

STAFF REPORT
CITY COUNCIL

FILE NO.: PDC12-019

Submitted: 07/24/12

PROJECT DESCRIPTION:

Conforming Planned Development Rezoning from IP(PD) to IP(PD) to allow banquet facilities and meeting rooms in conjunction with the cardrooms and tower in the existing Cardroom and Hotel development on an approximately 6.08 gross-acre site.

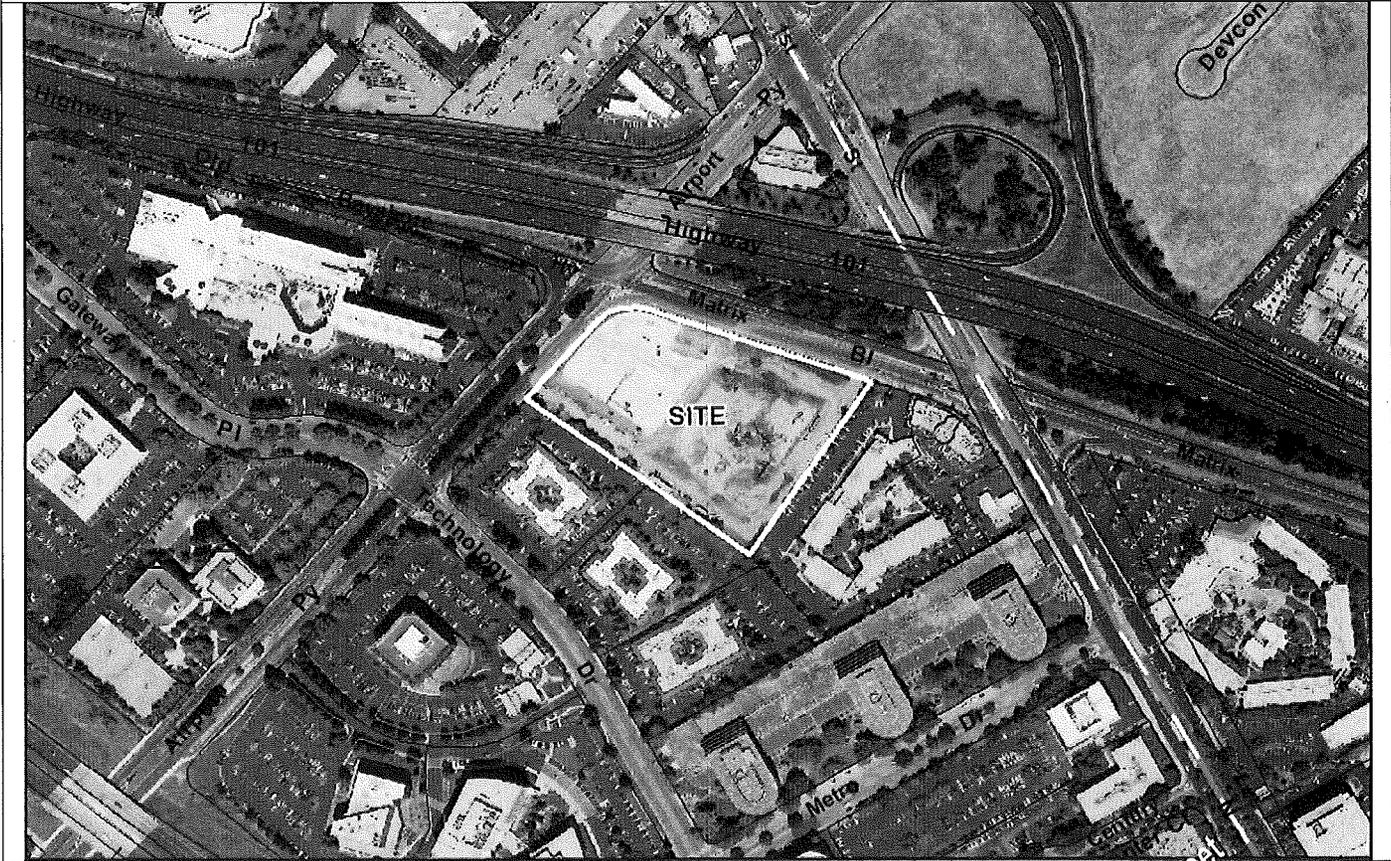
LOCATION: Southeast corner of Airport Parkway and Matrix Boulevard (1887 Matrix Boulevard).

