



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Planning Commission

SUBJECT: SEE BELOW

DATE: June 15, 2021

COUNCIL DISTRICT: 3

SUBJECT: GP19-008 & H20-004. GENERAL PLAN AMDNEMENT AND SITE DEVELOPMENT PERMIT FOR PROPERTY LOCATED AT THE SOUTHWEST CORNER OF SOUTH ALMADEN BOULEVARD AND WOZ WAY

RECOMMENDATION

The Planning Commission voted 7-0 to recommend that the City Council take all of the following actions:

1. Adopt a Resolution certifying the Supplemental Environmental Impact Report (SCH No. 2003042127) to the Downtown Strategy 2040 Environmental Impact Report (Resolution No. 78942), and making certain findings concerning significant impacts, mitigation measures, alternatives, Statement of Overriding Considerations, and adopting a related Mitigation Monitoring and Reporting Plan, in accordance with the California Environmental Quality Act (CEQA).
2. Adopt a Resolution amending the Envision San José 2040 General Plan Land Use/Transportation Diagram designation from Public/Quasi-Public to Downtown on an approximately 3.08-gross acre site.
3. Adopt a Resolution approving, subject to conditions, a Site Development Permit, to allow the construction of two 20-story office towers with a total of approximately 1.85 million square feet, including 10,107 gross square feet of ground floor retail space and 1,226,600 gross square feet of commercial office space with four levels of below-grade garage parking and four levels of above grade garage parking, and to allow the demolition of 16 single-family residences and 5 associated detached garages and the removal of 30 ordinance-sized trees and 21 non-ordinance-sized trees on 2.93 gross acres within the 3.08-acre site.

OUTCOME

If the City Council approves all the actions listed above as recommended by the Planning Commission, the existing land use designation of the site will be changed from public/quasi-public to Downtown, and the applicant will be able to move forward to the building permit phase to demolish 11 existing single-family houses and five associated detached garages, demolish or remove five existing single-family houses that are contributors to a Candidate City Landmark Historic District, and construct two 20-story office towers with approximately 1,226,600 gross square feet of commercial office and approximately 10,107 square feet of ground floor commercial retail space.

If the City Council denies all the actions listed above, the proposed project as described in this memo, could not proceed.

BACKGROUND

On June 9, 2021, the Planning Commission held a Public Hearing to consider the resolution certifying the Supplemental Environmental Impact Report (SEIR), General Plan Amendment, and Site Development Permit. The Planning Commission recommended that the City Council adopt the resolution certifying the Woz Way Office Supplemental Environmental Impact Report and related Mitigation Monitoring and Reporting Plan and approve the General Plan Amendment and the Site Development Permit.

Staff Presentation

Staff provided a brief oral presentation on the project. Staff's presentation included an overview of the project's conformance with the General Plan, San José Zoning Code, City Council Policy 6-34: Riparian Corridor Protection and Bird-Safe Design Policy, and the California Environmental Quality Act, as well as the project's conformance with the Downtown Design Guidelines and Standards, as described in the attached staff report.

Public Hearing

The applicant, Mark Tersini on behalf of KT Urban, introduced the applicant team and identified the architect from C2K Architecture to present project details. Due to a technical issue with loading the presentation, the Chair opened the public comments before the architect's presentation.

Four members of the public spoke on the project.

A member of the public affiliated with the Santa Clara Valley Audubon Society expressed concerns about the proposed reduced 35-foot riparian setback and the bird-safe design features of the project and urged the City to ensure the project design meets the Downtown Design Guidelines' bird-safe design standards.

A District 3 resident expressed concerns about the cumulative impact to the water quality of the Guadalupe River and its habitat caused by the two high intensity developments, including the subject project and the planned Almaden Office project (File No. SP20-005) across Woz Way from the project site. The commenter stated that planting new trees would never mitigate the impacts to the river; therefore, mitigation must be implemented as near as possible to the site to confine impacts to the project site; and the mitigation must to be monitored. The commenter stated that the applicant should provide additional benefits to the City similar to what was required for the Google project.

One member of the public affirmed the comments raised by the first two commenters and suggested that given the project scale, the project should meet the same standards and provide similar community benefits as the Google project.

Another member of the public expressed concern that the building height would not meet the San José Airport's requirement and suggested the building height should be lowered by 50 feet to 100 feet.

Following public comments, the architect presented the proposed project. The architect's presentation included the existing site conditions, the site's unique gateway location, the site layout and the relationship to the Guadalupe River and Trail, the buildings' distinguished skyline, and overall building ground floor activation and pedestrian and vehicle circulation. The architect also described how the project avoided lighting impacts to the riparian corridor and how the project met the bird-safe design standards. The architect stated that there was no outdoor lighting proposed within the 35-foot riparian setback area, all lighting would be directed downwards, and ultimately the project lighting will not be visible from the riparian corridor given that the river is much lower than the project site and any stray light would be blocked by the grade difference. Bird-safe glass is integrated throughout the entire project and to follow the design guidelines, 90% of the building facade from the ground to 40 feet high is not transparent or reflective, and 60% of the facade above 40 feet is not transparent or reflective. These are achieved by using bird-safe glass specifically designed to be visible to birds, thus preventing bird collisions.

Commissioner Discussion

Commissioner Lardinois asked about the property acquisition process and how the City Council's decision on whether or not to approve the project would affect any purchasing contracts for those properties.

Mr. Tersini responded that the purchase contracts are not tied to the approval of the project. Mr. Tersini also explained that they met with the owners of rental properties in 2019 to discuss providing tenants advanced notice of the proposed development. Mr. Tersini also mentioned that his team had indicated to the Preservation Action Council of San Jose their interest to move a few of the historic homes, and there is a site in close proximity to the project site, which could potentially accommodate some of the homes as secondary units. Additionally, Mr. Tersini indicated that KT Urban is open and willing to relocate those historic homes.

Commissioner Oliverio first confirmed with the applicant that the rendering shown by the architect included the proposed Boston Properties development across Woz Way. He then asked if the owner of the single-family home excluded from the Site Development Permit area does not want to sell the property. The applicant responded that the property owner was approached but is not interested in selling. The applicant stated that if the property owner changes their mind, the project will be modified and submitted to the City for review. Commissioner Oliverio stated that the project provides a generous setback to this existing single-family house.

Commissioner Torrens stated that she had the same question as Commissioner Oliverio regarding why the single-family house was excluded, and the question had been answered. Commissioner Torrens also asked what is meant by “the City as the lead agency” on this project and wondered who currently owns the properties.

Staff responded that the City is the lead agency for preparing the Environmental Impact Report and that it does not mean that the City owns the land. Staff also clarified that Locust Street is a public street and is currently owned by the City.

Commissioner Oliverio made a motion to recommend that the City Council approve the project. He expressed his support of this high intensity office development in Downtown because the project meets the goals of Downtown and would provide employment opportunities in the Downtown core where there is public transit. Commissioner Casey seconded the motion.

Chair Caballero concurred with Commissioner Oliverio and commented that the project has addressed the environmental issues.

The motion to recommend Council approval of the project passed unanimously (7-0).

ANALYSIS

Analysis of the proposed project, including CEQA compliance, General Plan Amendment and Site Development Permit, in addition to conformance with the General Plan, Zoning Ordinance, City Council Policies, and the Downtown Design Guidelines are contained in the attached staff report.

CONCLUSION

The project was heard at the June 9, 2021 Planning Commission meeting. The motion to recommend Council approval of the project passed unanimously (7-0). As discussed in the attached staff report, the project is consistent with the Envision San José 2040 General Plan, the Zoning Code, applicable City Council Policies, and the requirements of CEQA and is consistent with the Downtown Design Guidelines. Should the City Council adopt the resolution certifying the Supplemental Environmental Impact Report, the General Plan Amendment and the Site

Development Permit, the project would be approved to allow the demolition of the 11 existing single-family houses and five associated detached garages, the demolition or removal of five existing single-family houses that are contributors to a Candidate City Landmark Historic District, and to allow the construction of two 20-story office towers with a total of approximately 1.85 million square feet, including 10,107 gross square feet of ground floor retail space and 1,226,600 gross square feet of commercial office space with four levels of below-grade garage parking and four levels of above grade garage parking on a 2.93-acre site. The applicant could proceed with an application for Building Permits.

EVALUATION AND FOLLOW-UP

Should the City Council adopt the resolution certifying the Final Environmental Impact Report, approve the General Plan Amendment and the Site Development Permit, the project would be approved to allow the change of the land use designation from Public/Quasi-Public to Downtown, and to allow the demolition of 11 existing single-family houses and five associated detached garages, demolition or removal of five existing single-family houses that are contributors to a Candidate City Landmark Historic District, and to allow the construction of two 20-story office towers with a total of approximately 1.85 million square feet, including 10,107 gross square feet of ground floor retail space and 1,226,600 gross square feet of commercial office space with four levels of below-grade garage parking and four levels of above grade garage parking. The applicant could proceed with an application for Building Permits.

