



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Planning Commission

SUBJECT: SEE BELOW

DATE: October 9, 2008

COUNCIL DISTRICT: 6
SNI AREA: None

SUBJECT: PDC07-020. PLANNED DEVELOPMENT REZONING FROM THE LI-LIGHT INDUSTRIAL ZONING DISTRICT TO A(PD) PLANNED DEVELOPMENT ZONING DISTRICT TO ALLOW 3,200 SQUARE FEET OF COMMERCIAL USES AND UP TO NINE RESIDENTIAL UNITS IN A MIXED-USE DEVELOPMENT AND INTERIM COMMERCIAL USES IN THE EXISTING 10,400 SQUARE FOOT BUILDING ON A 0.30 GROSS ACRE SITE LOCATED AT THE SOUTHWEST CORNER OF THE ALAMEDA AND SUNOL STREET.

RECOMMENDATION

The Planning Commission voted 7-0-0 to recommend that the City Council adopt an ordinance to approve the subject Planned Development Rezoning from LI-Light Industrial Zoning District to A(PD) Planned Development Zoning District to allow 3,200 square feet of commercial uses and up to nine residential units in a mixed-use development, and interim commercial uses in the existing 10,400 square foot building on a 0.30 gross acre site, located on the southwest corner of the intersection of The Alameda and Sunol Street (850 The Alameda). The motion included direction that at the Planned Development Permit stage, the developer and staff explore a possible reduction in the size of the parking garage footprint and the possible establishment of some ground floor residential uses near the existing single-family residence.

OUTCOME

Should the City Council approve the Planned Development Rezoning, the subject 0.30 acre parcel would be developed as a mixed-use project, containing ground floor retail and nine residential units, consistent with the development standards for the subject rezoning or, as an interim use, commercial uses would be held in the existing 10,400 square foot building. Either the future mixed-use development or the potential interim commercial uses would be subject to a Planned Development Permit.

BACKGROUND

On October 8, 2008, the Planning Commission held a public hearing to consider the proposed Planned Development Rezoning. Staff gave a brief report describing the project and noted additional correspondence from neighborhood residents had been received (see attached). The

applicant's representative, Randol Mackley of Retail Real Estate Group, gave a brief presentation describing the extensive public outreach and cooperation with community members and City staff in shaping the project.

Planning Commissioner Kamkar asked if the mechanical parking lifts proposed for the project could be operated remotely. A representative from Klaus Multiparking, the manufacturer of the proposed lifts, answered that a remote control could be installed but it would cost more and, for safety reasons, manual control of the lift is preferable.

Public Testimony

Several area residents including representatives from the Shasta-Hanchett Park Neighborhood Association (SHPNA) provided testimony. The first member of the public to speak on the project was Greg Calaso, an area resident, who spoke in favor of the project and redevelopment of the site. Another area resident, Kevin Mull, said the site is blighted and that he is in favor of the project.

Laura Winter, an area resident associated with SHPNA, indicated her concern that there are too many units in the proposed project, and existing parking issues in the neighborhood. She indicated a concern about the suitability of the mechanical parking lifts at this location, and concern that the conceptual building elevation on Sunol Street was not compatible with neighboring single-family houses. Sarah Norberg, owner of the single-family house adjacent to the rear of the site, stated that she is concerned about the scale and massing of the proposed building, and that the architecture should be more like the Georgetown project or the Schurra's Candy store across from the subject site. She also expressed concern that the mechanical parking lifts would be too inconvenient for regular use and future residents would park on the street. Nathan Norberg, also co-owner of the single-family house adjacent to the rear of the site, indicated his concern regarding the compatibility of the project and the neighborhood interface.

Deborah Arant of SHPNA stated that she is opposed to the project based on concerns also raised by the previous area residents. Brian Cleves said that parking in the area is insufficient and he is opposed to the project. Chris Flood of SHPNA also said that parking is insufficient and that he is opposed to the project. The Planning Commission then closed the public hearing.

Commission Discussion

Commissioner Kamkar asked about maintenance of the mechanical lifts, to which Mr. Mackley replied that the Homeowner's Association, rather than individual unit owners, would be responsible for the maintenance. Commissioner Jensen recommended the building have no blank wall facing the single-family residence to the rear, that landscaping should be done with native species, and that green building standards should be implemented in the building design. Commissioner Zito expressed concerns about an interim commercial use and potential multi-year delay in the implementation of the proposed mixed-use project.