Existing Zoning	IP(PD) Planned Development
Proposed Zoning	IP(PD) Planned Development
General Plan	Industrial Park within the Rincon South 1 Urban Village
Council District	3
Annexation Date	May 1958
SNI	N/A
Historic Resource	No
Redevelopment Area	Rincon de Los Esteros
Specific Plan	Rincon South Planned Community and Specific Plan (Retired)
CEQA	Use of Envision San José 2040 EIR

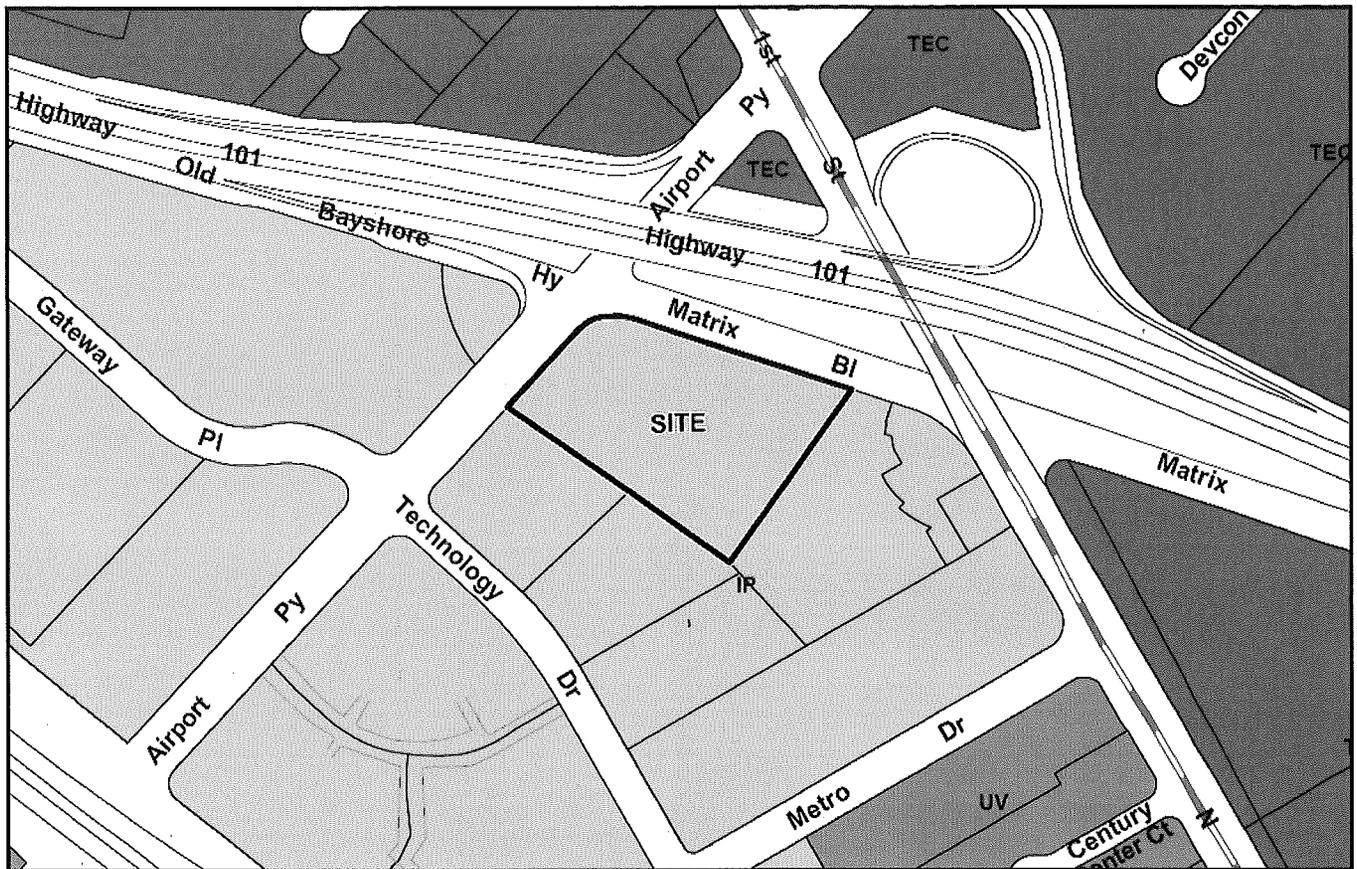
Aerial Map

N

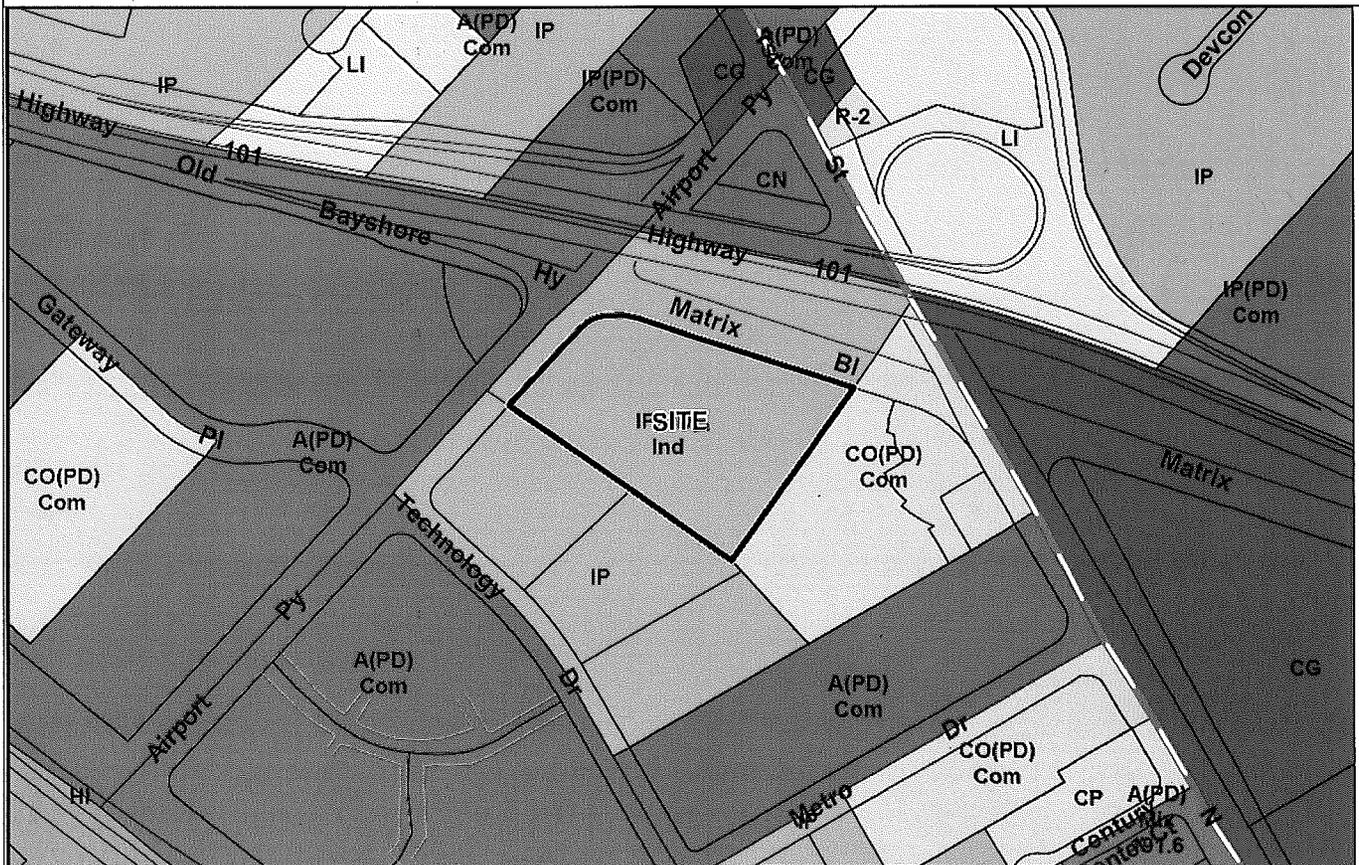
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GENERAL PLAN