CLIMATE SMART SAN JOSE

The recommendation in this memorandum aligns with one or more Climate Smart San José energy, water, or mobility goals. The project would increase the intensity (jobs/acre) of the site and would implement design features for a high-performing, energy-efficient development. The project facilitates job creation within City limits and due to its accessible location facilitates mobility choices other than single-occupancy, gas-powered vehicles.

PUBLIC OUTREACH

Staff followed Council Policy 6-30: Public Outreach Policy, whereby the project is considered a large development proposal. Following City Council Policy 6-30, the applicant posted the on-site signs to inform the neighborhood of the proposed project. A notice of the public hearing was distributed to the owners and tenants of all properties located within 1,000 feet of the project site and posted on the City website. The staff report is also posted on the City website. Staff has also been available to respond to questions from the public.

A formally noticed virtual Community Meeting with the Environmental Scoping was held on June 29, 2020 to introduce the proposed project to the community. Approximately 23 community

members joined the Zoom meeting with comments relating to historic preservation, traffic, parking and tree protection.

COORDINATION

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

CEQA

The City of San José, as the lead agency for the project, prepared a Draft Supplemental Environmental Impact Report (Draft SEIR) to the Downtown Strategy 2040 Environmental Impact Report (Resolution No. 78942). The Notice of Preparation (NOP) was circulated from June 8, 2020 and was extended until August 12, 2020. The Draft SEIR itself was circulated for public review and comment from March 1, 2021 through April 15, 2021.

The City received six written comment letters during the public circulation period. All comments have been fully responded to in the Final Supplemental Environmental Impact Report (Final SEIR). A summary of the public comments received on the EIR is provided in the Planning Commission staff report, as well as information on responses to the comments.

The Draft SEIR and Final SEIR are available for review on the project page on the City's Active EIR website at: <https://www.sanjoseca.gov/your-government/departments-offices/planning-building-code-enforcement/planning-division/environmental-planning/environmental-review/active-eirs/woz-way-project/-fsiteid-1> A copy of the signed MMRP is attached to the proposed CEQA resolution.

/s/
CHU CHANG, Acting Secretary
Planning Commission

For questions, please contact Planning Official, Robert Manford, at (408) 535-7900.

Attachments: Planning Commission Staff Report



Memorandum

TO: PLANNING COMMISSION

FROM: Chu Chang, Acting Director

SUBJECT: File Nos. GP19-008 / H20-004

DATE: June 9, 2021

COUNCIL DISTRICT: 3

Type of Permit	General Plan Amendment and Site Development Permit
Proposed Land Use	Commercial office and retail
New Square Footage	1,851,858
Additional Policy Review Items	Riparian Corridor Protection and Bird-Safe Design Policy
Demolition	16 single-family residences and five detached garages
Tree Removals	30 ordinance-sized trees and 21 non-ordinance-sized
Project Planners	Angela Wang (H20-004) & Jessica Setiawan (GP19-008)
CEQA Clearance	Woz Way Office Supplemental Environmental Impact Report (State Clearinghouse No. 2003042127) to the Downtown Strategy 2040 Environmental Impact Report (Resolution No. 78942)
CEQA Planner	Adam Petersen

RECOMMENDATION

Staff recommends that the Planning Commission recommend that the City Council take all of the following actions:

1. Adopt a Resolution certifying the Supplemental Environmental Impact Report (SCH No. 2003042127) to the Downtown Strategy 2040 Environmental Impact Report (Resolution No. 78942), and making certain findings concerning significant impacts, mitigation measures, alternatives, Statement of Overriding Considerations, and adopting a related Mitigation Monitoring and Reporting Plan, in accordance with the California Environmental Quality Act (CEQA).
2. Adopt a Resolution amending the Envision San José 2040 General Plan Land Use/Transportation Diagram designation from Public/Quasi-Public to Downtown on an approximately 3.08-gross acre site.
3. Adopt a Resolution approving, subject to conditions, a Site Development Permit, to allow the construction of two 20-story office towers with a total of approximately 1.85 million square feet, including 10,107 gross square feet of ground floor retail space and 1,226,600 gross square feet of commercial office space with four levels of below-grade garage parking and four levels of above grade garage parking, and to allow the demolition of 16 single-family residences and 5 associated detached garages and the removal of 30 ordinance-sized trees and 21 non-ordinance-sized trees on 2.93 gross

acres within the 3.08-acre site.

PROPERTY INFORMATION

Location	Southwest corner of Woz Way and South Almaden Boulevard
Assessor Parcel No.	GP19-008: 264-31-037 to 044, 061 to 067, 092, 107 & 108, and the Locust Street right of way H20-004: All of the above except APN 264-31-042
General Plan - Existing	Public/Quasi-Public
General Plan - Proposed	Downtown
Growth Area	Downtown
Zoning	DC Downtown Primary Commercial
Historic Resource	Six existing structures (515, 527, 533, 541, 547 and 553 Vine Street) are considered contributors to a Candidate City Landmark Historic District.
Annexation Date	March 27, 1850 (Original City)
Council District	3
Acreage	GP19-008: 3.08 gross acres H20-004: 2.93 gross acres of the 3.08-acre area
Proposed Density	10.8 floor area ratio (FAR)

PROJECT SETTING AND BACKGROUND

As shown on the attached [Vicinity Map \(Exhibit A\)](#), the Project Site is located at the southwest corner of Woz Way and South Almaden Boulevard. The approximately 3.08-gross acre site consists of 18 residential parcels and Locust Street, and is currently developed with 17 single-family residences. Locust Street is a public street that will be vacated to be included in the project area. Six of the existing structures at 515, 527, 533, 541, 547 and 553 Vine Street (facing South Almaden Boulevard just north of I-280) are considered contributors to a Candidate City Landmark Historic District.

The site is surrounded by commercial and single-family residential uses to the east across South Almaden Boulevard, a parking lot to the north across Woz Way (planned for development with two 16-story, approximately 2.1-million square foot office towers, File No. SP20-005), Valley Water storage yard and the Guadalupe River and Trail to the west and Interstate 280 to the south.

The proposed project includes two applications. On October 2, 2019, C2K Architecture, Inc. on behalf of KT Urban filed the subject General Plan Amendment application to change the General Plan Land Use Designation of this 3.08-acre site from Public/Quasi Public to Downtown, and subsequently filed the subject Site Development Permit application on April 10, 2020, to construct the office towers on 2.83 acres of the 3.08-acre General Plan Amendment site. 541 Vine Street (APN 246-31-042) is within the General Plan Amendment boundary, but is not included in the Site Development Permit boundary. See the attached [Exhibits A and B](#) for the Site Development Permit and the General Plan Amendment boundaries.

SURROUNDING USES			
	General Plan	Zoning District	Existing Use
North	Downtown	DC Downtown Primary Commercial	Parking lot planned for office development (across Woz Way)
South	Caltrans right of way, no General Plan designation	Caltrans right of way, no zoning	Interstate 280
East	Downtown	DC Downtown Primary Commercial	Commercial and Single Family Residential (across South Almaden Blvd)
West	Public/Quasi Public	DC Downtown Primary Commercial	Guadalupe River and Trail; Valley Water storage yard

The project would demolish or remove 16 single-family residential buildings, among which five structures are considered contributors to a Candidate City Landmark District, and five detached garage structures, and remove 30 ordinance-sized trees and 21 non-ordinance-sized trees on site.

As shown [Exhibit J](#), the project plan, the proposed two office towers would be oriented to the east and west, facing a proposed paseo and internal street to provide pedestrian and vehicular circulation from South Almaden Boulevard to Woz Way and the Guadalupe River trail. The office towers would include approximately 1,226,600 gross square feet of office space and approximately 10,107 gross square feet of ground floor retail space at the corner of South Almaden Boulevard and Woz Way and along the paseo with above and below-grade parking. The project would have a maximum height of 297 feet and a FAR of 10.8.

As stated above, the project requires a Supplemental Environmental Impact Report (SEIR) to the 2040 Downtown Strategy Environmental Impact Report, certified by the City Council in 2018. The SEIR for the project identified significant and unavoidable project impacts related to:

- **Cultural Resources:** Demolition of the existing structures on-site that are identified as contributors to a Candidate City Landmark Historic District would result in a significant and unavoidable impact to the historical resource and a significant contribution to a cumulative cultural impact.

This significant and unavoidable impact is due to the proposed demolition of the five contributing structures. There are no feasible mitigation measures to reduce the impact to the candidate district and contributing structures that would also meet the project objectives to construct the office towers. The Supplemental Environmental Impact Report was prepared in accordance with Title 21 of the San José Municipal Code and the California Environmental Quality Act of 1970, as amended (CEQA), and a statement of overriding consideration is required for environmental impacts that cannot be reduced to a less than significant level. Pursuant to Section [21.07.020](#) of the San José Municipal Code, the Planning Commission makes a recommendation to the City Council for projects requiring an environmental impact report and a statement of overriding consideration. The Planning Commission also makes a recommendation to the City Council for General Plan Amendments. Therefore, the SEIR, General Plan Amendment and Site Development Permit require a recommendation by Planning Commission to the City Council for final action.

ANALYSIS

The proposed General Plan Amendment and Site Development Permit are analyzed with respect to conformance with:

1. Envision San José 2040 General Plan
2. San José Municipal Code
3. Senate Bill 330
4. City Council Policies
5. Downtown Design Guidelines
6. California Environmental Quality Act (CEQA)

Envision San José 2040 General Plan Conformance

As shown in the attached General Plan map ([Exhibit C](#)), the subject site has an Envision San Jose 2040 General Plan designation of Public/Quasi-Public.

Public/Quasi-Public

This designation supports a very broad range of public land uses, such as public schools, colleges, permanent supportive housing, libraries, fire stations, water treatment facilities, convention centers and auditoriums, museums, and governmental offices. Joint development projects or private entities may also use this land use designation – examples, include private schools, daycare centers, hospitals, public utilities, and the facilities of any organization involved in the provision of public services such as gas, water, electricity, and telecommunications. Private community gathering facilities that are consistent in character with established public land uses. The Public/Quasi-Public land use designation does not have a floor area ratio (FAR) associated with the designation. The appropriate intensity of development can vary considerably, depending on potential impacts on surrounding uses and the specific Public/Quasi-Public use developed on the site.

The proposed General Plan Amendment would change the General Plan land use designation on the 3.08-acre site from Public/Quasi-Public to Downtown as shown in the attached proposed General Plan Land Use map ([Exhibit D](#)).

Downtown

This designation supports uses such as office, retail, service, residential, medical office, hospital, and entertainment uses. All development within this designation is intended to enhance the “complete community” in Downtown, support pedestrian and bicycle circulation, and increase transit ridership. The Downtown land use designation allows a density of up to 800 dwelling units per acre (DU/AC) and a floor-area ratio (FAR) of up to 30.0.

The project site is located within the Downtown growth boundary. The General Plan's Focused Growth and Destination Downtown Major Strategy creates a policy framework to direct most new job and housing growth to occur within walkable and bike friendly areas that have good access to transit and other existing infrastructure and facilities. The Downtown Growth Area is planned for high density mix of job and housing growth with greater emphasis on employment.

The proposed high-rise office towers with ground floor retail spaces foster a "complete community" in Downtown by increasing jobs, providing active ground floor store fronts uses along streets and open space frontage, and a paseo. The project also includes a Transportation Demand Management plan that promotes transit ridership and other alternative modes of transportation. Additionally, the project would have a FAR of 10.8, making it consistent with the proposed General Plan land use designation of Downtown.

The proposed General Plan Amendment and Site Development Permit are also **consistent** with the following General Plan policies:

1. Major Strategy #3: Focused Growth: The Focused Growth Major Strategy plans for new residential and commercial growth capacity in specifically identified "Growth Areas" (Urban Villages, Specific Plan areas, Employment Areas, Downtown) while the majority of the City is not planned for additional growth or intensification. The strategy focuses new growth into areas of San José that will enable the achievement of economic growth, fiscal sustainability, and environmental stewardship goals, while supporting the development of new, attractive urban neighborhoods. While the Focused Growth strategy directs and promotes growth within identified Growth Areas, it 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.
2. Major Strategy #9 – Destination Downtown: The Destination Downtown Major Strategy focuses new growth in Downtown to support continued growth in the Downtown as the City's cultural center and as a unique and important employment and residential neighborhood. Focusing growth within the Downtown will support the Plan's economic, fiscal, environmental, and urban design/placemaking goals.
3. Growth Areas Policy LU-2.2: Include within the Envision General Plan Land Use / Transportation Diagram significant job and housing growth capacity within the following identified Growth Areas:
 - a. Downtown – The City's Downtown Strategy plans for ambitious job and housing growth capacity in the Downtown area to reinforce its role as San Jose's civic, cultural and symbolic center and to support key infrastructure investments, including the planned BART and High-Speed Rail systems.
4. Growth Areas Policy LU-2.3: To support the intensification of identified Growth Areas, and to achieve various goals related to their development throughout the City, restrict new development on properties in non-Growth Areas.

Analysis: The project site is located in the Downtown growth area. The proposed General Plan Amendment would thus allow additional growth on a site that is located within an identified Growth Area and in the Downtown in which General Plan policies encourage most growth. Therefore, the proposed General Plan Amendment is consistent with the Focused Growth major strategy, Destination Downtown major strategy, and other General Plan policies.

5. Fiscally Sustainable Land Use Framework Policy FS-3.3: Promote land use policy and implementation actions that increase the ratio of Jobs to Employed Residents to improve our City's fiscal condition, consistent with economic development and land use goals and policies. Maintain or enhance the City's net total employment capacity collectively through amendments made to this General Plan in each Annual Review process.

Analysis: The proposed General Plan Amendment would convert Public/Quasi-Public lands to higher intensity employment land which would increase the potential number of jobs that the land could support, and therefore would be consistent with Policy LU-1.1 and Policy FS-3.3.

6. Land Use Policy LU-1.2: Encourage Walking. Create safe, attractive, and accessible pedestrian connections between developments and to adjacent public streets to minimize vehicular miles traveled.

Analysis: The project would create a paseo to provide pedestrian connection from South Almaden Boulevard to the Guadalupe River Trail, construct a 15-foot attached sidewalk with tree wells and 6-foot raised bike lane with one-foot tactile strip for a total back of walk to face of curb width of 22' along the project's frontage along South Almaden Boulevard and Woz Way. A raised crosswalk and bikeway would also be provided at the I-280 North on-ramp. The intersection of Woz Way and South Almaden Boulevard will be improved per the new plan line requested by the Department of Public Works and Department of Transportation to provide a safer pedestrian connection.

7. Downtown Policy LU-3.1: Provide maximum flexibility in mixing uses throughout the Downtown area. Support intensive employment, entertainment, cultural, public/quasi-public, and residential uses in compact, intensive forms to maximize social interaction; to serve as a focal point for residents, businesses, and visitors; and to further the Vision of the General Plan.

8. Land Use Policy LU-5.7: Encourage retail, restaurant, and other active uses as ground-floor occupants in identified growth areas and other locations with high concentrations of development.

Analysis: The development's architecture and site plan layout are designed to complement and further enliven the surrounding Downtown area. The ground floor would provide retail space and office lobbies along with a paseo, which adds to the Downtown amenities for residents, workers, and visitors. The project's design, massing, and on- and off-site improvements would create a focal point in Downtown by improving pedestrian and bicycle circulation, providing active ground floor uses and an intensive employment use in Downtown.

The ground floor and the site layout are designed to support and maximize social interactions. The project's street frontage and paseo would be mostly lined with active uses including lobbies and retail spaces. The project frontage is designed with high transparency to enhance safety and visibility between the public realm and private development.

9. Transportation Policy TR-4.1: Support the development of amenities and land use and development types and intensities that increase daily ridership on the VTA, BART, Caltrain, ACE and Amtrak California systems and provide positive fiscal, economic, and environmental benefits to the community.

Analysis: The project site is in close proximity to several transit options. There are several bus lines within 1/3 mile of the project site; Diridon Station is within a mile of the project site; the Convention Center Light Rail Station and Children's Discovery Museum Light Rail Station are within 2,000 feet from the project site. The project includes a Transportation Demand Management Plan that promotes transit ridership by incorporating a transit use incentive program that provides VTA SmartPasses to employees. The additional ground floor retail space would provide residents and workers in the Downtown area with more amenities which would help expand and further connect the pedestrian network and reduce automobile use.

The proximity of the proposed intensive office development to a variety of public transportation options encourages transit use and helps enable workers to have a car-free commute. Furthermore, it is envisioned that employees in the development would be able to walk, bicycle, or use public transportation to access many dining and entertainment amenities close to or on the project site. Finally, the development's commercial/retail spaces would provide the surrounding Downtown neighborhood with more nearby retail businesses.

10. Downtown Urban Design Policy CD-6.1: Recognize Downtown as the most vibrant urban area of San Jose and maximize development potential and overall density within the Downtown.
11. Downtown Urban Design Policy CD-6.2: Design new development with a scale, quality, and character to strengthen Downtown's status as a major urban center.
12. Downtown Urban Design Policy CD-6.6: Promote development that contributes to a dramatic urban skyline. Encourage variations in building massing and form, especially for buildings taller than 75 feet, to create distinctive silhouettes for the Downtown Skyline.

Analysis (Policy CD-6.1 to 6.3): The proposed project has an FAR of 10.8 with a maximum height of approximately 297 feet, making this a dense commercial project. The significant proposed density would contribute to Downtown's growth as a vibrant urban area, and help the City realize its vision for the Downtown core. At a gateway site to the Downtown, the project has undergone extensive design review to ensure its scale, quality, and character strengthen Downtown's status as an urban center, as discussed in the Design Guidelines conformance section. The building roofline is comprised of a curvilinear sloping parapet wall that varies at each façade, which gives the building a distinct appearance along the skyline.

13. Environmental Resources Policy ER-2.1: Ensure that new public and private development adjacent to riparian corridor in San José are consistent with the provisions of the City's Riparian Corridor Policy Study and any adopted Santa Clara Valley Habitat Conservation Plan/Natural Communities Conservation Plan (HCP/NCCP).

