

EVERGREEN SENIOR HOMES INITIATIVE 9212 REPORT ANALYSIS					ATTACHMENT D
NO.	ISSUE RAISED WITHIN 9212 REPORT	REF.	INITIATIVE PROPOSERS COMMENT	REF.	CITY RESPONSE
1	ESHI would make it more difficult for City to deny applications for GPAs to add Senior Overlay to underutilized employment lands. ESHI would allow any other senior housing project pursuant to a Senior Housing Overlay within the EEHDP.	CM p.4 9212R p. 16, 20	As acknowledged in CM and 9212R, City Council has discretion to approve or deny GPAs and also has discretion to approve or deny Specific Plans under a proposed Senior Housing Overlay. ESHI GPA includes an action item for the City to "Identify criteria and locations within the City that are appropriate for senior housing developments, including locations appropriate for the senior housing overlay." ESHI GPA also provides, "The City may undertake additional study to determine other locations suitable for the overlay. ... Application of the overlay to additional sites requires an amendment of the Land Use/Transportation Diagram."	CM p. 4 9212R p. 16, 17, 20 ESHI Sec. 3.C, 3.D	Irrespective of the action item proposed by the Initiative for the City to identify criteria and locations appropriate for senior housing developments, the Initiative establishes that application of the overlay to additional sites would be implemented through General Plan Amendments. Therefore, any person or organization could apply for a General Plan Amendment to apply the Senior Housing Overlay to underutilized employment lands. As stated in the referenced Council Memo and 9212 report, General Plan Amendment applications are reviewed for consistency with the General Plan's Major Strategies, goals, and policies. The Initiative, if approved by voters, would modify the Major Strategies, goals, and policies of the General Plan to support future application of the Senior Housing Overlay on underutilized employment lands. The City Council has the discretion to approve or deny any such application and findings are not required by law to approve or deny such legislative actions, the modifications to the General Plan proposed under the Initiative support application of the Senior Housing Overlay. Additionally, the City would be required by state law to perform appropriate environmental review under CEQA and certify or approve such review prior to approval of any General Plan Amendment.
2	ESHI further limits the Director's discretion to deny subsequent development permits unless they do not substantially conform to the GP and ESHSP.	CM p. 5 9212R p. 18	ESHSP requires Director to review all Approvals for consistency with GP, substantial conformance with ESHSP (including substantial conformance with the development standards and lack of conflict with the architectural design guidelines, landscape guidelines, and infrastructure and public services provisions), and compliance with applicable law and to impose conditions to achieve such consistency/ conformity/ compliance.	ESHSP Sec. 8.3.2, 8.3.3, 8.5.5	The proposed ESHSP states that "the Director, or City Council... shall approve the <b>ESP Permit, unless</b> , based on the entire record, any of the following findings are made." The primary findings are consistency with the General Plan and conformance with the ESHSP. As a result, the Director has very little discretion to deny the ESP Permit for implementation of the ESHSP, which has been prepared with no input from the City or public, as would be typical for creation of a Specific Plan under current City process. Additionally, under current processes, the Director retains broad discretion to modify and condition permits to address a variety of concerns. These considerations and related findings are eliminated by the Initiative for consideration of the ESP permit. the City would be required by state law to perform appropriate environmental review under CEQA and certify or approve such review prior to approval of any General Plan Amendment.
3	ESHI prevents public from engaging in ESHSP design, implementation, and review.	CM p. 5	Voters get to vote on ESHI. As acknowledged in CM, project also will require other land use and construction related approvals, including development permits, subdivision maps, grading permits, tree removal permits, demolition permits, building permits, sign permits.	CM p. 4-5 ESHSP	As stated in the Council Memo, the Initiative bypasses the City's standard development review process by including the proposed ESHSP as a component of the ballot initiative. If the proposed Evergreen Senior Homes Specific Plan were proposed under the City's standard process, it would be subject to the Specific Plan initiation process set forth in the Municipal Code (Section 18.20.040), and the City would require extensive community outreach with the Evergreen area and the city. This would involve multiple community meetings, public hearings, discussion with stakeholders, and public interaction between the City, the applicant, and the public. By submitting the proposed Evergreen Senior Homes Specific Plan as a ballot initiative, the public is not able to engage or be involved in the plan's design, implementation, or review process. The public can only vote to adopt or not adopt the Initiative, which does not meet the City's criteria for community engagement per the City's Public Outreach Policy.  Additionally, as stated above, the Director has limited discretion to deny the ESP permit for development of the ESHSP. The City would be required by state law to perform appropriate environmental review under CEQA and certify or approve such review prior to approval of any General Plan Amendment.

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4	9212R defines underutilized employment lands as vacant lands with GP designations that support employment uses, equating to 3,247 acres.	CM p.6 9212R p.1, 99	As acknowledged in CM, City Council has broad discretion to interpret the GP and to reject a broad interpretation of the term. ESHI GPA includes an action item for the City to "Identify criteria and locations within the City that are appropriate for senior housing developments, including locations appropriate for the senior housing overlay." ESHI GPA also provides, "The City may undertake additional study to determine other locations suitable for the overlay."	CM p. 10 ESHI Sec. 3.C, 3.D	Given that the Initiative does not define "underutilized employment lands", the 9212 Report uses reasonable methodology to analyze the Initiative's impact by considering vacant lands with General Plan designations for employment uses as areas potentially affected by the Initiative. The Fiscal Analysis, Environmental Analysis, and Traffic Analysis also disclose what impacts result with 20% or 50% conversion of the 3,247 acres of vacant land. In addition, it is possible the City's analysis is an underestimation should others suggest a broader definition of the term "underutilized employment lands." The Initiative includes 60+ Amendments to the General Plan exempting itself from policies where it is inconsistent with the current adopted General Plan. As such, the City's broad discretion to interpret General Plan Amendments associated with the Senior Housing Overlay Citywide would be much more limited.
5	9212R assumes that ESHI has same time horizon as GP.	CM p. 6 9212R p. 2	As acknowledged in 9212R, after 10 years, ESHSP could be amended without a vote of the people.	9212R p. 17 ESHI Sec.10	Modifications to the Initiative after 10 years are not certain as this is dependent on the actions the City Council at that time takes. For the purposes of the 9212 analysis it assumes the Initiative has the same time horizon as the General Plan.
6	9212R assumes that all jobs associated with 3,247 acres of employment lands would be lost.	CM p. 6 9212R p. 2, 47, 50, 98, 112	As acknowledged in CM, "it is unlikely that all 3,247 vacant acres would be converted to senior housing." ESHI GPA requires, "To the extent land within this overlay is developed with senior housing, the employment capacity associated with such land <u>will be retained for redistribution by the City to lands more supportive of employment growth in the near term.</u> ... As such, <u>implementation of this overlay will not result in any decrease in the City's net employment capacity.</u> " (emphasis added)	CM p. 10, 99 ESHI Sec. 3.D	The Initiative does not state or evaluate where job replacement could occur and rather defers to the City to locate replacement employment land. Market and environmental constraints make it unlikely that the loss of employment lands and the job development potential of those lands through conversion to residential use through the proposed Senior Housing Overlay could be made up in other locations. Therefore, the analysis assume these jobs would be lost to San Jose. More significantly, however, is that the Initiative specifically states that the City is prohibited from using any senior housing developed under the Initiative towards the 120,000 unit housing goal in its General Plan. So, the Initiative creates a shuffle between jobs and housing, with two-pronged impact. First, it requires the City to authorize construction of more housing than needed under the current General Plan because the senior units will not count towards that goal. Second, the Initiative will either reduce the amount of employment land in the City exacerbating the job-housing imbalance in San Jose, or will require the conversion of residential land to employment uses reducing the amount of land available for residential development that can be counted towards the City's housing goals required by state law. It is also doubtful that low-margin industrial businesses could compete for land with senior housing developers or businesses that normally occupy higher-density (and more expensive) environments. This is discussed further in the Expected Changes to Land Values section of Chapter IV of the Report.
7	ESHSP and Senior Housing Overlay Citywide are fundamentally inconsistent with the <i>Adopted GP</i> .	CM p. 7 9212R p. 2, 5, 29–32, 98, 102-106	ESHSP proposes amendments to the GP. ESHSP is consistent with the GP as amended by ESHI. City retains discretion to deny future GPAs to add the Senior Housing Overlay or specific plans to implement it if they are not consistent with the GP.		The City's responsibility in preparation of the 9212 Report is to compare the Initiative to the City's current General Plan, Municipal Code, and other adopted policies in order to explain changes that would occur if the Initiative were approved by the voters. As stated above, while the City Council has the discretion to approve or deny applications relating to the Initiative's Senior Housing Overlay, Therefore, the Initiative provides a path for General Plan Amendments for the conversion of employment lands to residential use in a manner that is clearly inconsistent with the current adopted General Plan.
8	ESHSP does not conform to the current EEHDP.	9212R p. 33	ESHSP proposes amendments to the EEHDP. ESHSP is consistent with the EEHDP as amended by ESHI.		
9	ESHSP does not conform to existing Planned Development zoning.	9212R p. 36	ESHSP proposes rezoning. ESHSP is consistent with the zoning as rezoned by ESHI.		The City's responsibility in preparation of the 9212 Report is to compare the Initiative to current conditions, including the existing zoning on the ESHSP site, in order to compare the Initiative to the City's current General Plan, Municipal Code, and other adopted policies in order to explain changes that would occur if the Initiative were approved by the voters. Otherwise, the 9212 Report would compare the ESP zoning proposed by the Initiative to the ESP zoning proposed by the Initiative. This would not accurately analyze the effects of the Initiative, which is the purpose of the 9212 Report.

