RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE CERTIFYING THE DOWNTOWN STRATEGY 2040 PROJECT ENVIRONMENTAL IMPACT REPORT (SCH #2003042127) AND MAKING CERTAIN FINDINGS CONCERNING SIGNIFICANT IMPACTS, AVOIDANCE MEASURES CONSISTENT WITH CITY POLICIES AND REQUIREMENTS, AND ALTERNATIVES, AND ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS, ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED

WHEREAS, the City of San José, a municipal corporation ("City") has prepared that certain strategy for the Downtown area entitled the "Downtown Strategy 2040" proposed for approval by the City of San José's City Council; and

WHEREAS, the Downtown Strategy 2040 ("Downtown Strategy 2040") is an update and replacement of the "*Strategy 2000: San José Greater Downtown Strategy for Development*" (also referred to as "Downtown Strategy Plan 2000" and referred to herein as "Downtown Strategy 2000") adopted by the City Council on June 21, 2005 (Resolution No. 72766). The Downtown Strategy 2000 strategic planning goals and objectives either have been achieved or are no longer current with the adoption of the Envision San José 2040 General Plan ("General Plan") and the subsequent dissolution of the San José Redevelopment Agency, as well as other changed circumstances. Many of the urban design principles and guidelines found in the Downtown Strategy 2000 have been incorporated into the General Plan and the others are presently being updated; and

WHEREAS, the new Downtown Strategy 2040 ("Project") is necessary to respond to changed circumstances and conditions and increase the Downtown capacity for new

development to 2040 consistent with the General Plan vision. For purposes of this new Downtown Strategy 2040, the primary action is to increase the development capacity within the Downtown boundary, as defined in the General Plan, by transferring 4,000 dwelling units and 10,000 jobs from later horizon General Plan growth areas to Downtown. A minor geographic boundary expansion is included in the Downtown Strategy 2040 for the east side of North 4th Street between St. John and Julian Streets; and

WHEREAS, approval of the Downtown Strategy 2040 would constitute a project under the provisions of the California Environmental Quality Act of 1970, together with related state and local implementation guidelines and policies promulgated thereunder, all as amended to date (collectively, "CEQA"); and

WHEREAS, the City is the lead agency for the Project, and has prepared a Final Program Environmental Impact Report for the Project pursuant to and in accordance with CEQA, which Final Environmental Impact Report is comprised of the Draft Environmental Impact Report for the Project (the "DEIR"), together with the First Amendment and Second Amendment to the DEIR (collectively, all of said documents are referred to herein as the "FEIR"); and

WHEREAS, on November 28, 2018, the Planning Commission of the City of San José reviewed the FEIR prepared for the Downtown Strategy 2040 Project and recommended to the City Council that it find the FEIR was completed in accordance with the requirements of CEQA and further recommended the City Council adopt this Resolution; and

WHEREAS, CEQA requires that, in connection with approval of a project for which an environmental impact report has been prepared that identifies one or more significant environmental effects of the project, the decision-making body of a public agency make

certain findings regarding those effects and adopt avoidance measures to minimize impacts consistent with City policies and requirements and a statement of overriding considerations for any impact that may not be reduced to a less than significant level.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE:

1. That the above recitals are true and correct; and

2. That the City Council does hereby find and certify that the FEIR has been prepared and completed in compliance with CEQA; and

3. That the City Council was presented with, and has independently reviewed and analyzed, the FEIR and other information in the record and has considered the information contained therein, including the written and oral comments received at the public hearings on the FEIR and the Project, prior to acting upon and approving the Project, and has found that the FEIR represents the independent judgment of the City, as lead agency for the Project, and designates the Director of Planning, Building, and Code Enforcement at the Director's office at 200 East Santa Clara Street, 3rd Floor Tower, San José, California, 95113, as the custodian of documents and record of proceedings on which the decision of the City is based; and

4. That the City Council does hereby find and recognize that the FEIR contains additions, clarifications, modifications, and other information received in response to comments received on the DEIR or obtained by the City after the DEIR was issued and circulated for public review, and does hereby find that such changes and additional information are not significant new information as that phrase is described under CEQA because such changes and additional information do not indicate that any of the following would result from approval and implementation of the Project: (i) any new significant environmental impact or substantially more severe environmental impact not already disclosed and evaluated in the DEIR, (ii) any feasible mitigation measure considerably different from those analyzed in the DEIR that would lessen a significant environmental impact of the Project has been proposed and would not be implemented, or (iii) any feasible alternative considerably different from those analyzed in the DEIR that would lessen a significant environmental impact of the Project has been proposed and would not be implemented; and

5. That the City Council does hereby find and determine that recirculation of the FEIR for further public review and comment is not warranted or required under the provisions of CEQA; and

6. That the City Council does hereby make the following findings with respect to significant effects on the environment of the Project, as identified in the FEIR, with the understanding that all of the information in this Resolution is intended as a summary of the full administrative record supporting the FEIR, which full administrative record should be consulted for the full details supporting these findings.