Commissioner Do expressed that the key issue for the project is neighborhood compatibility, and that he recommended that at the Planned Development Permit stage, the developer and staff explore reducing the size of the parking garage footprint and the possibility of establishing ground floor residential uses near the existing single-family residence.

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Commissioner Campos made the motion to recommend approval per staff's recommendation and stated that the project's proximity to Diridon Station was a key factor in his support for the project. The motion for approval included the above noted recommendation as expressed by Commissioner Do.

The Commission voted 7-0-0 to recommend approval of the Planned Development Zoning as recommended by staff.

ANALYSIS

The proposed project, a mixed-use development with ground floor retail and residences above, conforms to the San José 2020 General Plan Land Use/Transportation designation of General Commercial for the subject property through the use of the Discretionary Alternate Use Policy (Residential Uses on Commercially Designated Parcels). For a project to be eligible under this policy it must be a higher density residential proposal (minimum 17 dwelling units per acre), on a parcel less than two acres in size and located on a major thoroughfare. The proposal must also be (a) designed to facilitate transit ridership and pedestrian activity, (b) compatible, well integrated, and part of an appropriate residential or mixed use environment, and (c) the site and architectural design is of exceptional quality and exceeds the City's minimum design standards.

The proposed project, with a density of 30 DU/AC on a 0.30 gross-acre parcel, will conform to the General Plan in that (a) the project is located within walking distance of buses, a light rail station, and shopping opportunities, (b) the project provides mixed uses with ground floor commercial uses and residential condominium units on the upper two floors, and (c) the site and architectural design is of exceptional quality and exceeds the standards recommended in the Commercial and Residential Design Guidelines.

This project is not subject to the City's Framework for the Preservation of Employment Lands. The development of sites with commercial General Plan designations that are within neighborhood business districts (NBDs) and are found in conformance with the General Plan designation through a Discretionary Alternate Use Policy can be excluded from being governed by the Framework. However, some future employment will be available on the site in the future for the first floor commercial uses.

This project has gone through extensive neighborhood outreach. The project uses a creative solution to provide adequate parking that conforms to the City's design requirements. Staff recommends approval of the project.

For further analysis please see the attached Staff Report.

EVALUATION AND FOLLOW-UP

The applicant will be required to secure a Planned Development Permit from the Planning Director in order to implement the subject rezoning.

POLICY ALTERNATIVES

Not Applicable

PUBLIC OUTREACH/INTEREST

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

There has been strong community interest and involvement in this project. To better facilitate that involvement, the public outreach for this project has exceeded the standards outlined in the Public Outreach Policy. Two neighborhood-wide meetings were held, between which the applicant revised the project to address community concerns. Staff organized two workshop meetings to discuss architecture and building massing with key leaders of SHPNA and The Alameda Business District. The developer also organized a tour and provided transportation for participants to visit a completed housing development in the Berkeley area that utilizes mechanical parking lifts. Following the community meetings, the developer prepared a written list of all of the comments raised and responses prepared by the developer and Planning Staff and sent that to SHPNA leaders and other individuals that provided contact information.

COORDINATION

This project was coordinated with the Department of Public Works, Building Department, Environmental Services Department, Fire Department, Department of Transportation, San Jose Police Department, and San Jose Water Company.

FISCAL/POLICY ALIGNMENT

This project is consistent with applicable General Plan policies and the Zoning Ordinance as further discussed in attached staff report.

COST SUMMARY/IMPLICATIONS

Not applicable.

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BUDGET REFERENCE

Not applicable.

CEQA

CEQA: Mitigated Negative Declaration


for JOSEPH HORWEDEL, SECRETARY
Planning Commission

For questions please contact Susan Walton at 408-535-7800.

