COUNCIL AGENDA: 11/27/2018 ITEM: 10.3

Memorandum

TO: THE HONORABLE MAYOR &

CITY COUNCIL

FROM: Councilmember Lan Diep

SUBJECT: AMENDMENTS TO TITLE 23 OF

DATE: 11/21/2018

SAN JOSE'S MUNI CODE IMPACTING

NORTH SAN JOSE

Approved

Lan Drep

Date

11/21/18

RECOMMENDATION

Accept staff recommendation with additional direction to:

- Identify sites where freeway-facing on-site signs would be appropriate north of the North San José Development Policy Signage Area, on the other side of HWY 237; and
- 2. Bring forward recommendations to Council at a future quarterly code update to allow for freeway-facing on-site signs that are part of developments with destination entertainment or office uses, north of HWY 237.

BACKGROUND

There is a renewed excitement in North San José. Staff has recognized this and is in the process of conducting a review of the North San José Policy to recommend code changes and General Plan amendments to accommodate even more commerce, amenities, and general development. These policy changes will be helpful to facilitate development within the policy area's formal boundary. Development is not restricting itself to this policy boundary however, and is happening at its edges, such as north of HWY 237 in the Alviso community.

ARGUMENT

The changes proposed by staff are important ones aimed at making North San José a more vibrant place. However, these amendments will only apply to designated areas within the North San José Development Policy Signage Area. To the extent that the boundaries drawn are arbitrary or outdated, they do not reflect all the energy that is bubbling in the area.

Just a few yards north of HWY 237, outside the North San José Development Policy Signage Area, much activity is happening in Alviso. Google recently purchased two office buildings that can accommodate 2,000 workers. TopGolf has broken ground on a future facility that will certainly draw new people to spend money in San José. A 200-room Shilla Stay hotel is planned adjacent to TopGolf, as are many retail shops. Bloom Energy has acquired a building just off First St., to the north of HWY 237 and has expressed interest in

bringing more local-serving retail to that side of HWY 237, to serve the workers there as well as Alviso residents.

However, under the status quo, freeway-facing signage to advertise on-site retail uses adjacent to the highway is only permitted south of HWY 237, within the defined signage policy area. The retail that will come in north of HWY 237 will not be able to advertise in the same way, and may be unable to draw in customers from afar to make such shops sustainable.

There are almost certainly issues with environmental clearance to allow for freeway-facing signage north of HWY 237, but we must begin the process of identifying issues so that we may address them as necessary.

CONCLUSION

It does not make sense that as a matter of law, we allow freeway-facing signage on one side of the freeway but not the other. Communities should not be underserved for being located on the proverbial "wrong side of the tracks." Similarly, businesses seeking to increase economic activity in our city should not be denied the ability to do things the city otherwise finds acceptable, simply because these businesses are located on the "wrong side of the freeway."