THE DOWNTOWN STRATEGY 2040

SIGNIFICANT ENVIRONMENTAL IMPACTS

Air Quality

Impact: **Impact AQ-1:** Build-out of the Downtown Strategy 2040 would result in a significant increase in criteria pollutants in the Bay Area, contributing to existing violations of ozone standards.

Mitigation and Avoidance Measure: To reduce emissions associated with vehicle travel, future development shall be required to implement a transportation demand management (TDM) program. During supplemental review of future projects, the TDM programs will be evaluated for consistency with General Plan policies, including those listed in DEIR Table 3.3-2. All feasible and applicable measures will be required as part of project design or as conditions of approval. Implementation of TDM programs and consistency with General Plan policies, however, would be insufficient to fully mitigate the Project's significant contribution to cumulative air quality impacts given the scale of the Project.

Finding: Operational air quality impacts associated with buildout of the Project would remain significant and unavoidable. **(Significant and Unavoidable Impact)**

Facts in Support of Finding: Although the Project includes measures to reduce impacts to the extent feasible, the measures would be insufficient to fully mitigate the Project's significant contribution to cumulative air quality impacts given the scale of the Project's emissions compared to the relatively small numeric thresholds recommended by the Bay Area Air

Quality Management District. Although the Downtown Strategy 2040 could substantially reduce emissions of regional air pollutants over the long-term through implementation of the General Plan policies and proposed measures, the policies and measures would not be capable of reducing the impact to a less than significant level given the magnitude of the impact is nearly 25 times the reactive organic gases (ROG) threshold due to the amount of development to be built over the next 20 or more years in the Downtown. Therefore, the impact would remain significant and unavoidable.

Greenhouse Gas (GHG) Emissions

Impact: **Impact GHG-1:** Build-out of the Downtown Strategy 2040 would result in significant GHG emissions under 2040 conditions.

Mitigation and Avoidance Measure: Future development allowed under the Downtown Strategy 2040 would be subject to the goals and policies throughout the General Plan, including those listed in DEIR Table 3.3-2 and DEIR Table 3.8-1, that encourage a reduction in vehicle miles traveled through land use, pedestrian, bicycle, and access to transit improvements, parking strategies that reduce automobile travel through parking supply and pricing management, and requirements for Transportation Demand Management programs for large employers. Additional policies listed in DEIR Table 3.6-1 have been adopted to reduce energy use (and thus emissions from fuel use).

Finding: Given the uncertainties about the feasibility of achieving the needed 2040 GHG emissions reductions, the Downtown Strategy 2040's contribution to GHG emissions and climate change for the 2040 timeframe is determined to be significant and unavoidable. **(Significant and Unavoidable Impact)**

Facts in Support of Finding: The Downtown Strategy 2040 is intended to reduce vehicle miles traveled (VMT), as well as associated GHG emissions, through regional transit use and increase the use of alternative transportation at the community level, a major goal of the City and the region. By intensifying development in proximity to Diridon Station (San José's largest transit hub) and other transit services included in the cumulative condition, such as the future Bay Area Rapid Transit (BART) station on Santa Clara Street, the Downtown Strategy 2040 supports use of the regional transit system for commuting. In addition, the intensification of residential and office development in Downtown can reduce the distances between jobs and housing, supporting alternative

transportation modes over vehicle use for commuting. The DEIR determined that the Project would reduce VMT and GHG emissions compared to the existing General Plan.

Achieving the substantial GHG emissions reductions needed to meet the 2040 threshold will require an aggressive multiple-pronged approach that includes policy decisions and additional GHG emission controls at the federal and state level, and new and substantially advanced technologies that cannot be anticipated or predicted with any accuracy at this time. It also will require substantial behavioral changes to reduce single occupant vehicle trips, especially to and from work places. Future policy and regulatory decisions by other agencies [such as the California Air Resources Board (ARB), Public Utilities Commission (PUC), California Energy Commission (CEC), Metropolitan Transportation Commission (MTC), and Bay Area Air Quality Management District (BAAQMD)] and technological advances are outside the City's control, and therefore cannot be relied upon as feasible mitigation strategies. Given the uncertainties about the feasibility of achieving the needed 2040 GHG emissions reductions, the Downtown Strategy 2040's contribution to GHG emissions and climate change for the 2040 timeframe is determined to be significant and unavoidable.

Noise and Vibration

Impact: **Impact NV-1:** Build-out of the Downtown Strategy 2040 would result in a significant unavoidable impact at existing noise-sensitive land uses adjacent to segments of Santa Clara Street, Autumn Street, San Carlos Street, Bird Avenue, Julian Street, Almaden Boulevard, Race Street, The Alameda, King Road, First Street, Fruitdale Avenue, Alma Avenue, Naglee Avenue, and Keyes Street due to substantial increases in traffic noise.

Mitigation and Avoidance Measure: There are several potential options available to reduce noise from project-generated traffic. In situations where private outdoor use areas, such as rear yards, are located adjacent to the roadway, new or larger noise barriers could be constructed to provide the additional necessary noise attenuation in private use areas. Typically, increasing the height of an existing barrier results in approximately one dBA of attenuation per one foot of additional barrier height. The design of such noise barriers would require additional analysis and would be appropriate only in cases where uses backed up to a roadway. However, it

would not be desirable if barriers become too tall for aesthetic reasons or too costly to retrofit.

