COUNCIL AGENDA: 4/11/23

FILE: 23-503 ITEM: 10.1 (c)



Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Planning Commission

SUBJECT: SEE BELOW DATE: April 3, 2023

COUNCIL DISTRICT: 6

SUBJECT: GP22-008, GPT22-005, & C22-023 - PRIVATELY INITIATED GENERAL PLAN AMENDMENT; GENERAL PLAN TEXT AMENDMENT, AND CONFORMING REZONING ON CERTAIN REAL PROPERTY LOCATED AT 945 WEST JULIAN STREET (APN 261-020-53) AND 379 NORTH MORRISON AVENUE (APN 261-02-009)

RECOMMENDATION

The Planning Commission voted 8-0-1 (Casey absent) to recommend that the City Council:

- 1. Adopt a resolution adopting the Initial Study/Negative Declaration for 945 W Julian St & 379 N Morrison Ave General Plan Amendment, General Plan Text Amendment, and Conforming Rezoning, for which an Initial Study was prepared, all in accordance with CEQA, as amended; and
- 2. Adopt a resolution approving the General Plan Amendment to amend the Envision San José 2040 General Plan Land Use/Transportation Diagram land use designation from Mixed Use Commercial to Transit Residential and the General Plan Text Amendment to amend The Alameda Urban Village Plan to add the Transit Residential land use designation to the land use designations section, including the addition of a minimum 0.50 commercial floor area ratio (FAR) requirement to the Transit Residential land use designation, and to increase the maximum height in the height diagram of the subject 0.48-acre site from 55 feet to 85 feet; and
- 3. Approve an ordinance rezoning of certain real properties situated on the northwest corner of the intersection of West Julian Street and North Morrison Avenue (APN 261-02-053, 261-02-009) from the LI Light Industrial Zoning District to the TR Transit Residential Zoning District on approximately 0.48-gross acre site.

April 3, 2023

Subject: GP22-008, GPT22-005, & C22-023

Page 2

SUMMARY AND OUTCOME

If the City Council adopts the resolution approving the General Plan Amendment, the Envision San José 2040 General Plan Land Use/Transportation Diagram would be amended to reflect the land use designation changes from Mixed Use Commercial to Transit Residential. If the City Council adopts the resolution approving the General Plan Text Amendment, The Alameda Urban Village Plan would be amended to include the Transit Residential land use designation in the Land Use Designation section with the addition of a minimum 0.50 commercial FAR, and to reflect the minimum height change on the Height Diagram for the subject site from 55 feet to 85 feet. If the City Council adopts the ordinance resolution approving the conforming rezoning, the zoning designation of the subject site will change from LI Light Industrial to TR Transit Residential.

BACKGROUND

On March 11, 2022, the applicant submitted the following applications for the approximately 0.48-acre subject site situated on the northwest corner of the intersection of West Julian Street and North Morrison Avenue (945 W Julian St & 379 N Morrison Ave):

 General Plan Amendment to change the General Plan Land Use/Transportation Diagram designation from mixed Use Commercial to Transit Residential, and Conforming Rezoning from the LI Light Industrial Zoning District to the TR Transit Residential Zoning District.

On August 16, 2022, the applicant updated their General Plan amendment application to include a General Plan Text Amendment to amend The Alameda Urban Village Plan to add the Transit Residential land use designation with a 0.50 minimum commercial FAR requirement and to increase the maximum height for the subject site in the height diagram from 55 feet to 85 feet.

ANALYSIS

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

Climate Smart San José Analysis

The proposed General Plan Amendment, General Plan Text Amendment, and Conforming Rezoning aligns with Climate Smart San José's overall goals by increasing residential density near future transit uses to reduce vehicle miles traveled and increase future ridership of public transit. High-density residential efficiently uses resources consistent with Climate Smart San José.

April 3, 2023

Subject: GP22-008, GPT22-005, & C22-023

Page 3

EVALUATION AND FOLLOW UP

If the proposed General Plan Amendment, General Plan Text Amendment, and Conforming Rezoning are approved by the City Council, they shall take effect upon the effective date of the conforming rezoning ordinance.

A subsequent permit would need to be submitted and approved for the project to obtain Building and Public Works permits to begin construction.

