



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Planning Commission

**SUBJECT:** SEE BELOW

**DATE:** March 28, 2019

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**COUNCIL DISTRICT: 6**

**SUBJECT: FILE NOS. PDC18-009, PD18-037 AND PT18-020. PLANNED DEVELOPMENT REZONING FROM THE CG COMMERCIAL GENERAL ZONING DISTRICT TO THE CP(PD) PLANNED DEVELOPMENT ZONING DISTRICT. VESTING TENTATIVE MAP TO MERGE TWO PARCELS INTO ONE WITH 48 RESIDENTIAL AND 15 COMMERCIAL CONDOMINIUMS ON AN APPROXIMATELY 0.47-GROSS ACRE SITE. PLANNED DEVELOPMENT PERMIT TO ALLOW THE DEMOLITION OF THE 1,544-SQUARE FOOT SINGLE-FAMILY RESIDENCE AND APPROXIMATELY 3,887-SQUARE FOOT COMMERCIAL BUILDING, THE REMOVAL OF SEVEN ORDINANCE-SIZE TREES FOR THE CONSTRUCTION OF A MIXED-USE PROJECT WITH NO MORE THAN 48 RESIDENTIAL UNITS AND APPROXIMATELY 18,495-SQUARE FEET OF COMMERCIAL OFFICE SPACE, ALLOW NO MORE THAN 15 COMMERCIAL CONDOMINIUMS.**

## **RECOMMENDATION**

The Planning Commission voted 5-0-1 (Commissioner Vora excused herself as she missed the public hearing portion of the item) to recommend that the City Council approve an ordinance adopting the proposed Planned Development Rezoning, and Development Standards, and resolutions for the Vesting Tentative Tract Map, Planned Development Permit and Mitigated Negative Declaration for the “Hemlock Mixed Use” project, as described in the attached staff report and as recommended by staff, with the addition of a condition of approval to the Vesting Tentative Tract Map to ensure the Transportation Demand Management (TDM) Plan measures are implemented by the Owner’s Association.

## **OUTCOME**

If the City Council approves an ordinance adopting the proposed Planned Development Rezoning and Development Standards and the resolutions for the Vesting Tentative Tract Map, Planned Development Permit, and Mitigated Negative Declaration for the “Hemlock Mixed Use”

project, the applicant would be able to develop the property with a mixed-use project with 48 residential condominium units and 18,495 square feet of commercial office space divided into no more than 15 commercial condominium units.

## **BACKGROUND**

On March 13, 2019, the Planning Commission held a Public Hearing to consider the proposed Planned Development Rezoning, Development Standards, Vesting Tentative Tract Map, and Planned Development Permit. The Planning Commission recommended approval of the project with the addition of a Vesting Tentative Map condition of approval to ensure that the Owner's Association implements the proposed TDM Plan measures.

### *Staff Presentation*

Staff provided an overview of the proposed project and its conformance to the General Plan, Santana Row/Valley Fair Urban Village Plan, and Zoning District. Staff recommended the addition of a condition to the Vesting Tentative Tract Map to ensure that the TDM Plan measures are incorporated into the Owner's Association agreement.

Staff addressed the comment letters received during the hearing notice circulation. Concerns were raised about the project's proposed parking reduction, the removal of ordinance-size trees, the scale of the building, traffic concerns, and concerns of the project's impact on the on-street parking. The following items were highlighted:

- While the tree removal was necessary to develop the site, 63 new trees would be planted on-site. Additionally, four of the existing trees located on the northwestern corner of the development would be preserved.
- The scale of the building is consistent with the Santana Row Valley/Fair Urban Village Plan, as the Plan encouraged the intensification of the site, including commercial development. The applicant has made efforts to reduce the impact of the building's scale on the surrounding residences by recessing and protruding the building's façade to create visual interest.
- Traffic and the area's infrastructure were reviewed in the Mitigated Negative Declaration and determined to be reduced to less than significant levels with the implementation of a project condition included in the project's approval.
- The project's proposed parking would meet the reduction requirements of [Section 20.90.220](#) of the San José Zoning Code. The project would implement several TDM measures to support the parking reductions, including bicycle programs such as on-site cargo bicycle share, unbundled parking, and commercial telecommuting and free or subsidized carpool and vanpools. The TDM Plan's implementation is meant to encourage future residents and office tenants to take alternative transportation modes and reduce

trips and parking needs. While off-street parking could occur, the goal is to reduce overall parking needs.

Staff also addressed an email from Commissioner Griswold clarifying that the required traffic improvements would be determined in coordination with the City of Santa Clara and the surrounding neighborhood. Staff reviewed alternative parking arrangements for the project and found that the TDM measures would be proficient to allow the proposed parking reduction.

### *Public Hearing*

The applicant, Henry Cord, on behalf of Adam Askari, Yisrael LLC, discussed the project's development and extensive coordination with staff to ensure consistency with the General Plan and Santana Row/Valley Fair Urban Village. He confirmed that the removal of the trees along the eastern property line was necessary for the project's subterranean garage.

