COUNCIL AGENDA: 5/6/25 FILE: 25-468 ITEM: 5.1

Memorandum

CITY OF SAN JOSE CAPITAL OF SILICON VALLEY

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Mukesh (Mookie) Patel

SUBJECT: See Below

DATE: April 14, 2025

Approved	Onderst. Marine	Date:
	Onters manie	4/22/25

COUNCIL DISTRICT: 6

SUBJECT: Guadalupe Gardens Master Plan Amendment

RECOMMENDATION

Adopt a resolution amending the Guadalupe Gardens Master Plan to remove four sites from the Guadalupe Gardens Master Plan.

SUMMARY AND OUTCOME

The purpose of this memorandum is to present a proposed Guadalupe Gardens Master Plan Amendment (Amendment) to the City Council consistent with the amendment process outlined in the Guadalupe Gardens Master Plan¹ (Master Plan). The outcome will result in four sites being removed from the Master Plan.

BACKGROUND

Project Background

The Guadalupe Gardens is a 120-acre property located immediately south of the San José Mineta International Airport (Airport) and is owned by the City of San José (City). The property was acquired as part of an extensive Airport Approach Land Use Acquisition Program in which the City purchased over 625 parcels and 800 dwellings in the former Coleman Loop Neighborhood. The program was funded with \$80 million in federal grants from the Federal Aviation Administration (FAA) and the property is subject to the requirements of all applicable federal grant assurances.

¹ https://www.flysanjose.com/sites/default/files/jwilson/2002GGMasterPlan%20(1).pdf

The property is designated as an Airport Approach Zone in the Envision 2040 General Plan, where the impacts of Airport noise and potential safety hazards to persons and property on the ground are primary considerations. Development of the property is governed by the Master Plan. The Master Plan was co-written by the Airport and Parks, Recreation and Neighborhood Services Departments and adopted by the City Council on April 23, 2002. The Master Plan envisions low density, open space, and recreational uses that are compatible with the underlying purpose of the property, defined by the FAA as noise buffer.

The Guadalupe Gardens Technical Committee (Technical Committee) is co-chaired by the Airport and Parks, Recreation and Neighborhood Services Departments. The Technical Committee also includes staff from Public Works and Transportation Departments, and staff from the Guadalupe River Park Conservancy. The Technical Committee meets every quarter to discuss the implementation of the Master Plan and maintenance of the Guadalupe Gardens property.

COVID-19 and FAA Corrective Action Plan

Since adoption of the Master Plan in 2002, the Guadalupe Gardens has been developed with numerous projects such as the Heritage Rose Garden, Historic Orchard, and Rotary PlayGarden. However, implementation of projects between Taylor Street and Hedding Street has been delayed for years, due to FAA requirements for the Airport to receive fair market value payments for developments in the Guadalupe Gardens and a lack of City funding for those envisioned uses. As a result, the land has remained fallow and ultimately resulted in large-scale unhoused encampments during the COVID-19 pandemic.

Starting in 2020, unhoused encampments occupied approximately 40 acres of the Guadalupe Gardens between Hedding Street and Taylor Street. In 2021, the FAA issued the Airport a Corrective Action Letter stating that the City was not in compliance with FAA grant assurances or the City's approved Noise Compatibility Plan. The FAA requested that the City respond with a Corrective Action Plan and identify a timeline for returning the land to approved uses in compliance with FAA grant assurances. Shortly thereafter, the Airport, in collaboration with other City departments, submitted a Corrective Action Plan to the FAA that proposed the phased abatement of the encampments over a one-year timeframe.

Following the phased abatement, discussions with the FAA included a balanced approach to preventing re-encampments. The balanced approach included "activating" the Guadalupe Gardens with new passive open-space recreational uses combined with commercial development along Coleman Avenue and Hedding Street for Airport commercial revenue generating purposes. The new uses included a Prototype Dog Park, opened in March 2024, and Prototype Disc Golf Course and Urban Agriculture concepts, which are in planning stages.

To ensure the success of this plan, the Airport officially requested the FAA's Western Pacific Regional Director designate the Guadalupe Gardens as community benefit, defined as low to zero cost use of the property. Community benefit has removed the barrier of ongoing funding costs for City departments to lease the property for development. On September 12, 2023, the FAA responded with **Attachment A**: FAA Community Benefit Letter, containing the following conditions for the City:

- 1) Maintain the land as a noise buffer;
- 2) Ensure that the proposed uses of the property are low-density uses;
- 3) The property will be split into multiple parcels, most of which will provide a community benefit;
- 4) One area or strip will be made available for small business that will provide the Airport a revenue stream;
- 5) All uses are subordinate to federal obligations;
- 6) Airport property use must comply with applicable federal policies, Grant-In-Aid Assurances, and orders that preserve the Airport's rights and powers as well as protecting the health and safety of the public;
- 7) Users of the property should be reminded that it is a noise-impacted location, and the use of the property must remain compatible with Airport operations; and
- 8) Request that the City establish a vehicle parking time limit off Asbury Street to maintain land use compatibility.

ANALYSIS

In response to FAA direction to commercially develop a strip of property along Coleman Avenue and Hedding Street, the Airport has initiated the Coleman and Hedding Commercial Development Project (GP18-012/PDC23-009). The project proposes to amend the Envision San José 2040 General Plan land use designation, update the zoning designation, and remove the following four sites along Coleman Avenue and Hedding Street from the Master Plan:

- a. Site 1, comprising APN 230-38-076
- b. Site 2, comprising APN 239-38-092
- c. Site 3, comprising APN's 259-02-130, 259-02-131, 259-08-102, University Street between Walnut Street and Coleman Avenue, and Emory Street between Walnut Street and Coleman Avenue
- d. Site 4, comprising APN's 259-08-072, 259-08-101 (partial)

The General Plan Amendment and Rezoning was heard by the Planning Commission on April 9, 2025, and is discussed in a separate memorandum.

The Amendment is included as **Attachment B**: Proposed Guadalupe Gardens Master Plan Amendment. Chapter 4, Section E of the Master Plan states a proposed project

will require an amendment to the Master Plan if the Technical Committee determines that:

- a. The project is not consistent with the stated Master Plan vision, goal, or objectives; or
- b. The project is not compatible with the land use elements or configuration set forth in the Master Plan.

The approved land uses under the proposed General Plan Amendment and Rezoning are not identified in the Master Plan and therefore, the Amendment will remove those parcels from the Master Plan. The Master Plan, anticipating that periodic updates may occur, includes process guidelines for amendments. The steps involved are:

- 1) Technical Committee analysis of the proposed Amendment for Airport and Parks, Recreation, and Neighborhood Services department approval to proceed with public review;
- 2) Review and advisory recommendation from the Guadalupe River Park Conservancy Board of Directors;
- 3) Review and recommendations from the Santa Clara County Airport Land Use Commission, Airport Commission, and Parks and Recreation Commission; and
- 4) Review and approval action from City Council.

The Amendment was reviewed and discussed by the Technical Committee at its October 2023 meeting. There was a consensus from the Technical Committee for this Amendment to move forward to ensure the future success of the Guadalupe Gardens. The Technical Committee recommended that the Airport and Parks, Recreation and Neighborhood Services Departments proceed with the required advisory and public reviews on November 9, 2023, in **Attachment C**: Guadalupe Gardens Technical Committee Memorandum. The Guadalupe River Park Conservancy Board of Directors heard this item at its May 20, 2024 meeting. The City conducted the required recommendations at subsequent City and County commission hearings; these are detailed under the Commission Recommendation and Input section below. With City Council approval, the City will have completed the public review steps required for the Amendment.

The City, as the lead agency for the Coleman and Hedding Commercial Development Project, has prepared an Environmental Impact Report (ER23-056) in compliance with CEQA. The draft Environmental Impact Report was circulated for public review and comment for 45 days, from August 2, 2024 to September 16, 2024. The draft Environmental Impact Report was recirculated from January 21, 2025 to March 7, 2025 to ensure the general public and all interested agencies were properly informed and to provide sufficient time to provide comments.

EVALUATION AND FOLLOW-UP

Staff is preparing a request for proposal for the project sites and expects to return to City Council in 2026 for a potential award.

COORDINATION

This memorandum was coordinated with the City Attorney's Office, City Manager's Budget Office, and Parks, Recreation, and Neighborhood Services Department.

PUBLIC OUTREACH

This memorandum will be posted on the City's website for the May 6, 2025 City Council meeting. A public meeting was held for the Environmental Impact Report/Notice of Preparation on September 27, 2023.

COMMISSION RECOMMENDATION AND INPUT

The Airport Commission heard this item on May 13, 2024, and provided a recommendation to adopt the Amendment with a vote of 7-0-2.

The Parks and Recreation Commission heard this item on June 5, 2024, and provided a recommendation to adopt the Amendment with a vote of 7-0-2-2.

The Santa Clara County Airport Land Use Commission heard this item on September 19, 2024, and provided a Determination of Consistency with the San José Airport Land Use Compatibility Plan with a vote of 4-2.

<u>CEQA</u>

Environmental status granted by the Planning, Building, and Code Enforcement Department. General Plan Amendment and Planned Development Rezoning for the Coleman and Hedding Commercial Development Project Environmental Impact Report, File No. ER23-056.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/ Mukesh (Mookie) Patel Director of Aviation

For questions, please contact Matthew Kazmierczak, Division Manager, Director's Office, at Matthew.Kazmierczak@sanjoseca.gov or (408) 392-3640.

ATTACHMENTS

- Attachment A: FAA Community Benefit Letter
- Attachment B: Proposed Guadalupe Gardens Master Plan Amendment
- Attachment C: Guadalupe Gardens Technical Committee Memorandum

Attachment A - Community Benefit Letter Page 1



U.S. Department of Transportation Federal Aviation Administration Western-Pacific Region Office of Airports 777 S. Aviation Blvd.,Suite 150 El Segundo, CA 90245

September 12, 2023

Mr. John Aitken, A.A.E, Director of Aviation, 1701 Airport Boulevard, Suite B-1130 San Jose, CA 95110-1206

Subject: Corrective action plan for Guadalupe Gardens

Dear Mr. Aitken;

This letter is in response to your March, 16, 2023 Corrective Action Plan (CAP) for the Guadalupe Gardens open space. In your CAP, you 1) Address the need to maintain the land as an airport buffer; 2) Ensure that the proposed uses of the property are low-density uses; and, 3) The property will be split into multiple parcels, most of which will provide a community benefit, while one area or strip will be made available for small business that will provide the airport a revenue stream.

The FAA's concurs with the City's intent to effectively utilize this San Jose International Airport (Airport) open property designated as noise sensitive land, while preventing incompatible land uses. We understand this is a sensitive matter and recognize the past achievements and continued planned improvements in the CAP.

As you move forward with CAP, we remind you that all uses are subordinate to federal obligations. The Airport property use must comply with applicable Federal Policies, Grant-In-Aid Assurances, and Orders that preserve the airport's rights and powers as well as protecting the health and safety of the public. Additionally, users of this property should be reminded that it is a noise-impacted location, and that use of the property must remain compatible with airport operations. Land use compatibility guidance is available at Title 14, Code of Federal Regulations, Part 150, Table 1, *Land Use Compatibility with Yearly Day-Night Average Sound Levels*. FAA also requests that the City establish a vehicle parking time limit on Ashbury Street to maintain land use compatibility.

If you have any questions, please contact my office at (424) 405-7300 or by email at Mark.McClardy@faa.gov.

Sincerely,

MARK A MC CLARDY Digitally signed by MARK A MC CLARDY Date: 2023.09.12 13:04:42 -07'00'

Mark A. McClardy Director, Airports Division Office of Airports, Western Pacific Region

cc: Laurie Suttmeier, Manager, FAA San Francisco Airports District Office Brian Armstrong, Manager, FAA Safety/Standards Branch, Western-Pacific Region

Proposed Amendment to the Guadalupe Gardens Master Plan

City of San Jose

Airport Department

and

Parks, Recreation & Neighborhood Services Department

October 2023

1. Background

In April 2002, after some 15 years of planning efforts, the City of San Jose adopted a master plan to set forth a vision and program of open space improvements for the "Guadalupe Gardens", the area comprising approximately 120 acres of mostly vacant City Airport Approach Zone property bounded by I-880, Coleman Avenue, and the Guadalupe River Park. The Master Plan was also approved by the Federal Aviation Administration (FAA) as required for proposed re-use of land acquired and cleared by the City with federal funds for airport noise and safety compatibility purposes. The Guadalupe Gardens Master Plan final report was published in December 2002.

The Master Plan calls for a cohesive mix of attractive horticultural, agricultural, and passive recreational elements to improve the visual appearance of the Guadalupe Gardens and provide for low density public utilization, in turn complementing the northern end of the adjacent Guadalupe River Park while maintaining compliance with Airport/FAA open space protection requirements. The Plan consists of a set of recommended land use improvements to be implemented within a short-term timeframe (Phase 1), overlayed by longer term uses to be refined and implemented as funding became available (Phase 2). Incorporated into the land use elements were the existing gardens and related improvements located on the south side of Taylor Street that had been implemented as interim open space uses prior to 2002 (including the Courtyard Garden, Historic Orchard, Heritage Rose Garden, and paved pathway along a segment of former Spring and Seymour streets connecting these gardens to the Guadalupe River Park trail).

The Master Plan also includes an implementation process involving continued joint oversight by the City's Airport Department and Parks, Recreation, and Neighborhood Services Department, in coordination with the non-profit Guadalupe River Park Conservancy and other City departments and agencies, to ensure that future improvements are appropriately proposed, designed, constructed, and maintained consistent with the Plan's recommendations.

2. Purpose of Update

The Coleman and Hedding Commercial Development Project proposes to change the Envision San Jose 2040 General Plan land use designation on approximately 11.4 acres on seven City-owned parcels in the Guadalupe Gardens as shown on attached **Exhibit 1** from Open Space Parks Habitat (OPSH) to Combined Industrial Commercial (CIC). The Project would also rezone the seven parcels to a Planned Development zoning. All seven parcels are City Airport Approach Zone property and are included within the Guadalupe Gardens Master Plan.

The project uses under the proposed Combined Industrial Commercial land use designation are not consistent with the stated goals of the Master Plan and do not conform to the passive recreational uses outlined therein; therefore this amendment will remove those parcels from the plan.

3. Application

The 2002 Master Plan, anticipating that periodic updates are appropriate, includes criteria and process guidelines for amendments. The steps involved are:

1. Technical Committee prepares analysis of proposed amendment and submits recommendation for department approval to proceed with public review.

- 2. Review and advisory recommendation from the Guadalupe River Park Conservancy Board of Directors.
- 3. Review and recommendations from County Airport Land Use Commission, City Airport Commission, and City Parks & Recreation Commission.
- 4. Review and approval action from City Council.

4. Master Plan Changes

The amendment to the Guadalupe Gardens Master Plan is presented below and depicted on the Exhibits below. Except as specifically addressed herein, all land use elements and implementation guidelines set forth in the 2002 Master Plan remain unchanged.

- 1. The following parcels listed below and outlined on attached **Exhibit 1** will be removed from the Guadalupe Gardens Master Plan:
 - a. Site 1, comprising APN 230-38-076
 - b. Site 2, comprising APN 230-38-092
 - c. Site 3, comprising APN's 259-02-130, 259-02-131, 259-08-102, University Street between Walnut Street and Coleman Avenue, and Emory Street between Walnut Street and Coleman Avenue
 - d. Site 4, comprising APN's 259-08-072, 259-08-101 (partial)



Attachment C - Guadalupe Gardens Technical Committee Memorandum Page 1



Memorandum

TO: John Aitken Jon Cicirelli FROM: Guadalupe Gardens Technical Committee

SUBJECT: Guadalupe Gardens Master Plan Amendment DATE: 11/09/2023

The purpose of this memorandum is to share the Proposed Amendment to the Guadalupe Gardens Master Plan (GGMP) and request departmental approval to proceed with public review.

The Guadalupe Gardens Technical Committee reviewed the Proposed Amendment to the GGMP (see attached Exhibit A) during the 10/19/2023 Guadalupe Gardens Technical Committee meeting. The amendment removes four individual sites, comprised of seven parcels and two street segments included in the Coleman and Hedding Commercial Development project described below.

The Coleman and Hedding Commercial Development Project (GP18-012/PDC23-009) proposes to change the Envision San Jose 2040 General Plan land use designation on approximately 11.4 acres on seven City-owned parcels in the Guadalupe Gardens from Open Space Parks Habitat (OPSH) to Combined Industrial Commercial (CIC). The Project would also rezone the seven parcels to a Planned Development zoning. An Environmental Impact Report (ER23-056) is underway for the project.

The project uses under the proposed Combined Industrial Commercial land use designation are not consistent with the stated goals of the GGMP and do not conform to the passive recreational uses outlined therein; therefore this amendment will remove those parcels from the plan.

The Airport and PRNS have committed to activate unused Guadalupe Gardens property north of Taylor Street to prevent incompatible uses. The FAA has approved community benefit uses on this property, upon the condition that the Airport commercially develops property along Coleman Avenue and Hedding Street (Exhibit B). This action will allow projects such as the Disc Golf, Prototype Dog Park, and Urban Agriculture to proceed.

The next steps per the GGMP amendment implementation process include review and advisory recommendation by the Guadalupe River Park Conservancy Board of Directors and review and recommendations from the County Airport Land Use Commission, Airport Commission, and City Parks & Recreation Commission.

Given the benefits of this project to the overall success of future recreation and community use projects, the Guadalupe Gardens Technical Committee recommends Airport and PRNS department approve staff to proceed with the public review process outlined in the GGMP.

Attachment C - Guadalupe Gardens Technical Committee Memorandum Page 2

Attachments

- Exhibit A Proposed Amendment to the Guadalupe Gardens Master Plan
- Exhibit B FAA Letter of Concurrence with Community Benefit designation for Guadalupe Gardens
- cc: Guadalupe Gardens Technical Committee Members

Proposed Amendment to the Guadalupe Gardens Master Plan

City of San Jose

Airport Department

and

Parks, Recreation & Neighborhood Services Department

October 2023

1. Background

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Attachment C - Guadalupe Gardens Technical Committee Memorandum Page 7



U.S. Department of Transportation

Federal Aviation Administration Western-Pacific Region Office of Airports 777 S. Aviation Blvd.,Suite 150 El Segundo, CA 90245

September 12, 2023

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Mark A. McClardy Director, Airports Division Office of Airports, Western Pacific Region

cc: Laurie Suttmeier, Manager, FAA San Francisco Airports District Office Brian Armstrong, Manager, FAA Safety/Standards Branch, Western-Pacific Region