



CITY COUNCIL STAFF REPORT

File Nos.	C25-038 & ER25-190
Applicant	Axis Holdings 2 LLC (Mike Herrera)
Location	South of the eastern terminus of Bern Court (908 Bern Court; APN 241-15-009)
Existing Zoning	LI(PD) Planned Development Zoning District, File No. PDC76-172
Proposed Zoning	CIC Combined Industrial/Commercial
General Plan	Combined Industrial/Commercial
Council District	3
Historic Resource	N/A
Annexation Date	February 25, 1960 (Orchard No. 24A)
CEQA	Determination of Consistency with the Envision San José 2040 General Plan EIR (Resolution No. 76041) and the Envision San José General Plan Supplemental EIR (Resolution No. 77617), and Addenda thereto.

APPLICATION SUMMARY:

Conforming Rezoning from the LI(PD) Planned Development Zoning District to the CIC Combined Industrial/Commercial Zoning District on an approximately 1.88-gross-acre site located south of the eastern terminus of Bern Court (908 Bern Court; APN 241-15-009).

RECOMMENDATION:

Staff recommends that the City Council:

Approve an ordinance rezoning certain real property of an approximately 1.88-gross-acre site located south of the eastern terminus of Bern Court from the LI(PD) Planned Development Zoning District to the CIC Combined Industrial/Commercial Zoning District.

PROJECT DATA

GENERAL PLAN CONSISTENCY			
General Plan Designation		Combined Industrial/Commercial ☒ Consistent	
Consistent Policies		Implementation Policies IP-1.1, IP-1.7, IP-1.8, IP-8.2, and IP-8.3	
SURROUNDING USES			
	General Plan Land Use	Zoning	Existing Use
Northeast	Combined Industrial/Commercial	LI(PD) Planned Development (PDC76-172)	Industrial and office
South	Mobilehome Park	MHP Mobilehome Park	Mobilehome Park
West	Combined Industrial/Commercial	CIC Combined Industrial/Commercial	Commercial building

RELATED APPROVALS	
Date	Action
3/1/1977	PDC76-172: Planned Development Rezoning to rezone the property to the M-1(PD) Planned Development Zoning District to allow a recreational vehicle center. <i>(Note: PD Zoning never effectuated)</i>
4/19/1979	PD79-010: Planned Development Permit to construct a recreational vehicle center. <i>(Note: Project never built)</i>
9/1/1981	H81-200: Site Development Permit to allow building envelopes for five buildings.
5/10/1985	H85-058: Site Development Permit to allow three industrial buildings.
7/2/1999	AD99-625: Permit adjustment to allow the addition of canopies and 254 square feet to the existing building.

PROJECT DESCRIPTION

Site Description and Surrounding Uses

The subject site is located south of the eastern terminus of Bern Court (Exhibit A – Aerial Map). The site is located within a business park and is currently developed with an industrial building, surrounded by parking to the north and west. The parcel does not have a driveway; instead, it has easements from surrounding properties to allow access to the site from Bern Court. Adjacent uses include industrial uses to the northeast, commercial uses to the west, and a mobile home park to the south. There is currently no application on file for the development of the site.

Background

On September 9, 2025, the applicant, Mike Herrera of Axis Holdings 2 LLC, filed an application for a conforming rezoning of an approximately 1.88-gross-acre site from the LI(PD) Planned Development Zoning District (File No. PDC76-172) to the CIC Combined Industrial/Commercial Zoning District. The rezoning to the CIC Zoning District would bring the site into conformance with the General Plan Land Use/Transportation Diagram land use designation of Combined Industrial/Commercial.

It would allow a broader range of uses than those permitted by the existing Planned Development Zoning District, including the base LI Light Industrial zoning district.

ANALYSIS

The project was analyzed for conformance with the following: 1) the Envision San José 2040 General Plan; 2) the Zoning Ordinance; and 3) the California Environmental Quality Act (CEQA).

Envision San José 2040 General Plan Conformance

The subject site is designated Combined Industrial/Commercial on the Land Use/Transportation Diagram of the [Envision San José 2040 General Plan](#) (Exhibit B – General Plan Land Use/Transportation Map).

This category allows a significant amount of flexibility for the development of a varied mixture of compatible commercial and industrial uses, including hospitals and private community gathering facilities. Properties with this designation are intended for commercial, office, or industrial developments or a compatible mix of these uses. This designation occurs in areas where the existing development pattern exhibits a mix of commercial and industrial land uses or in areas on the boundary between commercial and industrial uses. Development intensity can vary significantly in this designation based on the nature of specific uses likely to occur in a particular area. In order to maintain an industrial character, small, suburban strip centers are discouraged in this designation, although larger big-box type developments may be allowed because they mix elements of retail commercial and warehouse forms and uses.

Analysis: The existing LI(PD) Planned Development Zoning District allowed for a recreational vehicle center; however, it was not constructed and the property was developed using the base LI Light Industrial Zoning District. The CIC Zoning district would allow the project site to be consistent with the Combined Industrial/Commercial designation, and allow additional commercial and office uses on the site in conformance with the General Plan designation.

The rezoning is consistent with the following General Plan goal and policies:

1. Goal IP-8: Use rezoning of property to directly implement the land use designations as shown on the Land Use/Transportation Diagram. By City Council policy, the rezoning of property should ordinarily conform to the Envision General Plan.

Analysis: The proposed CIC Zoning District conforms to the Combined Industrial/Commercial land use designation, consistent with the goal.

2. Implementation Policy IP-1.1: Use the *Envision General Plan* Land Use/Transportation Diagram designations to indicate the general intended land use, providing flexibility to allow for a mix of land uses, intensities, and development forms compatible with a wide variety of neighborhood contexts and to designate the intended roadway network to be developed over the timeframe of the *Envision General Plan*. Use the Zoning designation to indicate the appropriate type, form, and height of development for particular properties.

Analysis: The subject site's land use designation of Combined Industrial/Commercial is intended for a mix of commercial, office, and industrial developments. Future development would be subject to the development standards outlined in the San José Zoning Code for the CIC Zoning District.

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

Analysis: The CIC Zoning District is a conforming district to the Combined Commercial/Industrial land use designation, pursuant to [Section 20.120.110](#) of the San José Zoning Code.

4. Implementation Policy IP-1.8: Use standard Zoning Districts to promote consistent development patterns when implementing new land use entitlements. Limit use of the Planned Development Zoning process to unique types of development or land uses which cannot be implemented through standard Zoning Districts, or to sites with unusual physical characteristics that require special consideration due to those constraints.

Analysis: The subject site would be rezoned to the CIC Zoning District, which is a conventional zoning district. The CIC Zoning District is intended for commercial, office, or industrial developments, or a compatible mix of these uses, as allowed by the General Plan. There are no unusual physical characteristics of the site that require special consideration necessitating a Planned Development Zoning District.

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

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

6. Implementation Policy IP-8.3: For the review of privately or public initiated rezoning applications, consider the appropriateness of the proposed zoning district in terms of how it will further the *Envision General Plan* goals and policies as follows:
 - a. Align with the *Envision General Plan* Land Use / Transportation Diagram designations.
 - b. Retain or expand existing employment capacity.
 - c. Preserve existing retail activity.

- d. Avoid adverse land use incompatibilities.
- e. Implement the Envision General Plan goals and policies including those for Urban Design.
- f. Support higher density land uses consistent with the City's transition to a more urban environment.
- g. Facilitate the intensification of Villages and other Growth Areas consistent with the goal of creating walkable, mixed-use communities.
- h. Address height limits, setbacks, land use interfaces and other design standards to provide for the intensification of land uses adjacent to already developed areas.

Analysis: As discussed above, the CIC Zoning District conforms to the Combined Industrial/Commercial land use designation in the General Plan. The site is currently developed under the LI Zoning District, which is not a conforming zoning district; the change in zoning allows additional uses that can help retain or expand existing employment capacity and create potential new retail activity pursuant to the CIC Zoning District.

Zoning Ordinance Conformance

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

Use Regulations

The CIC Zoning District would allow the property to be used and developed in accordance with the allowable uses in Table 20-110 in [Section 20.50.100](#), which includes a broad range of commercial and industrial uses. This rezoning would facilitate future redevelopment of the site to be consistent with the General Plan land use designation.

Development Standards

Table 20-120 in [Section 20.50.200](#) establishes the development standards for the CIC Zoning District. The subject property has an area of approximately 1.88 acres, which is consistent with the 6,000-square-foot minimum lot size required in the CIC Zoning District. Any future development would be required to adhere to the development standards set forth in Table 20-120 and all other applicable Municipal Code regulations. Any future development may also need to be evaluated under CEQA.

Senate Bill 330 Conformance

The Housing Crisis Act of 2019 (SB 330, 2019) limits the manner in which local governments may reduce the capacity for residential units that can be built on within the local agency's jurisdiction, including actions such as 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 increased requirements that work to reduce the amount of housing capacity in the jurisdiction. An exception to this limitation is that a

property may be allowed to reduce intensity of residential uses if changes in land use designations or zoning elsewhere in the jurisdiction ensure there is no net loss in residential capacity within the jurisdiction.

Analysis: This rezoning does not reduce the intensity of residential uses because neither the current zone (developed under the auspices of the LI Light Industrial Zoning District) nor the proposed zone (the CIC Combined Industrial/Commercial Zoning District) allows residential uses.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

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

No new or more significant environmental impacts beyond those identified in the Envision San José 2040 General Plan Final Program Environmental Impact Report (FPEIR), Supplemental EIR (SEIR), and Addenda have been identified, nor have any new mitigation measures or alternatives which are considerably different from those analyzed in the FPEIR, SEIR, and Addenda been identified.

PUBLIC HEARING NOTIFICATION

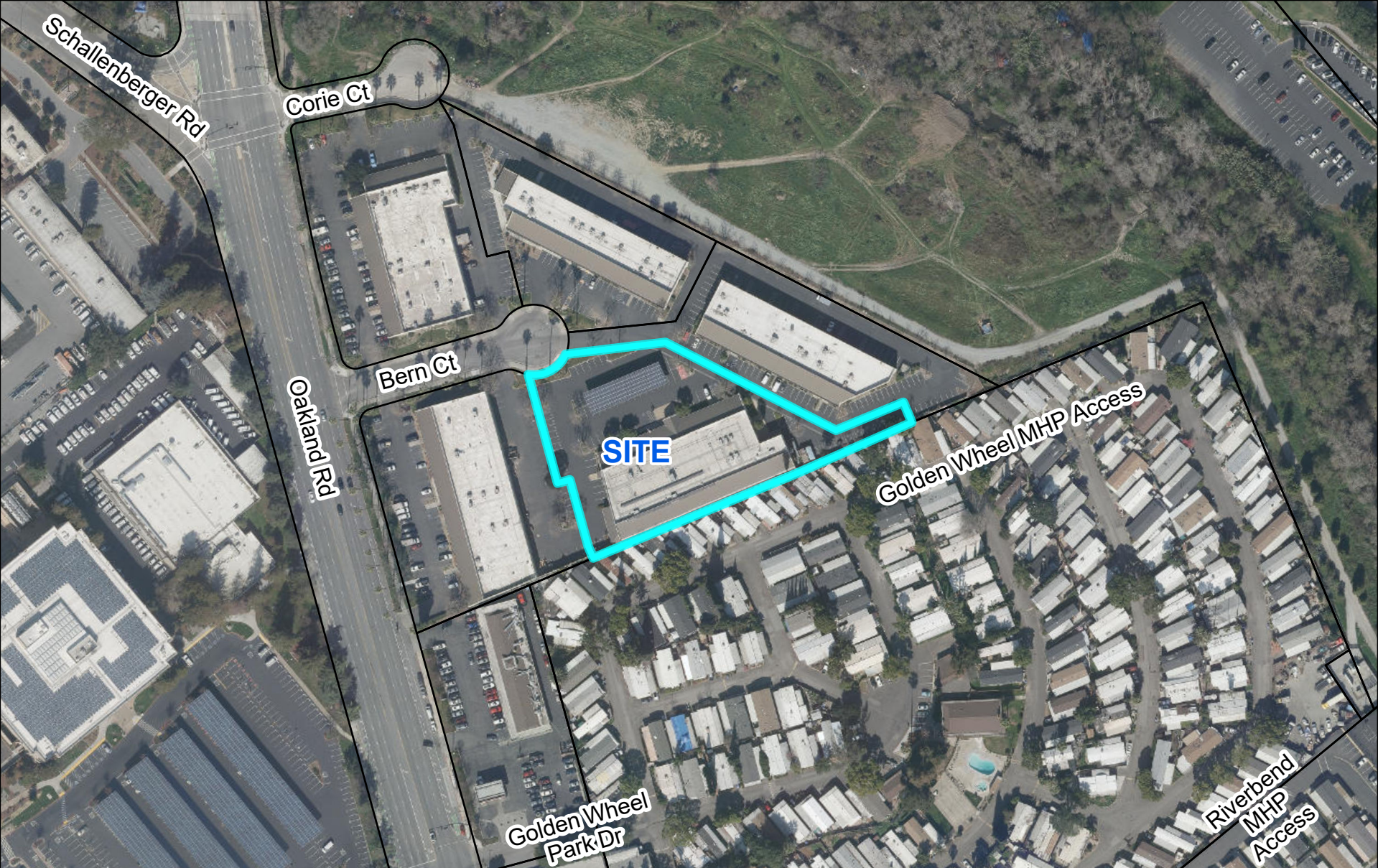
Staff followed Council Policy 6-30: Public Outreach Policy. A notice of the public hearing was distributed to the owners and tenants of all properties located within 500 feet of the project site and posted on the City website. The staff report is also posted on the City's website. Staff has been available to respond to questions from the public.

/s/
Chris Burton, Director,
Planning, Building, and Code
Enforcement

For questions, please contact John Tu, Division Manager, at (408) 535-7900.

ATTACHMENTS

Exhibit A: Aerial Map
Exhibit B: General Plan Land Use & Transportation Map
Exhibit C: Proposed Zoning Map



File No: C25-038
District: 3

Exhibit A Aerial



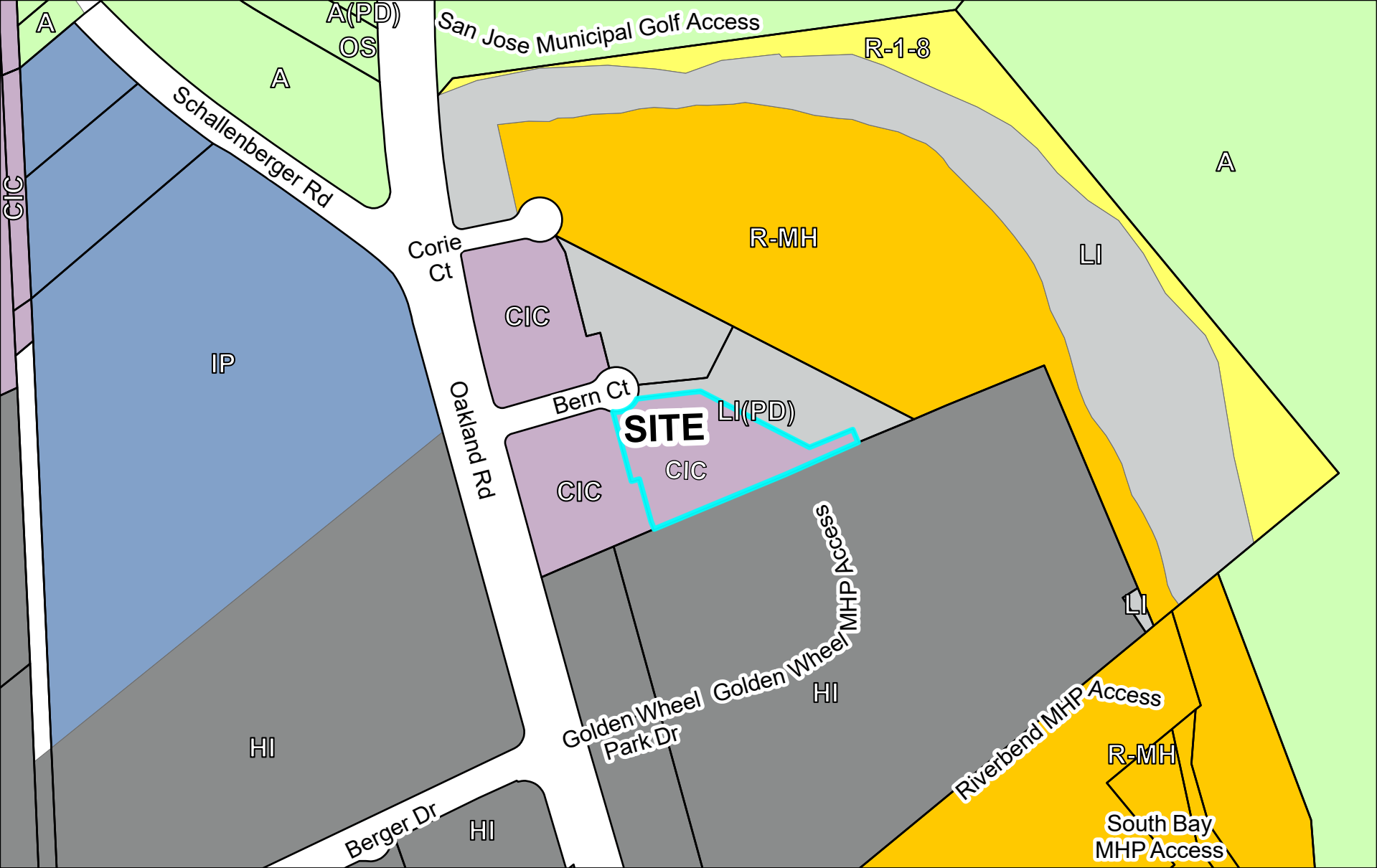
File No: C25-038
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Exhibit B GENERAL PLAN



Prepared by the Department of Planning,
Building and Code Enforcement

9/26/2025



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Exhibit C
PROPOSED ZONING