One member of the public spoke in opposition to the project, stating concerns about the impact of the project on on-street parking and the desire for the project to develop additional parking solutions. Commissioner Griswold raised a question about whether securing parking agreements for additional parking should be the project developer's responsibility or the future owner's responsibility. Commissioner Leyba asked if the surrounding area had garage parking available. The public speaker acknowledged there are parking garages in the area that are sometimes available for resident parking.

### *Planning Commission Discussion and Staff Response*

In addressing the public comments, Planning Staff noted the proposed parking reduction and TDM measures are intended to reduce parking needs for the project. Additionally, requiring off-site agreements could be difficult as other private property owners are not favorable of parking agreements on their properties which could encumber their properties' future development.

Commissioner Griswold raised concerns regarding the lack of an infrastructure plan in place and the need to coordinate further with the City of Santa Clara and the surrounding neighborhood. The Senior Deputy City Attorney noted that the City is moving towards a Vehicle Miles Traveled traffic analysis rather than a Level of Service and protected intersection review. Staff from the Department of Public Works clarified that this project was reviewed under Level of Service-protected intersection, since it was being reviewed prior to the adoption of Council Policy 5-6. However, the goal of the project's improvements would be to enhance bicycle and pedestrian access. Department of Public Works staff elaborated on the public improvements required as part of the project, noting that the City of San José would coordinate with the City of Santa Clara. Commissioner Yesney added that when the City adopted the Transportation Level of Service Policy, the infrastructure improvements required were considered by the City Council as improvements that would occur overtime.

Commissioner Leyba also noted that the project site is located on narrow streets and asked staff to clarify the daylight plane policy. Staff noted the 45-degree daylight plane is required for the

project's frontage along Hemlock Boulevard, facing the residential properties not within the Santana Row/Valley Fair Urban Village Plan.

Commissioner Yesney made a motion to recommend to the City Council the adoption of the ordinance for the proposed Planned Development Rezoning and Development Standards, and the adoption of resolutions for the Vesting Tentative Tract Map, Planned Development Permit, and Mitigated Negative Declaration for the "Hemlock Mixed Use" project, as described in the attached staff report and as recommended by staff with the addition of a condition of approval to the Vesting Tentative Tract Map. Vice Chair Ballard seconded the motion.

### **ANALYSIS**

Analysis of the proposed Planned Development Rezoning, Vesting Tentative Tract Map, and Planned Development Permit, including conformance with the General Plan, Santana Row/Valley Fair Urban Village Plan, and City Council policies are contained in the attached staff report.

### **EVALUATION AND FOLLOW UP**

If the City Council approves the Planned Development Rezoning, Vesting Tentative Tract Map, and Planned Development Permit, the project site would be approved for the demolition of the 1,544-square foot single-family residence and the demolition of approximately 3,887-square foot commercial building, the removal of seven ordinance-size trees, and the construction of a mixed-use project with no more than 48 residential condominium units and approximately 18,495-square feet of commercial office space with no more than 15 commercial condominium units on an approximately 0.47-gross acre site.

### **PUBLIC OUTREACH**

Staff followed Council Policy 6-30: Public Outreach Policy, in that notices for the public hearings for the project were mailed to the owners and tenants of all properties located within 500 feet of the project site. A community meeting was held on August 6, 2018. Notice of the community meeting was posted on the City's website, and a notice was sent to property owners within 500 feet of the subject site. There were approximately 22 community members in attendance at the meeting who raised concerns regarding the narrow streets, height of the building, parking reduction, and request for affordable housing on-site. These concerns were addressed in the attached Staff Report. An electronic version of this memorandum has been available online, accessible from the City Council Agenda for the hearing on April 9, 2019. Staff has been available to discuss the proposal with members of the public.

## **COORDINATION**

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

## **CEQA**

An Initial Study (IS) and Mitigated Negative Declaration (MND) with associated Mitigation Monitoring and Reporting Program (MMRP) were prepared by the City of San José's Department of Planning, Building and Code Enforcement for the subject Planned Development Rezoning, Planned Development Permit, and Vesting Tentative Map. The documents were circulated for public review and comments from December 10, 2018 to January 9, 2019. Four formal comment letters and/or emails were received from the public. Based on the comments received during the public circulation period of the IS/MND, adequate parking is a main concern for the proposed project. The comments did not result in any substantial changes to the project description, analyses, and/or impacts that were previously disclosed in the IS/MND. The public comments on the IS/MND have been addressed by staff in a formal Response to Comments document.

As stated in the IS/MND, the primary environmental issues that required mitigation measures are air quality, biological resources, hazards and hazardous materials, and noise. The IS/MND includes mitigation measures that would reduce the identified potentially significant project impacts to less-than-significant levels. In addition to the mitigation measures, other permit conditions with regards to construction dust controls and equipment on the site are included in the Planned Development Permit as conditions of approval to ensure all potential impacts have been reduced to acceptable levels.

The entire IS/MND and Responses to Comments, and other related environmental documents are available on the Planning website at: <http://sanjoseca.gov/index.aspx?NID=2165>. The MMRP is included as Exhibit G of the Staff Report.

/s/  
Rosalynn Hughey, Secretary  
Planning Commission

For questions, please contact, Robert Manford, Deputy Director at (408) 535-7900.

Attachment: Planning Commission Staff Report  
<http://www.sanjoseca.gov/DocumentCenter/View/83100>