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10	Expansion of residential growth capacity is unnecessary for City to meet its Regional Housing Needs Assessment (RHNA) requirements City has zoned sufficient sites to accommodate RHNA goals.	CM p. 8 9212R pp. 37, 106	According to data released last week by the Department of Housing and Community Development, San Jose has not built sufficient affordable housing to meet its RHNA obligations. (9212R acknowledges this.)	9212R p. 37 (cite HCD)	The SB 35 Statewide Determinations Summary released in February 2018 was premature and does not account for the City's 2017 annual reports. Nevertheless, HCD determined that San Jose is not subject to SB 35 streamlining for proposed developments with $\geq 10\%$ affordability, but is subject to SB 35 streamlining for proposed developments with $\geq 50\%$ affordability. In other words, San Jose is performing on its "above market" rate RHNA goals and is not performing on its Extremely Low, Very Low, Low, and Moderate Income goals. Appendix A (Adequate Sites Inventory) in San Jose's Housing Element identifies sufficient capacity to meet all of the City's RHNA goals. Affordable housing is infeasible primarily because the demand for housing subsidies far exceeds the supply because of the cost of land and housing in this area.
11	ESHSP and Senior Housing Overlay are inconsistent with Plan Bay Area because it would allow housing outside of Priority Development Areas.	9212R pp. 38, 109	Housing outside of Priority Development Areas (PDAs) is not disallowed by Plan Bay Area. Plan Bay Area anticipates that PDAs will accommodate over two-thirds of all housing and employment growth through the year 2040, which means that areas outside PDAs will accommodate the rest.	<a href="https://mtc.ca.gov/our-work/plans-projects/focused-growth-livable-communities/priority-development-areas">https://mtc.ca.gov/our-work/plans-projects/focused-growth-livable-communities/priority-development-areas</a>	Plan Bay Area is required by law to achieve two things by 2040: a reduction in per-capita CO2 emissions from passenger vehicles and adequate housing for the Bay Area's expected population growth. Building housing in Evergreen and in overlay sites could help address the housing problem but it could also exacerbate traffic congestion and CO2 emission levels by removing opportunities to create jobs near housing. ( <a href="http://2040.planbayarea.org/strategies-and-performance">http://2040.planbayarea.org/strategies-and-performance</a> ) Also, the Initiative states that the City cannot count senior housing overlay units towards its General Plan housing goals.
12	Senior Housing Overlay would substantially reduce City's J/ER ratio to .8.	9212R pp. 114, 138	Many seniors are not employed. It has been reported that less than 25 % of seniors in Santa Clara County were employed in 2010. Because of low employment rates among seniors, senior housing is consistent with the GP's policy to maintain a J/ER ratio of 1.1/1. 9212R acknowledges that ESHSP would result in "negligible difference to the City's J/ER ratio." associated with such lands would be replaced in San Jose. This conclusion is based on the inaccurate assumptions that (i) all vacant industrial land would be converted to senior housing, and (ii) no jobs	ESHI Sec. 3.A  9212R p.49	The American Community Survey (Census) between 2012-2016 indicated high labor force participation rate for the City of San Jose. For instance for individuals between 55 to 59 years old, 74.9% participate in the labor force. It is important to distinguish between the J/ER impacts of the ESHSP and the ESHO. The ESHO could have a much bigger impact on J/ER because it could impact as much as 3,247 acres ( See Section I.C.2. Transportation Impacts of the 9212 report), much more than the 370 acres (ECI Employment Area, see Section III.A.1.iii. Senior Housing of the 9212 report) that could be impacted by the ESHSP. It is impossible to predict how much industrial land would be converted if the ESHO is implemented. It is assumed that residual land value for residential uses will continue to be significantly higher than residual land value for industrial and commercial uses. This disparity in residual land value provides a strong economic incentive to convert non-residential land to residential uses for the foreseeable future.
13	9212R assumes that ESHSP would construct affordable units <i>off-site</i> . If residential units are rental, 9212R asserts that the levels of affordability do not meet the levels of affordability required by the current IHO. ESHI does not provide Low Income units or sufficient Very Low Income Units as required by IHO.	CM p. 10, 18 9212R pp. 4, 7, 38, 40-43, 98, 108	ESHI and ESHSP make no change to the requirements of the current IHO if units are constructed <i>off-site</i> . ESHI complies with IHO's option to provide <i>on-site</i> rental in a for-sale project in the Senior Housing Overlay that would require more affordable units (20% versus 15%) at the same affordability levels (6% for Very Low Income and the balance for Moderate Income) compared to the current IHO's requirements. ESHP permits compliance with this option if a project provides on-site rental inclusionary and includes certain parameters for those inclusionary units.	ESHI Sec. 4, ESHSP Sec. 2.2.7	It was assumed for the sake of comparison between the current Inclusionary Housing requirements and the Initiative that the proposed Specific Plan would construct affordable housing off-site. The reason for assuming the ESHSP is pursuing only an off-site option to providing affordable housing is because the number of units proposed in the ESHSP resembles the number of units required under the San Jose Inclusionary Housing Ordinance. The ESHSP does not specify where these affordable units will be located or if they will be integrated within the same buildings as the market rate units, so this is another set of reasons why off-site is more likely the option the ESHSP is proposing. Although these units are being proposed as affordable, the ESHSP does not satisfy the requirements under San Jose's current Inclusionary Housing Ordinance as to depth of affordability and other requirements. See Section III.A.1.v. San Jose's Inclusionary Housing Program of the 9212 Report for more information.
14	If the residential units are for-sale, affordable homes could be lost when resold. There are no resale controls. ESHI would exempt for-sale residential development with a Senior Housing Overlay from the IHO.	CM p. 18 9212R pp. 4, 7, 10, 13, 38, 42-44.98	ESHI and ESHSP make no changes to or exemptions from the IHO requirements regarding continued affordability. ESHI and ESHSP do not exempt Senior Housing Overlay projects from IHO requirement for an Inclusionary Housing Agreement.	ESHI Sec. 4 ESHSP 2.2.7	Although the proposed ESH states that development on the ESHO site will include affordable housing, it is not clear that deed restrictions will be used to ensure the housing is affordable for the life of the project. See Section III.A.1.v. Proposed Initiative of the 9212 Report for more information.

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15	Seniors who can afford market rate housing are well served though currently available developments.	CM p. 10 9212R pp. 37, 38, 108	Seniors are particularly underserved in several parts of Santa Clara County, including East San Jose.	ESHI Sec. 3.A Council on Aging, <i>Silicon Valley Area Plan on Aging</i>	[Staff could not find ESHI Sec 3 A referenced] The Sourcewise Area Plan on Aging 2016-2020 notes that housing prices have become a more prevalent issue in Santa Clara County because high prices have "detrimental consequences among the SCC senior segment of the population, who face increasing rent and mortgage prices, yet remain on a fixed and stagnant income and are not able to live comfortably or within their means to survive." The report also indicates that lower income seniors are underserved for affordable housing. The majority of the housing created under the ESHI would be market rate and would not serve the needs of lower income seniors. <a href="http://www.mysourcewise.com/sites/default/files/FinalDRAFT-Sourcewise_2016-2020_AreaPlanOnAging.pdf">http://www.mysourcewise.com/sites/default/files/FinalDRAFT-Sourcewise_2016-2020_AreaPlanOnAging.pdf</a>
16	Affordable units may be constructed last after all market rate units are completed or not at all.	CM p. 18 9212R p. 4	ESHI generally requires compliance with IHO. In the case of the exceptions authorized in connection with the added option of providing 20% <i>on-site</i> inclusionary in a for-sale project in the Senior Housing Overlay, the Specific Plan must specify the timing of construction of the affordable units. ESHSP provides that no more than 25% of the market rate units can receive building permits before the first building permit for the inclusionary units, and no more than 75% of the market rate units can receive certificates of occupancy before 100% of the inclusionary units receive certificates of occupancy.	ESHI Sec. 4 ESHSP Sec. 2.2.7	On page G-41 of the proposed ESHI it states under Timing of Construction that "The Inclusionary Units do not need to be constructed concurrently with the Market Rate units. Nevertheless, no more than 25 percent of the Market Rate units can receive a building permit before issuance of the first building permit for the Inclusionary Units. In addition, no more than 75 percent of the Market Rate units can receive Certificates of Occupancy until 100 percent of the Inclusionary Units receive Certificates of Occupancy."  According to the Proposer's text on the Timing of Construction, building permits on 25% of the Market Rate units can be issued at the same time that the first building permit for an inclusionary affordable unit is issued. See Section III.A.1.v. Proposed Initiative of the 9212 report for more information.
17	ESHSP does not specify how it would satisfy IHO or comply with development review process, including executing Inclusionary Housing Agreement.	9212R, pp. 40, 43, 44	ESHI and ESHSP do not exempt Senior Housing Overlay projects from IHO requirement for an Inclusionary Housing Agreement.	ESHI Sec. 4	ESHI and ESHSP does not specify that any Inclusionary Housing Agreement will be recorded to codify the Affordable Housing obligations stated. See Section III.A.1.v. Proposed Initiative of the 9212 report for more information.
18	ESHI provides no information regarding how it will provide veteran housing.	CM p. 19 9212R pp. 4, 39, 43	ESHSP requires specific amenities to provide supportive housing opportunities for veterans, including coordination with government and community entities to identify eligible veterans for the inclusionary units, providing veterans' information and support services in one of the on-site recreations centers, and designating an on-site coordinator to assist veterans residents' access to community resources. ESHSP also requires preference to veterans for inclusionary units, <i>which can be enforced by the City per the express requirements of the ESHSP</i> , as permitted by law.	ESHSP Sec. 2.2.6, 2.2.7	Although the proposers are describing amenities available to veterans, the proposers don't describe how they will qualify veterans' housing preferences under the Unruh Civil Rights Act (California Civil Code sections 51 et seq.). See Section III.A.1.iv. Veterans Housing Preference of the 9212 report for more information.

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19	Citywide Overlay will negatively impact City's fiscal health, as net revenues yielded from the residential development enabled through the ESHI are substantially less than revenues yielded with projected build out of the Adopted GP. The proposed Senior Housing Overlay will eliminate 129,500 jobs and add 86,010 senior housing units. Vacant employment lands in the Adopted GP will generate \$89.5M per year in surplus revenue. The Senior Housing Overlay will result in a fiscal deficit of \$17.1M per year.	CM p. 8 9212R p. 6, City FA p. 7, 25 9212R p. 134, 138, City FA p. 2, 25, 28	This conclusion is based on the inaccurate assumptions that (i) without the ESHI, all vacant employment lands would build out to capacity in the horizon of the Adopted General Plan, (ii) but with the ESHI, (a) all vacant employment lands would be converted to senior housing, and (b) no jobs associated with such lands would be replaced in San Jose. In fact, the City's recent actions acknowledge that job growth is increasingly unlikely to occur in peripheral employment areas such as Evergreen, but there is more demand for job growth in areas closer to residents and transit such as Downtown. The City recently amended the GP to reduce the jobs planned in Evergreen and is considering a GP amendment to move planned jobs out of Coyote Valley to Downtown. As acknowledged in CM, City Council has broad discretion to interpret the GP and to reject a broad interpretation of the term "underutilized". ESHI GPA includes an action item for the City to "[i]dentify criteria and locations within the City that are appropriate for senior housing developments, including locations appropriate for the senior housing overlay." ESHI GPA also provides, "[t]he City may undertake additional study to determine other locations suitable for the overlay." It is not reasonable to assume all vacant land would be developed with senior housing because the City's Market Overview and Employment Lands Analysis (Strategic Economics, Jan. 20, 2016) states that 1,175 acres of vacant land are in "core employment areas" and "[i]ndustrial demand exceeds vacant employment lands in the city's core employment areas"	CM, p. 10 ESHI, §§ 3.C, 3.D City's Market Overview and Employment Lands Analysis (Strategic Economics, Jan. 20, 2016), p. 12	The adopted General Plan includes capacity for 10,000 jobs in the entire Evergreen Employment area. As mentioned in the Economic Development section of the 9212 report (Chapter III), large sites that allow for less dense footprint support research and development and manufacturing activities. These large sites throughout the City have value in supporting Silicon Valley's supply chain. While industrial lands are undersupplied in San Jose as demonstrated by the exceptionally low vacancy rates, they have lower land values compared to lands with residential General Plan designations. As such, industrial lands are greatly threatened by the Citywide Senior Housing Overlay, as developers will be able to reap greater profits proposing development on these sites. See Market Analysis, Industrial Supply Chain, and Business Attraction and Retention Sections of Chapter IV of the 9212 Report for analysis of these issues.
20	The ESHSP will generate less revenue to the City annually than Campus Industrial Development. The Campus Industrial Development would generate net surplus revenues of \$1.1M per year.	CM p. 15 9212R p. 94, City FA p. 2, 18, 20	This conclusion is based on the inaccurate assumption that, without the ESHSP, the ESHSP site would be developed with Campus Industrial uses. In fact, the ESHSP site received approvals for Campus Industrial uses over 20 years ago, development has not occurred due to lack of demand.		Research and development and manufacturing operations serve a critical component of the Silicon Valley supply chain and require larger footprints to allow for materials storage, clean rooms, and heavy equipment. Sites greater than five acres in size are typically needed to support these larger footprint uses. There exists 2,761 acres of vacant employment lands that are comprised of sites that are greater than 5 acres in size, which is the minimum size of site for these larger footprint uses, and represent 18% of the total employment lands in the city. The potential conversion of the ESHO site to senior housing will mean the loss of 200 acres available for larger footprint uses, reducing the remaining availability of the acreage for these opportunity sites by 8%. Development on the site is planned for prior to 2040, which is the buildout horizon of the General Plan. Whether a site is developed is a result of many factors including, but not limited to, cost of land and improvements, demand, infrastructure, and owner's preferences and investment goals and strategies, etc.
21	Under Civil Code sec. 53.1, at least 80 percent of the units would be occupied by senior citizens aged 55+.	City FA, p. 1	Under Civil Code sec. 53.1, all of the units must be occupied by at least one senior citizen aged 55+.	Cal. Civ. Code § 53.1.	Housing for Older Persons Act of 1995 states that senior housing communities must have at least 80% of units occupied by at least one senior. Cal Civ Code sec 53.1 provides for the opportunities for units to be occupied by individuals younger than 55+ of age. For example, if a qualifying resident (such as a spouse of a senior) is less than 55 year of age they may continue to live in the units after the senior's death or illness/hospitalization, or dissolution of their marriage to the senior.
22	City FA assumes that the currently allowed campus industrial uses (2 million square feet of Campus Industrial) would be constructed.	City FA, p. 18-19	City's Market Overview and Employment Lands Analysis (Strategic Economics, Jan. 20, 2016) states, "[t]here are approximately 2,803 acres of vacant employment lands in North Coyote Valley, the Alviso Specific Plan Area, and Evergreen Industrial Park . . . [and] these peripheral employment areas currently present barriers to attracting new development, including significant infrastructure and environmental constraints. Furthermore, there has been limited interest from private commercial developers to pursue projects in some of the peripheral areas." Accordingly, the City's assumption about near-term industrial development on the Property is speculative.	City's Market Overview and Employment Lands Analysis (Strategic Economics, Jan. 20, 2016), p. 12	As noted in Response 20 above, the relatively large contiguous Evergreen site represents an important opportunity to support development of large plate industrial uses that serve a critical function in the Silicon Valley supply chain. With low vacancy rates in other available industrial developments, the likelihood of development of the Evergreen site has increased since earlier studies were completed. Moreover, the analysis accurately describes the comparison of impact between the Adopted General Plan and the proposed ESHSP.

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23	City FA notes in its discussion of the currently allowed industrial development that a portion of the property is subject to the District 91- 209SJ (Aborn-Murillo) Benefit Assessment District Assessment calculated to be \$5,654,460 in 2017 dollars, which pays for all or portions of a number of street improvements and other facilities upgrades in the vicinity of the site. City FA does not include the same statement regarding the Benefit Assessment District in the section analyzing the ESHI's fiscal impacts.	City FA, p. 20	According to the ESHSP, "Development within the Plan Area will be subject to payment of existing assessments in compliance with applicable law."	ESHSP, pp. G-152, H-6.	The traffic section of the 9212 Report (p.88) acknowledges that both the Campus Industrial and the ESHSP would be subject to the District 91-209SJ (Aborn-Murillo) Benefit Assessment District assessments.
24	City FA notes that state law allows persons 55 or older to transfer their existing assessed value to a new home purchased at equal or lesser market value of their existing home.	City FA, p. 22	The City FA is silent on the fact that the City would obtain increased property taxes on the homes of future ESHSP residents sold when those residents move to the ESHSP area.		There is no assurance that residents of the ESHSP would have come from San Jose. The increased assessed value from the houses they sell would benefit the city or county in which they resided.
25	"The Proposer's analysis fails to factor in potential senior citizen assessed value exclusions." "ADE compared assessed values for the Villages units that sold at least one year prior so that the sales transaction is reflected in the current assessed value. The average assessed value was 15 percent below the sales price of the unit. We expect this is a reasonable approximation of the effect of propositions 60 and 90 on property tax revenues and have discounted the assessed value accordingly in calculating the property tax for residential units under the Evergreen Senior Homes Initiative."	CM Attachment B City FA p. 23	Applying a 15 percent discount to the ESHSP homes overstates the effect of these propositions 60 and 90 on the tax revenue collected by the City because such a discount fails to account for the fact that when some of the future ESHSP residents move into their new home, their old City home will be sold and reassessed at current market prices thereby reducing the impact of Proposition 60. Even if a 15 percent adjustment is applied to the assessed value of homes in the ESHSP, the net fiscal impact under the ESHI FA would remain a positive \$62,000 per year at buildout.		The potential impact of these state laws on the assessed value of individual housing units in the ESHSP could be substantially more than 15%. As noted in the fiscal analysis for the General Plan four-year evaluation, the average residential assessed value in San Jose was about \$300,000 in 2014, and is likely significantly less in many other cities that ESHSP residents may move in from. In these cases, the City would lose more than two-thirds of the property tax it would receive from non-age restricted transactions, not 15%. The 15 % represents a reasonable estimate of the total tax loss across all the units in the ESHSP, given that some home buyers may not be able to take advantage of either Prop 60 or 90.
26	"The Proposer's study states that it generally follows the ADE methodology as described in the Envision San Jose 2040 Fiscal Impact Analysis. However, for fire services, the Proposer's analysis does not account for the increased property value of the project, which represents a fire protection obligation and risk for the City."	CM Attachment B	The ESHI FA states that it uses a different methodology to estimate costs related to fire services than the City because the City's assumption that fire service costs increase as the project value increases is unsupported. Project value is not a generally accepted measure of the expected cost of fire protection because the fire department does not incur the cost of repair or replacement, only fire suppression. The City's assumption inverts the relationship between development and fire services costs because new buildings (which have higher assessed values) are built to meet stricter fire codes, decreasing the need for fire protection. The ESHI FA explains that the Proposed Project will include numerous parks and community facilities for its residents. These facilities will not increase costs to the City because they will be owned and operated by the homeowners' association of the Proposed Project. For this reason, City costs related to park maintenance of Project parks were not included in the fiscal impact model. The fiscal analysis does include City costs to maintain parks outside the Project, which are included as an average cost to the City per resident based on current City department expenses.	ESHI FA p. 13	Assessed value compared across potential new developments as at the Evergreen site is a measure of the scale and building intensity of the development, which has implications for the type of equipment and level of response that may be needed in the event of a fire. In addition, single family residential units are not subject to the same fire code requirements as are non-residential buildings. This approach has been in use in fiscal analysis for more than 30 years.
27	For parks, the Proposer's analysis does not separately estimate park maintenance costs from other recreation services and arrives at a lower estimate than ADE.	CM Attachment B		ESHI FA p. 14	The proposer's response unrealistically assumes that residents within the gated community would not leave the private lands and would not use City recreational facilities. The residents within multi-family affordable units would reside outside the gated community and are also likely to use City recreational facilities; therefore city costs for these facilities would increase as described in the memo.

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28	City FA underestimates employment, resulting in understated costs for development of Campus Industrial under the existing zoning.		The City FA assumes 5,000 employees in 2 million square feet of space, or 400 square feet per employee. The trend in Silicon Valley has been for fewer and fewer square feet per employee, both because of hoteling of office spaces and higher construction and land costs. The study prepared by Strategic Economics for the City in 2016 estimated employment density at 300 square feet for Tech R&D/Manufacturing, for example.	City's Market Overview and Employment Lands Analysis (Strategic Economics, Jan. 20, 2016), pp. 72, 96	Table 3 in the City's FA reports the employee density factors used in the Strategic Economics Study for a number of non-residential land uses. Table 2 in the City FA indicates the variety of business types and land uses that would be expected to comprise a Campus Industrial/Industrial Park development. This includes not only Traditional Office and Creative/High Tech office at 300 sq. ft. and 175 sq.ft. per job, respectively, but also Light Industrial and Traditional industrial at 500 sq. ft. and 1,000 sq. ft. per job, respectively. Combined, all of these business types would average 400 sq. ft. per job. This job count is also consistent with the General Plan assumptions for the Evergreen site.
29	City FA contains no assessment of the likelihood or feasibility of a 2 million square-foot Campus Industrial development adjacent to existing residential development and far from major road facilities.		The City FA overstates the revenue should the Property be developed pursuant to its current zoning because, as the City stated, development of sites such as the Property remains "uncertain".	City's Market Overview and Employment Lands Analysis (Strategic Economics, Jan. 20, 2016), p. 12	The Economic Development section of the 9212 Report (pp. 45-50) provides an assessment of the niche that the Evergreen Campus Industrial could play in the current Silicon Valley manufacturing ecosystem. These considerations are summarized in responses 19 and 20 above and relate to the need for large plate development sites that can permit supplier and component R&D and manufacturing to support core industry sectors throughout Santa Clara County and the Bay Area.
30	Sales tax revenue estimate for industrial development by City FA at \$311 per employee (\$1.55 million total)		The City FA assumes \$1.55 million in annual sales tax revenue from the project to the City. The City receives 1% of sales as tax revenue, which therefore means that the industrial development would be generating a total of \$155 million in annual taxable sales. This is aggressive in light of the fact that many commercial uses generate no sales tax revenue. The City's assumption also is not supported by the 2011 analysis for the Envision 2040 General Plan, which estimates approximately \$144 in sales tax revenue per employee for industrial uses, which is less than half of the \$311 the City assumed in the City FA.		The comment refers to the 2011 fiscal analysis for the General Plan but the more current fiscal analysis was conducted for the four-year review (a memo from Doug Svensson to John Lang, dated November 24, 2015, which was included in the meeting materials for the November 16, 2015 4-Year Review Task Force Meeting explains this analysis. Planning staff included an Overview Memo to the Task Force, which included Doug Svensson's memo as an attachment. A link to the relevant document is here: <a href="http://www.sanjoseca.gov/DocumentCenter/View/47763">http://www.sanjoseca.gov/DocumentCenter/View/47763</a> ). That analysis, which included updates of City taxable sales data and property tax data by land use, showed that Industrial Park uses generated 15.8 % of City sales tax revenues, or about \$246 per job. Based on current City sales tax revenues from the FY 2017-18 budget, that figure has grown to \$311 per job.
31	ESHSP has greater impacts to parks, fire/EMS, library services, and water supply than development under the Adopted GP. ESHI has greater impacts to schools, parks, police, library services, water, and hazards, than development under the Adopted GP.	CM p. 13, 21-22 9212R p. 8, 120-126	These conclusions all stem from the inaccurate assumptions that (i) all vacant industrial land would be converted to senior housing, (ii) no jobs associated with such lands would be replaced in San Jose, and (iii) the ESHI would remain in effect for the full GP horizon.		The assumptions for the environmental analysis are outlined in Sections 2.2.1 (pages 3-4) and 2.3 (pages 27-28) of the 9212 Environmental Analysis (EA). Page 8 of the EA discusses how GP Policy ES-2.2 focuses on providing library services for City residents. Since the ESHSP would result in residents on the ESHO site (while the development of the site under the GP would result in employees onsite), the ESHSP would result in an increased demand on library services compared to the existing GP. Pages 8-9 of the EA discusses how the ESHSP would result in 61% less water demand and less impact on water supply than development of the site under the existing GP. Pages 29-30 of the EA discusses how buildout of the GP under the Initiative would result in more housing (therefore, more residents with school aged children) than compared to buildout of the adopted GP, the ESHI would result in a greater impact on schools. Page 30 of the EA discusses how the City's service ratio goal is focused on police officers per resident. Since the ESHI would add more housing (and therefore, more residents) than buildout under the GP, the ESHI would result in a greater impact on police services. Page 31 of the EA discusses how buildout of the GP with the Initiative would result in more housing (and therefore, more residents) compared to buildout of the adopted GP. For this reason, the buildout of the GP with Initiative would result in a greater impact on library facilities than buildout of the adopted GP. Pages 31-32 of the EA discusses the water demand of the GP with Initiative compared to the buildout of the adopted GP. The GP with Initiative would generate greater water demand based on the assumptions and analysis in the EA. Page 34 of the EA concludes impacts under the General Plan and proposed General Plan with Initiative would be similar for issues including geology and hazardous materials, because development under either the adopted General Plan or proposed General Plan with Initiative would be required to comply with existing laws, regulations, and policies to protect people and the built environment from geology and soil hazards and from hazards and hazardous materials. Development of residential uses (per ESHI) would place sensitive receptors near existing hazardous materials users (e.g., the Hitachi development south of the ESHO site) and be required to provide appropriate setbacks to minimize land use incompatibility impacts. This was also stated on Page 37 of the EA, Table 5, Summary of Comparison of Environmental Impacts.

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32	Schools - City ES states ESHSP impact on schools would be negligible; then states ESHSP would have slightly greater impact on schools than GP Campus Industrial development. City ES states ESHSP could generate up to two students.	City ES Attach E, p. 70.	ESHI HS notes that "According to a report prepared for ESD by the Enrollment Projection Consultants in February, total enrollment within the district is forecast to fall by over 1,900 students between 2016 and 2021, or approximately 3-4% district-wide per year (Enrollment Projection Consultants, 2017; ESD, 2016)." As such, any possible (although very unlikely) additional students from the ESHSP would have a less than significant impact.	ESHI ES p. 16-15	The study assumptions and analysis approach for the EA is described on pages 3-4 of the EA. The EA identifies the impacts of developing the ESHO site under the Initiative and compares it to the impacts of developing the site under the adopted GP. The analysis is not a CEQA analysis and does not make a significance conclusion for the impact. Pages 29-30 of the EA discusses how buildout of the GP under the Initiative would result in more housing (therefore, more residents with school aged children) than compared to buildout of the adopted GP, the ESHI would result in a greater impact on schools.
33	Parks and Open Space – City ES population numbers based on typical single family detached households and multi-family units. Assumes total parkland dedication based on ESHSP population of 2,827 people or 8.3 acres.	City ES Attach E, p. 70.	City ES inflates ESHSP population by not accounting for age restricted housing. ESHI notes that residential population is 1,875 people. The ESHSP includes 46 acres of passive and active Open Space including Recreation Centers, trails, and other common areas. City ES also ignores the fact that ESHSP "Project sponsor anticipates paying fees in lieu of providing public park land, in compliance with the PDO and PIO (described in the Regulatory Setting), to the extent allowed by law."	ESHI ES p. 16-16 ESHI ES p.16-12	The park impact was calculated using 2010 U.S. Census calculation for estimated populations for single-family and multi family residences consisted with the adopted fee schedule, which is the standard methodology for assessing park impact. The City does not have an adopted fee schedule or separate housing unit category for "age restricted housing." The 46 acres of proposed passive and open space, trails and recreation centers was not considered towards the parkland obligation because it would be located on private land behind a gated community that would be unavailable to the public. Some of these areas might qualify for some credits towards the parkland obligation after land use entitlements are obtained. PIO/PDO park impact fees cannot be used for operations and maintenance and do not offset maintenance costs.
34	Police Services – City ES uses a population of 2,160 people (vs 2,827 people calculated in the parks analysis). City ES also assumes that all residents of ESHSP are new residents from outside San José. City ES concludes that ESHSP would have greater impact than CP Campus Industrial uses, but does not provide what impacts from Campus Industrial use would be.	City ES Attach E, p. 71.	City ES inflates ESHSP population by not accounting for age restricted housing. ESHI notes that residential population is 1,875 people. The ESHSP includes 46 acres of passive and active Open Space including Recreation Centers, trails, and other common areas. City ES incorrectly states that ESHSP would result in a 0.2 percent drop in the City's service <i>level</i> rather than service ratio, which is not the same. The conclusion is misleading because it is based off current population levels and does not state what additional police services would be required with the addition of 5,000 jobs in the CI area (Table 1 – City ES Appendix 5, p. 4).	ESHI ES p. 16-16	The EA assumed the ESHSP would result in 2,160 residents, per ADE's fiscal analysis. See footnote in Table 1 on page 4 of the EA. As stated on page 6 of the EA: The General Plan does not have a service per capita goal for police. The San José Police Department evaluates the need for additional police services based on the Federal Bureau of Investigation's (FBI's) average ratio of 2.6 officers per 1,000 capita (i.e., residents). The ESHSP would develop the ESHO site with housing which would result in residents onsite rather than employees as would occur under the adopted GP. The service ratio is based on officers per residents and not employees. For this reason, development of the ESHO site under the ESHSP would result in greater impacts than development of the ESHO site under the adopted GP. Page 6 of the EA states: Development of the ESHO site under the proposed General Plan with Initiative would result in a 0.2 percent decrease in the City's current service per capita ratio. The above statement does not state level of service as claimed in the comment.
35	Library Services – City ES uses a population of 2,160 people and assumes that all residents for ESHSP are new residents to San José.	City ES Attach E, p. 72.	City ES inflates ESHSP population by not accounting for age restricted housing. ESHI notes that residential population is 1,875 people. The ESHSP includes 46 acres of passive and active Open Space including Recreation Centers, trails, and other common areas. The increase in residential population resulting from implementation of the proposed ESHSP represents an incremental decrease in the square feet of library space per capita to 67.90 square feet, which would still exceed the General Plan goal of 0.59 square feet per capita. Existing library facilities would be sufficient to accommodate increased demand for library service due to future development of the Specific Plan.	ESHI ES p. 16-16 ESHI ES p. 16-17	The EA assumed the ESHSP would result in 2,160 residents, per ADE's fiscal analysis. See footnote in Table 1 on page 4 of the EA.



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36	Omits any and all analysis regarding the noise levels associated with the current, planned GP Campus Industrial use, including with respect to the surrounding residential use.		Noise – City ES states that construction noise impacts are likely to be similar under GP Campus Industrial or ESHSP. States that EDFs are consistent with City practice. However, it does not state that there could be operational differences in noise levels between residential and Campus Industrial uses, and that residential uses would be consistent with the existing residences in the surrounding area.	City ES Attach. E, p. 80.	Surrounding land uses to the ESHO site include residential uses to the west of the site and industrial uses to the south of the site. It is acknowledged that residential development on the ESHO site would be compatible with the existing residential development west of the site. Page 24 of the EA discusses how development of residential uses on the ESHO site under the proposed General Plan with Initiative would mostly be compatible with the existing and estimated ambient noise levels, and that there may be potential noise/land use compatibility with the existing industrial uses south of the ESHO site.
37	Inconsistent with Policy CD-2.10.	City GPC, p. 14	Consistent with Policy CD-2.10 as amended by the ESHI.	ESHI GPC, p. H-36	The City's responsibility in preparation of the 9212 Report is to compare the Initiative to the City's current General Plan, municipal code, and other policies. The proposed ESHSP is not consistent with Policy CD-2.10 as it would facilitate single-family detached residential development within an Employment Growth Area.
38	The bikability and walkability of the proposed ESHSP is severely limited to the predominance of cul-de-sacs . . . .	City GPC, p. 14	[R]oads may terminate with a cul-de-sac if adjacent to or reasonably close to a recreation facility or open space boundary, but should provide pathways for through-access to accommodate pedestrians and bicyclists.	ESHSP, p. G- 109	While the proposed ESHSP may provide pathways through cul-de-sacs for pedestrian and bicyclists, cul-de-sacs would still create visual and physical barriers for connections within the development.
39	Inconsistent with Policy CD-3.7.	City GPC, p. 15	Consistent with Policy CD-3.7 as amended by the ESHI.	ESHI GPC, p. H-37	The City's responsibility in preparation of the 9212 Report is to compare the Initiative to the City's current General Plan, municipal code, and other policies. The proposed ESHSP includes a predominance of cul-de-sacs throughout the development, and does not meet the exceptions listed in this policy.
40	Inconsistent with Policy CD-4.11, regarding sound attenuation, because "Figure 6-2 'Conceptual Wall Location Plan' shows a vast amount of walls throughout the community that could be constructed with wood, masonry, stone, steel, or a combination of these materials."	City GPC, p. 15	The walls in Figure 6-2 are not sound attenuation walls. The ESHSP states, "[f]ences and walls may be used through the Specific Plan Area to provide privacy, enhance the aesthetic character, and maintain safety." The consistency analysis states, "sound attenuation walls are not anticipated to be required beyond the existing sound walls located along Aborn Road and Yerba Buena Road."	ESHI, pp. G- 126, G-127; ESHI GPC, p. H-38	While the ESHSP does not identify the proposed walls for sound attenuation, it is still inconsistent with Policy-4.11 because the policy implies that walls should only be used for sound attenuation. The ESHSP proposes fences and walls throughout the Specific Plan area, including the perimeter of the site.
41	While there are two private recreation centers included in the proposed ESHSP, there are no central gathering spaces or areas to facilitate interaction besides the active open spaces, which are insignificant in size and location.	City GPC, p. 15	The ESHSP requires a minimum of 3 recreation centers. The recreation centers provide central gathering spaces. The open space along Fowler Creek offers an additional gathering space.	ESHI, pp. G- 32, G- 57	Comment noted; however taking into consideration one additional secondary recreation center, staff's conclusion would not change related to the proposed ESHSP's consistency with General Plan Policy CD-5.1. "The poor connectivity of the streets within the proposed ESHSP's Circulation and Mobility plan would not facilitate or promote pedestrian and bicycle movements, even with the proposed inclusion of bicycle lanes and sidewalks. While there <del>are two</del> <u>is one</u> primary private recreation centers <del>and two secondary private recreation centers</del> included in the proposed ESHSP, there are no central gathering spaces or areas to facilitate interaction besides the active open spaces, which are insignificant in size and location."
42	Inconsistent with Policy LU-6.1.	City GPC, p. 17	Consistent with Policy LU-6.1 as amended by the ESHI.	ESHI GPC, p. H-46	The City's responsibility in preparation of the 9212 Report is to compare the Initiative to the City's current General Plan, municipal code, and other policies. The Adopted General Plan prohibits the conversion of industrial land to non-employment uses; the proposed ESHSP proposes to convert 200 acres of lands designated for industrial uses to non-employment uses (residential).
43	Inconsistent with Policy LU-6.2.	City GPC, p. 18	Consistent with Policy LU-6.2 as amended by the ESHI.	ESHI GPC, p. H-47	The City's responsibility in preparation of the 9212 Report is to compare the Initiative to the City's current General Plan, municipal code, and other policies. The proposed ESHSP would allow residential uses, which can be incompatible with industrial uses, immediately adjacent to over 150 acres of land designated for industrial park uses to the south of the project.

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44	Inconsistent with Policy LU-9.1.	City GPC, p. 18	Consistent with Policy LU-9.1 as amended by the ESHI.	ESHI GPC, p. H-47	The City's responsibility in preparation of the 9212 Report is to compare the Initiative to the City's current General Plan, municipal code, and other policies. The proposed ESHSP's Conceptual Land Use Map and other diagrams show the inclusion of 19 cul-de-sacs within the development. The inclusion of the cul-de-sacs is not necessary to provide access to properties. Additionally, the entirety of the development is shown to be surrounded by a gated wall. These design features make the proposed ESHSP directly inconsistent with Policy LU-9.1.
45	Inconsistent with Policy TR-2.11.	City GPC, p. 20	Consistent with Policy LU-2.11 as amended by the ESHI.	ESHI GPC, p. H-51	The City's responsibility in preparation of the 9212 Report is to compare the Initiative to the City's current General Plan, municipal code, and other policies. The proposed ESHSP is a gated residential community with a predominance of cul-de-sacs, and directly conflicts with Policy TR-2.11.
46	The proposed ESHSP does not conform to the current EEHDP and, therefore, does not conform to Policy TR-5.3. The proposed ESHSP is not proposing to analyze Level of Service (LOS) nor mitigate traffic impacts caused by the project. Additionally, the EEHDP currently does not have the residential	City GPC, p. 20	The ESHSP area is within the EEHDP area and would comply with the EEHDP as amended by the ESHI. As amended, the proposed senior housing is not subject to the residential cap under the EEHDP. In addition, the development pursuant to the ESHI would be within the ATI Allocation for the ESHI area.	ESHI, pp. 26-27 9212R p. 5. ESHI GPC, p. H-51	The City's responsibility in preparation of the 9212 Report is to compare the Initiative to the City's current General Plan, Municipal Code, and other policies, including the EEHDP. The proposed ESHSP does not conform to the current EEHDP for the reasons stated in the analysis in the 9212 Report. The ATI for the campus industrial is a record of the transportation characteristics of an industrial site and includes internalization of Evergreen traffic because of that specific land use. Although the ESHI projects generates less traffic than the CI, there are no benefits of internalization for existing Evergreen traffic; therefore the ATI for CI is not representative of a residential project.
47	capacity to allow the proposed ESHSP's proposed 910 residential units.		The ESHSP requires transportation demand management elements consistent with the EEHDP. Implementation of those elements as well as EDF TRA-1 through 7 would ensure that development pursuant to the ESHSP would comply with the Transportation Policy and Standards contained in Part IV of the EEHDP. The ESHSP remains subject to other applicable EEHDP provisions, including traffic impact criteria and transportation demand management measures (per Part IV of the EEHDP), site operational improvements, traffic calming, and bus stop construction/improvements (per Part V of the EEHDP). As acknowledged in CM, ESHSP preserves City's ability to impose new conditions, including conditions that minimize traffic impacts, on subsequent project approvals as necessary to comply with applicable law (such as CEQA). City will need to comply with CEQA prior to issuing subsequent discretionary approvals in ESHSP and prior to approving future GPAs and specific plans for senior housing projects.		The proposed ESHSP's implementation of Transportation Demand Measures does not result in the Initiative being consistent with General Plan Policy TR-5.3 or the EEHDP. The proposed Initiative is inconsistent with the adopted EEHDP for the reasons detailed in Traffic Sections III and IV in the 9212 Report. The EEHDP requires payment of a traffic impact fee for each residential unit which pays for planned traffic mitigation identified in the EEHDP traffic impact analysis to support the addition of residential development consistent with the policy. The ESHSP is not proposing to pay the traffic impact fee which would result in additional traffic without providing its fair share mitigation to address impacts. Therefore, degrading the transportation LOS in EEHDP. The Campus Industrial traffic was included in the EEHDP traffic impact analysis and was accommodated.
48	Inconsistent with Policy TR-5.5.	City GPC, p. 21	Consistent with Policy TR-5.5 as amended by the ESHI.	ESHI GPC, p. H-53	The City's responsibility in preparation of the 9212 Report is to compare the Initiative to the City's current General Plan, municipal code, and other policies. The proposed ESHSP facilitates development of a residential community with a private street network almost entirely surrounded by gates to restrict public access. The blocks shown by the Conceptual Land Use Plan are too large to facilitate bicycle and pedestrian travel and access. The proposed ESHSP is directly inconsistent with Policy TR-5.5.
49	Inconsistent with Policy IP-2.9.	City GPC, p. 22	Consistent with Policy IP-2.9 as amended by the ESHI.	ESHI GPC, p. H-55	The City's responsibility in preparation of the 9212 Report is to compare the Initiative to the City's current General Plan, municipal code, and other policies. The proposed ESHSP allows residential development outside of an Urban Village in a Growth Area not planned for residential uses. Thus, the proposed ESHSP is inconsistent with Policy IP-2.9.
50	Inconsistent with Policy IP-7.4.	City GPC, p. 23	Consistent with Policy IP-7.4 as amended by the ESHI.	ESHI GPC, p. H-57	The City's responsibility in preparation of the 9212 Report is to compare the Initiative to the City's current General Plan, municipal code, and other policies. The proposed ESHSP is incorporated into the General Plan under the proposed Senior Housing Overlay land use designation, not as a Planned Residential Community or Planned Community. Therefore, the proposed ESHSP is inconsistent with Policy IP-7.4.

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51	"Other goals and policies included in Exhibit H of the ESHI are simply not relevant or do not apply to the Evergreen Senior Homes Specific Plan. These include the following . . . ."	City GPC, p. 24	Exhibit H explains how the policies the City says are irrelevant or inapplicable to the ESHSP are relevant or applicable.	ESHI GPC	The City finds these Policies not to be relevant or applicable to the ESHI.
52	San Jose residents would need to commute outside of the City for employment, increasing regional congestion and cost of roadway maintenance.	CM p. 7 9212R p. 7	This conclusion is based on the inaccurate assumptions that (i) all vacant industrial land would be converted to senior housing, and (ii) no jobs associated with such lands would be replaced in San Jose. In fact, ESHI GPA requires, "To the extent land within this overlay is developed with senior housing, the employment capacity associated with such land <u>will be retained for redistribution by the City to lands more supportive of employment growth in the near term.</u> . . . As such, <u>implementation of this overlay will not result in any decrease in the City's net employment capacity.</u> " (Emphasis added.)	ESHI Sec. 3.D	It is unknown whether the City's Planned Growth Areas identified in the General Plan could support the redistributed employment capacity or whether it is practically feasible. The City General Plan long range transportation analysis evaluated and mitigated General Plan land uses in 2011. The redistribution of employment lands as proposed by ESHSP has not been evaluated in any environmental document. Decreased opportunities for employment within the City will drive down the need for San José residents to drive to employment opportunities outside the city, in general lower per capita VMT. Even if jobs are redistributed within the City, the high percentage of highly accessible land (High quality transit + Urban Village) that are potentially covered by the new zoning may drive jobs to less VMT desirable place such as southern San Jose. This would reduce the effectiveness of the City's VMT policies.
53	ESHI contradicts VMT goals.	CM p. 11	9212R does not include VMT model run.	CM, Attachment A	Teh City is in the process of developing and approving a VMT methodology, but it has not been adopted by the Council, so at this point it is too speculative on a specific development project level basis to apply. However, the State's Office of Planning and Research states that transit-oriented development itself is a key strategy for reducing VMT, and thereby reducing environmental impacts and developing healthy, walkable communities. ESHI does not promote transit -- Removing employment opportunities from the City will increase the likelihood of San Jose residences needing to travel to outside of the City for employment opportunities. This will increase the per capita VMT in the City. While a model run would help corroborate these points, one is not needed to know this.
54	Intersection Level-of-service (LOS) impact criteria	City ES p. 52-54	9212R indicates partial correct LOS criteria of E and F from EEHDP. See detailed LOS standards below.	EEHDP p. 17-20	EEHDP(2008) Page 17 IV. Transportation Policy and Standards "Impact Criteria. A project is said to create a significant adverse impact on traffic conditions at a signalized intersection located in the Development Policy Area if for during peak hours: 1. The level of service at the intersections degrades to a worse letter grade level of service, or 2(a) For non-residential projects, the level of service at the intersection is an unacceptable Level of Service E or F and the addition of project traffic creates an increase in critical delay value by 2 seconds or more and an increase in critical V/C ratio of 0.005 or more or 2(b) For residential projects, one or more added trips to an intersection operating at an unacceptable Level of Service E or F
55	Capitol/ Story Intersection LOS Standard "D"	City ES Tables 11, 13, and 14. City TIA	EEHDP states LOS standard exception for the Capitol/ Story intersection. The LOS standard is "E" for the AM and PM peak hour. This exception supersedes the City's LOS "D" standard since the intersection is governed by an Area Development Policy.	EEHDP Table 1, p. 19-20 San Jose TIA Handbook, p. 5	See #54 above
56	Capitol/Quimby Intersection LOS Standard "D"	City ES Tables 11, 13, and 14. City TIA	EEHDP states LOS standard exception for the Capitol/ Quimby intersection. The LOS standard is "D" for the AM and "E" for the PM peak hour. This exception supersedes the City's LOS "D" standard since the intersection is governed by an Area Development Policy.	EEHDP Table 1, p. 19-20 San Jose TIA Handbook, p. 5	See #54 above
57	San Felipe/Yerba Buena Intersection LOS Standard "D"	City ES Tables 11, 13, and 14. City TIA	EEHDP states LOS standard exception for the San Felipe/ Yerba Buena intersection. The LOS standard is "E" for the AM and "F" for the PM peak hour. This exception supersedes the City's LOS "D" standard since the intersection is governed by an Area Development Policy.	EEHDP Table 1, p. 19-20 San Jose TIA Handbook, p. 5	See #54 above

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58	Capitol/ Silver Creek Intersection LOS Impact for Existing Plus Project and Background Plus Project	City ES Tables 13 and 14. City TIA	The Capitol / Silver Creek intersection is not impacted by the addition of project in the ESHSP (LOS D) for both Exist+Proj and Background + Proj scenarios. The traffic counts establishing the ESHSP baseline scenario was taken in December 2016 and are lower than the Hexagon traffic counts taken in 2017. EDF #5 was identified for implementation and would improve the intersection, which was omitted in the 9212 report	ESHI ES, Section 17	Traffic count data is required to be reviewed and approved by the City. The process for approval requires an evaluation of the proposed new count data and a comparison with historical data from the City's database. The count data used in the ESHI was neither reviewed or approved by City; therefore, cannot be used in any evaluation for the City. See #54 for impact criteria
59	Capitol/ Aborn Intersection LOS Impact for Existing Plus Project AM	City ES Tables 13 and 14. City TIA	The Capitol /Aborn intersection is not impacted from the project in the ESHSP with LOS D for the AM Exist+Proj. The traffic counts establishing the ESHSP baseline scenario was taken in December 2016 and are lower than the Hexagon traffic counts taken in 2017. EDF#1 was identified to improve the intersection, which was omitted in the 9212 report	ESHI ES, Section 17	See #54 and #58 above
60	Capitol/Tully Intersection LOS Impact for Existing Plus Project AM	City ES Tables 13 and 14. City TIA	The Capitol / Tully intersection is not impacted from the project in the ESHSP with LOS D for both Exist+Proj and Background + Proj scenarios. The traffic counts establishing the ESHSP baseline scenario was taken in December 2016 and are lower than the Hexagon traffic counts taken in 2017. For Background conditions, there is no project impact.	ESHI ES, Section 17	See #54 and #58 above
61	A cumulative analysis is not included	9921R Attachment B	A VMT and Long Term (2040 cumulative) analysis was prepared in the ESHSP under Section 17.23, Long-Range General Plan Amendment Vehicle-Miles Traveled (VMT) Analysis, since the proponents did not have access to the City's travel demand model. The analysis utilizes 2040 City of San Jose GP and CALEEMOD data for the South Bay and clearly shows a Long Term VMT reduction.	ESHI ES Section 17.23, Table 17.21	The use of CALEEMOD data was not reviewed for consistency with the City's travel demand model; therefore, any proposed evaluation cannot be substantiated. Furthermore, the method of evaluation is not an approved methodology.
62	The VMT analysis and finding of VMT per capita improvement with the ESHI is based on the assumption that the campus industrial jobs would be replaced somewhere else in the City that is more centrally located and transit accessible. This assumption is not warranted because as the 9212R indicates, market and environmental constraints make it unlikely that the loss of employment lands and the job development potential of those lands through conversion to residential use could be made up in other locations.	9921R Attachment B	ESHI GPA requires, "To the extent land within this overlay is developed with senior housing, the employment capacity associated with such land <u>will be retained for redistribution by the City to lands more supportive of employment growth in the near term.</u> ... As such, <u>implementation of this overlay will not result in any decrease in the City's net employment capacity.</u> " (Emphasis added.) All the jobs displaced by the senior homes project would be relocated to the City's Planned Growth Areas identified in the General Plan. These Growth Areas are located closer to transit facilities and other destinations and generate a lower VMT per capita than if the jobs remained in Evergreen.	ESHI Sec. 3D, ESHI ES Sec. 17.23, Table 17.21	It is unknown whether the City's Planned Growth Areas identified in the General Plan could support the redistributed employment capacity and the reasons for the City's conclusions are specified in the 9212 Report.
63	Project Trip Generation for Senior Homes	City ES Table 12 p. 60 City TIA	The ESHSP utilized ITE 9 <sup>th</sup> Edition trip rates with 3.68 daily, 0.22 AM, and 0.27 PM rates. The 9212 utilized ITE 10 <sup>th</sup> Edition trip rates with 4.27 daily, 0.24 AM, and 0.3 PM rates.  In the Hexagon TIA (p. ii), trips rates were found to be lower (20-30%) that what was utilized in the ESHSP from November 2017 count data.	ITE Trip Generation 9 <sup>th</sup> and 10 <sup>th</sup> Edition City TIA	As stated in the 9212 Report, San Jose may be an exception to the ITE trip rates due to the cost of housing.
64	Overall Trip Generation	City ES Table 12 p. 60 City TIA	All inbound and outbound trips for ESHSP is lower compared to Campus Industrial, even in the peak demand direction. Stating that the trips are reversed is incorrect, since the net effect is a decrease in traffic with the ESHSP.	City ES Table 12 page 60 City TIA	ESHSP generates less traffic than the Campus Industrial. However, the LOS analysis of 910 senior housing resulted in 4 intersection impacts when compared to LOS analysis of 2Msf Campus Industrial which resulted in 2 intersection impacts.
65	The basis for the identification of the specific improvements is unknown, as there is not a traffic analysis available for the proposed ESHI that identifies potential impacts that the identified EDFs would mitigate.	City TIA, p. 66	The full ESHSP TIA report and appendices was provided to the City in the Initiative.	ESHI TIA	The design features were not considered "mitigation" per the EEHDP, and did not appear to address ESHSP intersection impacts.

EVERGREEN SENIOR HOMES INITIATIVE 9212 REPORT ANALYSIS				ATTACHMENT D	
NO.	ISSUE RAISED WITHIN 9212 REPORT	REF.	INITIATIVE PROPOSERS COMMENT	REF.	CITY RESPONSE
66	Gateway Corridor ADT Analysis	City TIA, p. 68	The ADT analysis ignores analysis of the Gateway Corridor for the Campus Industrial scenario, which would show net volume increases at every intersection compared to the ESHSP.	City TIA, page 68	Gateway Corridor ADT Analysis Using Average Daily Traffic (ADT) data collected in November 2017, the level of service for roadway segments that are part of the seven gateway corridors was calculated. Under existing conditions, one of the seven roadway segments currently operates at LOS F, and the other six operate at LOS D. Compared to existing conditions, the proposed senior housing units would not result in any change to the level of service on any of the roadway segments evaluated. Note that only the proposed senior housing was evaluated under existing plus project conditions. Under both background conditions (with the Campus Industrial space) and background plus project conditions (with the Senior Housing units), four of the seven roadway segments would operate at an unacceptable level of service. The segment of Tully Road, between Alvin Avenue and Seacliff Way, would deteriorate from LOS E to LOS F with the proposed senior housing initiative. (Hexagon report p 39)
67	As studied, replacing the two million square feet Campus Industrial with 910 senior housing units is projected to generate less traffic in Evergreen and result in less impacts with the buildout of Evergreen. However, the impacts of more housing in Evergreen is evident in the current directional congestion along the major transportation corridors within Evergreen and on US101 and I280 where commuters must travel in the same direction to get to jobs.	City ES, p. 69	The net traffic addition between Campus Industrial and senior housing is lower for the project at all intersections. The net effect is a decrease in traffic with the ESHSP.	City TIA, Table 11	See #64 above
68	During the PM peak hour, the approved Campus Industrial development would result in an increase of 2.6 seconds of delay for all intersections combined. The proposed senior housing units would result in an increase of 7.9 seconds in peak direction delay during the PM peak hour for all intersection combined. Thus, the proposed senior housing units would result in more peak direction delay than the Campus Industrial development during both the AM and PM peak hours. The increase in travel time is statistically insignificant.	City TIA, p. iv	The total delay percentage increase for the Campus Industrial and senior housing is 0.78% and 2.3% respectively for the Background scenario. However, the total average delay between Background and Background Plus Project is 177.6 seconds or 10% difference. The overall decrease in delay for Background Plus Project is almost five times greater than the increase of peak direction delay.	City TIA, Table ES-3, 7 and 10	The level of service analysis indicates that eight intersections are projected to operate at LOS E or LOS F conditions during at least one peak hour under background (including approved 2.0 msf Campus Industrial) conditions (see Table 10). Four intersections are projected to operate at LOS E or LOS F conditions under background plus project conditions (proposed senior housing initiative). The proposed senior housing initiative would result in less total delay at all study intersections combined than the scenario that includes the approved 2.0 msf Campus Industrial development. The proposed senior housing initiative would result in LOS D at four of the intersections projected to operate at LOS E or LOS F under background conditions (with the 2.0 msf of approved Campus Industrial development on the same site). (Hexagon P 31 - 32)
69	The segment of Tully Road, between Alvin Avenue and Seacliff Way, would deteriorate from LOS E to LOS F with the proposed ESHI compared to Campus Industrial.	City TIA, p. iv	The ESHSP add less traffic and project trips than Campus Industrial trips along Tully Road. City TIA Roadway LOS analysis for the ESHSP was inaccurate. Roadway LOS analysis for the Campus Industrial scenario was not shown to verify this statement, which analysis would show higher volumes compared to ESHSP.	City TIA, Table 6, page 21	The text quoted by the proposer does not appear in the City report. The text that does appear is as follows: "The segment of Tully Road, between Alvin Avenue and Seacliff Way, would deteriorate from LOS E to LOS F with the proposed ESHI. " (Hexagon report P. v). The analysis was carried out under normal methods.
70	The land use conversion would result in an adverse effect on the citywide transportation system when considered cumulatively along with the balance of housing and employment Citywide.	City TIA, p. v	The Year 2040 VMT analysis for the ESHSP shows a 0.1% VMT reduction (2.48 million annual VMT) with implementation of the ESHSP and relocation of jobs to the GP Planned Growth Areas.	ESHI ES Section 17.23, Table 17.21	See #61 above
71	The additional jobs create the opportunity for internal trip making and trip length reduction to employment within the City.	City TIA, p. v	Internal trip making is included in the ESHI ES traffic analysis, which shows less traffic under the ESHI than under the City's planned Campus Industrial use.	ESHI ES Section 17.23, Table 17.21	Internal trip making reduces trips per capita at a higher rate when landuse are diverse. (Cervero "Travel Demand and the 3Ds: density, diversity and design"). The proposed senior housing would result in a less diverse set of land uses in the evergreen area than the already approved industrial land uses.

EVERGREEN SENIOR HOMES INITIATIVE 9212 REPORT ANALYSIS				ATTACHMENT D	
NO.	ISSUE RAISED WITHIN 9212 REPORT	REF.	INITIATIVE PROPOSERS COMMENT	REF.	CITY RESPONSE
72	<p>Most of the vacant employment lands are located in the City's Planned Growth Areas, which would support the General Plan's focused and balanced growth strategy by bringing jobs to the areas and bringing people closer to the places they need to go. Converting these employment lands to residential use would result in an imbalance of jobs and housing in the Planned Growth Areas and diverge from the City's focused and balanced growth strategy.</p> <p>The Initiative's proposal contradicts the VMT goals because by removing planned employment lands, employed residents in those areas, without the opportunity to work nearby, will be forced to make longer trips, likely outside of the City. This may increase the VMT for residents traveling to work, not only in the project areas but throughout the City.</p>	<p>City TIA, p. v</p> <p>9921R, p. 11</p>	<p>ESHI GPA requires, "To the extent land within this overlay is developed with senior housing, the employment capacity associated with such land <u>will be retained for redistribution by the City to lands more supportive of employment growth in the near term.</u> ... As such, <u>implementation of this overlay will not result in any decrease in the City's net employment capacity.</u>" (Emphasis added.)</p> <p><u>Consistent with the ESHI, the ESHI ES traffic analysis assumes that all the jobs displaced by senior housing would be relocated to the City's Planned Growth Areas identified in the GP. These Growth Areas are located closer to transit facilities and other destinations and generate a lower VMT per capita than if the jobs remained in Evergreen. The analysis show significant transportation benefits for VMT.</u></p> <p><u>The Year 2040 VMT analysis for the ESHSP shows a 0.1% VMT reduction (2.48 million annual VMT) with implementation of the senior homes project and relocation of jobs to the GP Planned Growth Areas.</u></p>	<p>ESHI Sec. 3.D</p> <p>ESHI ES Section 17.23, Table 17.21</p> <p>ESHI ES Section 17.23, Table 17.21</p>	<p>See #61, 62 above</p>

**Glossary of Acronyms**

- "9212R": Evergreen Senior Homes Initiative Elections
- "City ES": 9212 Environmental Analysis prepared by
- "City FA": Evergreen Senior Homes Initiative
- "City TIA": Evergreen Senior Homes Initiative
- "City GPC": Analysis of Evergreen Senior Homes
- "CM": Council Memorandum to Mayor and City
- "EEHDP": Evergreen East Hills Development Policy
- "ESHI": Evergreen Senior Homes Initiative
- "ESHSP": Evergreen Senior Homes Specific Plan
- "ESHI FA": Fiscal Analysis for the Evergreen Senior
- "ESHI EIS": Evergreen Specific Plan Economic
- "ESHI ES": Evergreen Senior Homes Specific Plan
- "ESHI TIA": Evergreen Senior Homes Specific Plan
- "ESHI GPC": Evergreen Senior Homes Specific Plan
- "GP": Envision San Jose 2020 General Plan
- "IHO": San Jose Inclusionary Housing Ordinance, San