



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Stephen M. Haase

**SUBJECT:** SEE BELOW

**DATE:** November 15, 2004

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**COUNCIL DISTRICT:** 5

**THE ITEMS BEING CONSIDERED ARE LOCATED AT THE SOUTHWEST CORNER OF JACKSON AVENUE AND MCKEE ROAD ON A 34.4-ACRE SITE:**

**1) GP03-05-10. GENERAL PLAN AMENDMENT TO CHANGE THE LAND USE/ TRANSPORTATION DIAGRAM DESIGNATION FROM MEDIUM HIGH DENSITY RESIDENTIAL (12-25 DU/AC) ON 7.9 ACRES, OFFICE ON 4.7 ACRES, AND NEIGHBORHOOD/COMMUNITY COMMERCIAL ON 4.6 ACRES TO PUBLIC/QUASI-PUBLIC ON 17.2 ACRES.**

**2) PDC03-093. PLANNED DEVELOPMENT REZONING FROM A(PD) PLANNED DEVELOPMENT, R-2 RESIDENCE, CG COMMERCIAL GENERAL, A AGRICULTURE AND CO COMMERCIAL OFFICE TO A(PD) PLANNED DEVELOPMENT ZONING DISTRICT TO ALLOW UP TO 1,030,000 SQUARE FEET OF HOSPITAL AND MEDICAL OFFICE USES.**

## **RECOMMENDATION**

The Planning Commission voted 7-0-0 to recommend that the City Council approve the proposed General Plan amendment from Medium High Density Residential (12-25 DU/AC) on 7.9 acres, Office on 4.7 acres, and Neighborhood/Community Commercial on 4.6 acres to Public/Quasi-Public on 17.2 acres.

The Planning Commission voted 7-0-0 on a motion to recommend that the City Council approve the proposed rezoning from A(PD) Planned Development, R-2 Residence, CG Commercial General, A Agriculture and CO Commercial Office to A(PD) Planned Development zoning district. The Planning Commission also recommended the inclusion of trip reduction measures to encourage alternative modes of transportation, to enhance pedestrian connections and provide direct and safe access from transit stops, on-site day care for on-site workers and the community, and other services such as a cafeteria to help reduce worker trips during the day. The Commissioners also recommended that the Hospital Corporation of America (HCA) work with existing agencies to help provide health care services to the Downtown community, work with the Downtown Neighborhood Associations to establish a shuttle, and work with Valley Transportation Authority (VTA) to create 24-hour direct transit service to the site.

## **BACKGROUND**

On November 1, 2004, the Planning Commission held a public hearing to consider a General Plan Amendment request to change the Land Use/Transportation Diagram from Medium High Density Residential (12-25 DU/AC) on 7.9 acres, Office on 4.7 acres, and Neighborhood/Community Commercial on 4.6 acres, to Public/Quasi-Public on 17.2 acres, and a Planned Development rezoning application to change the zoning district from A(PD) Planned Development, R-2 Residence, CG Commercial General, A Agriculture and CO Commercial Office to A(PD) Planned Development Zoning District on a 34.4 acre site located on the southwest corner of Jackson Avenue and McKee Road. The proposed General Plan amendment would facilitate the expansion of the Regional Medical Center of San Jose. The proposed Planned Development rezoning would allow up to 1,030,000 square feet of hospital and medical office uses.

The applicant's representative, staff members of various departments at San Jose Medical and Regional Medical Center, representatives from several organizations such as the Silicon Valley Chamber of Commerce and Building Trades Council, as well as several citizens spoke in favor of the proposed project and concurred with staff's recommendation to change the General Plan land use designation and approve the Planned Development rezoning. They indicated that the expanded technology and services that would result from the proposed project would be a benefit to the community. Speakers indicated that the site was appropriate for expansion and the investment could be an economic stimulus, including generating new jobs, for the east side.

In general, the closure of San Jose Medical Center in the Downtown and the loss of medical services to the area was a concern raised by many members of the community. Several speakers noted that a City-County Study regarding the closure of San Jose Medical Center was due to be completed in mid-November and encouraged any decision-making process to be deferred until all the information was available. Staff indicated that the study would likely be available to the City Council before its hearing on the item and that a delay in the Planning Commission's deliberation would not likely change the land use issues related to the proposed expansion of the existing Regional Medical Center hospital. Additionally, staff stated the closure of San Jose Medical Center, while occurring concurrently, is not part of the proposed project or subject to review by the City.

Approximately 25 speakers from the community, of whom approximately 10 from the Save the San Jose Medical Center Coalition, expressed concerns about the proposed project. Most of the issues raised were environmental issues, including the loss of existing trees on the project site, potential increase in traffic, insufficient public transit serving the site, and potential noise impacts from ambulance sirens and helicopters. Several speakers expressed a desire for the reduced scale project identified in the project alternatives of Environmental Impact Report to reduce the environmental impacts.