Analysis: Guadalupe River is a Category 1 stream as defined in the Santa Clara Valley Habitat Conservation Plan (SCVHP). The project site is adjacent to Guadalupe River to the west. This reach of the Guadalupe River is generally degraded due to a flood-control project and other human-mediated impacts. The riparian corridor adjacent to the project is extremely limited in its habitat value and influence. While the SCVHP requires a 100-foot setback to Category 1 stream, the SCVHP provides a framework for allowable exceptions to required setbacks. The City submitted an exception request to the Habitat Agency to reduce the setback to a minimum of 35 feet. The Habitat Agency recommended to grant this exception, given that the project meets all the exception criteria outlined in the SCVHP for

considering such reduced setback. See [SEIR Appendix C-1 & C-2](#) for details. The project is also consistent with the [City Council Policy 6-34 Riparian Corridor Protection and Bird-Safe Design](#) as further discussed in the report.

The proposed General Plan Amendment and Site Development Permit are also **inconsistent** with the following General Plan policy:

1. [General Land Use Policy LU-1.9](#): Preserve existing Public/Quasi-Public lands in order to maintain an inventory of sites suitable for Private Community Gathering Facilities, particularly within the Residential Neighborhoods, Urban Villages and commercial areas, and to reduce the potential conversion of employment lands to non-employment use.

Analysis: The project proposes a General Plan Amendment from Public/Quasi-Public to Downtown, thereby decreasing the inventory of sites suitable for Private Community Gathering sites and other Public/Quasi-Public uses. Previously, the site was owned by the City of San Jose and the San Jose Water District, and was intended for Public/Quasi-Public uses. However, the proposed project would increase the intensity of employment uses on the existing site and would be consistent with Policy LU-1.9. The proposed project includes approximately 1.2 million square feet of commercial office space and 10,000 square feet of retail space which increases the intensity of employment uses beyond a typical Public/Quasi-Public use.

Zoning Ordinance Conformance

Land Use

The site is currently zoned DC Downtown Primary Commercial ([Exhibit E](#)), which is a conforming zoning district with the proposed General Plan designation of Downtown (San Jose Municipal Code sec. 20.120.110 and Table 20-270). Therefore, the site's existing zoning district is consistent with the proposed General Plan Amendment. The proposed office and retail are permitted uses within this Zoning District.

Height and Setbacks:

[Section 20.70.210](#) of the Municipal Code does not establish minimum setback requirements for developments in the DC Downtown Primary Commercial Zoning District. The height of development in the Zoning District is limited only to that necessary for the safe operation of the San José International Airport and the requirements of FAA Part 77 as discussed in [Section 20.70.200](#) of the Municipal Code. The project would be 297 feet in height. Per the Airport Memo dated August 12, 2020, Airport Department concurs that a maximum building height of 297 feet above grade would be compatible with the City's elevation limit with the condition (Condition No. 22 in the proposed Resolution, [Exhibit H](#)) to secure the required FAA and aviation clearances for the building's height prior to construction.

Parking

Per Table 20-140 under Zoning Code Section [20.70.020](#), commercial offices require 2.5 vehicle spaces per 1,000 square feet of net floor area and one bicycle space per 4,000 square feet of net floor area. Commercial retail uses have no minimum vehicle parking requirement but require three bicycle parking spaces including two short-term spaces and one long-term spaces per Zoning Code Section [20.70.485](#).

Based on the net office floor area of 107,610 square feet (85% of the 1,226,600 gross floor area), the project requires 2,607 vehicle parking spaces and 264 bicycle parking spaces (261 for office and 3 for retail). The project meets the bicycle parking requirement by providing a total of 274 bicycle parking spaces on site.

Per Zoning Code Section 20.90.220.A.1.a, a 20% reduction in automobile parking is allowed if the project site is within 2,000 feet of an existing light rail station. The site is within 1,400 feet to the Convention Center Light Rail Station and 1,200 feet to the Children's Discovery Museum Light Rail Station. A parking reduction of up to 50% may be authorized if the project implements at least three transportation demand management (TDM) measures as specified in Section 20.90.220.A.1. Additionally, per Section 20.70.330.A, for projects within the Downtown Zoning District, a further 15% parking reduction may be granted if 1) it is determined a TDM plan program will reduce parking demand and identifies the percentage of parking demand that will be reduced through the program; and 2) the TDM will be maintained for the life of the project and it is reasonably certain the parking provided will be maintained to meet the required parking during the life of the building or use.

If applying the maximum parking reduction, the project would require 1,108 parking spaces. The proposed project provides 1,259 vehicle parking spaces, which requires a 51.7% parking reduction. The project will be implementing a TDM plan, see [Exhibit K](#). The proposed TDM plan dated May 18, 2021 prepared by Kimley Horn Associates conforms with Section 20.90.220 and Section 20.70.330. This TDM plan provides evidence that the TDM program will reduce parking demand and identifies the percentage of parking demand that will be reduced through the TDM plan. The proposed TDM measures include participating in the VTA SmartPass program to provide transit passes for all its retail and office employees, providing charging stations for parking spaces located near the building entry points or elevators, establishing a telecommute or flexible work schedule to encourage alternative transportation, designating an on-site TDM manager and developing a strong marketing campaign to improve tenant awareness, participation, and monitoring in alternative transportation measure options, and providing on-site shower facilities with lockers to compliment the on-site bicycle parking and encourage alternative transportation for all employees. In addition, the resolution contains a condition (Condition No. 7) that requires the TDM plan to be implemented for the life and use of the building. Project Condition No. 12 also requires Planning review if any future parking reduction is proposed. Therefore, with these project conditions, the project meets the parking requirement.

Off-Street Loading

Per Zoning Code Section [20.70.420](#), Offices with 100,000 to 175,000 square feet of gross floor area shall provide one loading space. One additional loading space shall be provided for each 100,000 square feet of gross floor area in excess of 175,000 square feet. Given the 1,226,600 gross square feet of the office area, 12 loading spaces are required. Zoning Code Section [20.70.430.A](#) requires one loading space for retail and commercial use between 10,000 and 30,000 gross square feet of floor area. One loading space is required for retail given the 10,107 square feet square feet of the retail space. The project would require a total of 13 loading spaces, and provides 13 off-street loading spaces.

Senate Bill 330 Conformance

The proposed General Plan Amendment from the Public/Quasi-Public to the Downtown land use designation was analyzed for conformance with Senate Bill 330. Governor Gavin Newsom signed into law SBill 330, the Housing Crisis Act of 2019, on October 9, 2019 to catalyze housing that would offset the high rents and home ownership costs leading to increasing homelessness. The law is intended to speed housing construction in California by decreasing the time it takes to obtain building permits and limiting fee increases on housing applications. The bill also prohibits local governments from reducing the number of residential units that can be built on properties that allow housing, including downzoning, changing general or specific plan land use designations to a less intensive use, reductions in height, density or floor area ratio, or other types of more restrictive requirements. The exception to this is that a property may be allowed to reduce intensity of residential uses if changes in land use designations or zoning elsewhere ensure “no net loss” in residential capacity within the jurisdiction.

The Public/Quasi-Public land use designation allows permanent supportive housing for the homeless which are built at medium to high densities. Staff has determined that the maximum density for permanent supportive housing on Public/Quasi-Public designated land to be 100 DU/AC. This maximum density is not listed in the General Plan, but was determined through reviewing the densities of existing permanent supportive housing developments in the city.

The Downtown land use designation allows housing with a maximum residential density of 800 DU/AC. Because the Public/Quasi-Public designation allows for lower density housing than the 800 DU/AC allowed by the Downtown land use designation, conversion from Public/Quasi-Public to Downtown on 3.08 gross acres would result in a net gain of 2,207 potential units under SB 330. Therefore, in conformance with SB 330, the proposed General Plan Amendment does not reduce the allowed intensity of residential uses.

City Council Policy Conformance

[City Council Policy 6-34 Riparian Corridor Protection and Bird-Safe Design](#) is for the protection, preservation and restoration of riparian habitat. The policy provides general guidelines for riparian corridor protection and requires a minimum 100-foot setback from a riparian corridor’s top of bank or a vegetative edge, whichever is closest, to minimize intrusion into the riparian corridor, and allows consideration of reduced setbacks under limited circumstances. A riparian project is a project that requires approval of a development permit, that is within 300 feet of a riparian corridor’s top of bank or vegetative edge, whichever is greater.

As shown on [Exhibit F](#), the subject site is adjacent to Guadalupe River to the west and about 60 % of the site is within the 300-foot riparian setback area and about 11% of the site is within the 100-foot setback area. As discussed previously, the reach of the Guadalupe River adjacent to the project site is generally degraded due to a flood-control project and other human-mediated impacts. The riparian corridor adjacent to the project is extremely limited in its habitat value and influence. The proposed project would have a 35-foot setback to the riparian corridor at the western edge of the South Tower. Therefore, the project is subject to this riparian policy.

Section A of the policy provides design guidance for riparian projects. Section A.2 includes circumstances under which the City may consider a setback reduction. The circumstances applicable to the project include:

1. Developments located within the boundaries of the Downtown area, as those boundaries are defined in the General Plan.

Analysis: The site is within the Downtown growth area defined in the General Plan.

2. The existence of legal uses within the minimum setback.

Analysis: As shown on Exhibit F, a portion of Locust Street and approximately half of the two existing single-family residential lots at 529 and 533 Locust Street are located within the 100-foot setback area.

3. The extent to which meeting the required setback would result in demonstrable hardship (i.e. denies an owner any economically viable use of the land or adversely affects recognized real property interest).

Analysis: The developable area outside the 100-foot setback (at the narrowest portion) would be approximately 280 feet wide which would not provide adequate area to develop a project consistent with the project's objectives, including those to develop large office space in Downtown and provide office space that needs of high-tech or biomedical tenants (which frequently require larger floor plates). Observing a 100-foot setback would be economically infeasible given the site orientation and trends in commercial space toward larger floor plates for attracting the desired tenants and would impact site circulation. Due to these reasons, adherence to the 100-foot setback would make the project, as proposed, infeasible.

To qualify for the reduced setback, the project may illustrate the existence of some or all of the conditions under Section A.3 of the Riparian Policy by a qualified biologist. A Biological Technical Report including the evaluation of the stream setback was prepared by Live Oak Associates, Inc. dated November 2020. The report concludes that the project is qualified for a setback reduction due to the following circumstances under Section A.3:

1. There is no reasonable alternative for the proposed Riparian Project that avoids or reduces the encroachment into the Setback Area.

Analysis: Section 8.0 in the SEIR analyzes a 100-foot setback alternative and concludes that this alternative would be physically and economically infeasible because smaller floor plan sizes for either office tower, as required by the reduced developable area would result in the inability to meet end-user needs. To keep a 100-foot setback from the riparian corridor, this alternative would propose two office towers of the same height and uses but would have a reduced size (i.e. smaller floor plates resulting in less office space and less retail space). In addition, the access from Woz Way would be shifted to the east and become closer to the Woz Way/South Almaden Boulevard intersection, which would result in potentially unsafe circulation conditions when considering the nearby intersection and the Woz Way access driveway to the proposed Almaden Office project immediately north of the Project site. The planned office tower floor plan would be further reduced.

2. The reduced setback will not significantly reduce or adversely impact the riparian corridor.

Analysis: Per the biological technical report (see Appendix C-1 of the SEIR), the banks of the river channel adjacent to the site are predominantly hardscaped, and the channel flows under busy roadways, including highways and a complex freeway interchange immediately adjacent to the channel. The riparian corridor adjacent to the project is extremely limited in its habitat value and influence. Surrounding land uses are highly developed and there currently exists development within 100-feet of the bank of the river within the development site and, to a significant degree, throughout the downtown

portion of San Jose. Therefore, the existing developed site does not benefit, in terms of habitat values, from its proximity to the adjacent reach of the Guadalupe River to the degree that a natural reach of the Guadalupe River might affect adjacent lands. In addition, the site, which is an urban residential neighborhood, does not contribute in a significant way to the habitat values of the highly impacted and degraded reach of the Guadalupe River. Therefore, development of the project up to 35 feet from the riparian edge of the Guadalupe River, while implementing the mitigation measures included in the MMRP, would neither reduce nor directly impact the riparian corridor.

3. The proposed uses are not fundamentally incompatible with riparian habitats.

Analysis: Section 1B of the City's Riparian Corridor Policy Study defines land uses that are incompatible with riparian systems to include uses which typically generate littering and/or dumping, off-road vehicle use, removal of native vegetation, uses that create noxious odors or use, store, or create toxic materials, and uses that generate high volumes of vehicular traffic. A portion of the proposed internal driveway and the western edge of the office tower are within the 100-foot setback area. There are no off-road vehicle uses and outdoor activities proposed within this area. The project would not result in any of these uses defined to be fundamentally incompatible with riparian habitats and the project's land use does not typically result in any of the described incompatible land use categories. Therefore, the project is not fundamentally incompatible with the riparian habitat.

4. There is no evidence of stream bank erosion or previous attempts to stabilize the stream banks that could be negatively affected by the proposed development within the Setback Area.

Analysis: The adjacent reach of the Guadalupe River is highly engineered, in part for flood protection, such that stream banks are hardscaped and soil erosion is highly unlikely. In addition, the proposed project would not discharge storm water to the river but treat the stormwater locally first and then discharge to the storm drain system along South Almaden Boulevard and Woz Way.

5. The granting of the exception will not be detrimental or injurious to adjacent and/or downstream properties.

Analysis: The project as designed and with successful implementation of the mitigation measures specified in the MMRP will not adversely impact the Guadalupe River; therefore, there would be no impacts downstream of the adjacent reach. The buildings would cast morning shade in the reach adjacent to the site and in a reach of riparian habitat downstream from the site, across from Woz Way. Shade in the downstream reach would be lesser than shade in the adjacent reach, and it would not be appreciably different than if the Project maintained a 100-foot setback. Also, the potential effects of shading by the project has been analyzed in the SEIR (see Section 3.1 of the SEIR) and found to be less-than-significant.

In addition, the project is required to comply with City's Stormwater Policies to avoid soil erosion and minimize runoff. Stormwater will be treated locally then discharged to the existing storm drain systems along South Almaden Boulevard and Woz Way. Therefore, the project would not be detrimental or injurious to adjacent and/or downstream properties.

Section A.4.b of the Riparian Policy requires that lighting should not be directed into riparian corridors. The project would include shielded lighting fixtures to direct light downwards. The nearest outdoor lighting is approximately 43 feet from the riparian corridor. In addition, the draft resolution includes a project condition (Condition No. 8) to require a photometric plan to be submitted for review prior to building permit issuance to ensure zero or minimum light spillage to the riparian corridor to the satisfaction of the Planning Director. Therefore, the exterior lighting would be consistent with Section A.4.b of the Riparian Policy.

Based on the above analysis, the project is consistent with the City's Riparian Corridor Policy.

Downtown Design Guidelines and Standards

[Section 20.70.500](#) of the Zoning Ordinance requires that any project in the DC Downtown Primary Commercial Zoning District be subject to the design guidelines adopted by the City Council; therefore, this project has been reviewed for its consistency with the San José [Downtown Design Guidelines and Standards](#).

Chapter 2 of the Downtown Design Guidelines and Standards (Design Guidelines) outlines the framework and design settings. The applicable framework and design settings for the project include:

- The site is a Gateway Site with an Image-Defining Frontage on the western edge.
- The site has Secondary Addressing Streets on the north (Woz Way) and east (South Almaden Boulevard) and an Open Space Frontage (Guadalupe River) on the west.
- The site qualifies for Historic Adjacency because the project site is adjacent to a building (541 Vine Street) that is listed on the Historic Resources Inventory (HRI). Project design should refer to Standard 4.2.4.

Consistency with applicable Design Guidelines are analyzed below:

1. **Chapter 3.2 Site Context:** This chapter's sections and standards promote human-scale blocks and the placement of buildings along the block's edges to frame the public space.

Analysis: To create connection and accessibility, the Design Guidelines set standards to keep urban blocks short in length to promote pedestrian-scale building widths, convenient walking distances, and provide multiple transportation routes for pedestrian, bicycle, and vehicles. The standards regulate the maximum block size per the site's geographic location. The project site occupies almost the entire block with a block area of approximately three acres and block lengths of 330 feet along Woz Way and 360 feet along South Almaden Boulevard, which is consistent with Standard 3.2.1.a which limits the block size to four acres or 500 feet on each side at the subject site area.

The project is also consistent with the 70% ground level building placement requirement along Woz Way and South Almaden Boulevard. The building would be located within 10 feet or less of these street facing property lines to continue the existing pattern of buildings lining the edges of streets in Downtown. Placing building closer to the street will help create an attractive urban space by defining the space of the street and also create a safer urban area by a close connection between the buildings and the public space such as sidewalks to encourage pedestrian activities/circulation.

2. **Chapter 3.3 Site Organization:** This chapter's sections and standards aim to enhance the vitality of Downtown, to support a vibrant public realm, emphasize transit, and create safe and inviting pedestrian walkways to enhance the Downtown circulation network.

In order to implement this goal, the design guideline requires certain percentage of active use along the required street frontage and open space frontage, which is specified in Chapter 5.3.

Analysis: Consistent with the Design Guidelines, the North Tower includes ground floor active uses along Woz Way and South Almaden Boulevard through a combination of retail and office lobbies. Both towers have ground floor active uses facing the proposed paseo. The South Tower has a narrow street frontage along South Almaden Boulevard and cannot functionally accommodate active uses such as retail and office. Overall, however, the project exceeds Standard 5.3.1.a which requires at least 80% active frontage along Secondary Addressing Streets and Open Space Frontages.

The project features a paseo between two towers and provides pedestrian connection from South Almaden Boulevard to Guadalupe Trail and Woz Way. The paseo would include public arts, bicycle parking spaces, landscaping, enhanced paving and lighting to provide pedestrian access and attractive spaces for outdoor activities.

The towers include multiple entrances located on the ground level for easy and welcoming access. Bicycle storages are near entrances and easy to find.

3. **Chapter 3.4 Site Element Locations.** This chapter's sections and standards include provisions for the location of privately-owned public open spaces (POPOS), vehicle parking and access, loading/services, pedestrian entrances, and bicycle entrances.

Analysis: POPOS are privately-owned outdoor spaces that function as a public space, but may have limited hours of availability. Consistent with the Design Guidelines, the project includes a POPOS (paseo) between two towers. This paseo would provide outdoor activity space and a pedestrian connection from South Almaden Boulevard to the Guadalupe Trail and Woz Way. The paseo has been designed to complement the future retail/commercial uses on the ground floor of the development and to support outdoor seating.

Consistent with the Vehicle and Bicycle Parking Location standards, the bicycle rooms would be located adjacent to the lobbies and easily accessible and identifiable from the building entrances. There are outdoor bicycle parking spaces located on the paseo near the retail space.

4. **Chapter 3.5 Site Access Locations.** This chapter's sections and standards regulate pedestrian, bicycle, and vehicle entries to the site. Easy-to-find entries that minimize conflicts between different modes of transportation and link the development to its immediate neighborhood are encouraged within this Chapter.

Analysis: Consistent with the Design Guidelines, the overall architecture of the development is designed to have pedestrian access along each street entrance and the paseo. Proposed retail space is located at the corner of South Almaden Boulevard and Woz Way and have direct entrances from these two streets and the paseo. Service entrances are accessed from the internal street. The project has two parking entries. One is from the internal street and the other is from South Almaden Boulevard. Both entries are away from the primary pedestrian entries.

5. **Chapter 4.2 Building Context.** This chapter's sections and standards require clear and linked building architecture, transitions between high-rises and lower scale residential and historic development, and consideration of how development would respond to historic context buildings.

Analysis: There is one single family house within the block along South Almaden Boulevard that is outside of the project area. This building is listed on the History Resources Inventory and is a contributor to a Candidate Historic Landmark District.

Consistent with the Design Guidelines, the project incorporates a strong harmonious architectural concept and organizing idea throughout the development. There are vertical elements to link the skyline level, podium level and pedestrian level. The ground floor of the North Tower incorporates canopies to create a pedestrian scale for the base of the building. The paseo provides a buffer between the North Tower and the adjacent house. The south tower garage podium steps down towards northeast corner and at the rear property line of the house, and applies metal paneling to visually break the massing to provide the height and width transitions to the adjacent historic single-family house.

- 6. Chapter 4.3 Building Massing** This chapter's sections and standards promote high quality architecture to create a compelling skyline, supports a human-scale streetscape, and use the streetwall (building façade along the public street) to define the public realm. This chapter encourages designs which reduce potential shadow and wind impacts.

Analysis: Consistent with the Design Guidelines, the building massing incorporates chamfered insets at two locations along each long façade of both towers. Podium level massing is articulated with recessed areas, columns and canopies. The building roofline includes a curvilinear sloping parapet wall that varies at each façade, which gives the building a distinct appearance within the city skyline.

- 7. Chapter 4.4 Building Elements** This chapter's sections and standards promote high quality architecture and materials, centralized heating and cooling systems to eliminate individual units along windows, bird-safe building design, and a reduction of blank walls. The sections and standards encourage prominent stairways to create a pleasant experience for users, promote the minimization of parking garages and visible mechanical equipment, and include guidelines for building lighting and signage.

Analysis: Consistent with the Design Guidelines, the towers include distinguished tops and incorporate varying glass curtain wall systems to provide visual interest. The building façade would employ bird safe windows as described on the plan set and bird-safe design measures are included consistent with the Downtown Design Guidelines. The pedestrian level façade would incorporate grey granite, brushed metal columns, steel framed canopies, "wood" printed aluminum soffits, and vision glass at the storefronts. The colors and materials are harmonious.

The project locates the stairs in the southeast corner of the parking garage podium at the South Tower, which serves as an extension of the tower elements down to the street level and is visible from north and south directions along Almaden Blvd to activate the corner of the site. The office towers do not locate stairs at the perimeter in order to provide valuable occupiable space on the tower levels.

The parking podium design incorporates perforated metal panels that have an appearance similar to the tower.

- 8. Chapter 5.3 Ground Floor Treatments and Uses** This chapter's sections and standards requirements include the maximization of active frontages, treatment of blank walls, screening for services and utilities, ground floor design standards to promote flexibility for future use needs, and pedestrian lighting and signage standards. This chapter emphasizes active frontages, which are defined as a pedestrian level building frontage which allows visual and physical access to the active use within the building via windows, doors, or both. The standards require a minimum of 80% active frontages length

in feet along Primary Addressing Streets, Urban Park/Plaza frontages, and Secondary Addressing Streets (every project frontage for this site). Section 5.3.1 categorizes active frontages into three active frontage types:

- Type 1 counts triple the frontage width and includes retail/restaurants/offices under 5,000 square feet, hotel lobbies, fitness centers open to the public, and other public lobbies such as museums, libraries, etc.
- Type 2 counts double the frontage width and includes commercial office windows, office lobbies, daycares, etc.
- Type 3 only counts the frontage width and includes building entrances and exits with transparent glass and windows within 5 square feet of transparent glass
- Structured parking, driveways, service entries, fire exits and utilities do not count towards active frontages

Analysis: Woz Way and South Almaden Boulevard, and open space frontages are required to have 80% Active Frontage. Both Woz Way and South Almaden Boulevard would be counted to have 100% active frontage because retail and office are proposed at both frontages. Guadalupe River open space frontage would also have 100% active frontage because the ground level facing Guadalupe River is completely for office use.

Utility and mechanical or other service spaces are located within the interior part of the building or face the internal street. The retail space accommodates several entry door locations, and all entries have direct access to public space. Lighting for the storefront zone will be provided in the canopies at the exterior. Pedestrian-scale lighting are proposed within the paseo. All outdoor lighting is directed downwards.

9. **Chapter 5.5 Entrances.** This chapter's sections and standards establish design requirements to create clearly identifiable entries for pedestrians and bicyclists and ensure a separation between vehicles and pedestrians and bicyclists. Common entries for pedestrians and bicyclists should be emphasized through the project design, including the use of horizontal projections such as a canopy.

Analysis: Consistent with the Design Guidelines, lobbies and retail space entries are emphasized by extra framings, recessed entry bays and entry canopies. These pedestrian entries are scattered throughout the site for the ground floor retail and office spaces. Bicycle rooms are located adjacent to the lobbies and are easy to access. The service areas of both towers are accessed by an internal driveway.

10. **Chapter 5.6 & 5.7 Paseo Design and Privately-Owned Public Open Space (POPOS) Design.** This chapter's sections and standards establish design requirements to create connections and accessibility to provide interesting and active building frontages along paseos to maintain and promote pedestrian activity and safety, and create POPOS that are interesting, useful, flexible, active, safe, and durable common spaces for Downtown.

Analysis: The proposed paseo is a POPOS. Consistent with the Design Guidelines, the paseo has a width of approximately 40 feet with a pedestrian through zone of approximately 13 feet, which exceeds the minimum 5 feet requirement per Standard 5.6.c. Sufficient lighting is proposed within the paseo and meets the requirement of Standard 5.3.4. The paseo is lined by retail space and office lobby. Outdoor

seating would be proposed outside of the retail space per the project rendering. The paseo would include landscaping, public arts, enhanced paving and lighting.

Site Development Permit Findings

To make the Site Development Permit findings pursuant to San José Municipal Code [Section 20.100.630](#), and recommend approval to the City Council, the Planning Commission must determine that:

1. The Site Development Permit, as approved, is consistent with and will further the policies of the General Plan, applicable specific plans and area development policies; and

Analysis: As discussed above, the proposed project is consistent with the proposed General Plan Land Use/Transportation Diagram designation of Downtown, as the Downtown land use designation supports a mix of commercial office and retail at high densities. The project is also consistent with the General Plan policies listed above.

2. The Site Development Permit, as approved, conforms with the Zoning Code and all other Provisions of the San José Municipal Code applicable to the project; and

Analysis: As discussed above, the proposed project is consistent with the height, setbacks, and parking requirements of the DC Downtown Primary Commercial Zoning District. The DC Zoning District does not require any minimum setbacks. The project is subject only to the height limit necessary for the safe operation of the San Jose International Airport; and conditions of approval are included requiring a No Hazard Determination to be obtained from the FAA prior to issuance of Building Permits. The project requires 264 bicycle parking spaces and the project proposes 274 bicycle parking spaces. With maximum parking reduction by implementing a TDM plan, the project would require 1,108 parking spaces. The project would provide 1,259 parking spaces by implementing the TDM measures included in the TDM plan prepared by Kimley Horn Associates, dated May 18, 2021. The project applicant is required to implement the TDM plan for the life and use of the building.

3. The Site Development Permit, as approved, is consistent with applicable City Council policies, or counterbalancing considerations justify the inconsistency; and

Analysis: The project is consistent with [City Council Policy 6-34 Riparian Corridor Protection and Bird-Safe Design](#) as discussed in the Riparian Corridor Policy Section above. Staff followed [Council Policy 6-30: Public Outreach Policy](#) in order to inform the public of the proposed project. A sign describing the project was posted on the project site on December 3, 2019. A joint community and environmental scoping meeting was held on June 29, 2020 to inform the surrounding community of the proposed project. Both the community meeting notice and notice of the public hearing were distributed to the owners and tenants of all properties located within 1,000 feet of the project site and posted on the City website.

4. The interrelationship between the orientation, location, and elevations of proposed buildings and structures and other uses on-site are mutually compatible and aesthetically harmonious.

Analysis: Two high-rise towers are proposed within the development boundary. The towers are oriented east-west to create a paseo and an internal street in between for pedestrian connection and vehicular circulation from South Almaden Boulevard to the Guadalupe River Trail and Woz Way. This internal street provides access to garage and service area. It also allows active uses along Woz Way and South Almaden Boulevard, which is consistent with the Downtown Design Guidelines as discussed above. The paseo is lined by the ground floor retail and office lobby under the North Tower, and includes space for

outdoor seating, activities, and public art. The South Tower Podium design is harmonious with the tower design in that the colors and dimensions of the metal panels are similar to the tower's glass curtain wall. The two towers and the podium together are mutually compatible and aesthetically harmonious. The two towers apply consistent design concepts, such as massing articulation and façade treatment on the same skyline level, podium level and pedestrian level treatment, and apply same colors and materials.

5. The orientation, location, and elevations of the proposed buildings and structures and other uses on the site are compatible with and are aesthetically harmonious with adjacent development or the character of the neighborhood.

Analysis: The project is compatible with adjacent development. An 18-story office tower is located at the north corner of South Almaden Boulevard and Woz Way. Two 16-story office towers are planned on the parking lot to the north across Woz Way with a height of approximately 283 feet and a total building area of approximately 2.1 million square feet. Both office developments have a contemporary architectural style. The proposed office towers would be compatible with this existing and planned office development in terms of use, project scale, massing, and the architectural style.

To the east of the site across South Almaden Boulevard, there is a planned eight-story, 87-unit affordable housing building at the street corner, a one-story commercial building, and a few single-family residential buildings backing on South Almaden Boulevard. The project would not conflict with those buildings and uses due to the separation by South Almaden Boulevard, a wide four-lane street with a median, the orientation of the existing single-family houses, and the context the neighborhood's transition from higher intensity downtown development to lower density urban development.

As discussed above, there is one single family house within the block that is outside of the project area. The South Tower podium steps down to the northeast corner and applies metal panel to visually break the massing to provide the height and width transitions to this single-family house. The ground floor of the North Tower incorporates canopies to create a pedestrian scale for the base of the building. The paseo provides a buffer between the North Tower and the adjacent house.

6. The environmental impacts of the project, including but not limited to noise, vibration, dust, drainage, erosion, storm water runoff, and odor which, even if insignificant for purposes of the California Environmental Quality Act (CEQA), will not have an unacceptable negative effect on adjacent property or properties.

Analysis: The project development occurs in an area bounded by streets, highway ramp, a storage yard, and the Guadalupe River. There are existing and planned high-rise office buildings, a multi-story affordable housing building, a commercial building and a small amount of residential development across the streets from the project site. A Supplemental Environmental Impact Report (SEIR) was prepared for the project. The temporary construction of the proposed project will not have an unacceptable negative effect on an adjacent property or properties because of limited construction hours and the required mitigation measures and permit conditions. The operation of the project is primarily commercial office and therefore would not be a generating source for excessive noise or odor. The project has been evaluated for compliance with the City's stormwater treatment requirements.

7. Landscaping, irrigation systems, walls and fences, features to conceal outdoor activities, exterior heating, ventilating, plumbing, utility and trash facilities are sufficient to maintain or upgrade the appearance of the neighborhood.

Analysis: As shown on the plan sets attached to this staff report ([Exhibit J](#)) the landscaping, all walls and fences, are sufficient to conceal exterior heating, ventilating, plumbing, utility, and trash facilities and are sufficient to maintain and upgrade the appearance of the neighborhood. All mechanical equipment is screened on the roof and not visible from the street or surrounding buildings.

8. Traffic access, pedestrian access and parking are adequate.

Analysis: As described above, the project contains parking consistent with the Zoning Ordinance with TDM measures, and has adequate pedestrian, bicycle, and vehicular access into the site. Pedestrians can easily access the building from the lobby or retail spaces off street frontages. The project was reviewed by the Department of Public Works, Department of Transportation and Fire Department and was found to be consistent with regulations and standards for vehicle, emergency vehicle, and pedestrian access.

Evaluation Criteria for Demolition

Chapter [20.80.460](#) of the San José Municipal Code establishes evaluation criteria for issuance of a permit to allow for demolition. The following shall be considered to determine whether the benefits of permitting the demolition, removal or relocation outweigh the impacts of the demolition, removal or relocation:

1. The failure to approve the permit would result in the creation or continued existence of a nuisance, blight or dangerous condition;
2. The failure to approve the permit would jeopardize public health, safety or welfare;
3. The approval of the permit should facilitate a project which is compatible with the surrounding neighborhood;
4. The approval of the permit should maintain the supply of existing housing stock in the City of San Jose;
5. Both inventoried and non-inventoried buildings, sites and districts of historical significance should be preserved to the maximum extent feasible;
6. Rehabilitation or reuse of the existing building would not be feasible; and
7. The demolition, removal ,or relocation of the building without an approved replacement building should not have an adverse impact on the surrounding neighborhood.

Analysis: Implementation of the proposed project will demolish or remove the existing 16 single-family residences and associated detached garages on site. The removal of the 16 dwelling units would facilitate the proposed development which is compatible with the surrounding area as discussed above. Re-use or rehabilitation of the buildings would not be feasible given the project objective to construct high-rise office towers on the site. The removal of the 16 dwelling units would not significantly reduce the City's housing stock, as the housing stock has continued on an overall increasing trend over the past several years, with over 4,900 of new units currently under construction.

As discussed above, five existing structures on site are contributors to a Candidate City Landmark Historic District and hence are considered historical resources under CEQA. The removal of these five structures would result in a significant and unavoidable impact to the historical resource and a significant contribution to a cumulative cultural impact. As analyzed in the SEIR, there are no other alternatives that can preserve the historic buildings while keeping the project viable. Therefore, the City Council would have to adopt a Statement of Overriding Consideration (SOOC) if they decide to approve the proposed project.

To reduce the impact, the project would be required to implement Mitigation Measure CUL-1, described in the MMRP. The mitigation measures include documenting these historic structures in accordance with the guidelines established for the Level III Historic American Building Survey (HABS) consistent with the Secretary of the Interior's Standards for Architectural and Engineering Documentation, advertising the availability of the structures for relocation for a period of no less than 60 days prior to issuance of any demolition permits, making available for salvage to salvage companies facilitating the reuse of historic building materials if the project applicant and/or no third party agrees to relocate the structures, and commemorating the historic structures and associated features on the project site within the Candidate City Landmark District. An action plan of how the Candidate City Landmark District will be commemorated is required to be submitted to the satisfaction of the Director of Planning, Building and Code Enforcement or Director's designee. Following completion of the action, the project applicant shall submit a memo report documenting the commemoration.

Tree Removal Permit Findings

Chapter [13.32.100](#) of the San José Municipal Code establishes at least one of the following required findings must be made for issuance of a Live Tree Removal Permit for ordinance-size trees.

1. That the trees affected are of a size, type and condition, and is in such a location in such surroundings, that their removal would not significantly frustrate the purposes of Chapter 13.32 of the San José Municipal Code as set forth in Section 13.32.010;
2. That the location of the trees with respect to proposed improvements unreasonably restricts the economic development of the parcel in question;
3. That the condition of the trees with respect to disease, danger of falling, proximity to an existing or proposed structures, and/or interference with utility services, is such that preservation of the public health or safety requires their removal.

Analysis: 30 ordinance-sized trees and 21 non-ordinance-sized trees would be removed to facilitate the development. These trees to be removed are located within the proposed building footprint. Moreover, the entire site requires extensive excavation for the below grade parking and soil preparation activities, and cannot be feasibly retained with this work. According to the City's Tree Replacement ratios, the project would require 93 15-gallon replacement trees to be planted on site. The landscape plan does not specify the number of trees to be planted. The project condition (Condition No. 18) in the draft resolution will ensure the project either plants sufficient replacement trees on site, or pay in-lieu fees to satisfy the off-site tree replacement requirement.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The City of San José, as the lead agency for the project, prepared a Draft Supplemental Environmental Impact Report (Draft SEIR) to the Downtown Strategy 2040 Environmental Impact Report (Resolution No. 78942). The Notice of Preparation (NOP) was circulated from June 8, 2020 and was extended until August 12, 2020. The Draft SEIR itself was circulated for public review and comment from March 1, 2020 through April 15, 2021.

