



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Planning Commission

**SUBJECT:** SEE BELOW

**DATE:** November 24, 2008

**COUNCIL DISTRICT:** 4  
**SNI AREA:** N/A

**SUBJECT: GP08-04-01.** General Plan amendment request (GP08-04-01) to change the land use designation from Industrial Park to Combined Industrial/Commercial on an 8.5-acre site located on the southeast corner of Montague Expressway and O'Toole Avenue (1020 and 1060 Rincon Circle).

## RECOMMENDATION

The Planning Commission voted 6-0-0 to recommend that the City Council approve the proposed General Plan amendment as recommended by staff.

## OUTCOME

Approval of the proposed General Plan amendment would facilitate opportunities to redevelop or intensify the site with a commercial, industrial, or compatible mixture of commercial and industrial land uses that could provide job opportunities, increase revenue for the City, reduce demand on City services and potentially reduce the leakage of retail tax revenue to neighboring cities.

## BACKGROUND

On November 19, 2008, the Planning Commission held a public hearing to consider the proposed General Plan amendment. The Planning Commission voted 6-0-0 to recommend to the City Council approval of the proposed General Plan amendment as recommended by staff. The proposal was on the consent calendar portion of the agenda, and was recommended for approval without public testimony or discussion. Staff noted for the record that the property owner, Equity Office Properties, submitted a letter on November 19, 2008 expressing full support for the proposed General Plan amendment.

## ANALYSIS

See original staff report for additional analysis of the proposed General Plan amendment.

## **EVALUATION AND FOLLOW-UP**

Approval of the proposed General Plan amendment would facilitate the implementation of the General Plan's Economic Development, Growth Management, and Sustainable City Major Strategies and Economic Development and Commercial Land Use Goals and Policies.

## **POLICY ALTERNATIVES**

*Alternative 1: Denial of the proposed General Plan amendment.*

**Pros:** Denial would retain the existing land use designation of Industrial Park on the 8.5-acre site.

**Cons:** Denial would not facilitate the opportunity for future economic redevelopment or intensification of commercial uses that could provide job opportunities, increase revenue for the City, reduce demand on City services and potentially reduce the leakage of retail tax revenue to neighboring cities.

**Reason for not recommending:** This alternative is not recommended because it does not facilitate the implementation of the General Plan's Commercial Land Use Goals and Policies.

## **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater.  
**(Required: Website Posting)**
- Criterion 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)**
- Criterion 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)**

Although this item does not meet any of the above criteria, staff followed Council Policy 6-30; Public Outreach Policy as described in the attached staff report.

## **COORDINATION**

This project was coordinated with the Department of Public Works, Fire Department, Department of Transportation, the Santa Clara County Airport Land Use Commission, Santa Clara Valley Transportation Authority and the City Attorney.

## **FISCAL/POLICY ALIGNMENT**

This project is consistent with General Plan goals and policies as further discussed in the staff report.

**COST SUMMARY/IMPLICATIONS**

Not applicable.

**CEQA**

EIR Resolution No. 72768.

  
*for* JOSEPH HORWEDEL, SECRETARY  
Planning Commission

For questions please contact Andrew Crabtree at 408-535-7893.



*Department of Planning, Building and Code Enforcement*

JOSEPH HORWEDEL, DIRECTOR

**TO:** PLANNING COMMISSION

**FROM:** Joseph Horwedel

**SUBJECT:** SEE BELOW

**DATE:** November 19, 2008

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COUNCIL DISTRICT: 4

SNI AREA: N/A

**SUPPLEMENTAL MEMORANDUM**

**SUBJECT: GP08-04-01. General Plan amendment request to change the land use designation from Industrial Park to Combined Industrial/Commercial on an 8.5-acre site.**

**REASON FOR SUPPLEMENTAL MEMORANDUM**

After distribution of the original report to the Planning Commission, staff received additional correspondence by fax from the representative of the property owner in support of the proposed amendment. This correspondence is included as an attachment to this memo.

*Andrew Crabtree*  
for JOSEPH HORWEDEL, Director  
Planning, Building and Code Enforcement



800 Bellevue Way NE, Suite 400  
Bellevue, WA 98004

phone 425.462.6795  
www.equityoffice.com

November 19, 2008

Chairperson Jim Zito and Members of the San Jose Planning Commission  
City Hall  
200 East Santa Clara Street  
San Jose, CA 95113

Re: City Initiated General Plan Amendment (GP08-04-01)

Dear Chairperson Zito:

I represent the owners of the approximately 8.5 acre site located on the southeast corner of Montague Expressway and O'Toole Avenue, which is the subject of a City initiated General Plan Amendment you are considering at tonight's Commission meeting. On behalf of the ownership, I wanted to indicate our full support for the proposed land use change for our property from the existing Industrial Park designation, to the more flexible Combined Industrial/Commercial designation.

In particular, we applaud the long range vision of the Mayor and City Council, which in October, 2007 identified this property as one of 14 underserved opportunity sites within the City. We also appreciate the community outreach efforts of City Staff to contact us and adjoining landowners as it prepared for your Commission's consideration of this amendment.

While we have no immediate plans to redevelop the site's existing industrial uses, the City's actions to adopt this General Plan Amendment would undoubtedly facilitate our consideration of a much broader range of commercial and industrial uses for this property, including retail uses consistent with the City's Retail Strategy.

We would welcome the opportunity to meet with City officials to discuss mutually beneficial future opportunities related to this site.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Edwards".

Matt Edwards  
Director of Development  
Equity Office Properties

cc: David Gold, Morrison & Foerster  
Joseph Horwedel, Planning, Building and Code Enforcement  
Rachel Roberts, Project Manager  
Todd Hedrick, EOP

**STAFF REPORT**  
**PLANNING COMMISSION**

**File No.: GP08-04-01**

**Submitted: 7/15/08**

**PROJECT DESCRIPTION:** General Plan amendment request (GP08-04-01) to change the land use designation from Industrial Park to Combined Industrial/Commercial on an 8.5-acre site.

**LOCATION:** Southeast corner of Montague Expressway and O'Toole Avenue (1020 and 1060 Rincon Circle)

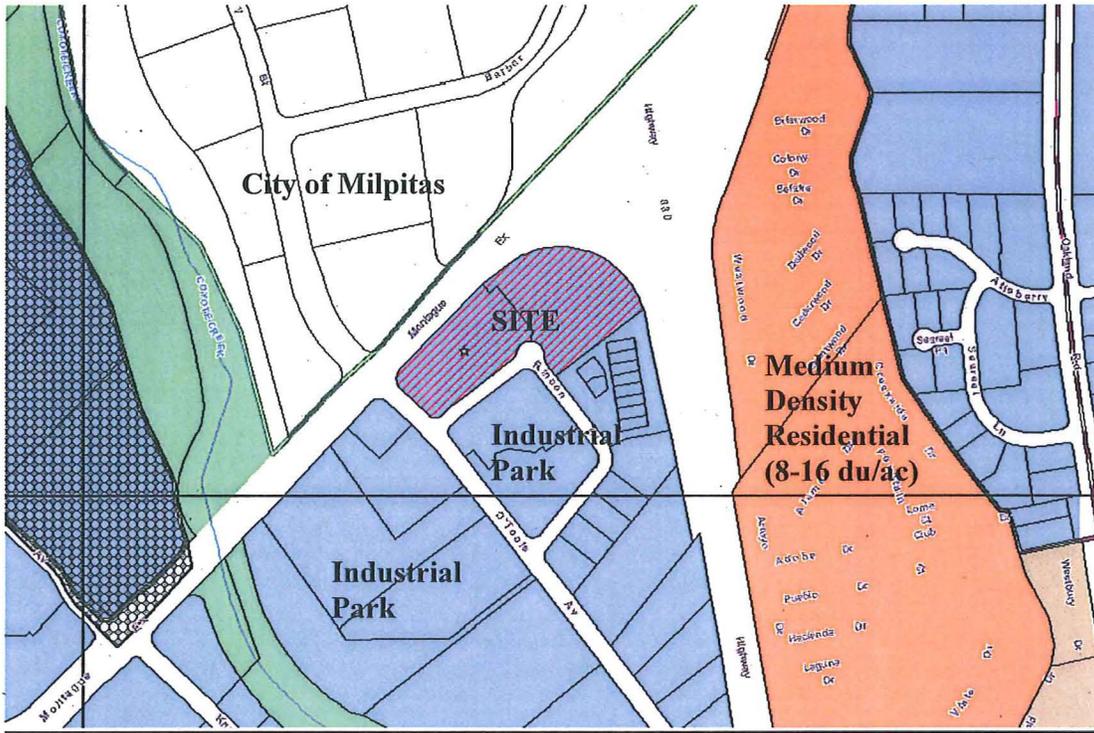
|                         |                                |
|-------------------------|--------------------------------|
| Existing Zoning         | Industrial Park                |
| General Plan            | Industrial Park                |
| Proposed General Plan   | Combined Industrial/Commercial |
| Council District        | 4                              |
| Annexation Date         | August 21, 1958                |
| SNI                     | N/A                            |
| Historic Resource       | N/A                            |
| Redevelopment Area      | Rincon de los Esteros          |
| Area Development Policy | North San José                 |

↑  
N

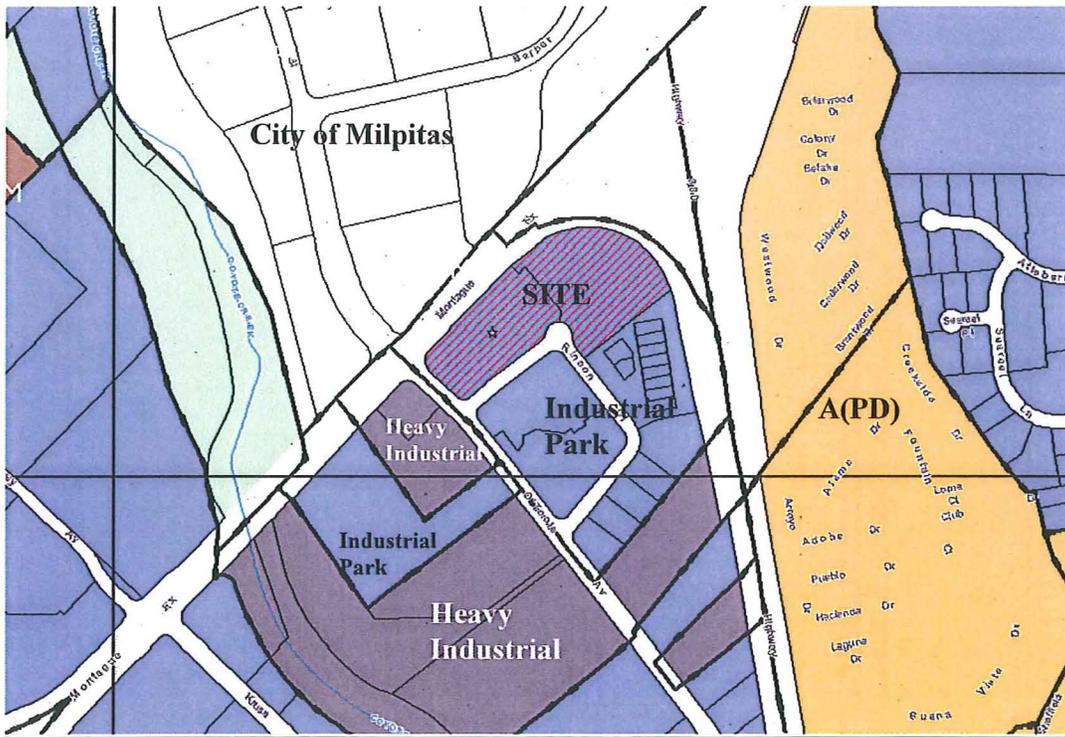
**Aerial Map**



### GENERAL PLAN



### ZONING



## **RECOMMENDATION**

Planning staff recommends approval of the proposed General Plan amendment for the following reasons:

1. The proposed General Plan amendment is consistent with the Economic Development, Growth Management and Sustainable City Major Strategies in the San José 2020 General Plan.
2. The proposed General Plan amendment is consistent with the North San José Area Development Policy and the Guiding Principles developed by the North San José Neighborhoods Planning Taskforce and accepted by City Council.
3. The proposed General Plan amendment is compatible with the existing and surrounding land uses.
4. The proposed project conforms to the requirements of CEQA.

## **BACKGROUND**

### *Site and Surrounding Uses*

The site is located on the southeast corner of Montague Expressway and O'Toole Avenue and is currently developed with two, two-story research and development industrial buildings with surface parking. The surrounding land uses include a mix of industrial uses (including Heavy and Light Industrial and Industrial Park uses) to the north, south, and west and residential uses and Interstate 880 to the east.

The site has an existing land use designation of Industrial Park. Industrial Park is an exclusive land use designation intended for a wide variety of industrial uses such as research and development, manufacturing, assembly, testing and offices.

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

### *Retail Strategy*

The subject site is one of fourteen sites identified as suitable for new retail development by the City Council in October of 2007. Following the recommendations of the Community and Economic Development Committee, the Council adopted this list of fourteen sites and directed staff to initiate General Plan Amendments and/or other entitlement efforts as necessary in order to prepare these sites for future retail development.

The initiative to identify these sites began in 2004, when a retail study conducted by the City determined that the City was under-served by retail and losing significant amounts of sales tax revenue to neighboring cities. In February 2007, the City Council held a priority-setting and strategic planning study session. At that study session, the Council identified two strategic objectives to help eliminate the structural budget deficit and increase economic vitality. Those objectives included direction to staff to identify potential retail sites and evaluate the benefits of allocating additional resources to encourage the development of those sites for retail use. The March 2007 Mayor's Budget message, approved by the City Council, included policy actions intended to increase retail sales tax revenue, and related to those actions, directed staff to bring forward to Council potential sites for retail development and to identify opportunities and resources that would streamline the approval process for potential major retailers.

On April 22, 2008, the City Council accepted the final recommendations and Guiding Principles developed by the North San José Neighborhood Planning Taskforce. These recommendations included a retail report summary and analysis. The retail report identified the importance of retail to the long-term achievement of the North San José Development Policy area goals, and identified the need to preserve retail opportunity sites at good locations and of adequate size for the development of viable neighborhood and regional retail centers. The subject site was identified in the retail report as one of several sites within North San José where retail is most likely to be economically viable.

In a June 6, 2008 Memo from Mayor Reed on the June Budget Message for fiscal year 2008-2009, the Mayor stated that the City would continue its efforts to expand the retail base in San José to stem the leakage of retail dollars out of the City, the Mayor directed the City Manager to initiate General Plan amendments by Fall 2008 to position selected sites for development. On June 17, 2008 the City Council adopted a resolution authorizing the City Manager to act on items included within the Mayor's 2008 Budget Message. The Mayor's 2008 Budget Message included direction to City staff to initiate General Plan amendments on appropriate retail opportunity sites by the fall of 2008 to position these sites for development as part of the City's Retail Strategy.

On July 15, 2008, the Director of Planning, Building and Code Enforcement initiated the proposed General Plan amendment to implement this direction. Because the site currently has a General Plan land use designation of Industrial Park, which does not support the redevelopment of the site for retail use, re-designation of the site to Combined Industrial/Commercial is necessary to allow a broad range of commercial and/or industrial uses, including potential retail, while also supporting the retention or expansion of the uses allowed under the existing Industrial Park land use designation.

## ANALYSIS

### *Economic Development Major Strategy*

The General Plan's Economic Development Major Strategy states that economic development is a fundamental priority for future growth to improve the City's financial position and provide employment opportunities for San José's residents. The City recognizes the need to identify opportunities for expanding the community's economic base. The proposed General Plan amendment is consistent with the Economic Development Major Strategy in that, while the proposed land use designation would support the existing Industrial Park land use, it would also facilitate opportunities to redevelop or intensify the site with a commercial, industrial, or compatible mixture of commercial and industrial land uses that could provide job opportunities, increase revenue for the City, reduce demand on City services and potentially reduce the leakage of retail tax revenue to neighboring cities.