Case studies have shown that the replacement of dense grade asphalt (standard type) with open-grade or rubberized asphalt can reduce traffic noise levels along local roadways by two to three dBA DNL. A possible noise reduction of two dBA would be expected using conservative engineering assumptions, and future traffic noise increases could be mitigated to a less than significant level by repaving roadways with "quieter pavements." To be a permanent mitigation, subsequent repaving would also have to use "quieter" pavements.

Traffic calming could also be implemented to reduce noise levels expected with the project, consistent with the City's Transportation Policy 5-1. Each five-mph reduction in average speed provides approximately one dBA of noise reduction on an average basis (Leq/DNL). Traffic calming measures that regulate speed improve the noise environment by smoothing out noise levels.

Residences could also be provided with sound insulation treatments if further study finds that interior noise levels within the affected residential units would exceed 45 dBA DNL because of the projected increase in traffic noise. Treatments to the homes may include the replacement of existing windows and doors with sound-rated windows and doors and the provision of a suitable form of forced-air mechanical ventilation to allow the occupants the option of controlling noise by closing the windows.

Detailed analyses would be required to identify specific measures to reduce traffic noise levels at all affected properties along roadway segments where the project would result in significant traffic noise impacts. Even with the preparation of detailed analyses and identification of site-specific measures, it would not be feasible to reduce the impacts to a less than significant level due to a variety of administrative and fiscal challenges. Therefore, the traffic noise impact at existing noise-sensitive receptors along segments of Santa Clara Street, Autumn Street, San Carlos Street, Bird Avenue, Julian Street, Almaden Boulevard, Race Street, The Alameda, King Road, First Street, Fruitdale Avenue, Alma Avenue, Naglee Avenue, and Keyes Street would be significant and unavoidable.

Finding: Traffic-related noise impacts associated with buildout of the Project would remain significant and unavoidable **(Significant and Unavoidable Impact)**

Facts in Support of Finding: According to CEQA, "a substantial increase" is necessary to cause a significant environmental impact. An increase of three dBA DNL is considered substantial in noise sensitive areas along the roadways analyzed in the Downtown area as noise exposures at a distance of 75 feet from the roadway centerline generally exceed 60 dBA DNL. Vehicular traffic on roadways in the city would increase as development occurs and the City's population increases. These projected increases in traffic would, over time, increase noise levels throughout the community. Noise levels would increase substantially (i.e., by 3 dBA DNL or more) along segments of Santa Clara Street, Autumn Street, San Carlos Street, Bird Avenue, Julian Street, Almaden Boulevard, Race Street, The Alameda, King Road, First Street, Fruitdale Avenue, Alma Avenue, Naglee Avenue, and Keyes Street. As discussed above, detailed analyses would be required to identify specific measures to reduce traffic noise levels at all affected properties along roadway segments where the project would result in significant traffic noise impacts. Even with the preparation of detailed analyses and identification of site-specific measures, it may not be feasible to reduce the impacts to a less than significant level due to a variety of administrative and fiscal challenges. Therefore, the traffic noise impact at existing noise-sensitive receptors along segments of Santa Clara Street, Autumn Street, San Carlos Street, Bird Avenue, Julian Street, Almaden Boulevard, Race Street, The Alameda, King Road, First Street, Fruitdale Avenue, Alma Avenue, Naglee Avenue, and Keyes Street would be significant and unavoidable.

Cumulative Impacts

Impact: **Impact C-AQ-1:** Build-out of the Downtown Strategy 2040 would result in a significant increase in criteria pollutants in the Bay Area, contributing to existing violations of ozone standards.

Mitigation and Avoidance Measure: To reduce emissions associated with vehicle travel, future development shall be required to implement a transportation demand management (TDM) program. During supplemental review of future projects, the TDM programs will be evaluated for consistency with General Plan policies including those listed in DEIR Table 3.3-2. All feasible and applicable measures will be required as part of project design or as conditions of approval. Implementation of TDM programs and consistency with General Plan policies, however, would be insufficient to fully mitigate the project's significant contribution to cumulative air quality impacts given the scale of the project.

Finding: Cumulative operational air quality impacts associated with buildout of the Project would remain significant and unavoidable. **(Significant and Unavoidable Cumulative Impact)**

Facts in Support of Finding: Although the Project includes measures to reduce impacts to the extent feasible, the measures would be insufficient to fully mitigate the Project's significant contribution to cumulative air quality impacts given the scale of the Project's emissions compared to the relatively small numeric thresholds recommended by the Bay Area Air Quality Management District. Although the Downtown Strategy 2040 could substantially reduce emissions of regional air pollutants over the long-term through implementation of 2040 General Plan policies and proposed measures, the policies and measures would not be capable of reducing the impact to a less than significant level given the magnitude of the impact is nearly 25 times the ROG threshold due to the amount of development to be built over the next 20 or more years in the Downtown. Therefore, the impact would remain significant and unavoidable.