Staff responded to the comments, stating that the purpose of the Environmental Impact Report (EIR) is to disclose potential environmental impacts. The EIR assumed the full closure of San Jose Medical Center to analyze the worst case scenario for demand and use of the expanded Regional Medical Center. Staff stated that impacts from noise, transportation, and traffic were all discussed and analyzed within the EIR. Also, staff explained that the final tree removal decisions are made at the Planned Development Permit stage, and that the ultimate number of trees required to be removed could be smaller than the number analyzed for removal.

Parking was the main project-related issue raised by several of the community members. Staff explained that a parking analysis was conducted by a transportation consultant. As a result of this analysis, the proposed parking ratio exceeds the City's existing parking ratios for hospital and medical uses in the Zoning Code and transportation demand management measures, such as valet parking and carpooling, will also be implemented. Furthermore, a parking study is required to be conducted after 3 months of occupancy of Phase I to determine if additional parking, such as a garage structure, is needed to meet the user demand.

#### Commission Discussion

Commissioner Levy reiterated staff's comments to the members of the public that the closure of San Jose Medical Center is considered a separate matter, is not subject to review by the City, and can occur regardless of the proposed Regional Medical Center expansion and any City action taken on the project.

Commissioner Zito asked for clarification on traffic impacts, in particular, asked how the proposed project relates to other projects that are being considered such as the Evergreen Smart Growth Strategy currently being developed. Staff explained that the future EIR for the Evergreen Smart Growth Strategy would include the Regional Medical Center expansion in the background conditions for the traffic analysis, if the project were approved.

Commissioner Dhillon indicated that it was difficult to separate the expansion of Regional Medical Center and the closure of San Jose Medical Center, and felt the social and economic impacts should be considered. The City Attorney explained that if a social impact would lead to a physical change, then this could be discussed in the EIR. Also, in the case where the City Council would need to adopt overriding considerations for significant, unavoidable environmental impacts of a project in order to approve it, social benefits can be discussed.

Commissioner Platten noted that San Jose does not have a level of service standard for health care and moved that the Commission certify the EIR. The motion passed unanimously. Subsequently, the Commission recommended approval of the General Plan amendment, which also passed unanimously.

Commissioner James stated that the City has no control over the closure of San Jose Medical Center and expressed displeasure with the decision to close the hospital earlier than originally planned. However, he indicated that he believed the community will be better served by supporting expansion of the Regional Medical Center.

Commissioner Campos concurred with Commissioner James and recommended several changes/additions to the Planned Development rezoning. Commissioner Campos recommended that Transportation Demand Management actions described "shall" occur to encourage the use of alternative modes of transportation, that direct, safe access from transit stops be incorporated into the design, that services be included on site to reduce need for daytime automobile use by workers such as a child care for employees and nearby residents and a cafeteria, and that HCA work with existing agencies to help provide health care services to the Downtown community.

Commissioner Platten denounced HCA's actions in closing San Jose Medical Center and commented that HCA seems to have good employees who felt strongly enough to come to the hearing.

Commissioner Zito endorsed Commissioner Campos's comments and also stated that he was disappointed about the loss of Downtown medical services. He recommended that HCA work with the downtown neighborhood associations to establish a shuttle service from downtown to Regional Medical Center. Commissioner Campos added that HCA should work with VTA to create a new 24-hour, direct transit service to the site.

The Commissioners voted unanimously to recommend approval with the stated recommendations.

### **PUBLIC OUTREACH**

The applicant conducted two community meetings on April 21, 2004 and June 21, 2004 in the vicinity of the site to discuss the proposed project and Environmental Impact Report with interested members of the public. These meetings were well attended and a majority of the comments focused on the impact that the expansion of the Regional Medical Center could have on the continued operation of the San Jose Medical Center. These meetings were conducted prior to the announcement of the pending December 9<sup>th</sup> closure of the San Jose Medical Center. The project was also discussed at the recent General Plan Community Meetings held on October 6<sup>th</sup> & 7<sup>th</sup>, 2004 and the EIR Scoping meeting.

Notices of the public hearing were distributed to the owners and tenants of all properties located within 1000 feet of the subject site as well as published in the San José Post Record. The Planning Commission agenda and City Council agenda are posted on the City of San José website with copies of the staff report and City Council memo. Staff has been available to discuss the project with interested members of the public.

### **COORDINATION**

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

HONORABLE MAYOR AND CITY COUNCIL  
November 15, 2004  
**Subject: GP03-05-010 and PDC03-093**  
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**CEQA**

An Environmental Impact Report entitled, *Regional Medical Center of San Jose Hospital Expansion Project*, certified on November 1, 2004.

*for Susan Walton*  
STEPHEN M. HAASE  
Secretary, Planning Commission

Pbce001/Implementation/Planning Files/Zoning/200/PDC03-093 and GP03-05-10 CC Memo  
Pbce002/GP\_Team/2004 Annual Review/GP03-05-010/ PDC03-093 and GP03-05-10 CC Memo