### *Growth Management Major Strategy*

The purpose of the Growth Management Major Strategy is to address the need to house new population and the need to balance the City's budget, while providing acceptable levels of service. When and where growth occurs can have major implications on City services and fiscal resources. Infill development within urbanized areas is identified as an important means of controlling service costs through increased efficiency. The proposed General Plan text amendment would further the intent of the Growth Management Major Strategy by facilitating opportunities for redevelopment or intensification of the site with commercial or industrial uses, consistent with the Combined Industrial/Commercial land use designation, on an urban infill site where urban facilities and services are already available, thus minimizing the cost to the City of providing services and increasing the City's revenue.

### *Sustainable City Major Strategy*

The Sustainable City Major Strategy encourages the development of a mix of complementary land uses in proximity to each other to reduce traffic congestion, pollution, wastefulness, and environmental degradation. By allowing for the conservation of natural resources, sustainable development is a means of reducing both economic and environmental costs, thereby encouraging and supporting a stronger economy and improving the quality of life for all who live and work in San José. Changing the land use designation of the site to Combined Industrial/Commercial is consistent with the Sustainable City Major Strategy because it would expand the range of uses allowed on-site to include compatible commercial uses, contributing to the mix of land uses in the surrounding area and helping to meet the commercial and retail needs of employees, businesses, and residents in the surrounding vicinity, potentially reducing vehicle trips, air pollution, and increasing retail tax revenue.

### *Economic Development Goals and Policies*

The proposed Combined Industrial/Commercial designation expands the opportunity for a broad range of commercial, office, or industrial development or a compatible mixture of these uses on the site. This land use designation also allows large-format retail as a stand-alone use or as part of a larger retail development. The proposed General Plan amendment supports Economic Development Goal No. 2 (create a stronger municipal tax base), Economic Development Policy No. 2 (attract a diverse mix of businesses and industries), and Economic Development Policy No. 7 (encourage a mix of land uses in the appropriate locations) because it can contribute to creating a stronger municipal tax base by encouraging expansion of the existing Industrial Park use or redevelopment with a commercial or industrial use; it can attract commercial businesses and developers and increase employment opportunities for San José residents; and will provide a mix of land uses in an appropriate location to balance the economic base.

### *Commercial Land Use Goals and Policies*

The proposed General Plan land use designation provides the opportunity for retail uses on-site to address the City's unmet retail needs and to implement the Commercial Land Use Goals and Policies of the General Plan. The proposal is consistent with the Commercial Land Use Goal and Policy No.1, which states support for the development of commercial land use in a manner that maximizes community access to retail commercial outlets and services and best serves the needs of the community. The City's Office of Economic Development and the North San José Neighborhoods Planning Taskforce identified this site as one of several throughout the City that offers an opportunity for redevelopment with a retail use. Sites were selected based on visibility, access, size, dimensions, and market demand. The subject site is located on a major street, Montague Expressway, and has access and visibility from Montague Expressway and Interstate 880. The site is 8.5 acres and is under single ownership. In addition to addressing the current shortage of retail, which is particularly evident in the North San José and Berryessa areas, retail development on this site can contribute to fulfilling the projected retail and services demand associated with the new jobs and housing planned in North San José and in a small part can address the retail demand created by the considerable population growth projected throughout the City.

### *North San José Area Development Policy*

The subject site is located in the North San José Policy area. The North San José Area Development Policy establishes a framework to guide the on-going development of the North San José area as an important employment center for San José. It provides for the development of up to 1.7 million square feet of new commercial uses that support the significant amount of new industrial and residential development provided for by the Policy. Supporting commercial uses, that can potentially reduce vehicle trips (e.g., food service, financial services, gymnasiums, child care), are strongly encouraged within the Policy area. Therefore, the proposed Combined Industrial/Commercial designation, which provides a

broad range of commercial opportunities, is consistent with the Policy goals by facilitating the future development of commercial uses that support the anticipated jobs and population growth in North San José.

### *Land Use Compatibility*

Allowed uses under the proposed land use designation are compatible with the existing character and land use designations of the surrounding area. General Plan land use designations of the surrounding parcels include Industrial Park to the south and west and Medium Density Residential (developed with a mobile home park) to the east on the opposite side of Interstate 880. Land uses across Montague Expressway, to the north of the site, are under the jurisdiction of the City of Milpitas and are developed with a mixture of Industrial uses. Interstate 880 is immediately adjacent to the site to the east. The proposed land use designation allows uses of the Industrial Park, Light Industrial, General Commercial, and Neighborhood/Community Commercial land use categories and is compatible with the allowed uses of the Industrial Park land use designation on the adjacent parcels. Interstate 880 and Montague Expressway provide access to the site and serve as functional buffer between the subject site and land uses to the north and residential uses to the east.

### **ENVIRONMENTAL REVIEW**

An Addendum to the North San José Development Policies Update EIR was prepared for the proposed General Plan amendment. The EIR was adopted with Resolution No. 72768 on June 21, 2005. When comparing the proposed request for Combined Industrial/Commercial to the previous approval, it was concluded that no notable environmental impacts would result from the proposed amendment. The proposed change from Industrial Park to Combined Industrial/Commercial would not result in a significant change in peak hour automobile trips. The proposal results in a net reduction in PM peak hour trips and is below the exemption threshold established for this area. As a result, the project is exempt from a computer model (CUBE) traffic impact analysis.

Because the General Plan amendment does not raise important new issues about the effects on the environment that were not previously disclosed in the EIR, the General Plan amendment is adequately covered through an Addendum to the EIR for the previous project. Any future development proposal under the requested land use designation of Combined Industrial/Commercial would be required to undergo project-specific environmental review.

### **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 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)**
- Criterion 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)**

Notice of the Fall 2008 hearings on the General Plan was published in the San José Post-Record. A notice of the public hearing was distributed to the owners and tenants of all properties located within 1,000 feet of the project site and posted on the City website. The General Plan amendment was presented to the Developers Roundtable on September 12, 2008 and the Neighborhood Roundtable on September 16, 2008. This staff report is also posted on the City's website. Staff has been available to respond to questions from the public.

#### *North San José Neighborhoods Planning Taskforce*

Due to the extensive community outreach conducted as part of the North San José Neighborhoods Planning Taskforce (Taskforce) a separate community meeting was not held on the General Plan amendment proposal. Membership of the Taskforce was appointed by the City Council on August 28, 2007. The Taskforce was a forum for the residents and stakeholders of the Rincon de Los Esteros Redevelopment Project Area and surrounding neighborhoods to develop Guiding Principles, which were subsequently accepted by the Redevelopment Agency Board and City Council. The Taskforce was composed of 16 members (ten residents, three business/property owners, and representatives from the South Bay Labor Council and the Chamber of Commerce), and chaired by Council Member Chu. The Taskforce held 15 meetings, beginning July 25, 2007 and concluding March 6, 2008. Topics covered included: schools, parks and recreation, retail, transportation, transit, libraries, water supply, place making, urban design guidelines, health care and public art. As a final product of the Taskforce process, the Taskforce unanimously adopted a set of Guiding Principles for future planning and development activity in the North San José Policy area, including a set of recommendations for retail design guidelines, retail site criteria, and key elements for retail uses. Reports specifically addressing retail, education and parks and recreational facilities were prepared for and reviewed by the Taskforce as a step leading up to the formation of the Guiding Principles. The subject site was identified by the Taskforce in the North San José Neighborhoods Planning Taskforce Report on Retail as a potentially viable retail site.

#### *Outreach to Property Owners*

Planning staff formally contacted the property owner of record by letter, dated August 22, 2008, and by email to notify them of the proposed General Plan amendment. Concurrently, the Office of Economic Development and Planning staff has made informal contact with the property owner to discuss the proposed change.