ZONING



RECOMMENDATION

Planning staff recommends that the City Council approve the proposed Conforming Planned Development Rezoning for the following reasons:

1. The proposed rezoning is consistent with the Land Use/Transportation Diagram of Industrial Park within the Rincon South 1 Urban Village in the Envision San José 2040 General Plan.
2. The expanded range of commercial land uses would create greater opportunities for revenue-generation that are consistent with several of the Rincon South Specific Plan and the Envision San José 2040 General Plan goals and policies for economic development and compatible surrounding land uses.

BACKGROUND

On July 24, 2012, an application for a rezoning of the subject site was submitted by Mr. Brian Turpin of TransGlobal Development, LLC on behalf of Airport Parkway Two LLC. The Matrix Casino currently operates cardrooms and public eating and drinking establishments on the subject site in existing buildings approved in 2011 (PD10-025) within a Planned Development Zoning District approved in 2010 (PDC10-003).

The current zoning allows all the uses of the IP Industrial Park Zoning District and additional uses including Public Eating and Drinking Establishments, Indoor Theatres, and Offstreet Parking Establishments. Building setbacks are as per the IP Industrial Park Zoning District, and the maximum allowable building height is 220 feet.

The existing site consists of an approximately 88,000-square-foot casino building complex with surface parking on approximately 6.08 acres. The development includes a single-story main cardroom area and an 8-story commercial tower with late-night use. The tower is approximately 165 feet in height. The site is located within close proximity to Mineta International Airport. Surrounding uses include hotels, commercial office and industrial park buildings, and commercial retail development. The site has immediate access from Highway 101.

Project Description

The applicant is requesting a Conforming Planned Development Rezoning of the subject site to add banquet facilities and meeting rooms as allowable uses in conjunction with the currently allowable uses for the existing onsite development.

ANALYSIS

Analysis of this project includes a discussion of the proposal and its conformance with the Envision San José 2040 General Plan, a review of the proposed development standards, and environmental review.

General Plan/Specific Plan Conformance

The subject site is designated Industrial Park within the Rincon South 1 Urban Village, (formerly the Rincon South Specific Plan). The former Rincon South Specific Plan provides land use guidance for the two Urban Villages located within the Rincon South area. An objective of the Rincon South Planned Community and Specific Plan is to “promote economic development to improve the City’s jobs-housing balance through the protection of existing industrial and commercial uses in certain areas and by the promotion of new office, industrial, research and development, and hotel uses where appropriate.” The proposed Conforming Planned Development Rezoning allows industrial, commercial, and hotel development with the addition of banquet facilities and meeting rooms as allowable uses in conjunction with the cardrooms and tower. Banquet facilities and meetings rooms are commercial uses consistent with the Rincon South Specific Plan objective.

This expanded range of commercial land uses creates greater opportunities for revenue generation that is consistent with several of the Rincon South Specific Plan and the Envision San José 2040 General Plan goals and policies for economic development of commercial land uses compatible with industrial land uses.

1. The proposed project supports the intent of Envision San José 2040 General Plan Policies for a Diverse and Innovative Economy for business growth and retention in San José and to address the need to provide broad economic prosperity by creating revenue growth for the City that enables the delivery of needed infrastructure and urban services.
2. The Project supports the General Plan Commercial Land Use Goal to establish commercial uses that maximize revenue to the City to achieve fiscal sustainability.
3. Additionally, the proposal supports the General Plan Industrial Land Use Goal of allowing compatible commercial uses in industrial areas.

The subject site’s close proximity to the Norman Y. Mineta San José International Airport, the Guadalupe Transit Oriented Development Corridor, and Highways 87 and 101 support the location of more destination uses such as a full-service hotel and cardrooms with associated commercial uses such as banquet facilities and meeting rooms, and the location in the Rincon South 1 Urban Village minimizes the potential for transportation related impacts on the Rosemary Gardens residential neighborhood.

