

COUNCIL AGENDA: 12/04/18 FILE: 18-1617 ITEM: 10.5

# Memorandum

# TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Planning Commission

**SUBJECT: SEE BELOW** 

DATE: November 9, 2018

## **COUNCIL DISTRICT: 9**

# SUBJECT: <u>FILE NO. GP18-004</u>: GENERAL PLAN AMENDMENT TO CHANGE THE LAND USE/TRANSPORTATION DIAGRAM LAND USE DESIGNATION FROM PUBLIC/QUASI PUBLIC TO 6.0 ACRES OF RESIDENTIAL NEIGHBORHOOD; 3.28 ACRES OF COMBINED INDUSTRIAL/COMMERCIAL; AND 2.84 ACRES REMAINING PUBLIC/QUASI-PUBLIC ON THE 12.12-GROSS ACRE SITE LOCATED ON THE WEST SIDE OF UNION AVENUE, 1,070 FEET NORTHERLY OF CAMDEN AVENUE (3235 UNION AVENUE AND 2223 CAMDEN AVENUE) (CAMPBELL UNION HIGH SCHOOL, OWNER).

## **RECOMMENDATION**

The Planning Commission voted (4-1-2; Commissioners Marquez opposed, Commissioners Ballard and Griswold absent) to recommend that the City Council take the following actions:

- a) Adopt a resolution approving the Initial Study/Negative Declaration in accordance with CEQA; and
- b) Adopt a resolution amending the Envision San José 2040 General Plan Land Use/Transportation Diagram land use designation from Public/Quasi Public to Residential Neighborhood on the 6.0-gross acre portion, Combined Industrial/Commercial on the 3.28 gross-acre portion and Public-Quasi on the 2.84-gross acre portion of the 12.12 gross acre site located on the west side of Union Avenue approximately 1,070 feet northerly of Camden Avenue (3235 Union Avenue and 2223 Camden Avenue).

## **OUTCOME**

Should the City Council approve 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 to Residential Neighborhood, Combined Industrial/Commercial and Public/Quasi-Public.

# **BACKGROUND**

The Planning Commission held a public hearing on November 7, 2018, to consider the proposed General Plan Amendment. Planning staff recommended denial of the General Plan Amendment requested by the applicant and recommended approval of an alternative recommendation to amend the Envision San José 2040 General Plan Land Use/Transportation Diagram land use designation from Public/Quasi Public to Combined Industrial/Commercial on 9.28 acres with 2.84 acres remaining Public/Quasi-Public on the approximately 12.12-gross acre site. However, the Planning Commission made a recommendation to the City Council to consider and approve the Negative Declaration in accordance with CEQA and adopt a resolution to approve the applicant's proposed General Plan Amendment to change the land use designation from Public/Quasi Public to Residential Neighborhood for 6.0 acres, Combined Industrial/Commercial for 3.28 acres, and 2.84 acres remaining Public/Quasi-Public on the 12.12-gross acre site.

#### **Staff Presentation**

Staff presented a summary of the applicant's request for General Plan Amendment including a description of the proposed project and details of the public engagement process and community input. Staff also presented a summary of their alternative recommendation, a General Plan Amendment to change the middle 6-acre portion of the site from Public/Quasi-Public to Combined Industrial/Commercial, which is explained in detail in the attached report to the Planning Commission

#### Public Testimony

The applicant spoke against staff's recommendation and stated that Campbell Union High School District ("District") initially sought to develop the middle portion of the property as commercial, but found that commercial development was not financially viable. The applicant found that residential use would be the best option available for the middle portion of the property and would generate the most revenue for the District. The applicant spoke to the District's need for revenue and believed the proposed project would provide financial relief for the District. The applicant submitted 600 letters of support of the District's proposed General Plan Amendment, and asked Planning Commission to approve the proposed General Plan Amendment as submitted by the District.

Commissioner Yesney asked whether the residents bordering the subject site were agreeable to development. The applicant responded that the residents and the president of the home owners' association were all supportive of the proposed project.

Thirteen members of the public spoke in support of the District's proposed General Plan Amendment. All public commenters believed the District's proposed project would fit into the existing character of the neighborhood, and that the proposed project would provide revenue for the District, which would benefit students, teachers and school programs. Public speakers included residents, school board members, developers, students and teachers. Additionally, speakers stated that they were opposed to Staff's recommendation because of potential issues with noise, traffic and heights of commercial buildings immediately adjacent to residential.

