

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE DENYING AN APPLICATION FOR AN AMENDMENT TO THE ENVISION SAN JOSE 2040 GENERAL PLAN PURSUANT TO TITLE 18 OF THE SAN JOSE MUNICIPAL CODE TO MODIFY THE LAND USE/ TRANSPORTATION DIAGRAM FROM NEIGHBORHOOD/COMMUNITY COMMERCIAL AND RESIDENTIAL NEIGHBORHOOD TO MIXED USE NEIGHBORHOOD ON A 0.46-GROSS-ACRE SITE AT 1038 AND 1030 MCKENDRIE STREET (APNs: 230-42-013 and 230-42-014)

FILE NO. GP25-005

WHEREAS, the City Council is authorized by Title 18 of the San José Municipal Code and state law to adopt and, from time to time, amend the General Plan governing the physical development of the City of San José; and

WHEREAS, on November 1, 2011, the City Council adopted a general plan entitled, “Envision San José 2040 General Plan, San José, California” by Resolution No. 76042, which General Plan has been amended from time to time (the “General Plan”); and

WHEREAS, Policy IP-3.3 of the General Plan provides an early consideration process for a privately initiated General Plan Land Use diagram amendment request involving the conversion of employment land to non-employment uses or other projects that are fundamentally inconsistent with the Major Strategies, goals, and policies of the General Plan for continued processing or denial by the Planning Commission and the City Council (“Early Consideration”); and

WHEREAS, the proposed amendment to the General Plan, File No. GP25-005 (“General Plan Amendment”), attached as Exhibit “A,” involves the conversion of employment land to non-employment uses and is fundamentally inconsistent with the General Plan; and

WHEREAS, City of San José (“City”) staff recommend denial of the General Plan Amendment because the proposal is fundamentally inconsistent with the Major Strategies, goals, and policies of the General Plan, as described in the Memorandum dated August 27, 2025, from the Director of Planning, Building and Code Enforcement, attached as Exhibit “B”; and

WHEREAS, the General Plan Amendment was taken to the Planning Commission and City Council for early consideration pursuant to General Plan Policy IP-3.3; and

WHEREAS, on August 27, 2025, the Planning Commission held a duly noticed public hearing to consider the General Plan Amendment, where interested persons were given the opportunity to appear and present their views with respect to the proposed amendment, and whereby, at the conclusion of the public hearing, the Planning Commission transmitted its recommendations to the City Council; and

WHEREAS, on September 30, 2025, the City Council held a duly noticed public hearing where interested persons were given the opportunity to appear and present their views with respect to the proposed amendment, and the City Council reviewed and considered the California Environmental Quality Act Statutory Exemption Section 15270 for Projects Which are Disapproved; and

WHEREAS, a copy of the proposed General Plan Amendment is on file and available for inspection in the office of the Director of Planning, Building and Code Enforcement, with copies submitted to the City Council for its consideration;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE AS FOLLOWS:

SECTION 1. The foregoing recitals are incorporated by reference into this Resolution.

SECTION 2. The City Council has reviewed and considered the entirety of the administrative record regarding the General Plan Amendment, File No. GP25-005, attached and incorporated as Exhibit “A,” including the Memorandum dated August 27, 2025, from the Director of Planning, Building and Code Enforcement, attached and incorporated as Exhibit “B,” oral and written comments received by the City, and City Council deliberations, and hereby denies the General Plan Amendment, File No. GP25-005.

ADOPTED this ____ day of _____, 2025, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, MMC
City Clerk

EXHIBIT A: GENERAL PLAN AMENDMENT APPLICATION

Docusign Envelope ID: 8D9351D6-3081-41B0-8D6B-333A30F19617



PLANNING DIVISION 08/09/2023 SUBJECT TO CHANGE

FOR ALL TYPES OF PROPERTY

GENERAL PLAN AMENDMENT APPLICATION

On an annual basis, the Planning Commission and City Council hold hearings to consider privately-initiated proposals to amend the General Plan. This includes changing the land use designation of a property. See page 4 of this form for a summary of the steps. For amendment application due dates, go to www.envisionsj2040.org and view the Annual Review webpage.

For questions: Speak with a City Planner at 408-535-3555; see phone service hours at www.sanjoseca.gov/Planning.

Para información en español, comuníquese con un Planificador de la ciudad al 408-793-4100.

Để được hỗ trợ, nói chuyện với Người lập kế hoạch thành phố tại 408-793-4305.