Impact: **Impact C-CUL-1:** Downtown Strategy 2040 would make a cumulatively considerable contribution to previously identified significant impacts to historic resources.

Mitigation and Avoidance Measure: Future development projects shall be required to evaluate buildings over or near 45 years of age prior to demolition or substantial alteration and implement 2040 General Plan policies and existing regulations that promote preservation of historic landmarks, districts, and properties of lesser significance.

Finding: Cumulative impacts to historic resources associated with buildout of the Project would remain significant and unavoidable **(Significant and Unavoidable Cumulative Impact)**

Facts in Support of Finding: Although the Project includes measures to reduce impacts to the extent feasible, the proposed Project could make a substantial contribution to the significant impacts previously identified in the Downtown Strategy 2000 EIR based on the number of historic resources that have been lost within Downtown (and the City in general), and the potential for remaining historic buildings to be replaced or otherwise adversely affected.

Impact: **Impact C-GHG-1:** Build-out of the Downtown Strategy 2040 would result in significant GHG emissions under 2040 conditions.

Mitigation and Avoidance Measure: Future development allowed under the Downtown Strategy 2040 would be subject to the goals and policies throughout the General Plan, including those listed in DEIR Table 3.3-2 and DEIR Table 3.8-1, that encourage a reduction in VMT through land use, pedestrian, bicycle, and access to transit improvements, parking strategies that reduce automobile travel through parking supply and pricing management, and requirements for Transportation Demand Management programs for large employers. Additional policies listed in DEIR Table 3.6-1 have been adopted to reduce energy use (and thus emissions from fuel use).

Finding: Given the uncertainties about the feasibility of achieving the needed 2040 GHG emissions reductions, the Downtown Strategy 2040's contribution to GHG emissions and climate change for the 2040 timeframe is determined to be significant and unavoidable. **(Significant and Unavoidable Cumulative Impact)**

Facts in Support of Finding: The Downtown Strategy 2040 is intended to reduce VMT, as well as associated GHG emissions, through regional transit use and increase the use of alternative transportation at the community level, a major goal of the City and the region. By intensifying development in proximity to Diridon Station (San José's largest transit hub) and other transit services included in the cumulative condition, such as the future BART station on Santa Clara Street, the Downtown Strategy 2040 supports use of the regional transit system for commuting. In addition, the intensification of residential and office development in Downtown can reduce the distances between jobs and housing, supporting alternative transportation modes over vehicle use for commuting. The DEIR determined that the Project would reduce VMT and GHG emissions compared to the existing General Plan.

Achieving the substantial GHG emissions reductions needed to meet the 2040 threshold will require an aggressive multiple-pronged approach that includes policy decisions and additional GHG emission controls at the federal and state level, and new and substantially advanced technologies that cannot be anticipated or predicted with any accuracy at this time. It also will require substantial behavioral changes to reduce single occupant vehicle trips, especially to and from work places. Future policy and regulatory decisions by other agencies [such as the California Air Resources Board (ARB), Public Utilities Commission (PUC), California Energy Commission (CEC), Metropolitan Transportation Commission (MTC), and Bay Area Air Quality Management District (BAAQMD)] and technological advances are outside the City's control, and therefore

cannot be relied upon as feasible mitigation strategies. Given the uncertainties about the feasibility of achieving the needed 2040 GHG emissions reductions, the Downtown Strategy 2040's contribution to GHG emissions and climate change for the 2040 timeframe is determined to be significant and unavoidable.

Impact: **Impact C-NV-1:** Build-out of the Downtown Strategy 2040 would result in a significant unavoidable cumulative impact at existing noise-sensitive land uses adjacent to segments of Santa Clara Street, Autumn Street, San Carlos Street, Bird Avenue, Julian Street, Almaden Boulevard, Race Street, The Alameda, King Road, First Street, Fruitdale Avenue, Alma Avenue, Naglee Avenue, and Keyes Street due to substantial increases in traffic noise.

Mitigation and Avoidance Measure: Options are potentially available to reduce noise from project-generated traffic. In situations where private outdoor use areas, such as rear yards, are located adjacent to the roadway, new or larger noise barriers could be constructed to provide the additional necessary noise attenuation in private use areas. Typically, increasing the height of an existing barrier results in approximately one dBA of attenuation per one foot of additional barrier height. The design of such noise barriers would require additional analysis and would be appropriate only in cases where uses backed up to a roadway. However, it would not be desirable if barriers become too tall for aesthetic reasons or too costly to retrofit.

Case studies have shown that the replacement of dense grade asphalt (standard type) with open-grade or rubberized asphalt can reduce traffic noise levels along local roadways by two to three dBA DNL. A possible noise reduction of two dBA would be expected using conservative engineering assumptions, and future traffic noise increases could be mitigated to a less than significant level by repaving roadways with "quieter pavements." To be a permanent mitigation, subsequent repaving would also have to use "quieter" pavements.

Traffic calming could also be implemented to reduce noise levels expected with the project, consistent with the City's Transportation Policy 5-1. Each five-mph reduction in average speed provides approximately one dBA of noise reduction on an average basis (Leq/DNL). Traffic calming measures that regulate speed improve the noise environment by smoothing out noise levels.