COORDINATION

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

PUBLIC OUTREACH

Under City Council Policy 6-30, the project is considered a Significant Community Interest Proposal. Following City Council Policy 6-30, the applicant posted the on-site sign to inform the neighborhood of the proposed project. A community meeting was held in coordination with the Council District 3 office to discuss the project on September 15, 2021, and 10 people attended the meeting. The majority of the public comments were in support of the proposed changes because of the need for more housing and more density near transit. One commenter was concerned about the safety and accessibility on the streets near the site and how development could impact these issues. There was one question about what kind of development would go on the site and staff explained that there is no development proposed at this time and that the public would be notified about any submitted development in the future. Staff contact information has been available on the community meeting notices and at the project site.

A notice of the public hearing was distributed to the owners and tenants of all properties located within 1,000 feet of the project site and posted on the City website. The staff report is also posted on the City's website. Staff has been available to respond to questions from the public. No comments were received from the community.

April 3, 2023

Subject: GP22-008, GPT22-005, & C22-023

Page 4

COMMISSION RECOMMENDATION AND INPUT

On March 22, 2023, the Planning Commission held a public hearing to consider the proposed General Plan Amendment, General Plan Text Amendment, and Conforming Rezoning. Planning staff recommended approval to amend the Envision San José 2040 General Plan Land Use/Transportation Diagram land use designation from Mixed Use Commercial to Transit Residential, to amend The Alameda Urban Village Plan to add the Transit Residential land use designation to the Land Use Designation section with the addition of a minimum 0.50 commercial FAR, and to change the minimum height on the Height Diagram for the subject site from 55 feet to 85 feet, and to change the Zoning District from LI Light Industrial to TR Transit Residential on an approximately 0.48-gross acre site.

Staff Presentation

This item was on the consent calendar, therefore there was no presentation by staff.

Public Hearing

No members of the public spoke on the proposed project.

Planning Commission Discussion

Commissioner Young asked a clarifying question about the analysis of The Alameda Urban Village Plan Land Use Policy 2.6 which requires new development to provide new commercial space at or greater than the existing commercial space. Staff clarified that the minimum 0.50 commercial requirement for the current and proposed land use designation would require that new development would be developed with more commercial space than the current commercial space on the subject site.

Commissioner Lardinois made a motion to approve staff recommendation as part of the consent calendar and Commissioner Cantrell seconded the motion. The motion passed 8-0-1 (Casey absent).

The Planning Commission recommended that the City Council consider the Negative Declaration in accordance with CEQA, and approve the proposed General Plan Amendment, General Plan Text Amendment, and the Conforming Rezoning.

CEQA

An Initial Study - Negative Declaration (IS/ND) was prepared by the Director of Planning, Building and Code Enforcement for the subject General Plan Amendment, General Plan Text Amendment, and Conforming Rezoning. The documents were circulated for public review between January 4, 2023, and January 24, 2023. The ND states that the proposed General Plan Amendment and Conforming Rezoning will have a less than significant effect on the environment. No impacts were identified; therefore, no mitigation is required. Three comments

April 3, 2023

Subject: GP22-008, GPT22-005, & C22-023

Page 5

were received from public agencies. The comments received on the draft IS/ND did not raise any new issues about the project's environmental impacts or provide information indicating that the project would result in new environmental impacts or impacts substantially greater in severity than disclosed in the IS/ND. The entire IS/ND report, comments, and responses to those comments are available for review on the Planning website at:

https://www.sanjoseca.gov/NegativeDeclarations under File Nos. GP22-008 and ER22-062.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/ Christopher Burton Secretary, Planning Commission

For questions, please contact Michael Brilliot, Deputy Director, at Michael.brilliot@sanjoseca.gov or 408-535-7831.

The principal author of this memorandum is Laura Maurer, Planning Project Manager. For questions, please contact <u>laura.maurer@sanjoseca.gov</u> or (408) 535-3839.

ATTACHMENT

Planning Commission Staff Report dated March 22, 2023

ITEM: 7.c.



Memorandum

TO: PLANNING COMMISSION FROM: Christopher Burton

SUBJECT: GP22-008, GPT22-005, C22-023, ER-062 **DATE:** March 22, 2023

COUNCIL DISTRICT: 6

Type of Permit	General Plan Amendment (GP22-008) General Plan Text Amendment (GPT22-005) Conforming Rezoning (C22-023) Environmental Review (ER22-062)
Project Planner	Laura Maurer
CEQA Clearance	Initial Study/Negative Declaration for 945 W Julian St & 379 N Morrison Ave
CEQA Planner	Nhu Nguyen

