brokaw</u>

- Existing bus stop remain at current location with shelter
- Install shelter pad at back of sidewalk, relocate shelter
- provide 22' curb lane or bus duckout with PCC bus pad per VTA bus duckout standards
- provide 8' x 40' PCC passenger waiting pad
- provide 10' x 55' PCC bus pad
- provide approved site plan in PDF format showing bus stop improvements

<u>Southbound Old Oakland, south of the first stop on Brokaw (midblock)</u>

- Bus stop to be relocated depending on future access road into development
- provide 22' curb lane or bus duckout with PCC bus pad per VTA bus duckout standards
- provide 8' x 40' PCC passenger waiting pad
- provide 10' x 55' PCC bus pad, if no duckout

- provide approved site plan in PDF format showing bus stop improvements

Thank you for the opportunity to review this project. If you have any questions, please call me at (408) 321-5784.

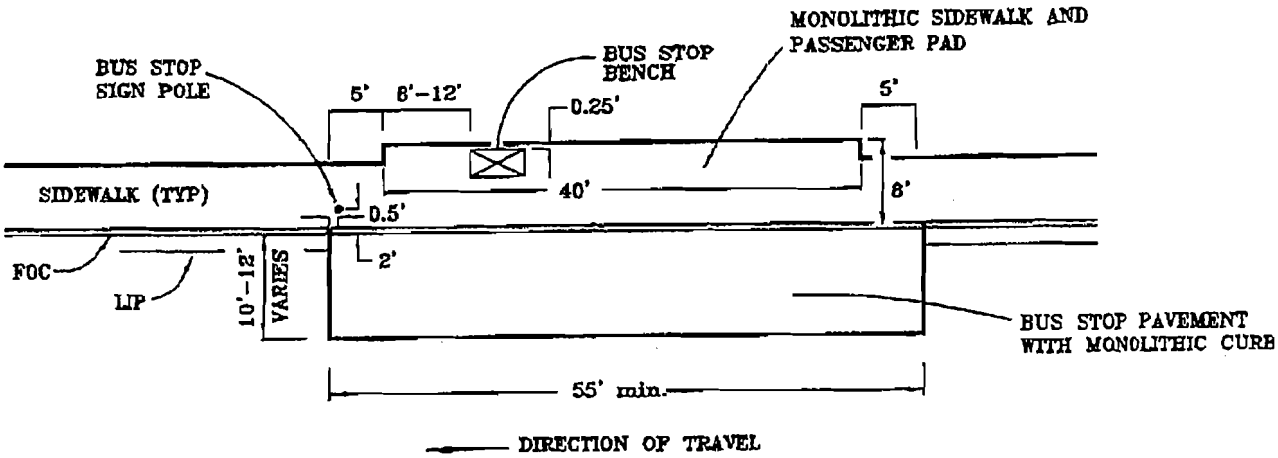
Sincerely,

Roy Molseed
Senior Environmental Planner

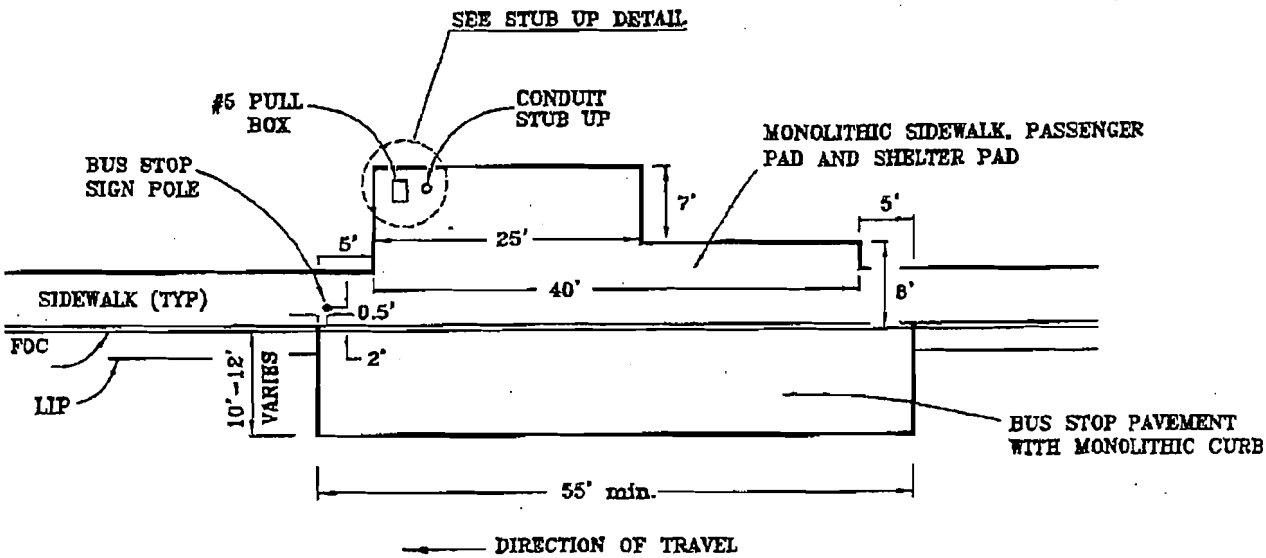
RM:kh

cc: Samantha Swan, VTA