Staff conducted outreach by phone to the property owners of parcels neighboring the site. Staff's intent was to inform and get feedback from the property owners of the proposed General Plan amendment and the potential for additional land use amendments to Combined Industrial/Commercial on other parcels south of the site between O'Toole Avenue and Interstate 880. Staff was able to contact property owner representatives of three of the surrounding parcels including the Shell site, located southwest of the site, at 2165 O'Toole Avenue. The representative of Shell Oil Company indicated that he did not have any concerns about the land use change in relation to Shell's existing operations. The property owner's representative of 912 Rincon Circle, located south of the site, was supportive of retail uses overall in this area. The property owner's representative of 2140, 2150, and 2152 O'Toole Avenue, located south of the subject site, expressed support for the proposed General Plan amendment, but informed staff that, while land use amendments to allow retail on other parcels south of the site could allow for an expanded tenant base, she had reservations about converting additional sites to Combined Industrial/Commercial with the intent of encouraging additional retail development due to parking limitations and operational challenges of the existing one-way circulation on O'Toole Avenue. Staff will further analyze these concerns in the future as appropriate when additional General Plan amendments are initiated for sites in the vicinity.

*Tribal Consultation*

This General Plan amendment is subject to the State of California Tribal Consultation Guidelines and was referred to the tribal representatives. Staff requested a 60-day response timeframe in order to meet deadlines for the subject hearing dates. To date, no comments from tribal representatives on the subject General Plan amendment request have been received.

**General Correspondence**

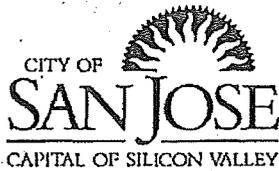
No correspondence from the general public has been received on this proposed General Plan amendment.

**CONCLUSION**

The proposed General Plan amendment allows a mixture of commercial or industrial uses, including land uses allowed under the existing Industrial Park land use designation, and can facilitate intensification or redevelopment of the site for commercial or industrial uses, maximize opportunities for increased tax revenue, reduce tax leakage to neighboring cities, provide job opportunities, and meet the projected demand for services in anticipation of the housing and job growth in the North San José Development Policy Area. Approval of this amendment will further the goals related to retail set forth in several City policies and implement direction previously provided by the City Council.

**Project Manager:** Rachel Roberts **Approved by:** Andrew Calotee **Date:** 11/12/08

|  |   |
|--|---|
| <b>Owner/Applicant:</b>  | <b>Attachments:</b>   |
| Carr NP Properties, LLC/Equity Property Tax Group, LLC-Owner<br>City of San José-Applicant | -Dept of Transportation Memo dated 9-4-08<br>-Fire Department Memo dated 8-6-08<br>-Public Works Memo dated 8-4-08<br>-Valley Transportation Authority Memo dated 7-31-08<br>-Consideration of the Recommendations of the North San José Neighborhoods Planning Taskforce Memo dated 4-4-08<br>-Excerpt from June Budget Message For Fiscal Year 2008-2009 dated 6-6-08, pages 16 and 17 of 29<br>-Addendum to the "North San José Development Policies Update EIR" |



# Memorandum

**TO:** Jenny Nusbaum  
Planning, Building  
and Code Enforcement

**FROM:** P. Paul Ma

**SUBJECT:** TRAFFIC IMPACT ANALYSIS  
REQUIREMENTS FOR GPAs  
SUBMITTED AUGUST 2008

**DATE:** 9-4-08

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Approved

Date

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This memorandum shall supersede the memorandum dated September 2, 2008, of the same subject.

We have reviewed the General Plan Amendments (GPAs) on file as of August 26, 2008. Based on the land use data provided, our comments with respect to traffic impact analysis requirements are shown on the attached table.

The Department of Transportation will issue a memorandum for each GPA for the project file. For the GPAs that require a model analysis, the memorandum will summarize the findings of the analysis:

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

P. PAUL MA  
Transportation Systems Planning Manager  
Department of Transportation

PM

attachment

cc: Allen Tai  
Bill Roth  
Rachel Roberts  
Ella Samonsky  
Reena Mathew

ATTACHMENT

Traffic Impact Analysis Requirements for  
General Plan Amendments Submitted  
August 2008

| <u>File Number</u>         | <u>Comments</u>         |
|----------------------------|-------------------------|
| GP07-04-03                 | Exempt                  |
| GP07-07-01                 | Exempt                  |
| GP07-07-01 (Alternative)   | Exempt                  |
| GP07-10-02                 | Exempt                  |
| GP08-06-01                 | Exempt                  |
| GP08-08-02                 | Model Analysis Required |
| GP08-08-03                 | Model Analysis Required |
| GP08-08-03 (Alternative)   | Model Analysis Required |
| GP08-08-04                 | Model Analysis Required |
| GP08-08-05                 | Exempt                  |
| GP08-04-01                 | Exempt                  |
| GP08-04-02                 | Model Analysis Required |
| GP08-05-01                 | Exempt                  |
| GP08-T-08 (Jackson/Taylor) | Model Analysis Required |



# Memorandum

To: Rachel Roberts

From: Du Lam

SUBJECT: INITIAL RESPONSE TO  
DEVELOPMENT APPLICATION

DATE: 08/06/08

Re: Plan Review Comments

PLANNING NO: GP08-04-01

DESCRIPTION: DIRECTOR INITIATED GENERAL PLAN AMENDMENT request to change the Land Use/Transportation Diagram designation from Industrial Park to Combined Industrial/Commercial on an 8.5-acre site (CARR NP PROPERTIES LLC and CARRAMERICA REALTY OP, Owners).

LOCATION: southeast corner of Montague Expressway and O'Toole Avenue

ADDRESS: southeast corner of Montague Expressway and O'Toole Avenue (1060 RINCON CL)

FOLDER #: 08 029038 AO

The Fire Department's review was limited to verifying compliance of the project to Article 9, Appendix B, and Appendix C of the 2007 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.

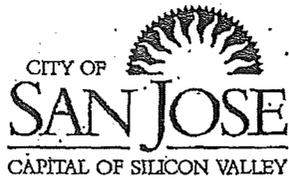
The application provided does not include adequate information for our review. Fire Department staff will provide further review and comments when additional information is received as part of subsequent permit applications.

Du Lam

Associate Engineer

Bureau of Fire Prevention

408-535-7711



# Memorandum

**TO:** Rachel Roberts  
Planning and Building

**FROM:** Ryan Do  
Public Works

**SUBJECT:** RESPONSE TO GENERAL PLAN AMENDMENT APPLICATION      **DATE:** 08/04/08

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**PLANNING NO.:** GP08-04-01  
**DESCRIPTION:** DIRECTOR INITIATED GENERAL PLAN AMENDMENT request to change the Land Use/Transportation Diagram designation from Industrial Park to Combined Industrial/Commercial on an 8.5-acre site (CARR NP PROPERTIES LLC and CARRAMERICA REALTY OP, Owners).  
**LOCATION:** Southeast corner of Montague Expressway and O'Toole Avenue  
**P.W. NUMBER:** 3-03710

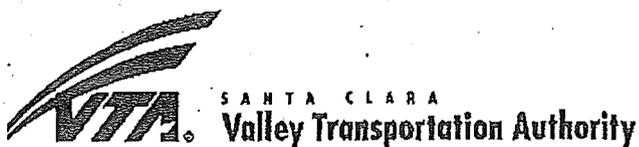
Public Works received the subject project on 07/17/08 and submits the following comments:

NO Flood Zone  
NO Geological Hazard Zone  
NO State Landslide Zone  
YES State Liquefaction Zone  
NO Inadequate Sanitary capacity  
NO Inadequate Storm capacity  
NO Major Access Constraints  
NO Near-Term Traffic Impact Analysis

Please contact me at 535-6897 or Asad Rajbhoy at 535-7878 if you have any questions.

Ryan Do  
Acting Senior Engineer  
Transportation and Development Services Division

RD:ar



July 31, 2008

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

Attention: Rachel Roberts

Subject: City File No. GP08-04-01 / Montague-O'Toole GPA

Dear Ms. Roberts:

Santa Clara Valley Transportation Authority (VTA) staff have reviewed the General Plan amendment for combined industrial/commercial use on 8.5 acres at the southeast corner of Montague Expressway and O'Toole Avenue. We have no comments at this time.