Residences could also be provided with sound insulation treatments if further study finds that interior noise levels within the affected residential units would exceed 45 dBA DNL because of the projected increase in traffic noise. Treatments to the homes may include the replacement of existing windows and doors with sound-rated windows and doors and the provision of a suitable form of forced-air mechanical ventilation to allow the occupants the option of controlling noise by closing the windows.

Detailed analyses would be required to identify specific measures to reduce traffic noise levels at all affected properties along roadway segments where the project would result in cumulative traffic noise impacts. Even with the preparation of detailed analyses and identification of site-specific measures, it would not be feasible to reduce the impacts to a less than significant level due to a variety of administrative and fiscal challenges. Therefore, the traffic noise impact at existing noise-sensitive receptors along segments of Santa Clara Street, Autumn Street, San Carlos Street, Bird Avenue, Julian Street, Almaden Boulevard, Race Street, The Alameda, King Road, First Street, Fruitdale Avenue, Alma Avenue, Naglee Avenue, and Keyes Street would be significant and unavoidable.

Finding: Traffic-related cumulative noise impacts associated with buildout of the Project would remain significant and unavoidable **(Significant and Unavoidable Cumulative Impact)**

Facts in Support of Finding: According to CEQA, "a substantial increase" is necessary to cause a significant environmental impact. An increase of three dBA DNL is considered substantial in noise sensitive areas along the roadways analyzed in the Downtown area as noise exposures at a distance of 75 feet from the roadway centerline generally exceed 60 dBA DNL. Vehicular traffic on roadways in the City would increase as development occurs and the city's population increases. These projected increases in traffic would, over time, increase noise levels throughout the community. Noise levels would increase substantially (i.e., by 3 dBA DNL or more) along segments of Santa Clara Street, Autumn Street, San Carlos Street, Bird Avenue, Julian Street, Almaden Boulevard, Race Street, The Alameda, King Road, First Street, Fruitdale Avenue, Alma Avenue, Naglee Avenue, and Keyes Street. Detailed analyses would be required to identify specific measures to reduce traffic noise levels at all affected properties along roadway segments where the project would result in significant traffic noise impacts. Even with the preparation of detailed analyses and identification of site-specific measures, it may not be feasible to reduce the impacts to a less than significant level due to a

variety of administrative and fiscal challenges. Therefore, the traffic noise impact at existing noise-sensitive receptors along segments of Santa Clara Street, Autumn Street, San Carlos Street, Bird Avenue, Julian Street, Almaden Boulevard, Race Street, The Alameda, King Road, First Street, Fruitdale Avenue, Alma Avenue, Naglee Avenue, and Keyes Street would be significant and unavoidable.

Impact: **Impact C-PH-1:** Future development under the proposed Downtown Strategy 2040 would make a substantial contribution to the significant unavoidable impact related to the jobs/housing imbalance, as identified in the 2040 General Plan EIR.

Mitigation and Avoidance Measure: There are no mitigation measures to reduce the jobs/housing imbalance due to its inherent foundation as a 2040 General Plan assumption. The Downtown Strategy 2040 is intended to reduce VMT through regional transit use and increase the use of alternative transportation at the community level, a major goal of the City and the region. By intensifying development in proximity to Diridon Station (San José's largest transit hub) and other transit services included in the cumulative condition, such as the future BART station on Santa Clara Street, the Downtown Strategy 2040 supports use of the regional transit system for commuting. In addition, the intensification of residential and office development in Downtown can reduce the distances between jobs and housing, supporting alternative transportation modes over vehicle use for commuting.

The main environmental issue associated with a jobs/housing imbalance is increased VMT and the Downtown Strategy 2040 is a key strategy for reducing VMT; however, because the Project would not change the overall amount of jobs and housing planned for the City in the 2040 General Plan, the Downtown Strategy 2040 would contribute to the significant unavoidable impact identified in the 2040 General Plan EIR.

Finding: Because the Project would not change the overall amount of jobs and housing planned for the City in the 2040 General Plan, the Downtown Strategy 2040 would contribute to the significant unavoidable impact identified in the 2040 General Plan EIR **(Significant and Unavoidable Cumulative Impact)**

Facts in Support of Finding: Build-out of the 2040 General Plan would result in a jobs/housing imbalance in the City, with more jobs than employed residents. As a result of increased commuting from other jurisdictions, the

2040 General Plan EIR concluded that implementation of the 2040 General Plan would substantially increase vehicle miles travelled (VMT) per service population in the Bay area region. Therefore, the population and housing impact related to the jobs/housing balance and induced population growth outside of San José was identified in the 2040 General Plan as significant and unavoidable.

The Downtown Strategy 2040 is intended to reduce VMT through regional transit use and increase the use of alternative transportation at the community level, a major goal of the City and the region. By intensifying development in proximity to Diridon Station (San José's largest transit hub) and other transit services included in the cumulative condition, such as the future BART station on Santa Clara Street, the Downtown Strategy 2040 supports use of the regional transit system for commuting. In addition, the intensification of residential and office development in Downtown can reduce the distances between jobs and housing, supporting alternative transportation modes over vehicle use for commuting.