Ebrahim Sohrabi, San Jose Public Works

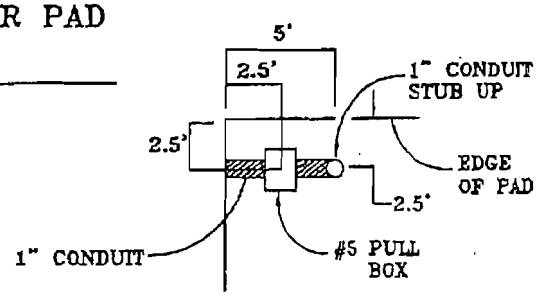
SJ0603



BUS STOP AND PASSENGER PAD WITHOUT SHELTER



BUS STOP AND PASSENGER PAD WITH SHELTER

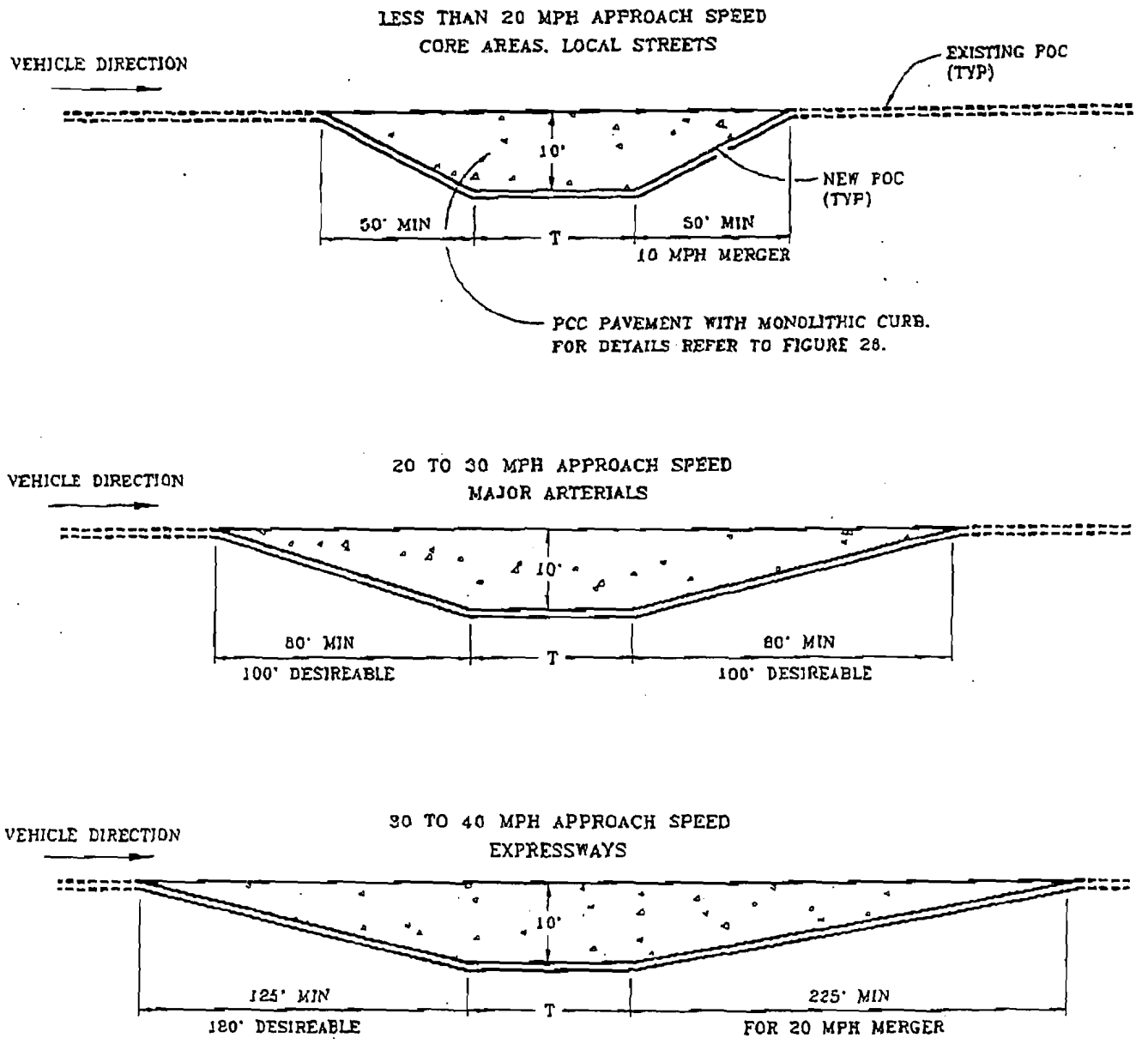


STUB UP DETAIL

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

BUS STOP CONFIGURATION

FIGURE 20



PLAN VIEW

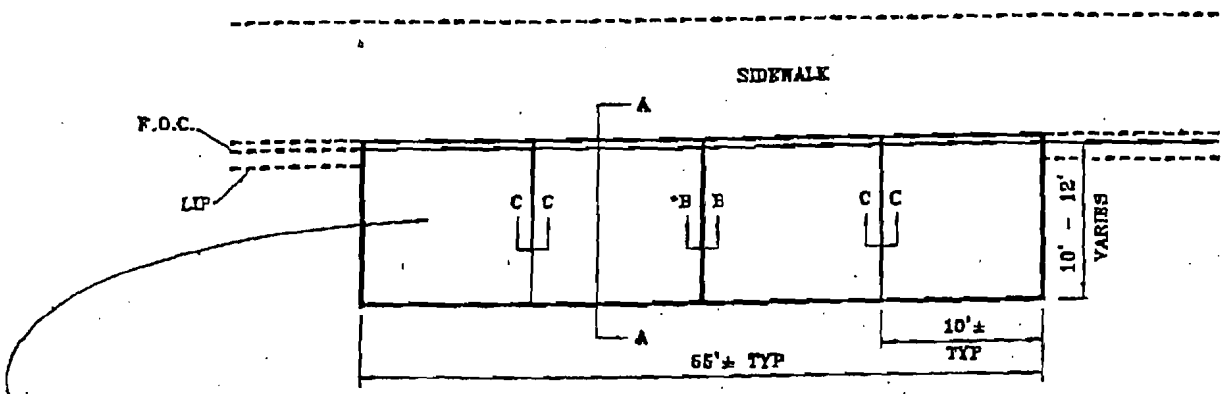
NOTE:

T (TANGENT LENGTH) = 55' REQUIRED FOR ONE BUS STOP.
= 55' + 70' (X−1). WHERE X = # OF BUSES
(USE AT MAJOR TRANSFER TERMINAL)