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

Sincerely,

A handwritten signature in black ink, appearing to read "RM", is written over the word "Sincerely,".

Roy Molseed  
Senior Environmental Planner

RM:kh



## Memorandum

**TO:** HONORABLE MAYOR,  
CITY COUNCIL AND  
AGENCY BOARD.

**FROM:** Harry S. Mavrogenes  
Debra Figone

**SUBJECT:** SEE BELOW

**DATE:** April 4, 2008

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**SUBJECT:** CONSIDERATION OF THE RECOMMENDATIONS OF THE  
NORTH SAN JOSE NEIGHBORHOODS PLANNING TASKFORCE

### RECOMMENDATION

It is recommended that the City Council and Redevelopment Agency Board:

- (a) Accept the final guiding principles and recommendations of the North San Jose Neighborhoods Planning Taskforce.
- (b) Accept the Schools Report, Parks and Recreation Report, Retail Report and neighborhood maps presented to the North San Jose Neighborhoods Planning Taskforce.
- (c) Direct the City Manager and Executive Director to develop an Implementation Strategy for North San Jose including design guidelines and an ongoing approach to involving the public, using the guiding principles and recommendations of the North San Jose Neighborhoods Planning Taskforce.

### OUTCOME

Acceptance and approval of the proposed actions will ensure that the North San Jose Neighborhoods Planning Taskforce Guiding Principles and Recommendations provide the guidance to staff for future implementation.

## BACKGROUND

### NORTH SAN JOSE AREA DEVELOPMENT POLICY

The adopted North San Jose Area Development Policy sets forth development capacity and a policy framework for the construction of up to 26.7 million square feet of new industrial/commercial office space; up to 1.7 million square feet of new neighborhood serving retail space; and up to 32,000 new residential dwelling units within North San Jose. The new residential development capacity was created in part through the potential conversion of up to 285 acres of existing industrial lands to residential use at minimum densities of either 55 DU/AC (up to 200 acres) or 90 DU/AC (up to 85 acres). The adopted Policy includes guiding principles for the conversion of this land to residential use and establishes a process for staff to work with property developers and the community to implement the Policy's goals.

### NORTH SAN JOSE NEIGHBORHOODS PLANNING TASKFORCE

At the August 28, 2007, City Council meeting, the Council appointed the membership of the North San Jose Neighborhoods Planning Taskforce. On September 25, 2007, the City Council voted to approve the work program developed by the Taskforce and gave direction to continue the processing of permit applications within the North San Jose Policy area concurrent with the Taskforce process.

The City Council's directed purpose of the North San Jose Neighborhoods Planning Taskforce was to actively engage the North San Jose residential and business communities in a Taskforce to contribute to the preparation of an Implementation Strategy for the North San Jose Area Development Policy. The Taskforce was a forum for the residents and stakeholders of the Rincon de Los Esteros Redevelopment Project Area and surrounding neighborhoods to develop recommended Guiding Principles for City Council and Redevelopment Agency Board consideration.

The Taskforce was composed of 16 members, including Councilmember Chu (Chair), ten residents of North San Jose neighborhoods, three business/property owners and representatives from the South Bay Labor Council and the Chamber of Commerce. The Taskforce held 15 meetings beginning July 25, 2007, and concluding on March 6, 2008, covering the work program topics that the Taskforce identified at its initial meeting. The topics covered included: schools, parks and recreation, retail, transportation, transit, libraries, water supply, place

making, urban design guidelines, health care and public art. In addition to the full Taskforce meetings a number of subcommittees were formed and met to explore key issues in greater depth.

As a final product of the Taskforce process, the Taskforce unanimously adopted a set of Guiding Principles for future planning and development activity in the North San Jose Policy area. Based upon the input of the Taskforce, a North San Jose Implementation Strategy is under preparation. The Implementation Strategy will include the Guiding Principles, design guidelines, neighborhood master plans and strategies for the further implementation of the North San Jose Area Development Policy.

#### TASKFORCE GUIDING PRINCIPLES

The guiding principles unanimously adopted by the Taskforce lay out a vision for North San Jose and six cross-cutting guiding principles found below in their entirety:

##### VISION STATEMENT

“The San Jose of the future is found in North San Jose. Connecting the historic downtown to the refuge afforded by the San Francisco Bay and Alviso, North San Jose forms a crucible of talent, innovation and opportunity.

This new urban uptown responds to the changing nature of work, creating a place like no other in the City where home, work and community can be integrated.

- A world class network of parks and trails that connect to the natural rivers and creeks.
- Schools that nurture students, preparing them to lead in the future.
- Vibrant, interesting and creative places to gather, shop, meet.
- Opportunities to work outside of the confines of an office or commute to the office next door on your bicycle.
- Creative businesses that redefine our daily life with new products and services that we haven't even dreamed of.
- Neighborhoods that residents are proud to call home.

#### CROSS CUTTING GUIDING PRINCIPLES

- A. Urban Form – Maintain an urban design approach to realize the recommended densities and increase available land for economic and public open space uses.
- B. Secure public sites early – Prioritize purchase of public use sites (Parks, Schools, Community Centers and Library) in early phases of the plan.
- C. Creative financing – Apply creative financial strategies to ensure timely development of public use facilities consistent with growth in private sector development (e.g., create mechanisms for making funds available when needed).
- D. Green Building – Emphasize (or encourage) the use of sustainable design principles in new and existing private and public developments.
- E. Transit Oriented Development- Encourage transit oriented development including pedestrian and bicycle friendly design.
- F. Industrial Growth - Encourage industrial and job growth in North San Jose.”

In addition the guiding principles contain a series of recommendations in 11 specific areas:

1. Parks and Recreation
2. Libraries
3. Schools
4. Transportation
5. Water Supply
6. Retail
7. Central Place and Place Making
8. Urban Design
9. Health Care
10. Public Art
11. Rincon South/Rosemary Gardens

The complete set of recommended guiding principles for each of these areas is included as Attachment A to this Memorandum. In addition, the North San Jose Neighborhoods Planning Taskforce unanimously accepted reports on schools, parks and recreation, retail and a set of maps. These reports and maps are included as Attachments B - E.

## SCHOOLS REPORT SUMMARY

Four school districts serve the students in North San Jose: Santa Clara Unified School District (K-12), Orchard School District (K-8), Eastside Union High School District (9-12) and San Jose Unified School District (K-12). Each school district is responsible, independently of the City, for providing educational services, including school facilities, within its boundaries. Most of the residential development impact and potential school sites are located within the Santa Clara Unified School District boundaries. A working committee of the school districts and City and Agency staff dealt with three primary issues:

1. How many students would be generated from the new residential housing and thus how many schools would be needed?
2. Where would the new schools be located?
3. How would school construction be financed?

Santa Clara Unified School District (SCUSD), with Agency funds, retained School House Services Inc., to conduct a Student Generation Rate (SGR) study. The result of this study predicted a SGR of 0.22 students per unit for SCUSD schools, or as many as 3,500 students from 16,000 living units within SCUSD boundaries. This would translate to 3.25 new K-5 or K-8 schools and one small high school. The estimated land and construction cost for two elementary schools, one elementary/middle school and one small high school would range from \$227 to \$266 million.

The City and Agency's internal SGR study, based on data from the City's Housing Department, the experience of existing development in North San Jose, and the proposals being considered by Planning for the 8,000 units in the pipeline, predicted fewer than 1,000 students for all 32,000 living units resulting in the need for only one school. Staffs from the Orchard and San Jose school districts believe that they have the current capacity to house students generated out of new residential units within their boundaries. Staffs from the East Side Union High School District believe that construction in North San Jose and Berryessa areas will ultimately require a new high school.

The working committee recognized that many variables contribute to the number of families and the number of students generated by new residential development. Neither the City nor the school districts could afford to under build or over build schools. Therefore, the working committee recommends that SCUSD proceed

with the development of one K-5 or K-8 school in the short term and purchase the land for two or three additional schools and one high school to have it banked for future development in the event additional school sites are needed.