Staff responded that the applicant's General Plan Amendment application was analyzed with respect to the Major Strategies, goals and policies of the General Plan. Staff stated that the applicant's General Plan Amendment request was inconsistent with the Focused Growth Major Strategy and policies that discourage the conversion of Public/Quasi-Public designated lands and policies that restrict residential development outside of Growth Areas. Staff stated that the Combined Industrial/Commercial land use designation recommended by staff, instead of Residential Neighborhood, includes in a variety of viable uses, such as charter or private schools that could potentially be located in the middle portion of the site.

#### Planning Commission Discussion

Commissioner Yesney stated that she appreciated staff's recommendation and believed it to be accurate and in accordance with General Plan policies. However, as a member of the Planning Commission and as a decision maker, she stated her role is to examine broadly and at times exercise discretion. With regard to staff's recommendation, Commissioner Yesney, believed that uses allowed in the Combined/Industrial Commercial land use designation would not be viable in the middle portion of the site. She noted that the proposal was strictly for a General Plan Amendment and any scenario of development presented by the District and interested parties to the public should be taken with a certain degree of trust. In her opinion, the Residential Neighborhood designation would be the only feasible designation that would be compatible with the existing neighborhood and she expressed support for the District's proposed General Plan Amendment.

Commissioner Leyba praised the community for their involvement and organization, and thanked them for their comments. Commissioner Leyba then spoke with regard to the City's past history of employment land conversions resulting in the large imbalance of jobs to employed residents. He also commented on staff's recommendation stating that the recommendation was an accurate reflection of the General Plan policies. He noted that the Planning Commission's recommendation would not guarantee City Council support.

Commissioner Marquez spoke in support of Staff's recommendation because she believed that the Combined Industrial/Commercial designation includes a variety of uses that could be viable in the middle portion of the site. She noted that the Residential Neighborhood land use designation would not benefit the City as a whole, unless it was a higher density.

Commissioner Yesney made a motion to consider the Negative Declaration in accordance with CEQA and adopt a recommendation that the City Council approve the applicant's General Plan Amendment request.

Commissioner Vora seconded the motion and thanked the community members for their involvement and comments of support. She thanked staff for their analysis and interpretation of the General Plan and noted this project as an example of when Planning Commission can exercise its discretion.

Commissioner Allen noted that he did meet with the applicants to receive more details of the project, and recommended that the applicant involve the entire community broadly.

The Planning Commission voted 4-1-2 (Commissioner Marquez opposed and Commissioners Ballard and Griswold absent) to recommend to the City Council to adopt a resolution approving the applicant's General Plan Amendment request amend to the Envision San José 2040 General Plan Land Use/Transportation Diagram land use designation from Public/Quasi Public to Residential Neighborhood for 6.0 acres, Combined Industrial/Commercial for 3.28 acres, and 2.84 acres remaining Public/Quasi-Public on a 12.12-gross acre site.

# ANALYSIS

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

# **EVALUATION AND FOLLOW UP**

If the District's application for General Plan Amendment is approved as recommended by the Planning Commission, the Envision San José 2040 General Plan Land Use/Transportation Diagram would be amended to reflect the land use designation change from Public/Quasi Public to Residential Neighborhood for 6.0 acres, Combined Industrial/Commercial for 3.28 acres, and 2.84 acres remaining Public/Quasi-Public on a 12.12-gross acre site located on the west side of Union Avenue approximately 1,070 feet northerly of Camden Avenue (3235 Union Avenue and 2223 Camden Avenue).

# PUBLIC OUTREACH

Staff followed Council Policy 6-30: Public Outreach Policy. On Thursday, August 2, 2018, at Camden Community Center, staff conducted a community meeting where approximately 31 community members attended. Residents and stakeholders expressed their support and concerns, and asked questions related to procedural processes and project timeline. The property owners and occupants within a 1,000 feet radius were sent public hearing notices for the Planning Commission and City Council hearing, as well as all members of the public who requested to be placed on the application's contact list. A notice of the public hearing was also published in the San Jose Post Record and on the City's website. The Planning Commission agenda was posted on the City of San José website, which included a copy of the staff report, and staff has been available to discuss the project with members of the public.

# **COORDINATION**

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

# <u>CEQA</u>

An Initial Study and Negative Declaration were prepared by the Director of Planning, Building, and Code Enforcement for the subject General Plan Amendment and Rezoning. The documents were circulated for public review between October 5, 2018 and October 25, 2018. No comment letters were received. The Negative Declaration states that the proposed General Plan Amendment will not have a significant effect on the environment. The Initial Study and Negative Declaration are available for review on the Planning website at: <a href="http://www.sanjoseca.gov/index.aspx?nid=6209">http://www.sanjoseca.gov/index.aspx?nid=6209</a>.

/s/ ROSALYNN HUGHEY, Secretary Planning Commission

For questions please contact Michael Brilliot, Division Manager, at 408-535-7831.

Attachment: Planning Commission Staff Report