RECOMMENDATION

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

- 1. Adopt a resolution approving the Initial Study/Negative Declaration (Exhibit E) for 945 W Julian St & 379 N Morrison Ave General Plan Amendment, General Plan Text Amendment, and Conforming Rezoning for which an Initial Study was prepared, all in accordance with CEQA, as amended (Exhibit D); and
- 2. Adopt a resolution approving the General Plan Amendment to amend the Envision San José 2040 General Plan Land Use/Transportation Diagram land use designation from Mixed Use Commercial to Transit Residential and the General Plan Text Amendment to amend The Alameda Urban Village Plan to add the Transit Residential land use designation to the land use designations section, including the addition of a minimum 0.50 commercial floor area ratio (FAR) requirement to the Transit Residential land use designation, and to increase the maximum height in the height diagram of the subject 0.48-acre site from 55 feet to 85 feet (Exhibit A); and
- 3. Adopt an ordinance approving the Conforming Rezoning of certain real properties situated on the northwest corner of the intersection of West Julian Street and North Morrison Avenue (APN 261-02-053, 261-02-009) from the LI Light Industrial Zoning District to the TR Transit Residential Zoning District on approximately 0.48-gross acre site (Exhibit C).

PROPERTY INFORMATION

Location	Northwest corner of the intersection of West Julian
	Street and North Morrison Ave, (945 W. Julian Street
	& 379 N Morrison Ave)
Assessor Parcel Nos.	261-02-053 and 261-02-009
Existing General Plan Land Use Designation	Mixed Use Commercial
Proposed General Plan Land Use Designation	Transit Residential
Existing Zoning District	LI Light Industrial
Proposed Zoning District	TR Transit Residential
Growth Area	The Alameda Urban Village
Demolition	n/a
Historic Resource	n/a
Annexation Date	12/08/1925 (College Park/Burbank Sunol)
Council District	6
Acreage	0.48 acres (combined)
Floor Area Ratio (FAR)	n/a
Proposed Density	n/a

PROJECT SETTING AND BACKGROUND

On March 11, 2022, the applicant submitted the following applications related to the approximately 0.48-gross-acre subject site situated on the northwest corner of the intersection of West Julian Street and North Morrison Ave (945 W. Julian Street & 379 N. Morrison Ave):

- General Plan Amendment to change the General Plan Land Use/Transportation Diagram designation from Mixed Use Commercial to Transit Residential; and
- Conforming Rezoning from the LI-Light Industrial Zoning District to the Transit Residential Zoning District.

On August 16, 2022, the applicant updated their General Plan Amendment application to include a General Plan Text Amendment to amend The Alameda Urban Village Plan to add the Transit Residential General Plan land use designation with a 0.50 commercial FAR requirement, and to increase the maximum height for the subject site in the height diagram from 55 feet to 85 feet.



Figure 1 Aerial Map of Vicinity Area

As shown on the aerial map above (see Figure 1), the project site consists of two neighboring sites. The parcel at the corner of the intersection of West Julian St and North Morrison (945 W Julian St) is currently developed with a single-story 2,880 square foot commercial building that is occupied by Echelon Inc, a construction company. The neighboring parcel on North Morrison Ave (379 N Morrison Ave) is currently developed with a 1,423 square foot single-family home that is currently not occupied. The site is approximately half a mile from Diridon Station.

The subject site is bounded by single- and multi-family residential homes on the north and east and commercial buildings on the west and south. The subject site is located in The Alameda Urban Village Plan boundary and is required to comply with the adopted The Alameda Urban Village Plan.

		SURROUNDING USES	
	General Plan	Zoning District	Existing Use
North	Transit Residential	A(PD) Planned Development & LI Light Industrial	Mix of single- and multi-family residential
Northwest	Mixed Use Commercial & Transit Residential	A(PD) Planned Development & LI Light Industrial	Mix of single- and multi-family residential
Northeast	Transit Residential	A(PD) Planned Development, LI Light Industrial, and TR Transit Residential	Mix of single- and multi-family residential, and retail commercial
South	Urban Village, Urban Residential, & Residential Neighborhood	CO Commercial Office	Mix of single- and multi-family residential, and office

ANALYSIS

The proposed General Plan Amendment, General Plan Text Amendment, and Conforming Rezoning requests are analyzed with respect to conformance with:

- 1. Envision San José 2040 General Plan
- 2. The Alameda Urban Village Plan
- 3. City of San Jose Municipal Code Title 20 (Zoning Ordinance)
- Senate Bill 330
- 5. California Environmental Quality Act (CEQA)
- 6. Public Outreach

ENVISION SAN JOSÉ 2040 GENERAL PLAN CONFORMANCE

Existing General Plan Land Use Designation

As shown in the attached Existing General Plan Map (see Figure 2) the existing land use designation is Mixed Use Commercial, which has a density of up to 50 dwelling unit/acre (DU/AC); Residential/Commercial mixed-use FAR of 0.5 to 4.5 (1 to 6 stories); and Commercial FAR 0.25 to 4.5 (1 to 6 stories).



Figure 2 Existing General Plan Land Use Designation Map

This designation is intended to accommodate a mix of commercial and residential uses with an emphasis on commercial activity. New development of a property with this designation should accordingly include commercial space equivalent to at least a 0.5 FAR for residential/commercial mixed-use projects and 0.25 FAR for commercial projects with a typically appropriate overall FAR of up to 4.5, allowing for a medium intensity of development. This designation, therefore, is more commercially focused than the Mixed Use Neighborhood designation and also allows for a greater intensity of use. Appropriate commercial uses include neighborhood retail, mid-rise office, medium scale hospitals or other health care facilities, and medium scale private community gathering facilities. Low impact industrial uses are appropriate if they are compatible and do not pose a hazard to other nearby uses.

Proposed General Plan Land Use Designation

As shown in the attached Proposed General Plan Map (see Figure 3), the proposed land use designation is **Transit Residential** with a density of 50-250 DU/AC, commercial FAR 2.0 to 12.0 (5 to 25 stories), Residential/Commercial mixed-use minimum of 50 DU/AC with maximum FAR of 12.0.

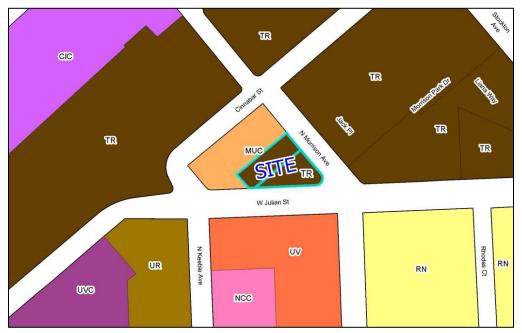


Figure 3 Proposed General Plan Land Use Designation Map

This is the primary designation for new high-density, mixed-use residential development sites that are located in close proximity to transit, jobs, amenities, and services. This designation may also be appropriate for some sites within Urban Village areas as identified through an Urban Village Planning process. This designation also supports intensive commercial employment uses, such as office, retail, hotels, hospitals, and private community gathering facilities. To help contribute to "complete communities," commercial uses should be included with new residential development in an amount consistent with achievement of the planned job growth and Urban Village Plan for the relevant Urban Village area. The allowable density/intensity for commercial projects is a FAR of 2.0 to 12.0 with a minimum FAR of 2.0. Residential/commercial mixed-use development shall require a minimum of 50 DU/AC with a maximum of FAR of 12.0. The allowable density for this designation is further defined within the applicable Zoning Ordinance designation and may also be addressed within an Urban Village Plan or other policy document.

General Plan Goals and Policies

The proposed General Plan Amendment, General Plan Text Amendment, and Conforming Rezoning are **consistent** with the following General Plan goals and policies:

<u>Urban Village Major Strategy 5:</u> The Urban Village Major Strategy promotes the development of Urban Villages to provide active, walkable, bicycle-friendly, transit-oriented, mixed-use urban settings for new housing and job growth attractive to an innovative workforce and consistent with the Plan's environmental goals. The General Plan establishes the Urban Villages concept to create a policy framework to direct most new job and housing growth to occur within walkable and bike friendly Urban Villages that have good access to transit and other existing infrastructure and facilities.

<u>Growth Areas Goal LU-2:</u> Focus new growth into identified Growth Areas to preserve and protect the quality of existing neighborhoods, including mobile home parks, while establishing new mixed-use neighborhoods with a compact and dense form that is attractive to the City's projected demographics i.e.,

Page 6 of 13

a young and senior population, and that supports walking, provides opportunities to incorporate retail and other services in a mixed-use format, and facilitates transit use.

<u>Growth Area Policy LU-2.1:</u> Provide significant job and housing growth capacity within strategically identified "Growth Areas" in order to maximize use of existing or planned infrastructure (including fixed transit facilities), minimize the environmental impacts of new development, provide for more efficient delivery of City services, and foster the development of more vibrant, walkable urban settings.

<u>Land Use Policy LU-10.2:</u> Distribute higher residential densities throughout our city in identified growth areas and facilitate the development of residences in mixed-use development within these growth areas.

Analysis: The subject site is located in The Alameda Urban Village Plan area, which is an identified growth area. The proposed changes would allow for intensification of housing and jobs within this designated growth area. The maximum housing density would increase from a maximum of 50 DU/AC to a minimum of 50 DU/AC and a maximum of 250 DU/AC. The proposed General Plan Text Amendment includes the addition of a minimum 0.50 commercial FAR requirement for the Transit Residential land use designation in The Alameda Urban Village Plan, which is different than in the General Plan where there is no minimum commercial FAR requirement. Therefore, the proposed minimum commercial FAR would maintain the minimum 0.50 commercial FAR level that is currently required by the existing Mixed Use Commercial land use designation. In addition, the maximum commercial FAR would increase from 4.5 FAR to 12 FAR which increases the potential commercial space and potential jobs of the site. While the Transit Residential land use designation in the General Plan does not require mixed-use, the addition of the minimum 0.50 commercial FAR requirement to this land use designation through the General Plan Text Amendment necessitates mixed-use development for residential development, unless the residential development is 100% affordable housing, where commercial FAR requirements do not apply. Therefore, the General Plan Amendment, General Plan Text Amendment and Conforming Rezoning are consistent with the General Plan strategies, goals and polices as these changes allow higher density mixed-use residential and maintains and expands job growth potential within an identified growth area.

Residential and Mixed Use Policy LU-9.8: When changes in residential densities in established neighborhoods are proposed, the City shall consider such factors as neighborhood character and identity; historic preservation; compatibility of land uses and impacts on livability; impacts on services and facilities, including schools, to the extent permitted by law; accessibility to transit facilities; and impacts on traffic levels on both neighborhood streets and major thoroughfares.

<u>Residential and Mixed Use Goal LU-10:</u> Meet the housing needs of existing and future residents by fully and efficiently utilizing lands planned for residential and mixed-use and by maximizing housing opportunities in locations within a half mile of transit, with good access to employment areas, neighborhood services, and public facilities.

<u>Land Use Policy LU-10.3:</u> Develop residentially- and mixed-use-designated lands adjacent to major transit facilities at high densities to reduce motor vehicle travel by encouraging the use of public transit.

<u>Land Use and Employment Policy IE-1.5:</u> Promote the intensification of employment activities on sites in close proximity to transit facilities and other existing infrastructure, in particular within the Downtown, North San José, the Berryessa International Business Park and Edenvale.

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

Analysis: The subject site is located a half-mile from Diridon Station, which is a high-quality transit facility used by Caltrain, VTA, and Amtrak, and for future use by High-Speed Rail and BART. The increased job and

housing densities on the site allowed by the Transit Residential land use designation would support increased transit ridership at Diridon Station because of its close proximity to the station. The intensification of housing and jobs, as well as the necessity of mixed-use when residential is developed because of the addition of the minimum 0.50 commercial FAR to the Transit Residential land use designation in The Alameda Urban Village Plan, unless a residential project is 100% affordable housing and commercial FAR requirements don't apply, would also contribute to a more vibrant, walkable environment within The Alameda Urban Village Plan and Diridon Station Area Plan areas. Therefore, the General Plan Amendment, General Plan Text Amendment and Conforming Rezoning are consistent with the General Plan goals and policies as these changes allow for intensified mixed-use residential and intensified jobs close to high-quality transit which can promote transit use and contribute to a more walkable environment.

<u>Implementation Policy IP-1.6:</u> Ensure that proposals to rezone and pre-zone properties conform to the Land Use/Transportation Diagram, and advance the Envision General Plan Vision, goals, and policies.

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.

<u>Implementation Policy IP-8.3</u> – Zoning: For the review of privately or publicly 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:

- Align with the Envision General Plan Land Use/Transportation Diagram.
- Retain or expand existing employment capacity.
- Preserve existing retail activity.
- Avoid adverse land use incompatibilities.
- Implement the Envision General Plan goals and policies including those for Urban Design.
- Support higher density land uses consistent with the City's transition to a more urban environment.
- Facilitate the intensification of Villages and other growth areas consistent with the goal of creating walkable, mixed-use communities
- Address height limits, setbacks, land use interfaces and other design standards so as to provide for the intensification of land uses adjacent to already developed areas.

<u>Implementation Policy IP-8.4:</u> Within Urban Village areas review rezoning actions for consistency with applicable Urban Village Plans. Align the location, density and form of new residential or residential mixed-use development with standards established within the applicable Urban Village plan or consistent with the requirements for Signature projects or ancillary residential development as provided for in the General Plan.

Analysis The subject site is currently zoned LI Light Industrial Zoning District is inconsistent with the current General Plan land use designation of Mixed Use Commercial. The City is in the process of rezoning all properties to align with their General Plan land use designation required by Senate Bill 1333 (2019). To align the zoning with the proposed Transit Residential General Plan land use designation this project includes a conforming rezoning to change the property's Zoning District from the LI Light Industrial to the

TR Transit Residential Zoning District, which would be consistent with the General Plan land use designation if the proposed General Plan Amendment is approved. If the project is not approved, the City would rezone the property in the future to align with the existing General Plan land use designation.

THE ALAMEDA URBAN VILLAGE PLAN CONFORMANCE

The subject site is located within The Alameda Urban Village Plan area, see map below in Figure 4.



Figure 4 The Alameda Urban Village Land Use Map

Background

The Alameda Urban Village Plan was adopted by City Council on December 13, 2016. At the time of adoption, the Plan area was envisioned to be a "vibrant business district and neighborhood" with an emphasis on mixed-use development with residential and office uses above neighborhood supportive retail businesses because of the proximity to Diridon Station. This is evident by the designation of many properties with the commercially focused Urban Village Commercial, Mixed Use Commercial, and Neighborhood Community Commercial land use designation. This is additionally evident by the inclusion of minimum commercial FAR requirements for the Urban Village Commercial and Urban Village land use designations in The Alameda Urban Village Plan, which do not otherwise have commercial FAR requirement in the General Plan.

Significant Projects Nearby

There have been several significant development projects that have been built or have been approved near to the subject site (see Figure 5).



Figure 5 Map of significant projects near 945 W Julian St & 379 N Morrison Ave

- 717 West Julian Street (at the corner of West Julian Street and Stockton Avenue) This seven-story mixed use project completed 249 residential units and 26,585 square feet of commercial space in 2021.
- 2. 130 Stockton Avenue (near the corner of Stockton Avenue and The Alameda) This seven-story mixed use project completed 162 residential units and 39,965 square feet of commercial space in 2021.
- 3. 787 The Alameda (near the corner of The Alameda and Stockton Avenue) This seven-story mixed use project completed 168 residential units and 22,696 square feet of commercial space in 2019.
- 4. 950/970 West Julian Street (at the corner of West Julian Street and North Morrison Ave) This eightstory 100% affordable housing project was approved in 2022 for 300 residential units.

Proposed Text Amendments

<u>The applicant is proposing the following text amendments in the General Plan Text Amendment application:</u>

- 1. Add the Transit Residential land use designation to the Land Use Designation section.
- 2. Include a minimum 0.50 Commercial FAR under the Transit Residential land use designation.
- 3. Change the maximum height for the subject site on the height diagram from 55 feet to 85 feet.

Analysis: While the Transit Residential land use designation was not originally included in the adopted The Alameda Urban Village Plan, the surrounding land use designations just outside the Plan area have intensified over time. All adjacent properties to the West, North and East of the Plan boundary near the subject site are now all designated as Transit Residential. Therefore, the proposed change on the subject site to Transit Residential would be consistent with the surrounding land uses.

The current Mixed Use Commercial land use designation of the subject site has a 0.50 commercial FAR. The Urban Village Commercial and Urban Village land use designations in The Alameda Urban Village Plan also have additional minimum commercial FAR requirements which are consistent with the commercial focus of this Plan. The proposed addition of the Transit Residential land use designation to The Alameda Urban Village Plan includes the addition of a minimum 0.50 commercial FAR, which is different than in the General Plan where there is no minimum commercial FAR requirement. Therefore, the proposed addition of a 0.50 commercial FAR to the Transit Residential land use designation in The

Alameda Urban Village Plan would maintain the commercial capacity of the subject site and would be consistent with the commercial focus of this Plan.

The maximum height currently allowed for the subject sites is 55 feet. These heights were chosen with regards to the surrounding land uses at the time the Plan was adopted, but as mentioned earlier, the surrounding land use designations just outside of The Alameda Urban Village Plan have increased over time. All the adjacent properties to the West, North and East of the Plan boundary are now Transit Residential and have a maximum allowable height of 270 feet. The properties to the southwest have a maximum height of 85 feet and the properties to the south have a maximum height of 55 feet. With use of the State Density Bonus Law, affordable housing projects can go above this maximum height. Therefore, the proposed maximum height change is consistent with the surrounding maximum heights within and just outside the Plan area.