The City received six written comment letters during the public circulation period. Comments were submitted by three agencies, which were the Santa Clara Valley Transportation Authority (VTA), Caltrans, and Valley Water. VTA applauded the proposed design for the Woz Way intersections, signaling the driveway access at Almaden Boulevard, and requested to be involved in the design and planning of treatments of the San Carlos Avenue and Almaden Boulevard intersection. VTA also supports the increase in bicycle parking but encourages the City to require more bicycle parking. Caltrans commended the applicant in preparing and implementing a TDM program and noted measures should be documented with annual monitoring reports to demonstrate effectiveness. They also note that traffic impacts that affect ramp operations shall be mitigated or allocate a fair share fee for the mitigation and that fair share allocation could go towards improvements to bicycle and pedestrian mobility. The project would also be subject to transportation and encroachment permits with Caltrans. Valley Water provided comments related to the biological analysis, increasing the riparian setback for the building, and dewater concerns.

The two organizations and one private citizen that commented on the SEIR were Preservation Action Council San Jose (PAC SJ) and the San Jose Downtown Association (SJDA) and Katja Irvin, respectively. PAC SJ encouraged a mitigation strategy to explore the relocation of some, or all of the impacted historical resources; noted that the relocation alternatives in the SEIR were likely not feasible or viable; suggested that a relocation analysis be required in any future EIR; questioned the use of the term infill; and strongly concurred with the findings that the project would further contribute to significant and unavoidable cumulative impacts to historic resources in Downtown San Jose. The SJDA provided comments concerning the land use and zoning, location and height, parking, and traffic circulation, but noted that they do not have any strong concerns regarding the biological, historic resources, and noise and vibration analysis of the SEIR. Katja Irvin noted that the SEIR did not discuss possible temperature impacts on the Guadalupe River from dewatering.

None of the comments received address an issue of sufficiency of the SEIR and no new mitigation measures are required. SEIR text revisions were included in the First Amendment to address dewatering, revisions to reports, and other suggested texts from agencies.

Additionally, the City responded to all comments received on the Draft SEIR and incorporated them into the First Amendment to the Draft SEIR. The First Amendment, taken together with the Draft SEIR, and the MMRP constitutes the Final SEIR. The Draft SEIR and First Amendment to the Draft SEIR (FSEIR) are available for review on the project page on the City's Active EIR website at: <https://www.sanjoseca.gov/your-government/departments-offices/planning-building-code-enforcement/planning-division/environmental-planning/environmental-review/active-eirs/woz-way-project/-fsiteid-1> A copy of the signed MMRP is attached to the proposed CEQA resolution ([Exhibit L](#)).

EIR Recirculation Unnecessary

The comments received do not identify substantive inadequacies in the Draft SEIR or new previously unidentified significant impacts that require recirculation. The recirculation of an EIR is required when significant new information is added to the EIR after public notice is given of the availability of the Draft EIR for public review but before certification. "Information" can include changes in the project or environmental setting as well as additional data or other information. New information added to an Draft EIR is not "significant" unless the Draft EIR is changed in a way that deprives the public of meaningful opportunity to comment on a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect (CEQA Guidelines Section 15088.5).

In accordance with CEQA Guidelines Section 15088, the First Amendment to the Draft SEIR for the project includes written responses to all comments received during the public review period for the Draft SEIR. As required by Section 15132 of the CEQA Guidelines, the responses in the First Amendment to the Draft SEIR address significant environmental points and comments on the content and adequacy of the SEIR. The responses and comments provide clarification and refinement of information presented in the Draft SEIR and, in some cases, correct or update information in the Draft SEIR. No significant new information has been added to the SEIR since publication of the Draft SEIR; therefore, the Draft SEIR does not need to be recirculated.

PUBLIC OUTREACH

Staff followed Council Policy 6-30: Public Outreach Policy in order to inform the public of the proposed project. A notice of the public hearing was distributed to the owners and tenants of all properties located within 1,000 feet of the project site and posted on the City website. The staff report is also posted on the City’s website. Staff has also been available to respond to questions from the public.

A formally noticed Community Meeting with the Environmental Scoping was held on June 29, 2020 to introduce the proposed project to the community. Approximately 22 members of the public attended the meeting and expressed concerns regarding the preservation of existing historic structures, preservation of trees, increase in traffic congestion, and increase in parking issues.

June 29, 2020 Community Meeting
Number of Attendees: +/-22
Major Comments and Concerns
Historic Preservation: Keep or relocate the historic homes; What are the mitigation measures?
Traffic: Traffic congestion concern on Balbach Street with the two proposed high-rise projects, the subject project and the Almaden Office project to the north across Woz Way.
Parking: Concerns on over-flow parking on Balbach Street with the ground floor retail being proposed.
Tree Removal: Any way to preserve the trees?

Historic Preservation:

As discussed in this report, five structures are contributors to a Candidate City Landmark District. The removal of those structures would result in a significant unavoidable impact to historical resources. The SEIR analyzes several project alternatives including a full preservation in place, a partial preservation, and a partial relocation alternatives to mitigate impacts to the cultural resources and concludes that those alternatives would not meet the project’s objectives.

The project is required to implement several mitigation measures such as documenting these historic structures in accordance with the guidelines established for the Level III Historic American Building Survey (HABS) consistent with the Secretary of the Interior’s Standards for Architectural and Engineering Documentation, advertising the availability of the structures for relocation for a period of no less than 60 days prior to issuance of any demolition permits, making available for salvage to salvage companies facilitating the reuse of historic building materials if the project applicant and/or no third party agrees to

relocate the structures, and commemorating the historic structures and associated features on the project site within the Candidate City Landmark District. An action plan of how the Candidate City Landmark District will be commemorated is required to be submitted to the satisfaction of the Director of Planning, Building and Code Enforcement or Director's designee. Following completion of the action, the project applicant shall submit a memo report documenting the commemoration.

Traffic:

The Project site is located within the Downtown Growth Area Boundary, for which the Downtown Strategy 2040 FEIR has been completed and approved. With adoption of the Downtown Strategy 2040 FEIR, this project is covered under the findings of the Downtown Strategy 2040 FEIR and no CEQA transportation analysis is required. Therefore, a VMT analysis is excluded for this Project. As such, the impact is the same as the Downtown Strategy 2040 FEIR. A less than significant impacts would occur, and no new or additional mitigation is required.

The Local Transportation Analysis prepared by Kimley Horn Associates dated November 2020 analyzes the traffic operation at 13 intersections including the Almaden Boulevard / Woz Way / Balbach Street intersection. Project trips from the pending project, Almaden Office, located north of the project site is added to the analysis. This intersection would operate at LOS D during the PM peak hour under background conditions and degrade to LOS E under background plus project conditions, constituting an adverse effect. This transportation impact will be less than significant by implementing the City's Woz Way-Almaden Boulevard plan line with multi-modal improvements and including extension of the queue length pockets and protected intersection signal improvement.

Parking:

As discussed above, the project would meet the parking requirement by providing 1,259 vehicle parking spaces (which requires a 51.7% parking reduction) and implement a TDM plan for the life of the use of the building. The project would not result in over-flow parking into the adjacent neighborhood. Retail use in Downtown does not require vehicle parking spaces.

Tree Removal:

As discussed in the report, the entire site requires extensive excavation for the below grade parking. Trees within this area cannot be feasibly retained with this work. The removal of those 51 trees would require 93 15-gallon replacement trees to be planted on site based on the City’s tree replacement ratio. The project condition (Condition No. 18) in the draft resolution will ensure the project either plant sufficient replacement trees on site or pay in-lieu fees to satisfy the off-site tree replacement requirement.

Project Manager: Angela Wang (H20-004) and Jessica Setiawan (GP19-008)

Approved by: /s/ , Deputy Director for Chu Chang, Acting Director

ATTACHMENTS:	
Exhibit A:	Vicinity Map, Aerial
Exhibit B:	H20-004 Development Area
Exhibit C:	Existing General Plan Land Use Designation
Exhibit D:	Proposed General Plan Land Use Designation
Exhibit E:	Zoning District
Exhibit F:	Existing Site Plan with Riparian Setback Lines Overlay
Exhibit G:	Draft EIR Resolution
Exhibit H:	Draft General Plan Amendment Resolution
Exhibit I:	Draft Site Development Permit Resolution
Exhibit J:	Site Development Permit Plan Set
Exhibit K:	TDM Plan
Exhibit L:	Signed MMRP

Applicant/Owner:
Mark Tersini KT Urban 21710 Stevens Creek Boulevard, #200 Cupertino, CA 95014

GP19-008 & H20-004 Links to Attachments

- Exhibit A: [Vicinity Map, Aerial](#)
- Exhibit B: [H20-004 Development Area](#)
- Exhibit C: [Existing General Plan Land Use Designation](#)
- Exhibit D: [Proposed General Plan Land Use Designation](#)
- Exhibit E: [Zoning District](#)
- Exhibit F: [Existing Site Plan with Riparian Setback Lines Overlay](#)
- Exhibit G: [Draft EIR Resolution](#)
- Exhibit H: [Draft General Plan Amendment Resolution](#)
- Exhibit I: [Draft Site Development Permit Resolution](#)
- Exhibit J: [Site Development Permit Plan Set](#)
- Exhibit K: [TDM Plan](#)
- Exhibit L: [Signed MMRP](#)

[Correspondence Received After June 2, 2021](#)