Attachment:

Neighborhood correspondence

--- On Tue, 10/7/08, Christopher Flood <chris@cfloodmanagement.com> wrote:
From: Christopher Flood <chris@cfloodmanagement.com>
Subject: 850 The Alameda
To: LAJensen_PC@yahoo.com
Date: Tuesday, October 7, 2008, 10:30 AM

Hi Lisa,

I've enjoyed meeting you and talking a few times in the past. As you probably know, I have been very concerned about the parking situation in my neighborhood since I moved here in February of 2007. There are a lot of people who have cars that have to park on the streets because of the extremely low parking ratios that have been approved by the City and recommended by the planning department. I have sat in on a number of the Envision 2040 Task Force Meetings and understand the whole rationale behind high density housing in Transit Oriented Corridors, but I believe, as a practical matter, it really is not working the way it is intended. I live right next to light rail and my office is on the light rail route near 1st Street and Mission in Downtown: however, it takes me about ½ hour to get from my home to my office. I can drive there in 5 minutes. I am sure that I am not alone in believing that our public transit system is highly ineffective in its present state and it is a big mistake for the City to continue to approve high density housing projects in this area that do not take into account that people have cars, that they need their cars, and that these cars do not have places for parking. On the face of it, this is a disaster waiting to happen.

This being said, the 850 Alameda project is an example of yet another project that just does not fit. Despite the findings of the recent traffic study, which a lot of people in the neighborhood are unhappy with, there is already a parking problem on the Alameda that will only compound the problem. I understand that this is a small project, but add Plant 51, the 746 Alameda Project, and Whole Foods (eventually) and it will be a mess! Please do what you can to hold off on approving any more projects until the neighborhood has had the opportunity to adjust to the myriad changes that have occurred in just the past 5 years. There are a number of projects on hold right now because of the economy, but once things improve, we will be hit with all of them at the same time.

Please pass this email on to the other Commissioners. I appreciate your taking the time to read this and any help you can provide would be appreciated.

Christopher Flood
CF Management
Community Association Management that Works!
PO Box 151
San Jose, CA 95103-0151
(408) 416-3181
(650) 331-7312
(925) 236-2332
Fax (408) 223-0231

-----Original Message-----

From: Horwedel, Joseph

Sent: Tuesday, October 07, 2008 7:50 AM

To: Walton, Susan

Subject: FW: PDC07-020 and Shpna position on 850 The Alameda

Good Evening Director Horwedel and members of the Planning Commission.

In order to clarify the neighborhoods position on the property known as 850 The Alameda, I would like to take the opportunity to resubmit this letter that we sent to you back in April 2008. The reasoning for submitting this letter at the time, was to clearly state the differences between the 2 projects and for you to understand the communities position on those projects differences. The community has clearly stated at every public and working meeting regarding these projects that the development on 850 The Alameda must be sensitive to the existing established historical neighborhood homes and careful consideration must be placed on the transition between the two.

We supported the project at 746 The Alameda because of its proximity to existing high density apartments- this is not the case for the other project. I urge to please carefully separate the two projects and the comments given and referred to in staff's recommendation, as that was the intent of our original letter. If you have any questions, please don't hesitate to contact me. The utmost consideration must be given to the adjacent neighbors to fold this project into our community and for it to be a truly great project.

Respectfully yours,

Helen Chapman

Vice President, Shasta Hanchett Neighborhood Association

I apologize for not sending to commission Platten, I do not have his email. If this letter could be given to him also, it would be appreciated.

Nathan & Sara Norberg
27 Sunol Street
San Jose, CA 95126

October 6, 2007

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

Re: 850 The Alameda, PDC07-020,

To Whom It May Concern:

We recently received the final proposed plans for the PD Rezoning application being considered for 850 The Alameda. We live next to this project and have participated in the numerous meetings and discussions coordinated by the Planning Department and the developer over the past year. We are disappointed with the design of the final project and feel it is not significantly different than the initial proposal made by the developer over a year ago. We urge The Planning Commission and the City Council to vote against approval for this project.

The developer is applying for permission to build a three story, 9 unit apartment building with 3,000 square feet of retail and a 14' high parking structure on the ground floor. From the outset, our objection to this project has been that this is too large a project for the location for which it is proposed. While we do not object to a well designed mixed-use project being located on this site, the proposed project tries to force too many units on a small, narrow site and fails to integrate with the surrounding neighborhood. I would also make the point that the project's incompatibility is primarily an issue of concept, not architecture. The developer has been responsive in tweaking the look of the project but has never considered scaling back the size of the project.