The working committee, the Schools subcommittee of the North San Jose Task Force and the SCUSD internal School Site Selection Committee developed guidelines for determining ideal school sites. Each group independently reviewed available locations and recommended six potential school site locations: Agnews Developmental Center, North River Oaks, Moitozo, George Mayne School expansion, VTA on N. First Street and Bay Pointe.

The report recommends the four school districts engage in a discussion to potentially adjust district boundaries. Modification of school district boundaries could reduce or eliminate the need for students to cross boundaries en route to school or allow students to attend a school nearer to their home. School districts are also strongly encouraged to build "urban schools" with two to three story classrooms buildings, consistent with the urban character of North San Jose.

The cost of land acquisition and school construction funding are the responsibility of each school district. By state law cities may only mitigate school impacts through the statutory school mitigation fee. However, the current school mitigation fees on new development are likely inadequate to provide funding for land acquisition or school construction, especially if more than one school is required. The school districts, especially Santa Clara Unified, may have to seek alternative funding sources including State Matching School Construction Grants, increased developer contributions or a Community Facilities District tax.

#### PARKS AND RECREATION REPORT SUMMARY

Staff from the Department of Parks, Recreation, and Neighborhood Services addressed the concerns of the North San Jose Neighborhoods Planning Taskforce at three different Task Force meetings, and conducted various subcommittee meetings to present its base implementation plan as defined in the Parks and Recreation Facilities Report. The 2005 Development Policy recognizes that a significant number of new park facilities and other community facilities such as libraries, schools, and community centers will be necessary to meet the needs generated by the construction of 32,000 new housing units. The Policy also established that initial development of parks and recreational facilities would be created under the City's Parkland Dedication and/or Park Impact Ordinances

(PDO/PIO). Staff estimated that if all 32,000 residential units are created under the Policy, this would generate an estimated \$370 million in PDO/PIO value. This dollar amount includes the value of land dedications and turnkey park projects from developers, along with the City's land acquisition and development costs.

The Parks and Recreation Facilities Report was prepared by City staff to support the findings and discussions of the North San Jose Neighborhoods Planning Taskforce and its park subcommittee recommendations through the guiding principles to create a balanced park and recreation system for North San Jose. The Taskforce understood that parks and recreation facilities are an essential component in making North San Jose a desirable place to live and work. The Taskforce envisioned the need for several new neighborhood parks, community park(s) and recreation facilities, such as, a community center, a basketball gymnasium and a large family swim center to serve both the existing and the estimated 71,000 new residents anticipated to move into the area along with 83,000 new jobs. The Taskforce recommends a development scenario that would provide approximately 76 acres of new developed park lands to include a 30,000 sf. community center, a 15,000 sf. Gymnasium, a large family swim center, a four field softball complex with a cricket overlay field, a four field soccer complex with a cricket overlay field, pick up game fields in some of the larger neighborhood parks, trail development in the area along with a central urban plaza/park with a major art piece and 9 to 11 turnkey neighborhood park developments.

The table below indicates a development schedule agreed to by the Taskforce, as the base line of development for parks and recreational facilities to serve the Policy Area. If additional funding becomes available to expand on these parks and recreational facilities, the Taskforce recommends that the City will move forward to acquire additional parklands.

Recreational Development under the PDO/PIO at \$370 M

| Phase 1 - Short Term  | Phase 2 - Mid Term  | Phase 3 - Mid Term   | Phase 4 - Long Term  |
|---|---|--|--|
| 20 Acres of Neighborhood Developed Parklands.<br>5 Ac. Soccer Fields at Vista Montana Trails/Pathway Dev. | 5 Acres of Neighborhood Developed Parklands.<br>Collect fees for Land Acquisitions<br>Urban Plaza Dev.<br>Trails/Pathway Dev. | 5 Acres of Neighborhood Developed Parklands.<br>Community Center*1<br>Sports Fields*2<br>Skate Feature*3 | 5 Acres of Neighborhood Developed Parklands.<br>Gym and Pool Dev.*1<br>Sports Fields*2<br>Trail/Pathway Dev.*3 |

\*1 \*2 \*3 Interchangeable items between Phase 3 and 4

## OPERATIONS & MAINTENANCE COSTS

The operating and maintenance costs associated with 75 acres of park grounds and 1 acre of buildings (community center, joint pool and gym complex, and restroom/concession buildings) is approximately \$3.5 million. The bulk of these funds come from the City's General Fund to support the ongoing operations and maintenance of the Parks, Recreation, and Neighborhood Services Department.

This equates into a five percent increase in General Fund allocations to the Department of Parks, Recreation, and Neighborhood Services by the City in order to fully staff and maintain the facilities proposed in the Report for North San Jose. Request for additional allocations will occur when the new facilities come on line for City operations and maintenance.

In addition, several developers have indicated a willingness to consider having HOA's or their own companies being responsible for ongoing park maintenance. This should be explored more fully as part of the forthcoming implementation plan.

## RETAIL REPORT SUMMARY

The Retail Report and the Taskforce's Guiding Principles build upon the retail land use and function as set forth in the North San Jose Policy and the Policy EIR. The Report assumes that retail will contribute to the overall success of North San Jose as a competitive and globally prominent high tech employment center. Therefore the Retail Report and the Taskforce's related Guiding Principles provide a framework to guide and direct market driven retail development so it best benefits the employment and residential uses anticipated over the next thirty years. To address this context, the Retail Report

- Estimates market demand.
- Identifies the most likely retail sites.
- Recognizes that private land owners have the option to develop retail among other alternatives.
- Recognizes the retail development must be economically viable, and attractive to retailers and customers to be successful.
- Provides background information on North San Jose and the retail industry as a basis for the Taskforce's Guiding Principles on Retail.

The Taskforce's Guiding Principles on Retail direct development of Design Guidelines with the intent to create a sense of place, to ensure quality development and to encourage locations that are most likely for retail because they have strong visibility, access and market. The Guiding Principles recognize that the retail will take three primary forms: amenity retail that is part of a larger employment or residential complex, neighborhood retail centers that will include anchor retailers, and potentially a regional serving retail center at the edge of the North San Jose Policy Area that will serve North San Jose and adjacent areas. In all these forms, the primary Taskforce direction is to create place, and thereby contribute to the competitive and desirable high tech employment center envisioned in the North San Jose Policy and the Taskforce's Guiding Principles.

### ANALYSIS

The efforts of North San Jose Neighborhoods Taskforce efforts will guide the successful implementation of the North San Jose Area Development Policy. In the short term, they will form the basis for the development of an Implementation Strategy, including design guidelines, for the City to evaluate future development proposals for compliance with the Community's vision for North San Jose. The completion of the taskforce process will also allow the City to confidently proceed with the implementation of the North San Jose Area Development Policy, knowing that residents and development interests have had the opportunity to discuss and provide input on the future of North San Jose. The taskforce helped to further define the high expectations of the City and residents with respect to the character and quality of future development in North San Jose.

In supporting the development of North San Jose as a job growth center, promoting urban form and transit-oriented development and reinforcing elements such as the grid street system, the Taskforce Guiding Principles reinforce the key goals of the adopted North San Jose Area Development Policy. The Guiding Principles further expand and articulate this vision with a forward-looking Vision Statement that promotes the next evolution of the way in which business is conducted in a technology based economy.

The Guiding Principles include guidance for the physical form for new public and private development projects. The Guiding Principles anticipate the preparation, underway, of design guidelines for the North San Jose Policy area and provide direction for the development of those guidelines. Staff will continue to work with the City's consultant to prepare the guidelines consistent with the Taskforce's Guiding Principles and can analyze their consistency when the guidelines are brought to the City Council as part of an Implementation Strategy.

Public Art Strategy is addressed in these Guiding Principles and the desired goals of the strategy are to:

- Develop guidelines for incorporating public art into the public realm.
- Develop guidelines for private developers that choose to commission public art strictly on a voluntary basis.
- Identify opportunities for key catalytic projects to be commissioned by the public art program when funds are available.

