



Memorandum

TO: Mayor & City Council

FROM: Councilmember
Sam Liccardo

SUBJECT: SEE BELOW

DATE: November 13, 2008

APPROVED:

DATE:

11-17-08

SUBJECT: AN ORDINANCE OF THE CITY OF SAN JOSE AMENDING TITLE 20 OF THE SAN JOSE MUNICIPAL CODE TO ALLOW BUSINESS SUPPORT AND BUSINESS AND ADMINISTRATIVE OFFICE USES AS GROUND FLOOR USES WITH A SPECIAL USE PERMIT IN THE DOWNTOWN GROUND-FLOOR SPACE OVERLAY AREA, TO ALLOW ANIMAL GROOMING AS A PERMITTED USE IN THE DOWNTOWN ZONING DISTRICTS, TO MODIFY PARKING REQUIREMENTS FOR LIVE/WORK UNITS IN DOWNTOWN ZONING DISTRICTS, AND TO MAKE OTHER RELATED CLARIFYING CHANGES AND MODIFICATIONS.

RECOMMENDATIONS

Accept staff recommendations with the following modification:

- Restrict to 20,000 Square Feet the aggregate amount of any future non-retail uses granted development permits within the Downtown Ground-Floor Zoning Overlay Area, such that any additional square footage would require a change in Council policy.
- Direct the City Manager to return to Council with a report on all non-retail uses granted development permits within the Downtown Ground-Floor Zoning Overlay Area during the 12-month period following enactment of the proposed Ordinance changes.

BACKGROUND

The proposed ordinance has raised concern that allowing increased office uses in ground floor retail space may hinder the long-term development of retail uses downtown. While I support the intent behind this proposed change to allow for increased flexibility for building owners, I share concerns about the proliferation of office uses. "Smart growth" principles call for keeping a mix of uses exists within walking distance of residences, and the dearth of retail downtown has too many residents in high-density developments getting into their cars to shop. More active ground-floor uses promote a more vibrant street life. Current and future downtown residents should have the variety of retail and cultural uses needed to maintain a high quality of life, and prospective high rise condo buyers will expect no less.

The Council-adopted Downtown Strategy 2000 includes retail development as one of its top priorities. The objective of the Downtown Strategy appears clearly stated: "The ground floor of buildings including parking structures should be occupied by retail, entertainment, service retail, cultural or other high intensity pedestrian uses."

For these reasons, I propose placing a cap of 20,000 square feet on future non-retail uses downtown. Without some constraints, a temporarily strong office market and/or a weak retail market can lead to long-term office leases that could permanently choke retail uses from the street level. Should market conditions change or if our perspective evolves, staff can return to Council to lift the 20,000 square foot limit.

This memorandum was coordinated with Redevelopment Agency, Planning, Building and Code Enforcement Department and the City Attorney's Office.