The main environmental issue associated with a jobs/housing imbalance is increased VMT and the Downtown Strategy 2040 is a key strategy for reducing VMT; however, because the Project would not change the overall amount of jobs and housing planned for the City in the 2040 General Plan, the Downtown Strategy 2040 would contribute to the significant unavoidable impact identified in the 2040 General Plan EIR.

Growth Inducing Impacts

Impact: **Impact GI-1:** Future development under the proposed Downtown Strategy 2040 would make a substantial contribution to the significant unavoidable growth-inducing impact identified in the 2040 General Plan EIR.

Mitigation and Avoidance Measure: There are no mitigation measures to reduce the jobs/housing imbalance due to its inherent foundation as a 2040 General Plan assumption. The significant unavoidable growth-inducing impact identified in the 2040 General Plan EIR is associated with growth outside of the City that may result from the projected jobs/housing imbalance within the City. The specific environmental effects of growth outside the City and any mitigation measures to offset those effects will be best addressed at the time resulting development is proposed in locations outside of the City. Identification of mitigation measures for future housing

growth in locations outside of the City would be speculative and would not be within the jurisdiction of the City to implement.

Finding: The Project would make a substantial contribution to the significant unavoidable growth-inducing impact identified in the 2040 General Plan EIR. **(Significant and Unavoidable Cumulative Impact)**

Facts in Support of Finding: The significant unavoidable growth-inducing impact identified in the 2040 General Plan EIR, to which the Project would make a substantial contribution, is associated with growth outside of the City that may result from the projected jobs/housing imbalance within the City. The specific environmental effects of growth outside the City and any mitigation measures to offset those effects will be best addressed at the time resulting development is proposed. Identification of mitigation measures for future housing growth in other cities would be speculative.

FINDINGS CONCERNING ALTERNATIVES

In order to comply with the purposes of CEQA, it is important to identify alternatives that reduce the significant impacts that are anticipated to occur if the project is implemented and to try to meet as many of the project's objectives as possible. The CEQA Guidelines emphasize a common sense approach -- the alternatives should be reasonable, should "foster informed decision making and public participation," and should focus on alternatives that avoid or substantially lessen the significant impacts.

The alternatives analyzed in the DEIR were developed with the goal of being at least potentially feasible, given Project objectives and site constraints, while avoiding or reducing the Project's identified environmental effects. The following are evaluated as alternatives to the proposed Project:

1) No Project (No Downtown Growth) Alternative
2) No Project (General Plan Buildout) Alternative
3) Intensification West of SR 87 Alternative

1. No Project (No Downtown Growth) Alternative

A. **Description of Alternative:** Under the No Project (No Downtown Growth) Alternative, the City would halt any growth in Downtown and instead maintain Downtown development at current levels, including implementation of current 'pipeline' development projects already entitled

and have not expired under the Downtown Strategy 2000. This alternative would require the City to stop implementing its General Plan beyond current approved 'pipeline' projects, which calls for intensification and growth in the Downtown area.

B. **Comparison of Environmental Impacts:** The No Project (No Downtown Growth) Alternative would avoid all of the environmental impacts associated with the Project.

C. **Finding:** The objectives of the Project center on encouraging and facilitating growth and intensification in Downtown consistent with the goals and policies of the 2040 General Plan that support Downtown's growth as a primary mixed-use commercial/residential growth area and a key multi-modal transit destination. This alternative would not meet the Project objectives, nor would it adhere to the goals and policies in the City's 2040 General Plan related to locating new growth in the Downtown area, near transit, and reducing VMT to minimize greenhouse gas emissions and to develop in a fiscally sustainable manner. Therefore, this alternative is rejected.

2. No Project (General Plan Buildout) Alternative

A. **Description of Alternative:** The Downtown Strategy 2000 was incorporated into the General Plan, which was adopted in November 2011. The General Plan increased the growth capacity for housing development by 1,860 units within Downtown above the development capacities in the Downtown Strategy 2000, while maintaining the Downtown Strategy 2000 development capacities for office, retail and hotel uses. The purpose of this alternative is to identify what development and associated environmental impacts would occur if the City does not adopt the proposed Downtown Strategy 2040; in other words, how the Downtown area would continue to grow and evolve under the current 2040 General Plan's goals, policies, and Land Use Transportation Diagram. Under the No Project General Plan Buildout Alternative, the Project area would be developed consistent with the General Plan, resulting in 4,000 fewer residential units and 3,000,000 less square feet of office space compared to the proposed Project, although that development is assumed to be implemented elsewhere in the City as currently envisioned by the 2040 General Plan.

B. **Comparison of Environmental Impacts:** The No Project (General Plan Buildout) Alternative would result in similar environmental impacts compared to the Project.

This alternative would result in a decrease in criteria pollutant emissions generated by development in the Downtown area; however, emissions would still exceed thresholds and would be considered significant and unavoidable. Additionally, though emissions generated within the Downtown area would be reduced, emissions citywide would likely increase due to increased VMT.