Retail Site Criteria included within the Taskforce Guiding Principles indicate that the City should "Preserve site opportunities for Neighborhood and Regional Retail the promote market viability." This and related text suggests that the City should take some action to proactively identify retail sites within North San Jose. Similarly, the Guiding Principles identify "Central Place Making" as an important goal for new development in North San Jose and ask that a central, vibrant, urban center be established within North San Jose to serve as a focal point and gathering place for both the business and residential communities. Staff will further consider strategies for the implementation of these Principles, including possible City-initiated General Plan Land Use Diagram changes or the use of the Implementation Strategy as a guiding policy document. A preferred approach can be recommended by staff when the Implementation Strategy is brought forward for Council consideration.

The Guiding Principles, supported by the Schools, Parks and Recreation, and Retail Reports, are consistent with the adopted North San Jose Area Development Policy and provide highly useful guidance for the continued implementation of the Policy. Moving forward with the preparation of the Implementation Strategy will allow staff to complete the work program established by the City Council.

It is recommended that the City Council accept the proposed Guiding Principles and associated reports as the work of the North San Jose Neighborhoods Planning Taskforce in completion of the North San Jose Taskforce effort and direct staff to proceed with the preparation of an Implementation Strategy for the North San Jose Area Development Policy

#### EVALUATION AND FOLLOW-UP

The Taskforce's Guiding Principles for North San Jose will form the basis for the preparation of the North San Jose Implementation Strategy (including Design Guidelines). In addition, staff will utilize the Taskforce's Guiding Principles in its

review of proposed development project's in North San Jose. Staff Reports for individual projects in North San Jose will include a discussion of a proposal's consistency with the Taskforce's Guiding Principles.

Communication with the public will continue through a web site maintained by the City that will include access to:

- Planning project updates
- Planning approvals (archive)
- Taskforce Guiding Principles and supporting documents
- Presentations to the Taskforce (archive)
- City Council and Redevelopment Agency Board actions
- Current documents related to North San Jose, as they become available.
- Staff contact information

In addition, staff recommends that annual North San Jose community updates be planned.

#### PUBLIC OUTREACH/INTEREST

The North San Jose Neighborhoods Planning Taskforce process and resultant recommendations are considered of significant public interest as meeting both Criterion 2 and Criterion 3 below. A significant effort was undertaken to involve the community in the process and keep them informed of the results.

This report will be posted on the City's website and made available for public review. Public notification of the 15 North San Jose Neighborhood Planning Taskforce meetings followed the City's Public Outreach Policy and included a Redevelopment Agency website dedicated to the Taskforce process. Additional information is on line at: <http://www.sjredevelopment.org/nsjtaskforce.htm>

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater.
- Criterion 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.

- ✓ **Criterion 3:** Consideration of proposed changes to service delivery, programs, or staffing that may have impacts to community services and have been identified by staff, the Board or Council, or a community group that requires special outreach.

COORDINATION

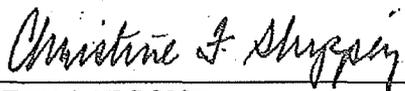
Preparation of this memo was coordinated with Planning, Building and Code Enforcement, the Office of Economic Development, Department of Transportation, Parks, Recreation, and Neighborhood Services, the City Attorney's Office and the Agency's General Counsel.

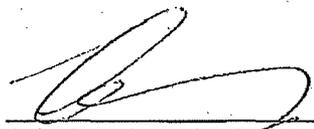
FISCAL IMPACT

The North San Jose Neighborhoods Planning Taskforce guiding principles and recommendations are consistent with applicable General Plan Major Strategies, goals, and policies, and the adopted North San Jose Area Development Policy.

CEQA

Not a Project.

*for*   
DEBRA FIGONE  
City Manager

  
HARRY S. MAVROGENES  
Executive Director

Attachments

## Excerpt

June Budget Message for Fiscal Year 2008-2009  
June 17, 2008  
Page 16 of 29

Direct the City Manager and Redevelopment Agency Executive Director to evaluate what level of support they can offer to not only the Mayor and Council Offices, but city-wide to ensure adequate translation/interpretation services and meeting spaces for our residents. Allocate \$50,000 in one-time General Fund money for these services.

- x. **CAP Grants:** In the proposed budget, the CAP Grant program is funded for the next three fiscal years. Direct the City Manager to provide status on the CAP grants annually to the Neighborhood Services and Education Committee.
- y. **Addition of Code Enforcement Inspector:** Weed and Seed is a federally funded program that covers Districts 5 and 8. This area is susceptible to becoming a safe harbor for illegal dumping and vehicle abatement. The City Manager is directed to fund \$128,000 for the one-time General Fund addition of a Code Enforcement Inspector for the Weed and Seed area. (BD #40, \$128,000)

## 2. Community and Economic Development

San José must remain the Capital of Silicon Valley, and Silicon Valley must remain the innovation center of the world. That will not happen without a collaborative effort to encourage and facilitate private sector investment.

Since the job loss and economic contraction of the dot-com bust, we have made great strides to invest in making San José's economy strong and vibrant. Our economic development strategy is working. Silicon Valley businesses, investors, and developers are making major investments in new projects in our city - more than \$5 billion in the last 18 months in North San José, Edenvale, and Downtown alone. More than 6 million square feet of new office space is under construction, approved, or in the permit review process in North San José, along with nearly 9,000 housing units. In Downtown, 900 new high-rise housing and 300,000 square feet of office development is under construction.

We previously approved investing \$10 million to renovate our historic Civic Auditorium to create a first-class, live music venue which will bring visitors to our hotels and restaurants. We are also moving forward with plans to expand and modernize our Convention Center to make it competitive.

The city can also help spur investment. First, we can make San José the best city in the Bay Area in which to create and grow a business. We must continue our efforts to make our permitting process easier and faster.

As we look long-term, one of our most important strategic initiatives is San José's Green Vision, which is our roadmap to become the world's center of innovation in clean green technologies with 25,000 Clean Tech jobs.

We can help grow business. San José's Green Vision, unanimously approved in October, is an ambitious plan to build the economy and protect the environment, with a key goal of creating 25,000 new Clean Tech jobs and growing local Clean Tech companies. Our retail strategy will

Begin  
Here

help close the leakage of sales tax dollars to other cities. Our BioCenter will expand to allow more bioscience start-up companies to locate and grow in San José. We can proactively reach out to our existing corporations, encouraging our San José/Silicon Valley companies to stay here and grow here.

Every dollar that we invest in economic development must support and sustain economic expansion and promote strong growth in jobs, income, and revenue to San José. We must continue to pursue opportunities that encourage a vibrant economy; provide access to a diverse range of arts, cultural and entertainment offerings; increase the number of jobs; create and preserve healthy neighborhoods; and offer a diverse range of housing opportunities.

My goals for economic development are simple: We need to re-invest in our city and we need to make it easy to do business in San José. We need to ensure that San José is a competitive place to create, innovate, and grow a business. With strategic investments, San José can be the world's center of innovation for years to come.

#### Reinvesting in San José

**Retail Strategy:** We will continue our efforts to expand the retail base in San José to stem the leakage of retail dollars outside San José. The City Manager will initiate General Plan Amendments on appropriate retail opportunity sites by fall 2008 to position these sites for development.

END HERE

**Teach Here, Live Here Program:** The City of San José in conjunction with the Silicon Valley Education Foundation created the Teach Here, Live Here (THLH) program to provide rental assistance to teachers in the City of San José. The THLH program is designed to assist San José's 19 school districts in addition to the County Office of Education, to recruit new teachers especially those in the disciplines of math, science, and special education. The THLH program provides grants to first time teachers to help them begin their careers in San José. The program also provides grants to established teachers who are moving to San José to continue their careers here. The City Manager is directed to allocate \$100,000 from existing funds within the Low and Moderate Housing Program to support this program. This program will be administered and evaluated by the Housing Department.

**San José Sports Authority:** Due to budget reductions, the San José Sports Authority budget has been reduced by 20% since 2006-2007. The City Manager is directed to add a one-time allocation of \$100,000 to the Sports Authority to approach the actual budgeted levels of two years ago.