Conforming Rezoning Proposed Development Standards

The proposed development standards (see Attachment 1) conform to the existing approved Planned Development Zoning District’s development standards with the addition of banquet facilities and meeting rooms as allowed uses, and with environmental mitigation updated to reference the measures required under the existing approved zoning (PDC10-003). This minor addition to the range of allowed uses meets the criterion for the proposed zoning to be considered a Conforming Planned Development Zoning as defined in Section 20.120.100 of Title 20 of the San José Municipal Code (The City of San José Zoning Ordinance) in that the proposed zoning conforms to the General Plan land use designation of Industrial Park within the Rincon South 1 Urban Village. Therefore, the proposed zoning does not have to be considered in a public hearing with the Planning Commission prior to being considered for approval or denial by the City Council.

Environmental Review

July 30, 2012

Subject: File No. PDC12-019

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Pursuant to Section 15168 of the CEQA Guidelines, the City of San José has determined that the project is in furtherance of the Final Environmental Impact Report (EIR) for the Envision San José 2040 General Plan entitled, "Envision San José 2040 General Plan," and findings were adopted by City Council Resolution No. 76041 on November 1, 2011. The project does not involve new significant effects beyond those analyzed in this Final EIR. Therefore, the City of San José may take action on the project as being within the scope of the Final EIR.

CONCLUSION

By adding banquet facilities and meeting rooms as allowable uses to the existing uses previously approved in 2010 under the Planned Development Rezoning File No. PDC10-003, the proposed Conforming Planned Development Rezoning provides for an expanded range of uses as compared to the existing zoning. The mix of uses in the proposed rezoning supports the objectives of the General Plan land use designation of Industrial Park within the Rincon South 1 Urban Village on the subject site by allowing a wider range of commercial uses that can provide employment and revenue generation, consistent with the General Plan. The addition of the banquet facility and meeting room uses would support the viability of the previously approved cardroom and hotel uses on the site. For these reasons, staff is recommending that the City Council approve the proposed Conforming Planned Development Rezoning.

PUBLIC OUTREACH

Community outreach followed City Council Policy 6-30: Public Outreach Policy. A notice of this City Council hearing was mailed to the owners and tenants of all properties located within 500 feet of the subject site, and posted on the City website. The same notice was also published in a local newspaper. This staff report is also posted on the City's website and staff has been available to respond to questions from the public.

Project Manager: Jenny Nusbaum **Approved by:** /s/ _____ **Date:** 07-30-2012

<p>Owner/Applicant: Airport Parkway Two, LLC PO Box 29502 #24630 Las Vegas NV 89126-9502</p> <p>Eric Swallow 107 Grosse Point Henderson, NV 89052</p> <p>Peter Lunardi 104 Teresita Way Los Gatos, CA 95032</p> <p>Brian Turpin Trans Global Development 2505 Anthem Village Dr., Suite E-623 Henderson, NV 89052</p>	<p>Attachments:</p> <ol style="list-style-type: none"> 1. Proposed Development Standards 2. Plan Set with Draft Development Standards
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Proposed Development Standards for PDC12-019

ALLOWED USES AND PERMIT REQUIREMENTS

All those uses "permitted", "special", "conditional", and "administrative" in the IP Industrial Park Zoning District as per Title 20 of the San Jose Municipal Code, as amended.

"Special" and "conditional" uses may be allowed with the issuance of a Planned Development Permit per Chapters 20.60 and 20.100 of the San Jose Municipal Code.

ADDITIONAL ALLOWED USES

The following uses are allowed at the discretion of the Director of Planning with the issuance of a Planned Development Permit:

- Public Eating and Drinking Establishments
- Theatre; indoor
- Parking Establishment - Off Street
- Banquet facilities and meeting rooms in conjunction with the cardroom and tower.

DEVELOPMENT STANDARDS

Setbacks:	All setbacks are per the IP Industrial Park district as amended.
Minimum Lot Area:	10,000 sq ft
Maximum Height:	220 feet
Hotel:	Maximum 600 rooms
Parking:	Per Title 20 as amended
Late Night Use:	Per Section 20.50.220 unless otherwise specified in a Development Permit.

ENVIRONMENTAL MITIGATION

The mitigation measures included in the project shall be those applicable from the previously approved rezoning for the site (File No. PDC10-003).