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

TYPICAL BUS DUCKOUT

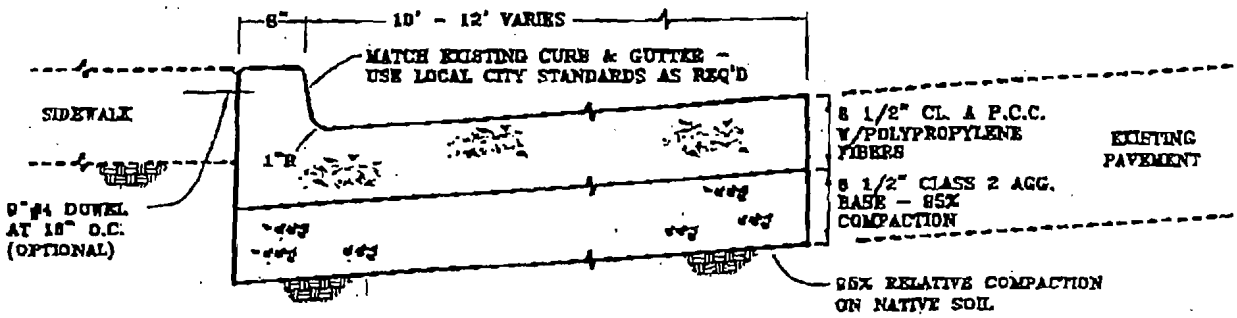
FIGURE 22



SAWCUT AND EXCAVATE EXISTING PAVEMENT, INCLUDING CURB & GUTTER. REPLACE WITH P.C.C. PAVEMENT SECTION AND MONOLITHIC CURB.

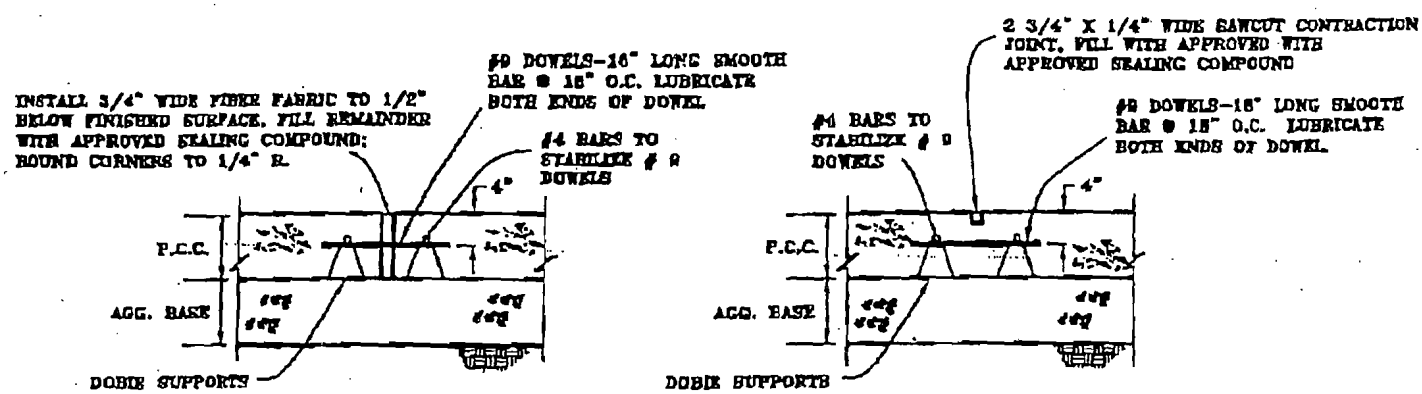
PLAN VIEW

*EXPANSION JOINT SHALL BE PLACED AT 1/2 THE LENGTH OF THE P.C.C. PAD.
IN LONG PADS, EXPANSION JOINTS SHALL BE PLACED AT APPROXIMATELY 60 FOOT INTERVALS OR AS SPECIFIED BY THE ENGINEER.



SECTION A-A

PCC PAVEMENT WITH MONOLITHIC CURB



SECTION B-B

EXPANSION JOINT

SECTION C-C

CONTRACTION JOINT

NOTE: FOR TECHNICAL SPECIFICATIONS REFER TO ATTACHMENT 1.

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

BUS STOP PAVEMENT DETAILS

FIGURE 26

TECHNICAL SPECIFICATIONS

1. P.C.C. pavement with monolithic curb and gutter shall conform to the provisions in Section 40, " PORTLAND CEMENT CONCRETE PAVEMENT," and Section 90, " PORTLAND CEMENT CONCRETE" of the State Standard Specifications and these special provisions.

2. P.C.C. pavement shall be class A with a flexural strength of 650 psi at the age of 28 days to be determined by Test Method ASTM C78. Polypropylene fibers (Fibermesh or approved equal), length 1/2", shall be added to the concrete at a rate of 1 1/2 lbs/cy.

3. After spreading and compacting, P.C.C. concrete shall be given a preliminary finish, which shall be smooth and true to grade. In advance of curing operations, the pavement shall be given a final rough broom finish with grooves having a depth of 1/8" perpendicular to the curb and gutter.