This alternative would result in similar cultural resources impacts compared to the Project because the Project does not propose new development in any areas in Downtown not already planned for development in the 2040 General Plan.

This alternative would result in a greater GHG emissions per service population in the Downtown area compared to the Project. Additionally, though emissions generated within the Downtown area would be reduced, emissions citywide would likely increase due to increased VMT.

This alternative would reduce traffic-generated noise by one dBA DNL on two impacted roadway segments: The Alameda east of Race Street and First Street south of Keyes Street. However, the reductions are not large enough to reduce traffic-generated noise to less than significant levels on these roadway segments. As a result, this alternative would result in the same significant noise impact identified for the Project.

This alternative would result in the same population and housing impact as the Project because the Project would not change the total number of jobs or dwelling units planned for the City in the 2040 General Plan.

C. **Finding:** The objectives of the proposed Project center on encouraging and facilitating growth in Downtown consistent with the goals and policies of the 2040 General Plan. In this area, the No Project (General Plan Buildout) Alternative would be consistent with the Project objectives. Where the project and the No Project Alternative differ is the extent to which growth would occur in Downtown. The Project would allow additional growth in Downtown beyond what was assumed in the current 2040 General Plan by moving planned housing and jobs from other Growth Areas to Downtown, and therefore would achieve the Project objectives to a greater extent than the No Project (General Plan Buildout) Alternative because the City wants to focus growth Downtown where such growth can currently be well-served by multi-modal transit options and reduce VMT while responding to the regional housing crisis and market demands for commercial office space. Because the No Project (General

Plan Buildout) Alternative would result in very similar impacts compared to the Project but would not achieve the Project's objectives to the same extent as the Project, this alternative is rejected.

3. Intensification West of SR 87 Alternative

A. **Description of Alternative:** The Downtown Strategy 2040 Project would allow for increased development within the Downtown boundaries. Other than those required by the General Plan and zoning district regulations on individual properties, no restrictions would be placed on where in Downtown the future development could occur. For the purposes of analyzing traffic impacts from the Project, assumptions were made for where the future development would occur in Downtown. The density of existing development in Downtown varies, with the densest areas (i.e., office and residential towers) occurring in the central area of Downtown, east of SR 87. The traffic analysis for the Project assumed that historic land use pattern would continue and placed much of the future development east of SR 87, especially future office development.

The Intensification West of SR 87 Alternative is intended to analyze the effects of a scenario where, due to increased interest in development and redevelopment of properties in the area of Downtown located west of SR 87, there would be a shift of density of future office development compared to what was assumed for the Downtown Strategy 2040, with more future office space being located west of SR 87 instead of east of SR 87 as the traffic analysis currently evaluates. This alternative assumes that an additional 4,000 jobs (equivalent to roughly 1.2 million square feet of office space) would occur on the west side of SR 87 instead of the east side.

The Intensification West of SR 87 Alternative would not change the overall amount of development allowed under the Downtown Strategy 2040, nor would it change any components of the Project description. Instead, this alternative merely changes the assumption of where the development allowed by the Project would occur within the Downtown boundaries.

B. **Comparison of Environmental Impacts:** The Intensification West of SR 87 Alternative would result in similar environmental impacts compared to the Project.

This alternative would not result in a measurable change in criteria pollutant emissions because it would not change the overall amount of development proposed by the Project in the Downtown area.

This alternative would result in similar cultural resources impacts compared to the Project because it would not change the overall amount of development proposed by the Project in the Downtown area. Since cultural and historic resources are more heavily concentrated in the central Downtown area east of SR 87, it is possible that this alternative could avoid some impacts by shifting a portion of the future development away from this area.

This alternative would not result in a measurable change in GHG emissions because it would not change the overall amount of development proposed by the Project in the Downtown area.

This alternative would reduce traffic-generated noise on three impacted roadway segments: Autumn Street north of Santa Clara Street, Naglee Avenue west of The Alameda, and the east side of the Bird Avenue and I-280 (South) intersection. However, this alternative would increase traffic-generated noise on seven roadway segments: Bird Avenue north of San Carlos Street, Bird Avenue south of I-280 (North), Bird Avenue south of I-280 (South), the west side of the Bird Avenue and I-280 (South) intersection, the south side of the Julian Street and SR-87 intersection, the Alameda south of Hedding Street, and the Alameda east of Race Street. The noise increases would not result in any new significant impacts compared to the Project.

This alternative would result in the same population and housing impact as the Project because the Project would not change the total number of jobs or dwelling units proposed by the Project.

C. **Finding:** The Intensification West of SR 87 Alternative would not change the overall amount of development allowed under the Downtown Strategy 2040, nor would it change any components of the Project description. Instead, this alternative changes the assumption of where the development allowed by the Project would occur within the Downtown boundaries. This alternative, therefore, would achieve all of the Project's objectives. However, this alternative is not environmentally superior to the Project because the total amount of development is the same. The potential environmental impacts of the development capacity assumed by the Project within Downtown is not dependent upon the specific location of the new development. Therefore, this alternative is rejected.

