



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Planning Commission

SUBJECT: See Below

DATE: September 18, 2025

COUNCIL DISTRICT: 6

SUBJECT: GP25-005: Early Consideration for a Privately Initiated General Plan Amendment for Certain Real Property Located at 1030 and 1038 McKendrie Street

STAFF RECOMMENDATION

- (a) Adopt a resolution denying the applicant's 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 and direct staff to evaluate the subject site and surrounding sites, as an area that would allow for residential or mixed-use development in the future, as part of the General Plan 4-Year Review.
- (b) In the alternative, direct Planning staff to continue processing the application 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 located at 1030 and 10380 McKendrie Street, and consider input from the City Council, complete the CEQA analysis, and return to the City Council with a completed development application for consideration.

PLANNING COMMISSION RECOMMENDATION

The Planning Commission on August 27, 2025, voted 7-0-2 (Oliverio and Young absent) to recommend that the City Council deny staff's recommendation and allow for the continued processing of the General Plan Amendment application.

SUMMARY AND OUTCOME

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 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. The process allows for a General Plan Amendment to be heard by City Council for early feedback before the full review of the application.

City Council can approve one of the following actions: (1) approve staff recommendation and deny the proposed General Plan Amendment; (2) approve the Planning Commission's recommendation and direct staff to continue processing the General Plan Amendment and any other associated applications as proposed; or (3) approve the Planning Commission's recommendation to continue processing the General Plan Amendment but with modifications to the proposal, such as with a different land use designation.

If the City Council denies the proposed privately-initiated General Plan Amendment, the site would retain its current land use designations of Neighborhood/Community Commercial and Residential Neighborhood.

If the City Council approves the Planning Commission's recommendation to direct staff to continue processing the application for future consideration, staff would complete the review of the General Plan Amendment, rezoning and the development permit, and conduct environmental analysis of the project under the California Environmental Quality Act (CEQA). Staff would bring a recommendation for approval or denial of all applications once the full analysis is complete, potentially to the 2026 General Plan Annual Review hearing at the end of 2026.

BACKGROUND

On August 27, 2025, the Planning Commission held a public hearing for Early Consideration of the proposed privately-initiated General Plan Amendment. Commissioner Bickford made a motion to deny staff recommendation and allow for continued processing of the proposed General Plan Amendment. Commissioner Bhandal seconded the motion. The motion passed 7-0-2 (Oliverio and Young absent).

ANALYSIS

For a complete analysis, please see the attached Planning Commission staff report.

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EVALUATION AND FOLLOW-UP

If the City Council approves the Planning Commission's recommendation to allow for continued processing, staff will process the General Plan Amendment and other associated applications and environmental review documents, once submitted, to be reheard by the City Council after full review is complete.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office.

PUBLIC OUTREACH

A notice of the public hearings was distributed to the owners and tenants of all properties located within 500 feet of the project site and a notice for the City Council hearing was posted in the San José Post printed paper and on the website on August 5, 2025. The staff report is also posted on the City's website. Staff has been available to respond to questions from the public.

This memorandum will be posted on the City's Council Agenda website for the September 30, 2025 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

On August 27, 2025, the Planning Commission held a public hearing for Early Consideration of the proposed privately-initiated General Plan Amendment (Amendment).

Staff Presentation

Planner Laura Maurer provided a presentation on the proposed Amendment, including site context, project review and General Plan conformance analysis, and staff's recommendation.

Applicant Presentation

Applicant Jeff Carrant of Studio Current Urban Design and Architecture described his proposed project for changing the current General Plan to Mixed Use Neighborhood to allow up to 30 dwelling units per acre, with a site plan for 12 three-story townhomes. He shared his experience with a previous, withdrawn development application for housing on this site in 2017 and the time and financial investment he made, which did not move forward due to incompatibility with General Plan policies. He expressed frustration that

since that time the City rezoned the properties reducing allowable density. He described the site as a long-standing parking lot, which is no longer needed by the adjacent office building (1900 The Alameda) and emphasized that the proposed townhomes would serve as an appropriate transition between the larger buildings along the Alameda corridor and the smaller homes to the east.

Public Hearing

Elizabeth Monley, a local resident, stated that the property has been a parking lot for many years in one of the oldest historic neighborhoods. She said the community would support housing that reflects the character of the area, such as townhomes, but not high-rise or commercial development due to parking and traffic concerns. She expressed support for the applicant's proposal.

Planning Commission Discussion

Commissioner Bickford inquired about the tax income the City receives from a parking lot. She acknowledged the need for protecting commercial space to attract businesses, but also noted the urgent need for housing. She opposed waiting several years to develop the site and supported incorporating below-market-rate housing in this project.

Commissioner Bickford made a motion to deny staff recommendation and allow for continued processing of the General Plan Amendment. Commissioner Bhandal seconded the motion.

Commissioner Cantrell voiced tentative support for continued processing of the General Plan Amendment. He described single-family zoning as an exclusionary practice that limits affordability and referenced other cities that have implemented "gentle density" to provide a mix of housing types. He stated that the parcel had already failed as a commercial use and was not producing tax revenue, which made residential development a logical alternative.

Planning staff clarified that the rezoning of the site to the R-1-8 Single-Family Residence and CP Commercial Pedestrian zoning district from the R-2 Two-Family Residence zoning district was done to comply with state law (SB 1333), which necessitated zonings to conform to the General Plan designations.

Commissioner Barocio reflected on the challenge of considering two similar General Plan Amendment proposals in one hearing. He noted that approving both might have a cumulative effect on the loss of commercial land and could appear to disregard the importance of preserving commercial land for the City's fiscal health. At the same time, he acknowledged the community benefits of redeveloping an underused site, including housing opportunities and neighborhood activation.

Chair Rosario reminded the Commission that a similar General Plan Amendment proposal had recently been denied by the Commission and that the Four-Year Review might revise current General Plan policies.

Commissioner Cantrell acknowledged the potential cumulative impact but argued that commercial reuse of the current site was unlikely and suggested that residential use could still contribute to City revenue through home-based businesses. He questioned the validity of the City's service-cost calculations and encouraged reconsideration of those assumptions.

Commissioner Casey said he was guided by the scale of the proposal because only a quarter-acre of commercial land would be lost. Because of the limited size, he found the conversion acceptable and supported the project.

Staff reiterated that the General Plan Four-Year Review was the appropriate process to evaluate transitional areas and gentle density citywide and the reason for recommending denial on both proposals under consideration.

Commissioner Casey responded that the land use changes from the Four-Year Review would not take effect until late 2027, which was too long to wait. He maintained that the project should move forward now. Staff clarified that the earliest the project could return for hearings would be late 2026, about one year before the Four-Year Review changes would take effect.

Commissioner Barocio asked if the Four-Year Review would pause General Plan Amendment applications. Staff explained that Early Consideration applications would continue to be accepted and processed during the review period, though any new requests would be scheduled for hearings at the end of 2027. After receiving further clarifications about application deadlines and cycles, Commissioner Barocio stated that he would support the proposal for remaining consistent with his decision on the previous agenda item. He concluded by affirming that he would give greater consideration to staff input and timeline concerns on future projects.

CEQA

Under the provisions of Section 15270 of the State Guidelines for Implementation of the California Environmental Quality Act, the 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 allows for 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 their project prior to the Lead Agency's disapproval of the project after normal evaluation and processing.

Should the City Council allow continued processing of the proposed General Plan Amendment for future consideration, such action would not constitute an approval of a project under CEQA.

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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/

Chris Burton

Secretary, Planning Commission

For questions, please contact Ruth Cueto, Principal Planner, Planning, Building and Code Enforcement Department at ruth.cueto@sanjoseca.gov or (408) 535-7886.

ATTACHMENT

Planning Commission Staff Report from August 27, 2025



Memorandum

TO: PLANNING COMMISSION

FROM: Chris Burton

SUBJECT: File No. GP25-005

DATE: August 18, 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

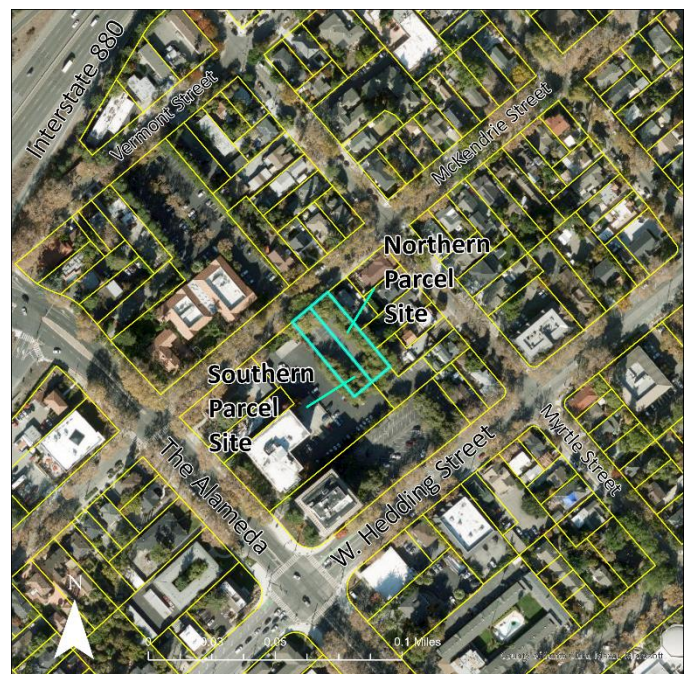


Figure 1 Aerial Site Map

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.

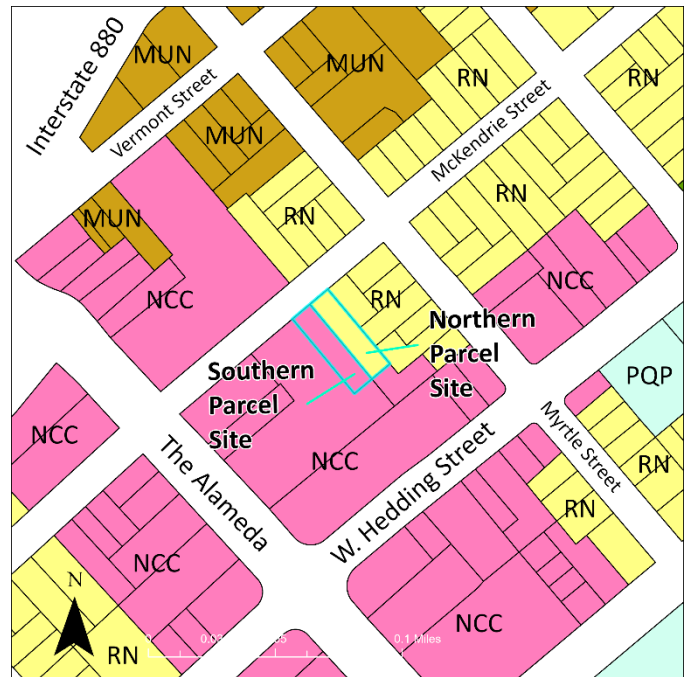


Figure 2 Existing General Plan Land Use Designations

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

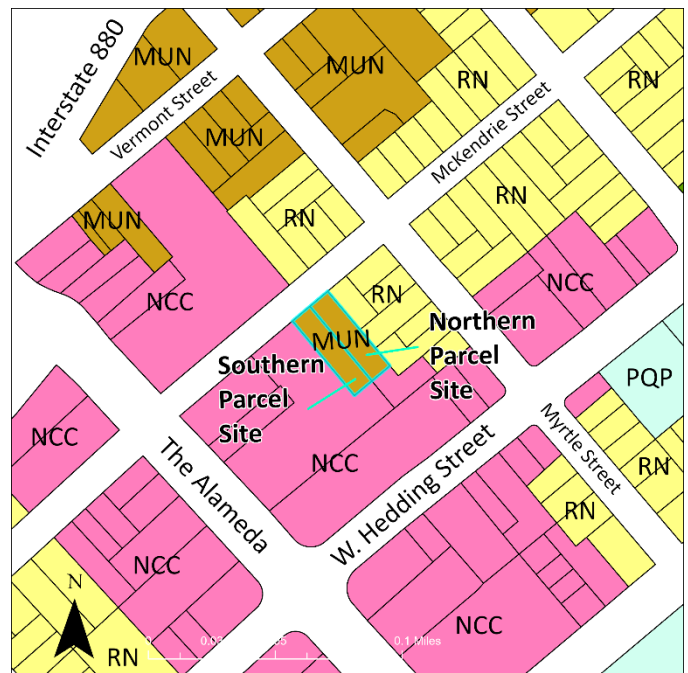


Figure 3 Proposed General Plan Land Use Designation

should be used to establish new neighborhoods with a cohesive urban form, to provide transition between 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 established 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 continue 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 will 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

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	Michaelle Williams Studio Current 96 N. 3 rd Street, #110 San José, CA 94112 michaelle@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.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB2011

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.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB6

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.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB9