



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Councilmember David Cohen

SUBJECT: SEE BELOW

DATE: March 14, 2022

Approved

Date: 3/14/2022

SUBJECT: Administrative Appeals Hearing on the Initial Study/Mitigated Negative Declaration and the Site Development Permit for the 1436 State Street Corporation Yard Project

RECOMMENDATION

1. Accept the staff recommendations from the memorandum dated February 28, 2022.
 - a. Deny the environmental appeal and uphold the adoption of the Mitigated Negative Declaration for the 1436 State Street Project in accordance with the California Environmental Quality Act (CEQA).
 - b. Deny the permit appeal and approve Site Development Permit No. H21-049 for the State Street Corporation Yard Project as approved by the Planning Director.

BACKGROUND

Pacific Surfacing, Inc. (applicant) is a small, family-owned business that has been based in Fremont since 1992. Facing the expiration of their lease, they sought to purchase a new light industrial zoned location where they can relocate their business. The site at 1436 State Street in Alviso is an excellent fit for their niche pavement maintenance business and requires minimal development. As such, PSI filed a Site Development Permit in 2019 and worked with city staff to progress their application through the entitlement process.

Prior to the Planning Director's Hearing that was held on December 8, 2021, Alviso resident Mark Espinoza contacted the District 4 office to share his concerns over this Site Development Permit along with general code enforcement issues in Alviso. Staff from the council office met with the Mr. Espinoza on October 20, 2021 to review his concerns in more detail. Council staff investigated Mr. Espinoza's issues and no specific actions were identified for follow-up with Mr. Espinoza.

On February 28, 2022, council staff met with the applicant, Mr. Clay Laucella, and Seth Martinez at the site in Alviso. Upon arrival, staff noted how the applicant had abated the site of weeds, debris and other blight, an action that resolved many nuisance complaints that have been reported to the council office for years. Staff reviewed the site plans and the applicant's experience with the City's entitlement process.

Since taking ownership of the parcel the applicant has sought to be an active, contributing member of the community. Unfortunately, significant delays and cost increases have occurred throughout the entitlement process even before these appeals were filed. Although the applicant is a pavement surfacing company that primarily performs repairs of shopping center parking lots,

no asphalt will be stored or manufactured at the State Street location. This location will only be used for office space, work vehicle storage and maintenance. Field employees will arrive at the site prior to their shift and depart in their work vehicles. Less than 20 work vehicles will be stored at the facility, most of them being normal-size trucks. The extent of the traffic will be the work vehicles leaving in the morning and arriving in the afternoon. Travel routes are regulated in the permit operations plan. The site will be secured by a fence and surrounded by landscaping with trees along State Street. The applicant has also offered to plant trees along the back of the property, which will help mitigate the low tree cover in District 4.

This project is consistent with all San Jose codes and policies. The project went through a rigorous review and will be an asset to the Alviso community. After discussions with the applicant, the appellant, and the Planning Director, I concur with the analysis of the environmental appeal and find there are no legitimate grounds for an environmental appeal or an appeal of the site development permit.

If it is a goal of the City of San José to ensure businesses that will be an asset to our city take root here, then this situation is a prime example of a small business that should not have had so many unnecessary and costly barriers to relocating and establishing itself in San Jose. Let's resolve these delays to Pacific Surfacing today and allow them to move forward with their relocation to San Jose.