



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Rosalynn Hughey

SUBJECT: SEE BELOW

DATE: April 27, 2018

COUNCIL DISTRICT: 3

SUBJECT: FILE NOS. PDC16-041, PD16-027, PT16-037. PLANNED DEVELOPMENT REZONING FROM THE LI LIGHT INDUSTRIAL ZONING DISTRICT TO THE CIC(PD) PLANNED DEVELOPMENT ZONING DISTRICT TO ALLOW A MINI-STORAGE, A RETAIL STORE, A GASOLINE STATION WITH SIX FUEL DISPENSERS FACILITY AND CANOPY, A DRIVE-THROUGH CARWASH, AND DRIVE-THROUGH RESTAURANT USES; A PLANNED DEVELOPMENT PERMIT TO ALLOW THE DEMOLITION OF AN EXISTING WAREHOUSE AND OTHER STRUCTURES (CAR REPAIR SHOP) AND TO ALLOW THE CONSTRUCTION OF A NEW RETAIL STORE (3,814 SQUARE FEET), A GASOLINE STATION WITH SIX FUEL DISPENSERS AND CANOPY (3,870 SQUARE FEET), A DRIVE-THROUGH CARWASH (1,086 SQUARE FEET), A DRIVE-THROUGH RESTAURANT (2,494 SQUARE FEET) WITH LATE-NIGHT USE TO 2:00 A.M., AND MINI-STORAGE BUILDINGS (TOTAL OF 92,116 SQUARE FEET); AND A VESTING TENTATIVE MAP TO SUBDIVIDE ONE LOT INTO THREE LOTS ON AN APPROXIMATELY 3.26-GROSS ACRE SITE, ON THE NORTHWEST CORNER OF HORNING STREET AND OAKLAND ROAD (645 HORNING STREET)

RECOMMENDATION

The Planning Commission voted 6-0-1 (Commissioner Ballard absent) to recommend that the City Council:

1. Adopt a resolution approving the Mitigated Negative Declaration for the 645 Horning Street Gas Station, Food and Storage Project in accordance with the California Environmental Quality Act (CEQA), and associated Mitigation Monitoring and Reporting Plan; and
2. Approve an ordinance of the City of San José rezoning certain real property located at the Northwest corner of Horning Street and Oakland Road (645 Horning Street) from the LI Light Industrial Zoning District to the CIC(PD) Planned Development Zoning District to

allow a ministorage facility, a retail store, a gasoline service station with six fuel dispensers and canopy, a drive-through carwash, and a drive-through restaurant on an approximately 3.26-gross acre site.

3. Adopt a resolution approving the Tentative Map to subdivide one parcel into three parcels on an approximately 3.26-gross acre site.
4. Adopt a resolution approving a Planned Development Permit to allow the demolition of an existing warehouse and other building structures and to allow the construction of a new retail store (3,814 square feet), a gasoline service station with six fuel dispensers and canopy (3,870 square feet), a drive-through carwash (1,086 square feet), a restaurant (2,494 square feet) with drive-through and late-night use to 2:00 a.m., and mini-storage buildings (total of 92,116 square feet) on an approximately 3.26-gross acre site.

OUTCOME

If the City Council approves the Planned Development Rezoning, Planned Development Permit, and Vesting Tentative Map, the project site would be rezoned and subdivided, a development permit would be approved, and the applicant would be able to move forward with a building permit application for the construction of a new retail store (3,814 square feet), a gasoline service station with six fuel dispensers and canopy (3,870 square feet), a drive-through carwash (1,086 square feet), a restaurant (2,494 square feet) with drive-through and late-night use to 2:00 a.m., and mini-storage buildings (total of 92,116 square feet).

BACKGROUND

On April 11, 2018, the Planning Commission held a public hearing and considered the Planned Development Rezoning, Planned Development and Vesting Tentative Map for the subject project.

The item was heard at Public Hearing because staff had received several inquiries from residents regarding the proposed project. During the oral presentation, staff summarized how the proposed project would be consistent with the General Plan Land Use/Transportation Diagram designation of Combined Industrial/Commercial and clarified that the nearest residential development is located across Horning Street, rather than Oakland Road as stated in the staff report. Staff also explained that the noise generating components of the project (carwash dryers and drive-through call boxes) would be located towards the interior of the site and away from the street frontage and would therefore have minimal impacts on the nearby residents.

The project owner, Jim Rubnitz, provided an overview of other gas station projects that he has developed throughout California and in San José and emphasized that his projects are well designed and maintained. He would be the developer, owner, and operator of the proposed project. He discussed his outreach to the nearby residents in response to their comments about problems with homeless and security for packages delivered to their homes. Mr. Rubnitz shared that he would install Amazon pick-up lockers to provide a secure location for residents' packages. He also stated that the proposed project would include lighting to help secure the existing site. Additionally, the

applicant explained how the proposed uses would take advantage of existing traffic patterns in the area to fully utilize the site to minimize traffic impacts.