**Neighborhood of Distinction Concept:** The Planning, Building and Code Enforcement Department is currently preparing a workload assessment to determine if they have the resources available to research a concept that would provide further protection to distinctive homes and residential neighborhoods in San José. Pending this information, the City Manager is directed to reserve an amount of \$50,000 in the General Fund. (BD #41, \$50,000)



**ADDENDUM TO AN EIR  
USE OF A FINAL EIR PREPARED FOR A PREVIOUS PROJECT**

Pursuant to Section 15164 of the CEQA Guidelines, the City of San Jose has prepared an Addendum to an Environmental Impact Report (EIR) because minor changes made to the project that are described below do not raise important new issues about the significant impacts on the environment.

**PROJECT DESCRIPTION AND LOCATION**

GP08-04-01. GENERAL PLAN AMMENDMENT request for a project located at the southeast corner of Montague Expressway and O'Toole Avenue on an 8.5 gross-acre site in the IP-Industrial Park Zoning District to change the Land Use/Transportation Diagram designation from Industrial Park to Combined Industrial/Commercial.

Council District 4.

County Assessor's Parcel Number 237-10-237 and 237-10-236

The environmental impacts of this project were addressed by a Final Program EIR entitled, "North San Jose Development Policies Update EIR," and findings were adopted by City Council Resolution No. 72768 on June 21, 2005. Specifically, the following impacts were reviewed and found to be adequately considered by the EIR:

- |   |  |   |
|---|--|---|
| <input checked="" type="checkbox"/> Traffic and Circulation | <input checked="" type="checkbox"/> Soils and Geology      | <input checked="" type="checkbox"/> Noise                       |
| <input checked="" type="checkbox"/> Cultural Resources      | <input checked="" type="checkbox"/> Hazardous Materials    | <input checked="" type="checkbox"/> Land Use                    |
| <input checked="" type="checkbox"/> Urban Services          | <input checked="" type="checkbox"/> Biotics                | <input checked="" type="checkbox"/> Air Quality                 |
| <input checked="" type="checkbox"/> Aesthetics              | <input checked="" type="checkbox"/> Airport Considerations | <input checked="" type="checkbox"/> Microclimate                |
| <input checked="" type="checkbox"/> Energy                  | <input checked="" type="checkbox"/> Relocation Issues      | <input checked="" type="checkbox"/> Construction Period Impacts |
| <input checked="" type="checkbox"/> Transportation          | <input checked="" type="checkbox"/> Utilities              | <input checked="" type="checkbox"/> Facilities and Services     |
| <input checked="" type="checkbox"/> Water Quality           | <input type="checkbox"/> _____                             |   |

Rachel Roberts  
Project Manager

Joseph Horwedel, Director  
Planning, Building and Code Enforcement

11/13/08  
Date

Akani Danielson  
Deputy

## **PURPOSE**

The purpose of this Addendum is to document any environmental impacts associated with the proposed General Plan Amendment to change the Land Use/Transportation Diagram designation of the subject site from Industrial Park to Combined Industrial/Commercial.

## **PROJECT LOCATION**

The project site is located within the North San José Development Policy Area, the Rincon de los Esteros Redevelopment Project Area, and the City of San José North San Jose Planning Area.

The subject property is approximately 8.5 acres and is bound by Montague Expressway and the Interstate 880 southbound on-ramp to the north, Interstate 880 to the east, Rincon Circle to the south, and O'Toole Avenue to the west. The surrounding area includes a mix of properties with Industrial Park and Heavy Industrial General Plan land use designations.

## **DESCRIPTION OF PREVIOUSLY APPROVED PROJECT**

The previously approved project, North San Jose Development Policies Update Program EIR, was a City of San Jose initiated proposal to intensify development allowed within the Rincon de los Esteros Redevelopment Area in the north part of the City. The proposed intensification would encourage taller office/R&D buildings along the established light rail transit (LRT) line on North First Street, and would add residential development both within a newly designated Industrial Core Area, and through expansion of the existing North San José residential areas. In support of these land use policy changes, the City also proposed to upgrade the transportation network in the area, and modify the transportation policies that currently restrict development.

This EIR addressed the impacts of developing approximately 26.7 million square feet of new industrial/office/R&D building space in the Rincon area beyond existing entitlements. Of the 26.7 million square feet, 6.7 million represents full build out of the project area under the existing FAR cap policy and 20 million square feet would be the net amount of additional development potential created through the proposed changes to current City policies. This amount of total new development would allow for approximately 83,300 new employees. In addition, the project allows for the development of up to 32,000 new dwelling units within the project area. The proposed policy changes allow for the conversion of 285 acres of existing industrial and public/quasi-public lands to residential use at minimum densities of either 55 DU/AC (utilizing up to 200 acres) or 90 DU/AC (utilizing up to 85 acres). Complete implementation of this conversion would result in a minimum of 18,650 new residential units and could result in additional units. The project also includes a proposal to allow mixed-use (residential and industrial) development within a central (Core Area) industrial area. Additional residential development could also occur through the development of properties with an existing residential General Plan designation allowing development at 20+ DU/AC. This would allow a population increase of approximately 56,640 persons.

To summarize, this EIR addresses the impacts of an amount of new industrial/R&D development that includes:

1. Development resulting from implementation of existing policies (e.g., full build-out allowed under the existing FAR caps) for lands throughout the project area that are and will continue to be designated Industrial Park (approximately 6.7 million square

feet of new floor area),

2. Development of an additional 16 million square feet within the Core Area, and
3. Development of an additional four million square feet that could be *built* anywhere in Rincon upon assignment from a pool of transferable FAR credits.

The individual elements that make up this project include:

1. General Plan Amendments - These include amendments to the Land Use/ Transportation Diagram, modifications to existing policies, and revisions to the Rincon de los Esteros Redevelopment Plan.
2. Policy Revisions - This includes modifications to the North San José Area Development Policy, the North San José Deficiency Plan, and the Floodplain Management Plan for North San José.
3. Infrastructure Implementation - This includes new and upgraded infrastructure necessary to support the proposed levels of development.

#### **PROPOSED CHANGE TO THE APPROVED PROJECT**

The project proposes a General Plan Amendment to change the land use designation from Industrial Park to Combined Industrial/Commercial. Currently there are no applications on file for a specific development proposal on this site.

#### **RELATIONSHIP TO NORTH SAN JOSÉ AREA DEVELOPMENT POLICY**

The North San José Area Development Policy established capacity for development of industrial and commercial support uses within the Policy area. Depending on the proposed future use(s), additional project specific traffic analysis may be required to demonstrate conformance with the North San José Area Development Policy.

#### **ENVIRONMENTAL IMPACTS OF PROPOSED CHANGE TO THE APPROVED PROJECT**

When comparing the proposal to the previously approved project, no notable environmental impacts would result. The following discussion describes the minor changes in the environmental impacts of the proposed project as it relates to traffic and circulation.

##### *Traffic and Circulation*

Based on the City of San José's trip generation rates, the requested change from Industrial Park to Combined Industrial/Commercial would not result in a significant change in peak hour trips. The proposal results in a net reduction in PM peak hour trips and is below the exemption threshold established for this area. Therefore, the proposed project is exempt from a computer model (CUBE) traffic impact analysis.

#### **CONCLUSION**

The proposed Combined Industrial/Commercial land use category is intended for commercial, office, or industrial developments or a compatible mixture of these uses. The City of San José General Plan states that the uses of the Industrial Park land use category are consistent with the Combined Industrial/Commercial category. The General Plan provides examples of non-

industrial uses that include, but are not limited to, primary or secondary schools, hotels and motels, nightclubs, churches, free standing daycare centers, big box retailers, large gymnasiums, sports or arts instruction facilities, and hospitals.

The proposed project would not result in impacts that were not previously reviewed and adequately considered by the Environmental Impact Report for the previously approved project, in that there is little difference between the current (Industrial Park) and proposed (Combined Industrial/Commercial) land use designations in terms of allowable uses and intensity and pattern of development. Impacts associated with vehicle trips, i.e., transportation, regional air emissions, and roadway noise, would be reduced under the proposed General Plan designation.

Any future development proposal(s) under the requested or current land use designation would be required to undergo project specific environmental review.