



## CITY COUNCIL STAFF REPORT

<b>File No.</b>	C26-005
<b>Applicant</b>	SHPF Management & Services
<b>Location</b>	1402 Monterey Road (APN: 477-07-012)
<b>Existing Zoning</b>	CIC(PD) Planning Development, File No. PDC16-050.
<b>Proposed Zoning</b>	CIC Combined Industrial/Commercial
<b>Council District</b>	7
<b>Historic Resource</b>	No
<b>Annexation Date</b>	August 18, 1955 (Monterey Park, No. 4)
<b>CEQA</b>	Determination of Consistency with the Envision San José 2040 General Plan Final Program EIR (Resolution No. 76041), the Envision San José General Plan Supplemental EIR (Resolution No. 77617), and Addenda thereto.

**APPLICATION SUMMARY:**

Conforming Rezoning for an approximately 3.4-gross-acre site from the CIC(PD) Planned Development Zoning District to the CIC Combined Industrial/Commercial Zoning District.

**RECOMMENDATION:**

Staff recommends that the City Council:

- (a) Consider the Determination of Consistency with the Envision San José 2040 General Plan EIR (Resolution No. 76041) and the Envision San José General Plan Supplemental EIR (Resolution No. 77617), and Addenda thereto, in accordance with CEQA; and
- (b) Approve an ordinance rezoning certain real property of an approximately 3.4-gross-acre site located on the southeast corner of Monterey Road and East Alma Avenue (1402 Monterey Road) from the CIC(PD) Planned Development Zoning District to the CIC Combined Industrial/Commercial Zoning District.

**PROJECT DATA**

<b>GENERAL PLAN CONSISTENCY</b>			
<b>General Plan Designation</b>		<b>Combined Industrial/Commercial</b> <input checked="" type="checkbox"/> <b>Consistent</b> <input type="checkbox"/> <b>Inconsistent</b>	
<b>Consistent Policies</b>		<b>Implementation Policies IP-1.7 and IP-8.2</b>	
<b>Inconsistent Policies</b>		<b>N/A</b>	
<b>SURROUNDING USES</b>			
	<b>General Plan Land Use</b>	<b>Zoning</b>	<b>Existing Use</b>
<b>North</b>	Neighborhood/Community Commercial, Heavy Industrial	CN Commercial Neighborhood, HI Heavy Industrial	Restaurant and Industrial Offices
<b>South</b>	Combined Industrial/Commercial	CG(PD) Planned Development	Commercial Shopping Center
<b>East</b>	Heavy Industrial	CG(PD) Planned Development, HI Heavy Industrial	Commercial Shopping Center, Warehouse, and Distribution Facility
<b>West</b>	Neighborhood/Community Commercial	A(PD) Planned Development and LI(PD) Planned Development	Restaurant, motel, and Social Service Agency

<b>RELATED APPROVALS</b>	
<b>Date</b>	<b>Action</b>
<b>8/18/1955</b>	The site was annexed into the City (Monterey Park No. 4).
<b>12/14/1990</b>	Building Permit to allow the site to operate as a Retail/Lumberyard (File No. 93180F).
<b>12/16/1998</b>	Site Development Permit to allow construction of two buildings totaling 13,369 square feet for lumber storage and sales (File No. H98-094).
<b>8/18/2015</b>	Conventional Rezoning from the LI Light Industrial and HI Heavy Industrial Zoning District to the CIC Combined Industrial Zoning District (File No. C15-019).
<b>4/27/2016</b>	Conditional Use Permit to allow a public secondary charter school (grades 5-12) to use with a maximum enrollment of 1,237 students in buildings totaling 84,998 square feet; and a Site Development Permit to allow the demolition of a 7,027 square foot building, a 10,527 square foot expansion of a legal nonconforming structure, and site improvements on an approximately 3.69 gross acre site (File No. CP16-013).
<b>6/13/2017</b>	Site rezoned to a CIC(PD) Planned Development Zoning District (File No. PDC16-035).
<b>6/13/2017</b>	The Planned Development Permit, File No. PD16-035 was approved to allow a custom vehicle and parking requirement for an existing school, to redesign the parking lot, driveways, and outdoor recreation space, and to allow an after-school evening academic program until 8 PM on a 3.4 gross-acre site.