STATEMENT OF OVERRIDING CONSIDERATIONS

Pursuant to the provisions of CEQA, the City Council of the City of San José hereby adopts and makes the following statement of overriding considerations regarding the remaining significant and unavoidable impacts of the Project as outlined above and the anticipated economic, social, and other benefits of the Project.

A. **Significant Unavoidable Impacts.** With respect to the foregoing findings and in recognition of those facts which are included in the record, the City has determined the Project has significant unmitigated or unavoidable impacts, as set forth above, associated with operational air quality emissions, historic resources, GHG emissions, traffic noise, jobs/housing imbalance, and growth inducement.

B. **Overriding Considerations.** The City Council specifically adopts and makes this Statement of Overriding Considerations that this Project, has eliminated or substantially lessened all significant effects on the environment where feasible, and finds that the remaining significant, unavoidable impacts of the Project are acceptable in light of the economic, legal, environmental, social, technological or other considerations noted below, because the benefits of the Project outweigh the significant and adverse impacts of the Project. The City Council finds that each of the overriding considerations set forth below constitutes a separate and independent ground for finding that the benefits of the Project outweigh its significant adverse environmental impacts and is an overriding consideration warranting approval of the Project. These matters are supported by evidence in the record that includes, but is not limited to, the Envision San José 2040 General Plan, Diridon Station Area Plan, Downtown Strategy 2040, the San José Municipal Code, the San José Design Guidelines pertaining to development in the expanded Downtown Growth Area and the Diridon Station Area Urban Village, the San José Greenprint (NOW Activate San José), the San José Bike Plan 2020 and Climate Smart San José.

C. **Benefits of the Proposed Project**. The City Council has considered the public record of proceedings on the proposed Project and other written materials presented to the City as well as oral and written testimony at all hearings related to the Project, and does hereby determine that implementation of the Project as specifically provided in the Project documents would result in the following substantial public benefits:

1. **In-fill Development in an Identified Growth Area.** The Project adds development capacity for 3,000,000 square feet of office space and 4,000 dwelling units within walking, biking, bus, light rail, and heavy rail public transit distance of existing and planned commercial and residential uses in the expanded Downtown Growth area boundary and the Diridon Station Area Urban Village, advancing Major Strategies Nos. 9 and 12 in the Envision San José 2040 General Plan. The subject Project will contribute to and compliment the growth of the Downtown Growth Area and Diridon Station Area Urban Village by facilitating future housing and employment opportunities near shops, restaurants, services, and amenities accessible walking, biking, bus, and light and heavy rail public transit, reducing the number of vehicle miles traveled per person compared with the equivalent amount of residential and office capacity in a more suburban location.

2. **Increase Employment within San José.** The provision of an additional 3,000,000 square feet of office capacity within the expanded Downtown Growth Area and the Diridon Station Area Urban Village will advance goals in the Envision San José 2040 General Plan to increase the ratio of jobs/employed residents to attain fiscal sustainability for the City. Specifically, the Project will enhance office capacity for various employment uses that are located in proximity to bus, light rail, and heavy rail public transit to contribute to the City's long-term achievement of economic development and job growth goals.

3. **Development near High–Frequency Transit Services.** The Project supports goals of the Envision San José 2040 General Plan to focus jobs within proximity to existing and planned high-frequency transit in the expanded Downtown Growth Area and the Diridon Station Area Urban Village.

4. **Establishment of a new Downtown Employment Priority Area in proximity to the planned Downtown Bay Area Rapid Transit (BART) Station.** The Project includes the establishment of a new Downtown Employment Priority Area to support Downtown San José's growth as a Regional Employment Center that will include specific sites within approximately one block of the future central Downtown BART Station generally including properties bounded by St. John Street to the north, 4th Street to the east, San Fernando Street to the south, and San Pedro Street to the west, that will provide enhanced employment capacity in the expanded Downtown

Growth Area, which is well-served by existing transit and the future Downtown BART Station.

5. **Reduction in Vehicle Miles Traveled.** The Downtown Strategy 2040 is intended to reduce VMT through regional transit use and increase the use of alternative transportation at the community level, a major goal of the City and the region. By intensifying development in proximity to Diridon Station (San José's largest transit hub) and other transit services included in the cumulative condition, such as the future BART station on Santa Clara Street, the Downtown Strategy 2040 supports use of the regional transit system for commuting. In addition, the intensification of residential and office development in Downtown can reduce the distances between jobs and housing, supporting alternative transportation modes over vehicle use for commuting.

The City Council has weighed each of the above benefits of the proposed Project against its unavoidable environmental risks and adverse environmental effects identified in the FEIR, and hereby determines that those benefits outweigh the risks and adverse environmental effects of the Project and, therefore, further determines that these risks and adverse environmental effects are acceptable and overridden.

LOCATION AND CUSTODIAN OF RECORDS

The documents and other materials that constitute the record of proceedings on which the City Council based the foregoing findings and approval of the Project are located at the Department of Planning, Building, and Code Enforcement, 200 East Santa Clara Street, Third Floor Tower, San José, CA 95113.

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ADOPTED this _____ day of _____, 20__, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk