



Memorandum

TO: RULES AND OPEN GOVERNMENT
COMMITTEE

FROM: Kim Welsh
Joseph Horwedel

SUBJECT: SEE BELOW

DATE: October 18, 2011

Approved

Date

10-19-11

COUNCIL DISTRICTS: 2 and 5
SNI AREA: Gateway East

SUBJECT: DROP THE RANCHO del PUEBLO (GP10-05-01) AND iSTAR (GP 07-02-01) PROPOSED LAND USE OPTIONS FROM CONSIDERATION AS A PART OF THE ENVISION SAN JOSE 2040 GENERAL PLAN HEARING ON THE NOVEMBER 1, 2011 CITY COUNCIL AGENDA

RECOMMENDATION

1. Drop the Proposed Land Use Option for Rancho del Pueblo from Open Space, Parklands and Habitat to Mixed Use Neighborhood (GP10-05-01) scheduled for consideration as a part of the Envision San José 2040 General Plan hearing on the November 1, 2011 Council agenda [Item 10.2(b)].
2. Drop the Proposed Land Use Option for the iStar Property from Combined Industrial/Commercial to Mixed Use Neighborhood (GP 07-02-01) scheduled for consideration as a part of the Envision San José 2040 General Plan hearing on the November 1, 2011 Council agenda [Item 10.2(c)].

BACKGROUND AND CONTEXT

The Administration is recommending that the Rancho and iStar land use options be dropped from the November 1, 2011 Council hearing relating to the draft Envision San José 2040 General Plan update. Upon completion of additional work on both options, the Administration may renote these items for a future public hearing before the Council.

The draft Envision San José 2040 General Plan includes a policy that no amendments to the General Plan will be considered until 2013. The intent of this policy is to allow the new General Plan, if adopted, to have a period of implementation prior to the consideration of additional, new modifications. Because the Rancho and iStar land use options are existing, not new, proposals, the City would not be precluded by the language of this policy from being able to consider these items prior to 2013 if additional work on these items is completed.

ANALYSIS

Rancho del Pueblo

In November 2010, the Council directed the Administration to prepare a proposed land use change from Public Park/Open Space to Mixed Use Neighborhood for the roughly 33-acre Rancho del Pueblo Golf Course, located on King Road, as part of the Envision San José 2040 process.

In the June, 2011 Budget Message, the Administration was directed to conduct public outreach associated with a proposed sale of the Rancho property. The Administration conducted three large community meetings, several neighborhood stakeholder meetings and made presentations to the Parks Commission, the Planning Commission and the Neighborhood Advisory Council. Over 800 people attended the meetings and the overwhelming sentiment expressed by attendees was to retain the Rancho del Pueblo Golf Course as a Golf Course or open space.

On September 29, 2011, the Mayor issued a memorandum on Rancho del Pueblo that recommended that no changes be made to the land use designation for the Rancho del Pueblo Golf Course. Independently, the Administration has determined that more analysis is needed prior to bringing forward for the Council's consideration of a proposed land use change for the property. The Administration expects additional analysis could be completed in January 2012.

iStar

In 2007, applicants sought to change the land use designation of a roughly 76-acre property in Edenvale (known as iStar) from Combined/Industrial Commercial to Mixed Use Neighborhood.

The Administration has received from the applicant, Ed Storm, a request to defer consideration of the proposed change in land use for the iStar property. The applicant originally proposed residential uses for the entire property. After working with the Administration, the proposal is evolving to incorporate some of the principles developed during the Envision San José 2040 process. Specifically, the iStar proposal may be changing to include the retention of the jobs previously allocated for the property by providing retail and office opportunities.

Correspondingly, the number of residential units proposed for the site is expected to be decreased significantly and densities for the proposed units will be increased. These additional details need to be examined.

The drop, with the understanding that the proposal will come back for Council consideration at a later date, allows the applicant to continue discussions to secure a commitment from a major retailer and to prepare the necessary documentation to ensure development of the property in a manner that achieves the following goals in the City's Economic Development Strategy:

- Major retail anchor, generating substantial tax revenue
- Development of approximately 260,000 square feet of Office/R&D development
- Retention of the permanent jobs previously allocated to the site
- Near-term development
- Construction jobs

In addition to the considerations outlined above, the applicant previously has expressed interest in assisting the City achieve a key additional goal of building the Earthquakes Major League Soccer (MLS) stadium on the Airport West property.

CONCLUSION

While the Administration recommends, for the reasons noted above, that both of the above-described land use options pertaining to the Rancho Del Pueblo and iStar sites be dropped from consideration by Council at its November 1 hearing on the Envision San José 2040 General Plan, it anticipated that these items will come forward for Council consideration at a later date.

COORDINATION

The preparation of this memorandum was coordinated with the City Attorney's Office.

/s/
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Chief Strategist

/s/
JOSEPH HORWEDEL
Director of Planning, Building, and
Code Enforcement

For questions, please contact Nanci Klein, Office of Economic Development, at (408) 535- 8184 or Laurel Prevetti, Planning, Building and Code Enforcement, at (408) 535-7901.