General Plan Amendment & General Plan Text Amendment Conformance

The proposed General Plan Amendment and General Plan Text Amendment are **consistent** with the following The Alameda Urban Village Plan policy:

<u>Policy LU-2.6:</u> For sites with existing commercial or industrial space, new development shall include new commercial space at, or greater than, the existing square footage of the existing space.

Analysis: The existing Mixed Use Commercial land use designation requires a minimum 0.50 FAR of commercial. The subject site is .48 acres, therefore a minimum of 10,454 sq ft of commercial space would be required. The existing commercial building on the site is 2,880 sq ft, therefore the minimum FAR requirement would require any redevelopment of the site to increase commercial square footage above the current commercial square footage. The proposed Transit Residential land use designation does not have a minimum commercial FAR requirement in the General Plan, but the proposed General Plan Text Amendment would include the addition of a minimum 0.50 commercial FAR. Since this is the same as the existing land use designation, the proposed General Plan Amendment and General Plan Text Amendment are consistent with The Alameda Urban Village Plan policy to replace existing commercial square footage with new commercial square footage at or above the existing commercial square footage. The commercial FAR requirement does not apply to 100% affordable housing and possible under either land use designations, therefore there is no potential loss of commercial space because of the land use change.

ZONING ORDINANCE CONFORMANCE



Figure 5 Existing Zoning District Map



Figure 6 Proposed Zoning District Map

The proposed project is located in the LI Light Industrial Zoning District, see Existing Zoning District Map above (Figure 6). The proposed rezoning from LI Light Industrial Zoning District to TR Transit Residential Zoning District, see Proposed Zoning District Map above (Figure 7), conforms with Table 20-270, Section 20.120.110 of the San José Municipal Code, which identifies the TR-Transit Residential Zoning District as a conforming district to the Transit Residential General Plan land use designation. If the proposed General Plan land use designation change to TR-Transit Residential is approved, the proposed rezoning to TR-Transit Residential zoning district will be conforming.

The proposed rezoning would allow the properties to be used and developed in accordance with the allowable uses in <u>Table 20-138</u>, <u>Section 20.55.203</u>, and consistent with the proposed Transit Residential General Plan land use designation if also approved and will comply with the Senate Bill 1333 mandate that the Zoning District be consistent with the General Plan land use designation.

SENATE BILL 330 COMPLIANCE

The Housing Crisis Act of 2019 (SB 330), California Government Code Section 66300(b)(1), limits the way local governments may reduce the capacity for residential units that can be built on properties that allow housing, including actions such as down-zoning; changing general or specific plan land use designations to a less intensive use; reductions in height, density or floor area ratio; and other kinds of increased requirements. An exception to this is that the intensity of residential uses on a property may be reduced if changes in land use designations or zoning elsewhere ensure "no net loss" in residential capacity within the jurisdiction.

There are two parts to the SB 330 calculation: General Plan residential capacity and Zoning District residential capacity. An increase in residential capacity at the General Plan level may be used to offset a General Plan amendment that decreases residential capacity if they are concurrently approved. Any increase in residential capacity in the Zoning District may be used to offset a rezoning that decreases residential capacity if they are concurrently approved. Also, zoning residential calculations are based on theoretical and average residential densities in the City for zoning districts where no residential density limit is specified, while General Plan residential calculations are based on allowable densities in the General Plan.

Approval of General Plan Amendment File No. GP22-008 would change the General Plan land use designation of the subject site from Mixed Use Commercial (maximum 50 dwelling units per acre, or 24 units for the subject site) to Transit Residential (maximum 250 dwelling units per acre, or 120 units for the subject site) and result in an increase of residential capacity in the City by 96 units. Therefore, approval of the General Plan Amendment would result in an increase in residential capacity with no net loss of residential capacity, consistent with SB 330. If the proposed General Plan Amendment File No. GP22-008 is approved, the increase of 96 residential unit capacity would offset the decrease of 3 residential capacity for the proposed General Plan Amendment File No. GP22-007 for Presentation High School for a total increase of residential capacity of 93 units, if it is approved concurrently.

Approval of File No. C22-023 would change the Zoning District from LI Light Industrial (0 dwelling units per acre, or 0 units for the subject site) to TR Transit Residential (250 dwelling units per acre, or 120 units for the subject site) and result in an increase of residential capacity by 120 units. Therefore, approval of the Conforming Rezoning would result in no net loss of residential capacity, consistent with SB 330.