Public Testimony

Public testimony included five members of the public. Three members of the public spoke in support of the proposed project, noting that they have visited the owner's other projects and have been impressed with the design and maintenance of those sites. They acknowledged that it would be a difficult site to develop and appreciate the financial contribution towards a pedestrian crosswalk located mid-block on Oakland Road. Although the project was not able to deliver the retail they desire, the residents believed the project would be an improvement at the site and would benefit the community. Two members of the public in opposition of the project stated their disappointment in another gas station and fast food restaurant and their desire for a larger, community serving retail, such as a pharmacy or grocery store. The applicant responded that they have conducted studies and reached out to several retailers; however, site constraints limit the potential for those tenant types.

Staff and Planning Commission Discussion

Chair Pham inquired about a signalized left turn from Horning Street to Oakland Road. Sam Yung representing the Public Works Department stated that the project's traffic model did not demonstrate a need for a signal and that future Highway 101 ramp improvements would improve traffic in the area, and the City would be monitoring the area for future modifications and improvements.

Commissioner Abelite made a motion, seconded by Commissioner Bit-Badel, to recommend that the City Council adopt a resolution adopting the Mitigated Negative Declaration and related Mitigation Monitoring and Reporting Program and Rezoning Ordinance, Planned Development and Tentative Map Resolution (6-0-1, Commissioner Ballard Absent). Commissioner Allen acknowledged the community members desire for different retail uses at this location, but he also agreed with the comments regarding market demand and the difficulty of developing on this site.

ANALYSIS

A complete analysis of the issues regarding this project are contained in the attached Planning Commission Staff Report.

EVALUATION AND FOLLOW UP

If the City Council approves the Planned Development Rezoning, Planned Development Permit, and Tentative Map, the developer would need to obtain a final subdivision map from the Public Works Department and building permit(s) to construct a new retail store (3,814 square feet), a gasoline service station with six fuel dispensers and canopy (3,870 square feet), a drive-through carwash (1,086 square feet), a restaurant (2,494 square feet) with drive-through and late-night use to 2:00 a.m., and mini-storage buildings (total of 92,116 square feet).

PUBLIC OUTREACH

Staff followed Council Policy Public Outreach Policy 6-30, in that notices for the public hearings for the project were mailed to the owners and tenants of all properties located within 1,000 feet of the project site. A community meeting was held on July 25, 2017, and approximately 12 members of the public attended. An electronic version of this memorandum has been available online, accessible from the City Council Agenda for the May 8, 2018 hearing. Staff has been available to discuss the proposal with members of the public.

COORDINATION

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

CEQA

An Initial Study (IS) and Mitigated Negative Declaration (MND) were prepared by the Planning, Building and Code Enforcement for the subject Planned Development Rezoning, Planned Development Permit, and Tentative Map. The environmental review evaluated a rezoning from the LI Light Industrial Zoning District to the CIC(PD) Zoning District and Tentative Map to demolish the existing buildings, and remove all associated pavement, landscaping, and fencing; and to construct a mix of new commercial buildings including an approximately 3,814-square foot convenience store, six fueling stations (12 total fuel dispensers), an approximately 1,341-square foot automatic carwash, and approximately 2,494-square foot fast-food restaurant with a drive-through, and self-storage facility with three buildings totaling approximately 92,116 square feet on an approximate 3.26 gross acre site located along the at 645 Horning Street. The documents were circulated for public comments from August 24, 2017 to September 14, 2017, and three formal comments letters and/or emails were received from the public. Concerns that were highlighted in the comment letters include: traffic, pedestrian accommodations, compatibility to the existing neighborhood, and overconcentration of the proposed uses. Environmental comments have been addressed by staff in a formal Responses to Comments document.

As stated in the IS/MND and associated noise report (appendix G of the IS/MND), the existing ambient noise (based on long-term noise monitoring) ranges from 71 to 74 dBA day-night noise level (DNL). Noise experienced at the short-term monitoring locations ST-01 through ST-03 was also predominately due to vehicular traffic on the local roadway network. Overall noise levels measured at the short-term environmental noise monitoring locations ranged from approximately 64 to 74 dBA Leq. The main noise generator at this site are roadway traffic noise and operations of the existing industrial uses. Based on the analysis presented, the project would add into the noise level. However, the project-related effects on the baseline ambient noise environment were calculated to result in a change of less than 1 dBA to approximately 2 dBA. In addition, while the project site is not immediately adjacent to any sensitive receptors, noise measure was also considered for these properties located across Oakland and Horning roadways. The project related effects on the baseline ambient noise environment, at noise sensitive residential receptors, were calculated to result in a

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change of less than 1 dBA. Therefore, the increase would be less than 3 or 5 dBA DNL and would not conflict with EC-1.2 and would result in a less-than-significant impact under CEQA.

The primary environmental issues that required mitigation measures are air quality, biological resources, and hazards and hazardous materials resource areas. The IS/MND includes mitigation measures that would reduce any potentially significant project impacts to a less-than-significant level. In addition to the mitigation measures, other permit conditions in regards to lighting requirements, nuisance, and maintenance of the site are included in the Planned Development Permit as conditions of approval to ensure all potential impacts have been addressed.

The entire IS/MND, Responses to Comments, and other related environmental documents are available on the Planning web site at: <http://sanjoseca.gov/index.aspx?NID=5675>.

/s/

ROSALYNN HUGHEY, SECRETARY
Planning Commission

For questions, please contact Planning Official, Steve McHarris, at (408) 535-7819.

Attachment: Planning Commission Staff Report