INSTRUCTIONS

As directed by a City Planner, apply for a general plan amendment by submitting an application package as outlined below:

FEES

Your invoice for permit application fees will be generated after you submit your application. Fees are outlined in the [Planning Fee Schedule](#). Note: For a general plan amendment, additional hourly and referral fees will apply if review by other departments is needed. For methods of payment, please visit www.sanjoseca.gov/PlanningApplications. Review of your submittal will not begin until initial fees are paid. Full fees must be paid within 14 days.

APPLICATION PACKAGE

HOW TO SUBMIT

- Schedule your required appointment at www.sanjoseca.gov/PlanningAppointments.
- During the appointment, you will email your application package. All documents, plans and forms must be saved as PDF files.

WHAT TO SUBMIT. Please include the following in your application package:

☒ [GENERAL PLAN AMENDMENT APPLICATION](#) - This form, completed and signed

☒ LEGAL DESCRIPTION of the property

☒ VICINITY MAP - Outline site in center of map; please show:

- Names of streets surrounding the site
- Label all land uses within 500 feet of the site
- Place North arrow at top of map

EARLY CONSIDERATION PROCESS.

☐ Please check this box if you are electing the Early Consideration process.

Applicants, at their discretion, may request an early consideration hearing by the City Council for continued processing of their proposed General Plan Amendment pursuant to General Plan Policy IP-3.11. For this process, applicants do not need to include a development permit application with their General Plan Amendment application, but the submittal of a development proposal and starting the CEQA scoping process is strongly encouraged. At the EC hearing, City Council can either deny the proposed General Plan Amendment proposal or direct staff to continue processing the application. If City Council directs staff to continue processing, you will need to submit appropriate CEQA documentation, rezoning application, and development permit applications to move the General Plan Amendment forward. When the review of all applications and environmental review process is complete, the General Plan Amendment application, rezoning, and development permit application will be scheduled for the Planning Commission and City Council hearings at the next available General Plan Annual hearing cycle. The Early Consideration hearing process will need additional processing time and fees.

PLANNING DIVISION 408-535-3555 SAN JOSE CITY HALL, 200 E. SANTA CLARA ST., SAN JOSE, CA 95113 WWW.SANJOSECA.GOV/PLANNING

GENERAL PLAN AMENDMENT APPLICATION

PAGE 2 OF 5

Staff will assign

FILE #

Please download and save this computer-fillable form to your computer and then complete it.

1. SITE INFORMATION FIND APN AT WWW.SCCASSESSOR.ORG

ASSESSOR'S PARCEL NUMBER/S (APN) 23042014 & 23042013

USE A COMMA BETWEEN MULTIPLE NUMBERS:

PROJECT ADDRESS/ES: 1030 & 1038 MCKENDRIE ST

ZONING: R-1-8 & CP

PARCEL SIZE
GROSS ACRES: .46

CITY COUNCIL DISTRICT (find at 6
WWW.SJPERMITS.ORG):

GENERAL PLAN DESIGNATION - CURRENT RN & NCC
WWW.SANJOSECA.GOV/GPDESIGNATION:

GENERAL PLAN DESIGNATION - PROPOSED: MUN

2. TYPE OF AMENDMENT CHECK ALL THAT APPLY

DIAGRAM AMENDMENT:

☒ LAND USE/TRANSPORTATION DIAGRAM

☐ TRANSPORTATION NETWORK DIAGRAM

TEXT AMENDMENT:

Enter General
Plan page #

☐ AMEND TEXT OF SPECIFIC PLAN OR URBAN VILLAGE PLAN NAME OF PLAN:

☐ AMEND TEXT OF POLICY NAME OF POLICY:

☐ AMEND TEXT OF CHAPTER # AND NAME OF CHAPTER:

☐ AMEND TEXT OF SPECIFIC PLAN OR URBAN VILLAGE PLAN # AND NAME OF APPENDIX:

IF PROPOSING A TEXT AMENDMENT Enter below the existing General Plan text, then use strikeout to show proposed removal of text and underline to show proposed new text. Attach a separate sheet if necessary.

OFFICE USE ONLY

INTAKE DATE:

BY:

PAID: \$

COMMENTS

PLANNING DIVISION 408-535-3555

SAN JOSE CITY HALL, 200 E. SANTA CLARA ST., SAN JOSE, CA 95113

WWW.SANJOSECA.GOV/PLANNING

A-2

File No. GP25-0005

T-1201.092 / 2234245_2
Council Agenda: 9/30/2025
Item No.: 10.3(a)

DRAFT – Contact the Office of the City Clerk at (408) 535-1260 or CityClerk@sanjoseca.gov for final document.

GENERAL PLAN AMENDMENT APPLICATION

PAGE 3 OF 5

3. PROJECT DESCRIPTION

	EXISTING	TO BE DEMOLISHED	PROPOSED
RESIDENTIAL USES IF ANY:	# UNITS: N/A	# UNITS: N/A	# UNITS: N/A
NONRESIDENTIAL USES IF ANY:	SQ. FT.: 0	SQ. FT.: 0	SQ. FT.: 0

4. CONTACT INFORMATION

APPLICANT NAME: Martin Menne

NAME OF FIRM IF APPLICABLE: MCM Diversified

APPLICANT MAILING ADDRESS: 777 North First Street, #600 San Jose CA 95112

APPLICANT PHONE: (408) 288-3413

EMAIL: mmenne@mcmdiversified.com

APPLICANT'S REPRESENTATIVE IF ANY: Michaelle Williams

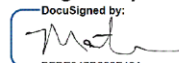
REPRESENTATIVE MAILING ADDRESS: 96 N 3rd St #110, San Jose, CA 95112

REPRESENTATIVE PHONE: (408) 816-2000

EMAIL: michaelle@studiocurrent.com

5. APPLICANT DISCLOSURE STATEMENT

I declare, under penalty of perjury, that the statements furnished in this application and in documents pertaining to the environmental information of the proposed amendment are complete, true, and correct to the best of my/our knowledge. If any of the facts represented here change, it is my responsibility to inform the City of San José.

DocuSigned by:


5/16/2025

8FDE947DB66F48A
SIGNATURE OF APPLICANT

DATE [MM/DD/YYYY]

Martin Menne

PRINT NAME

IMPORTANT: Submit this form with original wet signatures (not a photocopy) to the City.

By signing this application, you acknowledge that you are the property owner, the legally authorized agent of the property owner, a qualified tenant, or other signatory as allowed by [San José Municipal Code Section 20.100.110](#).

6. INDEMNIFICATION AGREEMENT

Applicant submitted an application to the City of San José Planning Division on (enter date): 5/19/2025
for the following development approval/s: 1030 & 1038 McKendrie Street General Plan Amendment from RN & NCC
to MUN (the "Project").

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Applicant hereby expressly agrees in connection with the processing of Applicant's Project application(s) to each and every one of the following terms and conditions:

1. Applicant agrees, as part of and in connection with each and any of the application(s), to defend, indemnify, and hold harmless the City of San José ("City") and its officers, contractors, consultants, attorneys, employees and agents from any and all claim(s), action(s), or proceeding(s) (collectively referred to as "proceeding") brought against City or its officers, contractors, consultants, attorneys, employees, or agents to challenge, attack, set aside, void, or annul:

- a. Any approvals issued in connection with any of the above described applications by City; and/or
- b. Any action taken to provide related environmental clearance under the California Environmental Quality Act of 1970, as amended by City's advisory agencies, boards or commissions; appeals boards or commissions; Planning Commission, or City Council.

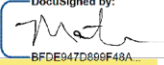
Applicant's indemnification includes, but is not limited to, damages, fees and/or costs awarded against or incurred by City, and costs of suit, claim or litigation, including without limitation attorneys' fees and other costs, liabilities and expenses incurred in connection with such proceeding, whether incurred by Applicant, City, and/or parties initiating or involved in such proceeding.

2. Applicant agrees to indemnify City for all of City's costs, fees, and damages incurred in enforcing the indemnification provisions of this Agreement.
3. Applicant agrees to defend, indemnify and hold harmless City, its officers, contractors, consultants, attorneys, employees and agents from and for all costs and fees incurred in additional investigation or study of, or for

supplementing, redrafting, revising, or amending, any document (such as an environmental impact report, negative declaration, specific plan, or general plan amendment) if made necessary by said proceeding, and if Applicant desires to pursue such City approvals and/or clearances, after initiation of the proceeding and that are conditioned on the approval of these documents.

4. In the event that Applicant is required to defend City in connection with such proceeding, City shall have and retain the right to approve:
 - a. The counsel to so defend City; and
 - b. All significant decisions concerning the manner in which the defense is conducted; and
 - c. Any and all settlements, which approval shall not be unreasonably withheld.
5. City shall also have and retain the right to not participate in the defense, except that City agrees to reasonably cooperate with Applicant in the defense of the proceeding. If City chooses to have counsel of its own defend any proceeding where Applicant has already retained counsel to defend City in such matters, the fees and expenses of the additional counsel selected by City shall be paid by City. Notwithstanding the immediately preceding sentence, if City's Attorney's Office participates in the defense, all City Attorney fees and costs shall be paid by Applicant.
6. Applicant's defense and indemnification of City set forth herein shall remain in full force and effect throughout all stages of litigation including any and all appeals of any lower court judgments rendered in the proceeding.

After review and consideration of all of the foregoing terms and conditions, Applicant, by signature below, hereby agrees to be bound by and to fully and timely comply with all of the foregoing terms and conditions.

DocuSigned by:

BFD6947D666F48A

• APPLICANT WET SIGNATURE

Martin Menne

PRINT NAME

5/16/2025

DATE [MM/DD/YYYY]

TITLE, IF ANY

IMPORTANT: Submit this form with original wet signatures (not a photocopy or a scan) to the City.
By signing this application, you acknowledge that you are the property owner, the legally authorized agent of the property owner, a qualified tenant, or other signatory as allowed by [San José Municipal Code Section 20.100.110](#).

EXHIBIT B: GENERAL PLAN AMENDMENT STAFF REPORT

PLANNING COMMISSION AGENDA: 8-27-25
ITEM: 6.b.



Memorandum

TO: PLANNING COMMISSION
SUBJECT: File No. GP25-005

FROM: Christopher Burton
DATE: August 27, 2025

COUNCIL DISTRICT: 6

Type of Permit	General Plan Amendment
Project Planner	Laura Maurer
CEQA Clearance	Statutorily Exempt pursuant to CEQA Guidelines section 15270: Projects Which are Disapproved.
CEQA Planner	Charlotte Yuen

RECOMMENDATION

Staff recommends that the Planning Commission recommend the City Council take the following action:

Deny the applicant's formal General Plan Amendment request to amend the Envision San José 2040 General Plan Land Use/ Transportation Diagram designation from Neighborhood/Community Commercial and Residential Neighborhood to Mixed Use Neighborhood on an approximately 0.46-gross-acre site (Exhibit A), and direct Planning staff to evaluate the subject site in the context of evaluating surrounding sites, as an area that would allow increased-density residential or mixed-use development in the future, as part of the General Plan 4-Year Review.

EARLY CONSIDERATION PROCESS

Policy IP-3.3 of Envision San José 2040 General Plan ("General Plan") provides for early consideration of a privately-initiated General Plan Land Use/Transportation Diagram Amendment requests involving the conversion of employment land to non-employment uses or other projects that are fundamentally inconsistent with the Major Strategies, goals, and policies of the General Plan. At the hearings, the proposal could either be denied or allowed for continued processing. This policy allows that Early Consideration hearings may be considered outside of the General Plan Annual Review process.

Staff recommends that the Planning Commission forward a recommendation of denial to the City Council for the General Plan Amendment request because the proposal is fundamentally inconsistent with the Major Strategies, goals, and policies of the Envision San José 2040 General Plan, which focus on protecting neighborhood commercial lands from conversion to residential uses and focuses new growth in identified Growth Areas. These inconsistencies are explained in more detail in the General Plan Conformance section of this report.

If the General Plan Amendment is allowed to continue processing, the earliest this project could be brought to a Planning Commission and City Council hearing would be the end of 2026, after submittal of the required development permit and rezoning applications, and environmental documents.

PROPERTY INFORMATION

Location	1038 McKendrie Street (southern parcel) and 1030 McKendrie Street (northern parcel)
Assessor Parcel No.	230-42-013 (southern parcel) and 230-42-014 (northern parcel)
Existing General Plan	Neighborhood/Community Commercial (southern parcel) and Residential Neighborhood (northern parcel)
Proposed General Plan	Mixed Use Neighborhood (both parcels)
Zoning	CP Commercial Pedestrian (southern parcel) and R-1-8 Single-Family Residential (northern parcel)
Historic Resource	No
Annexation Date	December 8, 1925 (College Park/Burbank Sunol)
Council District	6
Acreage	0.46 gross acres (both parcels)

PROJECT BACKGROUND

On May 19, 2025, the applicant, Martin Menne of MCM Diversified, submitted an application for a General Plan Amendment to change the General Plan Land Use Diagram designation from Neighborhood/Community Commercial and Residential Neighborhood to Mixed Use Neighborhood on a 0.46-gross-acre subject site located at 1038 and 1030 McKendrie Street. There was no formal application for a site development permit with the General Plan Amendment, but a site plan was attached with the application for a 12-unit attached townhome project (Exhibit B).

On July 1, 2025, staff sent the initial comment letter to the applicant detailing how the proposed General Plan Amendment is inconsistent with the Envision San José 2040 General Plan Major Strategies, policies, and goals and notifying that staff would bring the proposed General Plan Amendment to Early Consideration Hearings, unless withdrawn.

Site Location

As shown in Figure 1 below, the subject site, consisting of the southern and northern parcels, is located on the eastern side of McKendrie Street approximately 300 feet northeast of The Alameda. The subject site is adjacent to single-family residences to the northeast, single and multifamily residences and office use to the northwest, and parking lot, commercial, office, and church uses to the southeast and southwest.

The surrounding areas to the northwest, northeast, and southeast are characterized by mixed residential uses, mainly single-family residences with some small multifamily residences, with mostly 1 and 2-story structures. The surrounding areas to the northwest, southwest and southeast are characterized by mainly office use with occasional commercial or church uses, with mainly 1-story structures with some

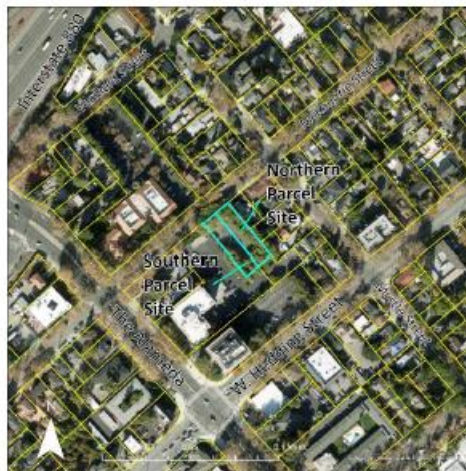


Figure 1 Aerial Site Map

structures up to 6 stories. The area is an older, well-established neighborhood with many structures dating back to the 1940's. The subject site is not located in a designated Growth Area.

SURROUNDING USES			
	General Plan	Zoning District	Existing Use
Northeast	Residential Neighborhood	R-1-8 Single Family Residence and A(PD) Planned Development	Single Family Residential
Northwest	Residential Neighborhood and Neighborhood/Community Commercial	R-1-8 Single Family Residence and A(PD) Planned Development	Single and Multifamily Residential and Office
Southeast	Neighborhood/Community Commercial	CP Commercial Pedestrian and A(PD) Planned Development	Parking Lot, Office, Commercial, and Church
Southwest	Neighborhood/Community Commercial	CP Commercial Pedestrian and A(PD) Planned Development	Parking Lot

Site Background

The 0.46-acre subject site is comprised of two legal lots of equal area (southern and northern parcels). These parcels were annexed into the City in 1925. Sanborn Maps from 1945 indicate that both parcels originally were developed with single-family residential structures. Historical aerial imagery indicates that the subject site was changed to a parking lot sometime between 1968 and 1980. The parking lot is connected through the rear of the subject site with the adjacent parking lot to the south and southwest for the office building at 1900 The Alameda. The parking lot is also accessible from McKendrie Street, however access to the parking lot on the subject site has been blocked at both access points by ropes since 2022. There are approximately 20 mature trees (size unknown) along the outer edge of the subject site.

In 2017, two site development permits (H17-016 and H17-017) were submitted for the construction of a duplex on each parcel of the subject site. The permits were withdrawn due to inactivity after two years.

General Plan Background

Through Major Strategies, goals, and policies, the Envision San José 2040 General Plan strives to support the City's growth as an innovation and regional employment center and focus new residential and commercial growth in specifically identified Growth Areas. San José is the only U.S. city with a population over 500,000 that is a "bedroom community," meaning that the City acts as a net exporter of workers within the region. Since 1980, approximately 2,300 acres of employment lands have been converted to non-employment uses, resulting in an estimated loss in job capacity between 52,000 and 110,000 jobs. The imbalance between residents and jobs in San José has led to significant fiscal, environmental and quality of life impacts for San José. Additionally, through multiple General Plan updates, San José has identified improvement of the City's jobs/housing balance or Jobs/Employed Residents Ratio (J/ER) as a critical objective to address multiple City goals. The General Plan establishes achievement of a J/ER ratio of 1.1 to 1 by the year 2040 as a core objective of the Plan informing its policies and Land Use/Transportation Diagram designations.

Employment lands are those land uses aimed at creating and sustaining employment opportunities, upon which commercial businesses generate critical revenue for the City to fund essential services for its residents. The conversion of employment lands to residential uses leads to a significant loss of revenue for

the City, diminishing the funds needed to support the very residential uses that would replace a commercial or industrial use. To address the preservation and creation of employment lands, the General Plan established the Innovation/Regional Employment Center and the Focused Growth Major Strategy. These Major Strategies and their objectives inform the City's land use policies and designations. The Innovation/Regional Employment Center Major Strategy focuses employment growth in Downtown, other designated Growth Areas, as well as on currently designated employment lands citywide, while also encouraging the development of neighborhood-serving commercial uses throughout the community and close to the residents they serve. The General Plan recognizes the value of existing employment lands to the City overall and therefore establishes goals and policies to preserve these employment lands.

General Plan 4-Year Review

The Planning Division will begin the General Plan 4-Year Review this fall, which will provide an opportunity to evaluate policies and goals related to housing. While existing policies focus new housing in Growth Areas and preserve employment lands to improve the City's jobs/employed resident ratio, current housing challenges and projected Regional Housing Needs Assessment (RHNA) obligations may require a more flexible approach. One of the topics of analysis is identifying additional areas outside of current Growth Areas to accommodate more residential growth through mid-density housing development in peripheral single-family neighborhoods. An initial review indicates that the subject site and surrounding areas may be considered for such changes during the comprehensive evaluation of the General Plan 4-Year Review process.

ANALYSIS

The proposed General Plan Amendment application is analyzed with respect to conformance with:

1. Envision San José 2040 General Plan
2. Title 20 of the Municipal Code (Zoning Ordinance)
3. California Environmental Quality Act (CEQA)

ENVISION SAN JOSE 2040 GENERAL PLAN CONFORMANCE

Existing Land Use Designations

As shown in Figure 2, the existing Envision San José 2040 General Plan land use designation of the southern parcel is **Neighborhood/Community Commercial**, which has no density specified and a floor area ratio (FAR) up to 3.5. This designation supports a very broad range of commercial activity, including commercial uses that serve the communities in neighboring areas, such as neighborhood serving retail and services and commercial/professional office development. Neighborhood/Community Commercial uses typically have a strong connection to and provide services and amenities for the nearby community and should be designed to promote that connection with an appropriate urban form that supports walking, transit use and public interaction. General office uses, hospitals and private community gathering facilities are also allowed in this designation.

As shown in Figure 2, the existing Envision San José 2040 General Plan land use designation of the northern parcel is **Residential Neighborhood**, which has a density of up to 8 DU/AC or up to 16 DU/AC if matching prevailing density, and an FAR of up to 0.70. This designation is applied broadly throughout the City to encompass most of the established, single-family residential neighborhoods, including both the suburban and traditional residential neighborhood areas which comprise the majority of its developed land. The intent of this designation is to preserve the existing character of these neighborhoods and to strictly limit new development to infill projects which closely conform to the prevailing existing neighborhood character as defined by density, lot size and shape, massing and neighborhood form and pattern. New infill development should improve and/or enhance existing neighborhood conditions by completing the existing neighborhood pattern and bringing infill properties into general conformance with the quality and character of the surrounding neighborhood. New infill development should be integrated into the existing neighborhood pattern, continuing and, where applicable, extending or completing the existing street network. The average lot size, orientation, and form of new structures for any new infill development must therefore generally match the typical lot size and building form of any adjacent development, with particular emphasis given to maintaining consistency with other development that fronts onto a public street to be shared by the proposed new project.

Proposed Land Use Designations

As shown in Figure 3, the formally requested proposed Envision San José 2040 General Plan land use designation of both parcels is **Mixed Use Neighborhood**, which has density of up to 30 DU/AC and an FAR of 0.25 to 2. This designation is applied to areas intended for development primarily with either townhouse or small lot single-family residences and also to existing neighborhoods that were historically developed with a wide variety of housing types, including a mix of residential densities and forms. This designation supports commercial or mixed-use development integrated within the Mixed Use Neighborhood area. Existing neighborhoods with this designation are typically characterized by a prevalence of atypical lot sizes or shapes and a parcel-by-parcel development pattern where small townhouse development may exist adjacent to more traditional single-family development or more intense multi-family development. This designation should be used to establish new neighborhoods with a cohesive urban form, to provide transition between

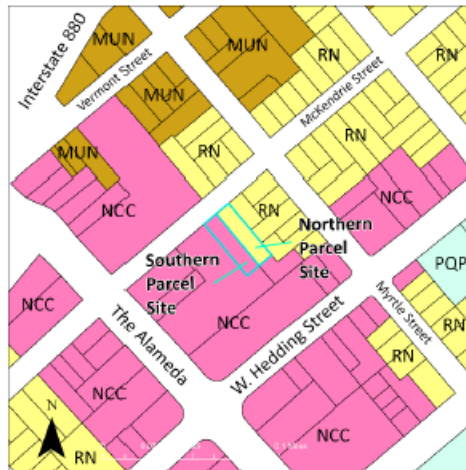


Figure 2 Existing General Plan Land Use Designations

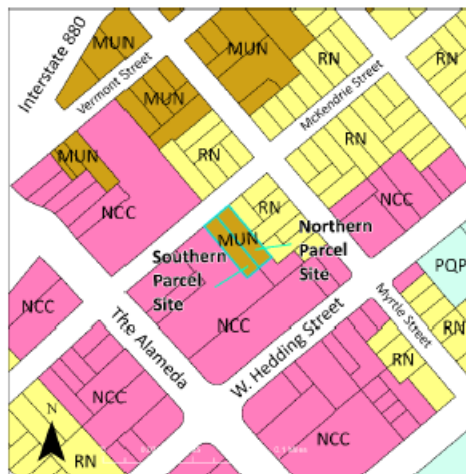


Figure 3 Proposed General Plan Land Use Designation

higher-density and lower-density neighborhoods, or to facilitate new infill development within an existing area that does not have an established cohesive urban character.

General Plan Conformance

The proposed General Plan Amendment to Mixed Use Neighborhood is **inconsistent** with the following General Plan strategies and policies:

Major Strategy #4 - Innovation/Regional Employment Center: Emphasize economic development within the City to support San José's growth as center of innovation and regional employment. Growing San José's role as an employment center will enhance the City's leadership role in North America, increase utilization of the regional transit systems, and support the City's fiscal health. The Plan recognizes that all existing employment lands add value to the City overall and therefore preserves those employment lands and promotes the addition of new employment lands when opportunities arise.

Promote Fiscally Beneficial Land Use FS-4.4: Identify, designate and maintain an adequate number of suitable sites for a full range of commercial opportunities, including large-scale commercial centers and neighborhood-scale shopping opportunities, to serve the resident and visitor consumer population fully and to increase sales tax revenue in San José.

*Analysis: The General Plan has a strong emphasis on preserving and expanding employment land because of the fiscal impact and job-producing potential of employment land, while also contributing to increased utilization of transit service and creating more compact, mixed-use, complete communities. The proposed Mixed Use Neighborhood land use designation does not require commercial space and could result in a solely residential project, which would result in a conversion of employment land to a non-employment use. Therefore, the proposed General Plan Amendment to Mixed Use Neighborhood is **inconsistent** with the General Plan Strategies and policies that do not support the conversion of employment land to non-employment land..*

Major Strategy #3 - Focused Growth: Focus new growth into areas of San José that will enable the achievement of City goals for economic growth, fiscal sustainability and environmental stewardship and support the development of new, attractive urban neighborhoods. Focus new growth capacity in specifically identified "Growth Areas," while the majority of the City is not planned for additional growth or intensification. This approach reflects the built-out nature of San José, the limited availability of additional "infill" sites for development compatible with established neighborhood character, and the emphasis in the Plan Vision to reduce environmental impacts while fostering transit use and walkability. This Strategy also strictly limits new residential development through neighborhood infill outside of these Growth Areas to preserve and enhance the quality of established neighborhoods, to reduce environmental and fiscal impacts, and to strengthen the City's Urban Growth Boundary.

Growth Area Policy LU-2.3: To support the intensification of identified Growth Areas, and to achieve the various goals related to their development throughout the City, restrict new development on properties in non-Growth Areas.

High Quality Living Environment Policy LU-9.17: Limit residential development in established neighborhoods that are not identified growth areas to projects that conform to the site's Land Use / Transportation Diagram designation and meet Urban Design policies in this Plan.

Analysis: The General Plan sets capacity for ambitious job and housing growth over its lifetime, with the vast majority of the growth planned within designated Growth Areas. Additionally, it restricts residential development in non-Growth Areas to projects that conform to the existing General Plan land use designation. This focused growth strategy helps achieve multiple General Plan goals such as fiscal sustainability, environmental stewardship, more efficient delivery of City services, and the creation of

*vibrant urban areas. The subject site is in an establish neighborhood and not within a designated Growth Area. Therefore, the proposed General Plan Amendment is **inconsistent** with the above Strategy and policies of the General Plan.*

The proposed General Plan Amendment to Mixed Use Neighborhood is **consistent** with the following General Plan policy:

Social Equity and Diversity Policy H-1.9: Facilitate the development, preservation, and rehabilitation of housing to meet San José's fair share of the County's and region's housing needs.

*Analysis: The proposed Mixed Use Neighborhood land use designation could provide up to 14 dwelling units. Therefore, the proposed Mixed Use Neighborhood land use designation would be **consistent** with the above General Plan Policies. However, Policy H-1.9 is already being implemented through the General Plan's focused growth strategy and affordable housing policies to meet this Housing Element's 6th Cycle Regional Housing Needs Allocation (RHNA).*

ZONING ORDINANCE CONFORMANCE

The southern parcel is currently zoned as the CP Commercial Pedestrian zoning district and the northern parcel is currently zoned as the R-1-8 Single-Family Residence zoning district. If the General Plan Amendment to Mixed Use Neighborhood is allowed to continuing processing, a rezoning to the MUN Mixed Use Neighborhood zoning district will be required. California Senate Bill 1333 requires the zoning district of a property conform to the General Plan land use designation. If the General Plan Amendment is denied, the current zoning district of each parcel with remain unchanged.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CONFORMANCE

Under the provisions of Section 15270 of the State Guidelines for Implementation of the California Environmental Quality Act, the action to deny a General Plan Amendment is found to be exempt from the environmental review requirements of Title 21 of the San José Municipal Code, implementing the California Environmental Quality Act of 1970, as amended (CEQA), if the public agency disapproves of the project. Section 15270 is intended to allow an initial screening of projects on the merits for quick disapprovals prior to the initiation of the CEQA process where the agency can determine that the project cannot be approved. This section shall not relieve an applicant from paying the costs for an EIR or Negative Declaration prepared for his project prior to the Lead Agency's disapproval of the project after normal evaluation and processing.

If City Council directs staff to continue processing the General Plan Amendment request, staff will complete full environmental review for the proposed General Plan Amendment, site development permit and rezoning.

NON-GENERAL PLAN AMENDMENT ALTERNATIVES

Staff conducted a preliminary analysis of State housing laws that may facilitate housing development on the site without a General Plan Amendment. The following applicable bills allow for a streamlined ministerial process and do not require CEQA review except for Senate Bill 6.

Based on recent state legislation and the current zoning districts of each parcel, the southern parcel, zoned CP Commercial Pedestrian, likely qualifies for a 100% affordable multifamily housing project under

Assembly Bill 2011¹ or a residential or mixed-use project under Senate Bill 6², provided all development standards and prevailing wage requirements are met. The northern parcel, zoned R-1-8 Single-Family Residence, likely qualifies for a duplex or a two-lot subdivision with up to two units on each lot under Senate Bill 9³, if all applicable standards are satisfied.

PUBLIC OUTREACH

Staff followed Council Policy 6-30: Public Outreach Policy in order to inform the public of the proposed project. An on-site sign was posted at the subject site on August 12, 2025. A notice of the public hearing was distributed to the owners and tenants of all properties located within 500 feet of the project site and posted on the City website. The staff report is also posted on the City's website. Staff has been available to respond to questions from the public. Staff received two emails asking for more information about the proposed changes.

Project Manager: Laura Maurer

Approved by: /s/ Manira Sandhir, Deputy Director, for Christopher Burton, Director of Planning, Building & Code Enforcement

Please click on the title of each exhibit to view the document:

ATTACHMENTS:	
Exhibit A	General Plan Amendment Draft Denial Resolution
Exhibit B:	12-unit Townhome Project Site Plan

Owner/ Applicant:	Applicant Representative:
Martin Menne MCM Diversified 777 N. 1 st Street, #600 San José, CA 95112 mmenne@mcmdiversified.com	Michaëlle Williams Studio Current 96 N. 3 rd Street, #110 San José, CA 94112 michaëlle@studiocurrent.com

¹ Assembly Bill 2011 of 2023 (AB 2011) provides a ministerial approval process for 100% affordable or mixed-income multifamily housing developments on sites with a zoning district where office, retail, or parking are a principally permitted use. https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=202120220482011

² Senate Bill 6 of 2023 (SB 6) provides that residential or mixed-use projects meeting SB 6 criteria may invoke SB 35 Streamlined Ministerial Review and the Housing Accountability Act on sites with a zoning district where office, retail, or parking are a principally permitted use. https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=202520260586

³ Senate Bill 9 of 2021 (SB 9) provides a ministerial process for duplexes to be constructed on properties zoned for single-family or for the subdivision of properties zoned for single-family into two parcels and creates a ministerial process for up to two housing units to be constructed on each parcel. https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220589