The Table below shows the gain and loss of residential units for six relevant land use actions, that are being heard concurrently during the same public hearing. As shown below, there will be no net loss of residential capacity associated with the subject General Plan Amendment or the Rezoning request.

			Net	+93 Units		Net	+127 units
Julian St	0.48	Commercial	Residential	+96 Units	Industrial	Residential	+120 Units
008/C22-023		Mixed Use	Transit		LI -Light	TR- Transit	
GP22-							
High	0.39	Neighborhood	Public	- 3 Units	Residence	Public	+36 units
Presentation		Residential	Public/Quasi-		Family	Public/Quasi-	
/C22-022					R-1-8 Single		
GP22-007							
Pecten Ct	3.69	Public	Industrial	0 units	Residence	Industrial	-29 units
001/C22-014		Public/Quasi-	Heavy		Family	HI-Heavy	
GP22-					R-1-8 Single		
City File No.	(Acre)	Designation	Designation	Amend me nt	Designation	Designation	Rezoning
	Area	General Plan	General Plan	Plan	Current Zoning	Zoning	Due to
		Current	Proposed	General		Proposed	Gain or Loss
				Due to			
				Gain or Loss			

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

An Initial Study - Negative Declaration (IS/ND) was prepared by the Director of Planning, Building and Code Enforcement for the subject General Plan Amendment, General Plan Text Amendment, and Conforming Rezoning. The documents were circulated for public review between January 4, 2023, and January 24, 2023. The ND states that the proposed General Plan Amendment and Conforming Rezoning will have a less than significant effect on the environment. No impacts were identified; therefore, no mitigation is required. Three comments were received from public agencies. The comments received on the draft IS/ND did not raise any new issues about the project's environmental impacts or provide information indicating that the project would result in new environmental impacts or impacts substantially greater in severity than disclosed in the IS/ND. The entire IS/ND report, comments, and responses to those comments are available for review on the Planning website at: https://www.sanjoseca.gov/NegativeDeclarations under File Nos, GP22-008 and ER22-062.

PUBLIC OUTREACH

City Council Policy 6-30: Public Outreach Policy for Pending Land Use Development Proposals

Under City Council Policy 6-30, the project is considered a Significant Community Interest Proposal. Following City Council Policy 6-30, the applicant posted the on-site sign to inform the neighborhood of the proposed project. A community meeting was held in coordination with the Council District 3 office to discuss the project on September 15, 2021, and 10 people attended the meeting. The majority of the public comments were in support of the proposed changes because of the need for more housing and more density near transit. One commenter was concerned about the safety and accessibility on the streets near the site and how development could impact these issues. Last, there was one question about what kind of development would go on the site and staff explained that there is no development proposed at this time and that the public would be notified about any submitted development in the future. Staff contact information has been available on the community meeting notices and project site.

A notice of the public hearing was distributed to the owners and tenants of all properties located within 1,000 feet of the project site and posted on the City website. The staff report is also posted on the City's website. Staff has been available to respond to questions from the public. No comments were received from the community.

Project Manager: Laura Maurer

Approved by: /s/ Michael Brilliot, Deputy Director for Christopher Burton, Planning Director

ATTACHMENTS:		
Exhibit A:	General Plan Amendment and General Plan Text Amendment Draft Resolution	
Exhibit B:	Strikethrough/Underline of Proposed Text Changes	
Exhibit C:	Conforming Rezoning Draft Ordinance	
Exhibit D:	CEQA Draft Resolution	
Exhibit E:	Initial Study Negative Declaration	
Exhibit F:	Letters of Support	

Owner:	Applicant Representative:
945 W Julian Street LLC c/o Gustavo Auqui	Melanie Griswold
945 W. Julian St.	1842 University Avenue
San Jose, CA 95126	San Jose, CA 95126
gustavoa@echelcon.com	mg@hestia-re.com

CEQA Project Manager:
Nhu Nguyen
nhu.nguyen@sanjoseca.gov
(408) 793-4174

GP22-008, GPT22-005, C22-023 & ER22-062 Links to Attachment A - F

Click on the title to view document

Exhibit A: General Plan Amendment and General Plan Text Amendment Draft Resolution
Exhibit B: Strikethrough/Underline of Proposed Text Changes
Exhibit C: Conforming Rezoning Draft Ordinance
Exhibit D CEQA Draft Resolution
Exhibit E Initial Study Negative Declaration
Exhibit F: Letters of Support

Correspondence Received after March 15, 2023