## PROJECT DESCRIPTION

### Site Description and Surrounding Uses

The subject 3.4-gross-acre property is located at the southeast corner of Monterey Road and East Alma Avenue (1402 Monterey Road; APN: 477-07-012). The site includes three existing buildings totaling approximately 81,498 square feet that were previously used for a secondary charter school (Downtown College Prep). There is also an existing surface parking lot and a fenced outdoor storage area. Surrounding land uses include a restaurant and industrial offices to the north, a retail shopping center to the south, a warehouse and distribution facility to the east, and a restaurant, a motel, and a social service center to the west (Attachment A).

### Background

On May 1, 2026, the applicant, SHPF Management & Services, filed an application to rezone the approximately 3.4-gross-acre site from the CIC(PD) Planned Development Zoning District to the CIC Combined Industrial/Commercial Zoning District. This application is a conforming rezoning, as the project site is within the Combined Industrial/Commercial General Plan designation (see Table 20-270, Section 20.120.110<sup>1</sup>). The approval of this rezoning request would allow the applicant to attract a new tenant. Additionally, the rezoning would bring the site into conformance with the General Plan Land Use/Transportation Diagram land use designation of Combined Industrial/Commercial.

## ANALYSIS

### Envision San José 2040 General Plan Conformance

The subject site has an Envision San José 2040<sup>2</sup> General Plan Land Use/Transportation Diagram land use designation of Combined Industrial/Commercial (see Attachment B).

This category allows a significant amount of flexibility for the development of a varied mixture of compatible commercial and industrial uses, including hospitals and private community gathering facilities, particularly in areas on the boundary between commercial and industrial uses.

This designation also specifies that while the designation potentially accommodates a wide variety of uses, more specific guidance should be provided through the application of the Zoning Ordinance in order to establish use and form standards. The subject site is located in an area with a broad mix of industrial and commercial uses, within close proximity (approximately 150 feet) to residential areas.

*Analysis: The existing CIC(PD) Planned Development Zoning District for the site limits the allowed uses to a secondary school (Downtown College Prep). The school has since*

<sup>1</sup>[https://library.municode.com/ca/san\\_jose/codes/code\\_of\\_ordinances?nodetd=TIT20ZO\\_CH20.120ZOCH\\_AM\\_PT2ORCOGEPL\\_20.120.110COGEPL](https://library.municode.com/ca/san_jose/codes/code_of_ordinances?nodetd=TIT20ZO_CH20.120ZOCH_AM_PT2ORCOGEPL_20.120.110COGEPL)

<sup>2</sup><https://www.sanjoseca.gov/home/showpublisheddocument?id=22359>

*closed. The rezoning would allow a wider variety of industrial and commercial uses that are consistent with the Combined Industrial/Commercial land use designation. This rezoning does not include any modifications to the existing building.*

The rezoning is consistent with the following General Plan policies:

1. Implementation (Land Use/Transportation Diagram) Policy IP-1.7: Ensure proposals to rezone and pre-zone properties conform to the Land Use/Transportation Diagram, and advance *Envision General Plan* vision, goals, and policies.

*Analysis: The CIC Combined Industrial/Commercial Zoning District is a conforming district to the CIC Combined Industrial/Commercial land use designation, pursuant to Section 20.120.110<sup>3</sup> of the San José Municipal Code.*

2. Implementation (Zoning) Policy IP-8.2: Use the City's conventional zoning districts, contained in its Zoning Ordinance, to implement the *Envision General Plan* Land Use/Transportation Diagram. These districts include a range of allowed land uses, development intensities, and standards within major land use categories (residential, commercial, and industrial), together with zoning districts for other land uses such as mixed-use and open space. The various ranges of allowed use and development intensity correspond generally to the respective *Envision General Plan* land use designations while providing greater detail as to the appropriate land uses and form of development.

*Analysis: Any future use and development at the subject site would be required to conform to the allowed uses and development standards of the CIC Combined Industrial/Commercial Zoning District. The allowed uses and development standards of the CIC Combined Industrial/Commercial Zoning District generally correspond to the CIC Combined Industrial/Commercial land use designation and would implement the *Envision General Plan* Land Use/Transportation Diagram.*

### **Zoning Ordinance Conformance**

The rezoning to the Combined Industrial/Commercial Zoning District (Attachment C) conforms with Table 20-270 (Section 20.120.110) of the San José Municipal Code, which identifies the CIC Combined Industrial/Commercial Zoning District as a conforming district to the General Plan Land Use/Transportation Diagram land use designation of CIC Combined Industrial/Commercial.

### **Use Regulations**

The CIC Combined Industrial/Commercial Zoning District would allow the property to be used and developed under the allowable uses in Table 20-110 (Section 20.50.100<sup>4</sup>). This rezoning would facilitate any future redevelopment of the site to be consistent with the General Plan land use designation of the Combined Industrial/Commercial.

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<sup>3</sup>[https://library.municode.com/ca/san\\_jose/codes/code\\_of\\_ordinances?nodeld=TIT20ZO\\_CH20.120ZOCHAM\\_PT2ORCOGEPL\\_20.120.110COGEPL](https://library.municode.com/ca/san_jose/codes/code_of_ordinances?nodeld=TIT20ZO_CH20.120ZOCHAM_PT2ORCOGEPL_20.120.110COGEPL)

<sup>4</sup>[https://library.municode.com/ca/san\\_jose/codes/code\\_of\\_ordinances?nodeld=TIT20ZO\\_CH20.50INZODI\\_PT2USAL\\_20.50.100ALUSPERE](https://library.municode.com/ca/san_jose/codes/code_of_ordinances?nodeld=TIT20ZO_CH20.50INZODI_PT2USAL_20.50.100ALUSPERE)

### Setbacks and Heights

Table 20-120 (Section 20.50.200<sup>5</sup>) of the San José Municipal Code establishes the development standards for the CIC Combined Industrial/Commercial Zoning District. All future developments would be evaluated for conformance with the development standards under Table 20-100 and all other Municipal Code regulations.

### **Senate Bill 330 Compliance**

The Housing Crisis Act of 2019 (SB 330, 2019) limits how local governments may reduce the capacity for residential units that can be built within the local agency's jurisdiction, including actions such as downzoning, changing general or specific plan land use designations to less intensive use, reductions in height, density or floor area ratio, or other types of increased requirements that work to reduce the amount of housing capacity in the jurisdiction.

*Analysis: The current CIC(PD) Zoning District only allows school and school-related uses and does not allow additional uses per Table 20-110 (Section 20.50.100<sup>6</sup>). Therefore, the rezoning would not reduce the capacity for residential units within the City.*

## **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

Pursuant to Section 15168(c)(2) of the CEQA Guidelines, the City of San José has determined that the project is pursuant to, in furtherance of, and within the scope of the Envision San José 2040 General Plan, the impacts of which were analyzed and disclosed in the Final Program Environmental Impact Report for the Envision San José 2040 General Plan, for which findings were adopted by City Council Resolution No. 76041 on November 1, 2011 and Supplemental EIR adopted by City Council Resolution No. 77617 on December 15, 2015, and addenda thereto. The FEIR, SEIR, and Addenda were prepared for the comprehensive update and revision of all elements of the City of San José General Plan, including an extension of the planning timeframe to the year 2040.

No new or more significant environmental impacts beyond those identified in the Envision San José 2040 General Plan Final Program Environmental Impact Report (FPEIR), Supplemental EIR (SEIR), and Addenda have been identified, nor have any new mitigation measures or alternatives that are considerably different from those analyzed in the FPEIR, SEIR, and Addenda been identified. The uses allowed would be consistent with the underlying General Plan designation of Combined Industrial/Commercial, and therefore, there are no new or more intensive uses being allowed, thus no additional impacts or mitigations.

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<sup>5</sup>[https://library.municode.com/ca/san\\_jose/codes/code\\_of\\_ordinances?nodetid=TIT20ZO\\_CH20.50INZODIPT3DERE\\_20.50.200DEST](https://library.municode.com/ca/san_jose/codes/code_of_ordinances?nodetid=TIT20ZO_CH20.50INZODIPT3DERE_20.50.200DEST)

<sup>6</sup>[https://library.municode.com/ca/san\\_jose/codes/code\\_of\\_ordinances?nodetid=TIT20ZO\\_CH20.50INZODIPT2USAL\\_20.50.100ALUSPERE](https://library.municode.com/ca/san_jose/codes/code_of_ordinances?nodetid=TIT20ZO_CH20.50INZODIPT2USAL_20.50.100ALUSPERE)

**PUBLIC HEARING NOTIFICATION**

Staff followed Council Policy 6-30: Public Outreach Policy. 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 has not received any comments since the preparation of this staff report.

/s

CHRIS BURTON, Director

Planning, Building, and Code Enforcement

For questions, please contact John Tu, Division Manager at (408) 535-6818.

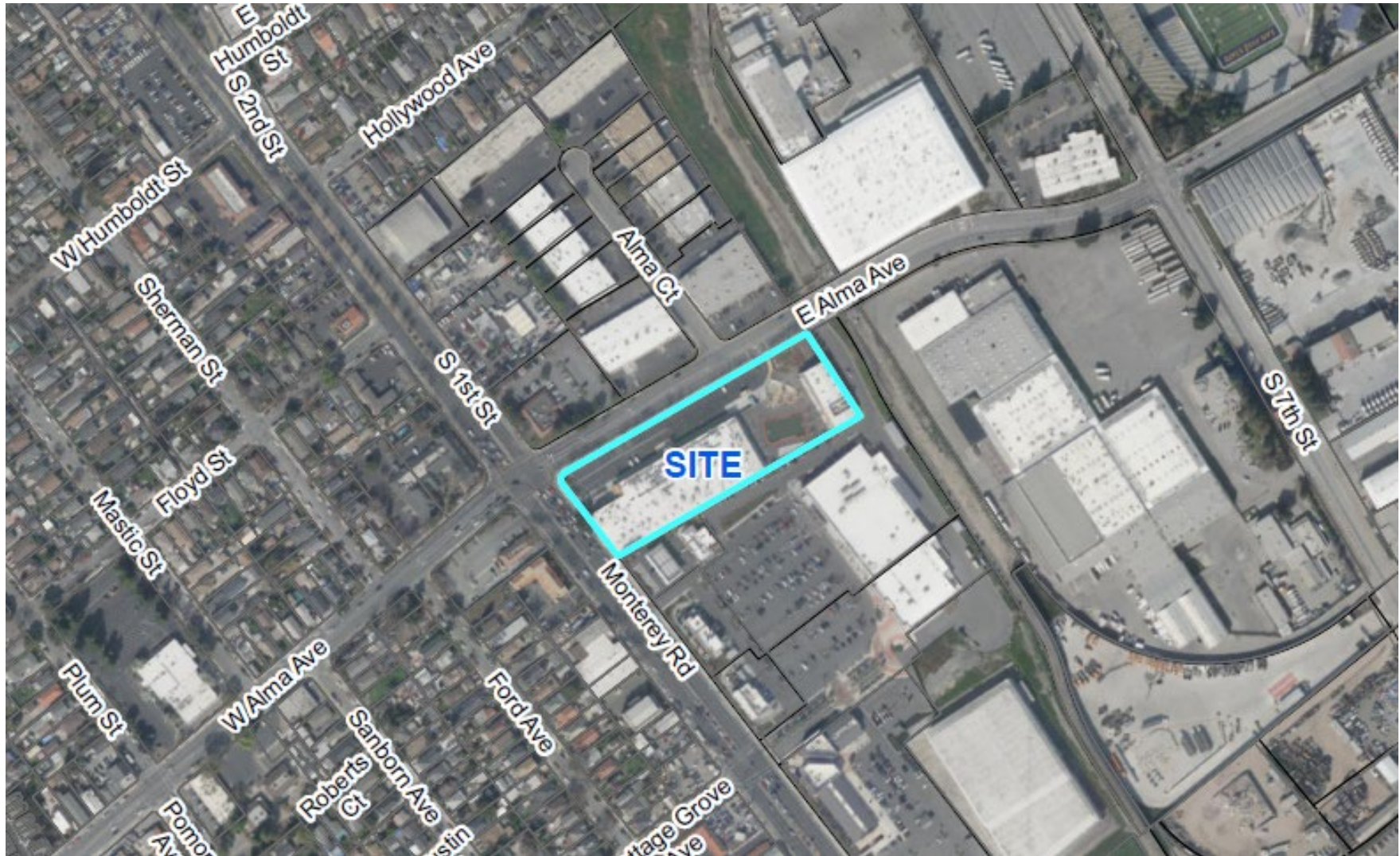
**ATTACHMENTS:**

Attachment A – Aerial Map

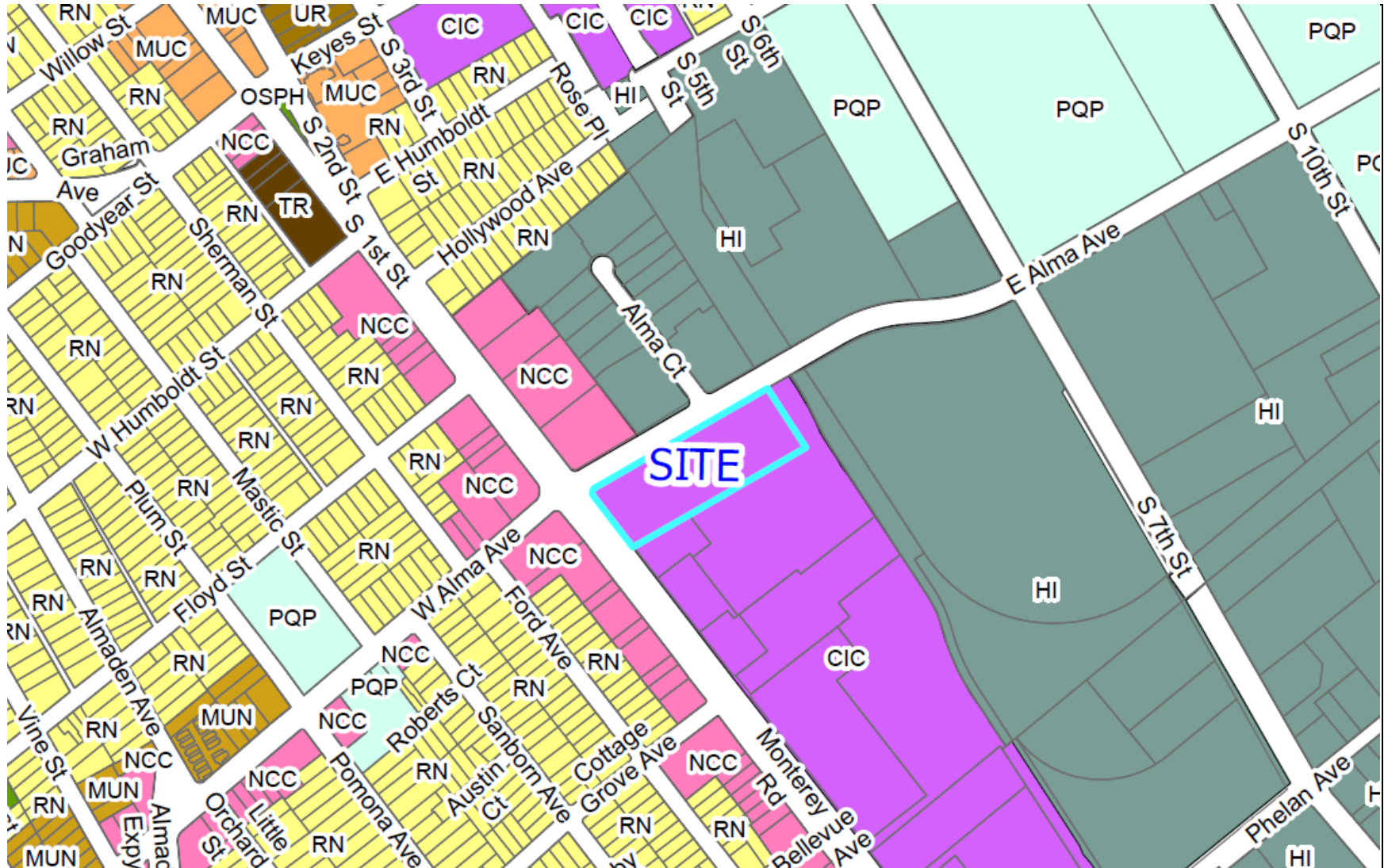
Attachment B – General Plan Map

Attachment C – Proposed Zoning Map

Attachment A: Aerial Map



Attachment B: General Plan Map



Attachment C: Proposed Zoning Map