The developer proposes to accommodate the parking for the density they seek by using a mechanical parking system new to San Jose. While we understand that many people are excited about the use of these types of systems, we think the question is where and when to introduce them. We do not think this is a good location to start experimenting with mechanical parking. It is true that mechanical parking has been available in large urban areas for decades and the systems have been generally reliable. We don't dispute this point. The problem using them in this situation is that you are asking tenants who are previously unfamiliar with this system to use it in lieu of the easier option of parking on the curb or temporarily in the retail parking also included in this under-building parking arrangement. Mechanical parking may be a god-send for dense, impacted locations in urban centers where other parking infrastructure is unavailable. This is not that type of location. This is a single family neighborhood adjacent to a neighborhood commercial district. We should not confuse the innovativeness of a solution with the appropriateness of its application. Mechanical parking is "neat" but it's not right for this location.

The other parking issue this project is likely to have is a stacking issue inside the garage, as tenants try to access their mechanical lifts. The developer arranged for a demonstration of the Klaus parking lifts at an apartment building across from UC Berkeley and we were able to see the lifts in action. It's a good system but requires a tenant to get out of their idling car and operate the lift manually. The problem with this is that the proposed project has a small, dead-end parking garage and you have the potential for multiple cars to be idling while each tenant takes the few minutes it requires to operate their lift. The result will be tenants skipping their assigned parking locations in favor of easier spaces needed for retail or guests.

We are also disappointed the proposed development has little street level interaction with the neighborhood. Once again, this is a single family residential neighborhood. It is important for any project set back into the neighborhoods to have a street level presence. The proposed development is mostly parking garage at the street level and provides no life at the street level. There are many examples of other projects that have offered a much better neighborhood interface in the past. We would put forward Georgetown (on Sunol), Avalon at Cahill Park (townhome style on Wilson) and Keeble Court (on Keeble) as examples of a more appropriate design for the location. The reason the townhome design of these projects is better is that the owner or tenant of the unit will have a door to their unit on the street and an interest in the activities taking place in front of their home. The current project is built 14" above street level and the common spaces in the complex are private and shielded for the neighborhood.

We hope the Planning Department, Planning Commission and City Council take steps to address the concerns of the neighborhood in respect to the proposed application. The project is unacceptable as it is currently conceived but we look forward to seeing a quality development or rehabilitation of the existing building at some point in the future.

Sincerely,

Nathan & Sara Norberg

c. Councilmember Oliverio



Shasta Hanchett Park Neighborhood Association

P.O. Box 28251, San Jose CA 95159

April 29, 2008

Mike Enderby
Senior Planner
Department of Planning, Building and Code Enforcement
200 East Santa Clara St, 3rd Floor
San Jose, CA 95113-1905

RE: 746 and 850 The Alameda (PDC07-009/PDC07-020)

Dear Mr. Enderby:

I am writing on behalf of the Shasta/Hanchett Park Neighborhood association, and the residents whom we represent to request that the development plans for 746 the Alameda and 850 The Alameda be split into two plans, to give fair consideration to each development proposal and their associated issues.

The current development plan covers both properties, which does not give fair weight to the different concerns of each site. As they are in different areas, each development has different issues and must be dealt with separately.

746 The Alameda is adjacent to townhouses and high-density apartments, which means that parking and green space will be very relevant issues for this location. However, 850 The Alameda is adjacent to single family homes, bringing up issues of height, set-back requirements, and aesthetics in order to keep it in line with the surrounding neighborhood.

We are currently working with the developer on these issues, and are pleased to have that opportunity. However, we still feel that the city should separate the plans to recognize the different issues pertaining to the different properties.

Thank you for your consideration. If you have any questions or comments regarding our input on this matter, please feel free to get in contact with me. We look forward to many community meetings to keep us informed on the project.

On behalf of the board, the residents, and myself,
Sincerely,

A handwritten signature in black ink that reads "Deborah Arant". The signature is written in a cursive, flowing style.

Deborah Arant
Chair S/HPNA Planning and Land Use

Cc: Planning Commission
Councilmember Oliverio