PUBLIC IMPROVEMENTS

All public off-site improvements shall be implemented to the satisfaction of the Director of Public Works. Prior to the issuance of Building Permit(s), the applicant shall be required to obtain a Public Works Clearance. Said Clearance shall require execution of a construction agreement that guarantees the completion of the public improvements.

ADDITIONAL CONDITIONS

In addition to all of the foregoing, the applicant also has agreed to timely perform and affect all of the following additional conditions, which conditions were made a condition of City approval of this rezoning:

1. The Developer has offered to and shall reimburse the City for lighting, traffic calming, or other safety improvements along and near the North First Street corridor (including within the Rosemary Gardens Neighborhood), up to a maximum of \$100,000.

CONFORMING Planned Development Rezoning RELOCATED CARDROOM AND NEW HOTEL 1887 MATRIX BOULEVARD, SAN JOSE

GENERAL DEVELOPMENT PLAN EXHIBIT - C

SITE DESCRIPTION

EXISTING ZONING: IP (PD) (FILE # PDC 10-003)

EXISTING GP DESIGNATION: INDUSTRIAL PARK WITHIN RINCON I URBAN VILLAGE

PROPOSED ZONING: IP (PD)

EXISTING LAND USE: CARDROOM AND PUBLIC EATING & DRINKING ESTABLISHMENT

APN: 230-29-065

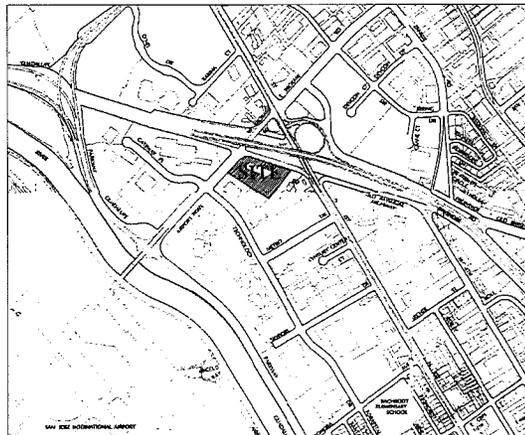
STATEMENTS & TABLES

GROSS & NET ACRES: 6.08 ACRES

OWNER / APPLICANT

OWNER: AIRPORT PARKWAY TWO, LLC
427 N. TATNALL STREET
WILMINGTON, DE. 19801

APPLICANT: AIRPORT PARKWAY TWO, LLC
427 N. TATNALL STREET
WILMINGTON, DE. 19801



LOCATION MAP
N.T.S.

CONSULTANTS

PLANNING: RUTH & GOING, INC.
ENGINEERING: RUTH & GOING, INC.
ARCHITECT: ARC TEC

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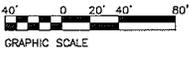
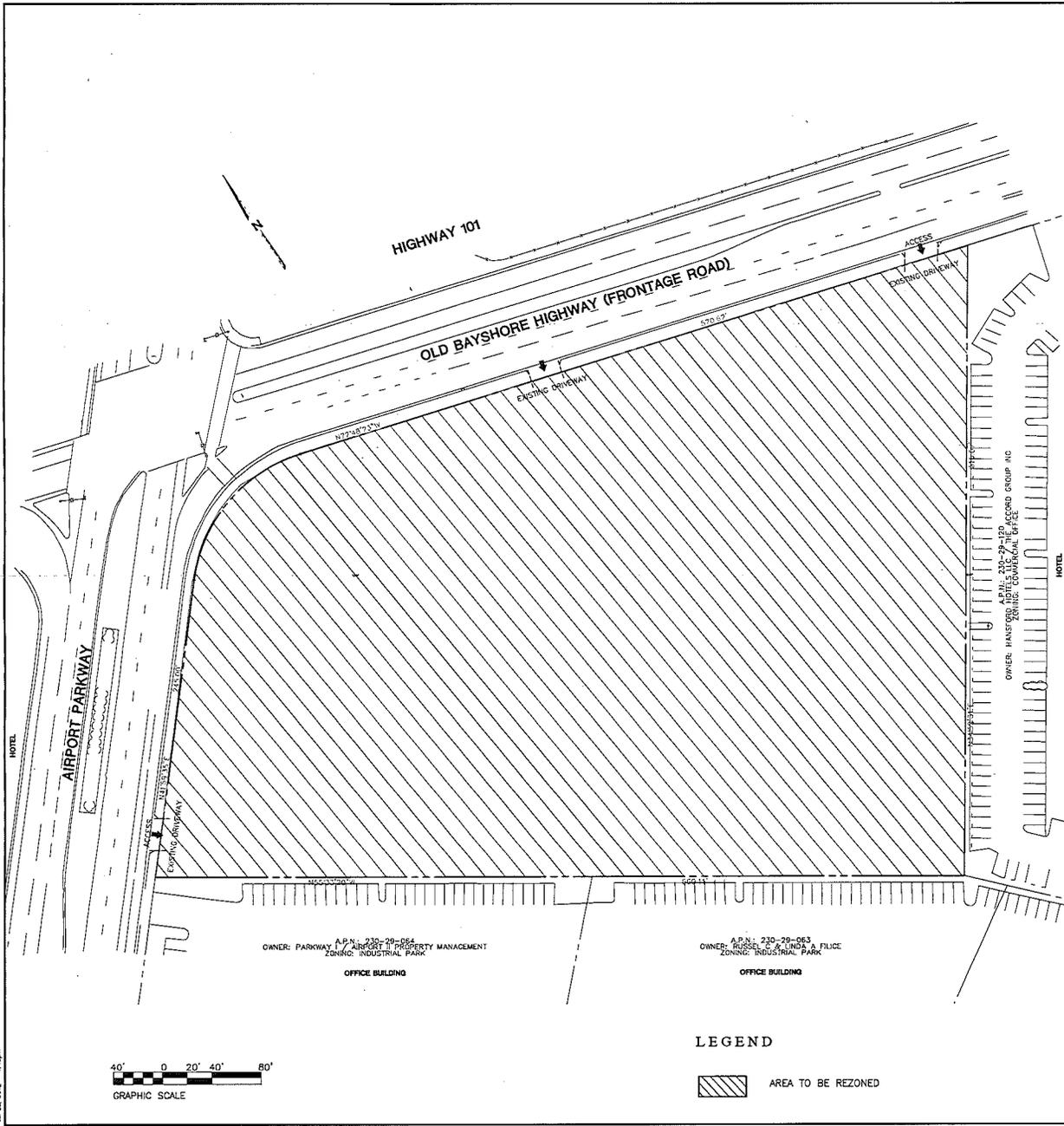
SHEET	DESCRIPTION
1	COVER SHEET
2	LAND USE PLAN/DEVELOPMENT STANDARDS
3	CONCEPTUAL USE LAYOUT

PLAN SET REVISIONS

No.	Date	Description
1	07-27-2012	Initial Submittal
2	07-30-2012	Revised Submittal

FILE NUMBER: PDC 12-019

Drawing files: \\sca\apps\p\1311-10-CORP\1311-10-PC-LAO USE PLAN.dwg
 2/23/2012 11:43am



LEGEND

AREA TO BE REZONED

A.P.N. 230-20-054
 OWNER: PARKWAY AIRPORT PROPERTY MANAGEMENT
 ZONING: INDUSTRIAL PARK
 OFFICE BUILDING

A.P.N. 230-20-063
 OWNER: RUSSEL & LINDA A FILICE
 ZONING: INDUSTRIAL PARK
 OFFICE BUILDING

A.P.N. 230-20-070
 OWNER: HANSTON OFFICE BUILDING AND OFFICE GROUP INC
 HOTEL

DEVELOPMENT STANDARDS

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<p>GENERAL DEVELOPMENT PLAN EXHIBIT - C</p> <p>R+G RUTH AND GOING, INC. <small>2810 THE GARDENS DRIVE, SUITE 100 SAN JOSE, CALIFORNIA 95128 TEL: (408) 350-4000 FAX: (408) 350-4000</small></p>							
<p>LAND USE PLAN/ DEVELOPMENT STANDARDS</p> <p>RELOCATED CARDROOM AND NEW HOTEL</p> <p>CALIFORNIA</p> <p>SAN JOSE</p>							
<p>DATE: 2/27/2012</p>							
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