4. All newly - placed concrete shall be cured in accordance with the provisions in Section 90-7, "Curing Concrete," of the State Standard Specifications. Curing compound to be used shall be applied to the P.C.C. following the surface finishing operations immediately before the moisture sheen disappears from the surface and before any drying, shrinkage or craze cracks begin to appear. Curing compound shall be applied at a nominal rate of one gallon per 150 square feet. At any point, the application rate shall be within +/- 50 square feet per gallon of the nominal rate specified.

5. Sawcutting of the contraction joints must be performed within 24 hours after concrete has received final surface finish.

6. Contractor shall protect P.C.C. Pad as specified in Section 90-8.03, " Protecting Concrete Pavement." Where public traffic will be required to cross over new pavement, and if directed by the Engineer, Type III Portland Cement shall be used in concrete. When Type III Portland Cement is used in concrete, and if permitted in writing by the Engineer, the pavement may be opened to traffic as soon as the concrete has developed a modulus of rupture of 550 pounds per square inch. The modulus of rupture will be determined by Test Method ASTM C78.

   No traffic or Contractor's equipment, except as hereinafter provided, will be permitted on the pavement before a period of ten (10) calendar days has elapsed after the concrete has been placed, nor before the concrete has developed a modulus of rupture of at least 550 pounds per square inch. Concrete that fails to attain a modulus of rupture of 550 pounds per square inch within 10 days shall not be opened to traffic until directed by the Engineer.

   Equipment for sawing contraction joints (weakened plane joints) will be permitted on the pavement as specified in Section 40-1.08B, "Weakened Plane Joints," of the State Standard Specifications.

7. Contraction joints, expansion joints and gaps between the P.C.C. pad and the existing pavement section shall be cleaned and sealed prior to permitting traffic on the pad. Joint sealing compound shall be type "A" joint seal and shall conform to the provisions of Section 51-1.12F of the State Standard Specifications. The 2 component polyurethane sealant shall be State Specification 8030 - 61J - 01 or approved equal.

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

BUS STOP PAVEMENT DETAILS

ATTACHMENT 1 FOR FIGURE 26

County of Santa Clara

Roads and Airports Department
Land Development and Permits
101 Skyport Drive
San Jose, California 95110-1302
(408) 573-2460 FAX (408) 441-0275

February 9, 2006

Ms. Jenny Nusbaum
Project Manager
City of San Jose
Department of Planning, Building and Code Enforcement
200 East Santa Clara Street
San Jose, CA 95113-1905

Subject: City File No. GP06-04-02
General Plan Amendment request to change Land Use designation.
Southwest corner of East Brokaw Road and Old Oakland Road

Dear Ms. Nusbaum,

Your January 27, 2006 letter along with the attachment for the subject application have been reviewed. At this time we have no comments.

Please provide a copy of the Draft Environmental Impact Report or any Traffic Impact Report when ready for our review and comments.

Thank you for the opportunity to review and comment on this project.
If you have any questions, please call me at 573-2464.

Sincerely,

Raluca Nitescu
Project Engineer

Cc: MA, WRL, File

Post-it® Fax Note 7671	Date 2/9/06	# of pages ▸ 1
To Jenny Nusbaum	From Raluca Nitescu	
Co./Dept. Planing - CSJ	Co. RAD Road Dev.	
Phone #	Phone # 408-573-2464	
Fax # 292-6055	Fax #	

Board of Supervisors: Donald F. Gage, Blanca Alvarado, Pete McHugh, James T. Beall Jr., Liz Kniss
County Executive: Peter Kutras, Jr.

02/08/2006 19:58 4084410275 C SC LAND DEV/PERMIT PAGE 01

ALUC
SANTA CLARA COUNTY
Airport Land Use Commission
County Government Center, 70 W. Hedding Street, East Wing, 7th Fl., San Jose, CA 95110
(408) 299-5798 FAX (408) 288-9198

RECEIVED
FEB 03 2006
CITY OF SAN JOSE
PLANNING DEPARTMENT

February 1, 2006

Jenny Nusbaum, Project Manager
City of San Jose
Department of Planning, Building and Code Enforcement
200 East Santa Clara Street, Tower 3
San Jose, CA 95113

Re: City of San Jose No. GP06-04-02
General Plan Amendment request to change the Land Use/Transportation Diagram designation from Industrial Park on 24.3 acres and Private Open on 5.5 acres with Mixed Industrial Overlay to Neighborhood/Community Commercial on 6 acres, Private Open Space on 2.5 acres, and High Density Residential (25-50 DU/AC) on 21.3 acres located on the southwest corner of East Brokaw Road and Old Oakland Road (APN 237-03-061.)

Dear Jenny:

I am writing in response to the City of San Jose's referral of the above-referenced project. The project site is located approximately 1.3 miles from the nearest referral zone, San Jose International Airport. Therefore, the project site lies outside the Airport Land Use Commission (ALUC) project referral boundaries and the ALUC has no comments.

ALUC staff appreciates the opportunity to review this project. If you have any, please contact me at (408) 299-5798.

Sincerely,

Dana Peak

Dana Peak
ALUC Staff Coordinator

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Department of Planning, Building and Code Enforcement
JOSEPH HORWEDEL, ACTING DIRECTOR

PUBLIC HEARING NOTICE

The Planning Commission of the City of San José will hold a Public Hearing on **Monday, November 13, 2006 at 6:30 p.m.** to certify that the Final Environmental Impact Report (EIR) prepared for the project identified below has been completed in compliance with the California Environmental Quality Act (CEQA). Furthermore, in the event of an appeal of the Planning Commission's certification of the Final EIR, there will be a public hearing before the City Council of the City of San Jose on **Tuesday, December 12, 2006 at 7:00p.m.** on an appeal of the final EIR.

These Public Hearings will be held in accordance with Title 21 of the San José Municipal Code, during and before which all persons interested in the matter shall be given a reasonable opportunity to be heard. You are welcome to attend and to speak on this issue. If you choose to challenge the decision on this Environmental Impact Report in court, you may be limited to only those issues you, or someone else, raised and discussed at the Public Hearing or in written correspondence delivered to the City at or prior to the Public Hearing. These public hearings will be held at the dates and times stated above in the City Council Chambers, on the second floor of City Hall Wing, at 200 East Santa Clara Street, San José, California, or as soon thereafter as this item can be heard.

The project being considered is a Final Environmental Impact Report (EIR) for the Fox Property General Plan Amendment. The project is a General Plan Amendment from Industrial Park (IP) and Industrial Park with a Mixed Industrial Overlay to High-Density Residential (25-50 DU/AC) on 21.4 acres and Neighborhood/Community Commercial on 6 acres of the site. If approved, the proposed General Plan Amendment would facilitate a later rezoning and permits to allow residential development ranging from 535 to 1,070 units. The Neighborhood/Community Commercial designation applies primarily to shopping centers of a neighborhood or community scale that would include neighborhood serving retail and service establishments.

City File Number: GP06-04-02
Location: south of East Brokaw Road, west of Oakland Road, and east of the Union Pacific Railroad Tracks.

The Final Environmental Impact Report, including the City's responses to comments received during the Public Review Period (September 1, 2006 to October 16, 2006), will be available for review beginning November 3, 2006, Monday to Friday 8:00 a.m. to 5:00 p.m. at the Department of Planning, Building and Code Enforcement, 200 East Santa Clara Street (3rd Floor), San José 95113.

The certification of the Final EIR may be appealed in writing by any person prior to 5:00 p.m. on **Thursday, November 16, 2006**. Such protest shall be filed at the Department of Planning, Building and Code Enforcement and shall include a statement specifying the basis of the appeal. An appeal of the certification of the Final EIR would be heard by the City Council **Tuesday, December 12, 2006 at 7:00p.m.** as noted above. It should be noted that the certification of a Final EIR does not constitute approval of the project for which it was prepared. The decision to approve or deny the project will be made separately as required by City Ordinance.

Questions regarding the EIR are welcome and should be referred to **Michael Rhoades** of the Department of Planning, Building and Code Enforcement (408) 535-7821 or e-mail michael.rhoades@sanjoseca.gov

To arrange an accommodation under the Americans With Disabilities Act to participate in this public meeting, please call TTY#: (408) 294-9337 or (408) 535-3500 (voice) at least 48 hours before the meeting.

Joseph Horwedel, Acting Director
Planning, Building and Code Enforcement

/s/ Akoni Danielsen, Principal Planner A.D.

Date: October 27, 2006