



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Planning Commission

SUBJECT: SEE BELOW

DATE: February 15, 2019

SUBJECT: PP18-101: AN ORDINANCE OF THE CITY OF SAN JOSÉ AMENDING TITLE 20 OF THE SAN JOSÉ MUNICIPAL CODE (THE ZONING CODE) BY ADDING A NEW PART 3.75 TO CHAPTER 20.80, AMENDING CHAPTER 20.70 TO ADD CO-LIVING COMMUNITY AS AN ENUMERATED USE IN THE DOWNTOWN, AMENDING CHAPTER 20.200 TO ADD A NEW DEFINITION OF CO-LIVING COMMUNITY, ADDING RELATED PARKING REQUIREMENTS TO CHAPTER 20.90, AND MAKING OTHER TECHNICAL, NON-SUBSTANTIVE OR FORMATTING CHANGES TO TITLE 20.

RECOMMENDATION

The Planning Commission voted 6-0 to recommend that the City Council:

1. Consider the Determination of Consistency in accordance with CEQA; and
2. Adopt an ordinance amending Title 20 of the Municipal Code to:
 - a) Add Co-Living Community as an enumerated use in the Downtown Zoning Districts, add new Part 3.75 to Chapter 20.80 to establish the rules and regulations related to Co-Living Community, add related parking requirements, and amend Chapter 20.200 to add a definition for Co-Living Community; and
 - b) Make other technical, non-substantive, or formatting changes to Title 20.

OUTCOME

If adopted by the City Council, Chapter 20.80 of Title 20 would be amended to add a definition of Co-Living Community, add Co-Living as an enumerated use in the Downtown Zoning Districts, and establish requirements to facilitate the construction of Co-Living housing products.

BACKGROUND

On January 30, 2019, the Planning Commission conducted a public hearing on the proposed amendments to the Zoning Code. The attached Staff Report to the Planning Commission provides the analysis, public outreach, and coordination conducted on the proposed Zoning Code amendments.

Staff provided an overview of the Ordinance changes to allow Co-Living housing in Downtown.

Public Testimony

Four speakers provided public testimony; all expressed support for the proposed Zoning Code changes as an opportunity to address the current housing crisis. Erik Schoennauer indicated that the proposed requirement for a full kitchen to serve ten bedrooms or more should be revised to six bedrooms or more, to accommodate the varying comfort levels of individuals in a social environment and the different co-living models that are already currently being built.

Eli Sokol suggested that the bicycle parking ratio be lowered, as it exceeds current requirements in dense cities such as San Francisco and Portland. He requested that staff consider a progressive model where the initial set of units or square footage has certain vehicle and bike ratios; then as a building gets larger in scale, the extra units would be required to provide less parking.

Erik Hollgrimson noted that the co-living housing product is targeted towards millennials, who approach mobility quite differently than other segments of the population. He shared that increased flexibility in parking would be conducive to a pedestrian-friendly urban environment.

Mark Tersini stated that builders of the co-living housing product typically do not want or need to provide a significant amount of parking. Developers of this housing type should be able to decide the minimum parking levels for the project.

Planning Commission Discussion

Commissioners Allen, Griswold and Yesney requested clarifications on the requirement for a minimum of ten bedrooms to qualify as a Co-Living Community. Staff clarified that the minimum ten-to-one full kitchen requirement, was determined to be an optimal number to allow one full shared kitchen, configured along a row or as a group of rooms (cluster), based on existing operating models and typical ratios adopted in other cities. The co-living housing type is geared towards urban living where residents prefer to utilize common areas and shared amenities.

Commissioner Yesney supported a six room-to-one full kitchen requirement, and commented that there is reduced food waste and garbage from these kitchens as they may be rarely utilized. Staff commented that the furnished rooms could incorporate cleaning services along with other amenities such a gym, group exercise rooms, and could include unrelated persons living within the same space.

Commissioner Leyba commented that the co-living model may function similar to an adult dormitory. He shared that the reduced six room-to-full kitchen ratio, however, could render this model closer to multi-family than dormitories, and could improve economic viability and access for tenants. The co-living arrangement could allow smaller group of individuals to explore flexible housing arrangements.

Staff noted that co-living housing projects are required to provide Transportation Demand Management (TDM) measures to encourage the residents to use other modes of transportation beyond the private motor vehicle. The required .25 parking spaces per room ratio is a baseline from which available parking reductions are measured. A co-living project could obtain up to a 50% motor vehicle parking reduction when providing (TDM) measures, including the VTA Smart Pass, unbundled parking, bike share, and on site amenities. The project could benefit from an additional 15% or 50 % reduction, based on the Downtown Parking Management Zone requirement. Taking advantage of all of the available reductions, a co-living project could reduce its required parking to .065 parking spaces per bedroom. Staff also noted that the current Municipal Code Section 20.90.240 allows up to a 40% reduction for on-site short-term bicycle spaces used by visitors, guests, or business patrons as defined in Section 20.90.050. Staff shared that it had received feedback from Department of Public Works' staff in support of incorporating the TDM measures, especially through the issuance of a Smart Pass.

Commissioner Ballard shared she supported the required ratio for bicycles and said that it is better to be conservative, as the City has been with motor vehicle parking, and potentially providing too much bike parking then not enough. If, in the future, it is determined that the required bike parking is significantly more than is needed then the requirements could be reduced.

Commissioner Vora asked if there is a cost difference between constructing a Co-Living project and a conventional multi-family building with a similar square footage. Mark Tersini responded, stating that there is no significant cost difference. He said that the real difference is that a Co-Living project would produce a significantly higher revenue stream than a conventional apartment building. He said that, given the rapid increase in construction cost in recent years, and flattening rents, a conventional apartment building would not generate enough income to cover the increased cost of construction. He indicated that is why the City is not seeing new groundbreakings on high rise apartments in Downtown at this point in time. The income from a co-living project, however, is anticipated to be high enough to cover the increased cost of construction.

Staff noted that the proposed housing type would result in a high density development with shared amenities, additional facilities and with larger interactive common areas. The intent of this Ordinance was to facilitate a higher room-to-amenities ratio which results in accommodating more units.

Commissioner Allen mentioned that six rooms would be a starting point and would help increase the flexibility of building type. He said that he was proud of the community that came out to support this proposal.

The Planning Commission voted 6-0 to recommend that the City Council adopt staff's recommendation, with the change in the minimum bedrooms per kitchen from ten to six.

ANALYSIS

A complete analysis of the issues regarding the Zoning Ordinance changes is contained in the attached Staff Report to the Planning Commission.

Since the January 30, 2019, Planning Commission hearing, staff has made clarifications to the language in the draft Ordinance related to the motor vehicle parking requirement and the closet/storage space requirement:

- **Clarification to the motor vehicle parking requirement.** To clarify the proposed parking requirement in the draft Ordinance and make the language consistent with the Zoning Ordinance's approach to parking for other uses Downtown and citywide, staff proposes to delete the requirement that co-living projects provide TDM measures if they do not take advantage of parking reductions. Staff proposes to establish the minimum parking requirement for co-living as 0.25 parking spaces per bedroom ratio, while retaining the existing opportunities for parking reductions through the use of TDM measures.
- **Clarification to closet/storage space requirement.** Staff is proposing additional language to clarify that the required storage space in a bedroom does not have to be provided by a closet, but could be provided by a piece of furniture, such as a dresser or storage bins.

Staff has also continued to receive stakeholder comments regarding the bicycle parking requirement of 0.5 space per bed. Stakeholders shared that the requirement is too high as compared to more dense cities such as San Francisco and Portland.

EVALUATION AND FOLLOW-UP

If the proposed Zoning Ordinance amendments are approved by Council, the new Ordinance will be effective 30 days after the second reading.

PUBLIC OUTREACH/INTEREST

Public outreach for this proposal complies with the City Council's Public Outreach Policy and the Municipal Code. A public hearing notice, including the Planning Commission and City Council hearing dates was published in the San José Post-Record and emailed to a list of interested groups and individuals. Staff posted the hearing notice, staff report, and draft

ordinance on the PBCE Department website. Staff has been available to discuss the proposal with interested members of the public.

On January 9, 2019, staff conducted a community meeting on the proposed Zoning Code changes. Approximately 24 people attended the meeting, including residents, developers, builders, and representatives of co-living housing entities. The attendees were generally supportive of the proposal. They provided feedback on vehicle and bicycle parking, providing flexibility in design types, and concerns about affordable housing and parks fees. Residents shared concerns about increased density and adequate parking.

COORDINATION

The preparation of the proposed ordinance and this memorandum were coordinated with the City Attorney's Office and the Housing Department.

CEQA

A Determination of Consistency with the Envision San José 2040 General Plan Final Program Environmental Impact Report (FEIR), for which the findings were adopted by City Council through Resolution No. 76041 on November 1, 2011, and Supplemental EIR Resolution No. 77617, adopted by City Council on December 15, 2015, and Addenda thereto. Pursuant to Section 15168 of the CEQA Guidelines, the City of San José has determined that this activity is within the scope of the earlier approved programs and the Final Program EIRs adequately describe the activity for purposes of CEQA. The project does not involve new significant effects beyond those analyzed in the Final Program EIRs.

/s/

ROSALYNN HUGHEY, SECRETARY
Planning Commission

For questions, please contact Michael Brilliot, Deputy Director, at (408) 535-7831.

Attachments:

1. Staff Report to Planning Commission
2. Draft Ordinance



Memorandum

TO: PLANNING COMMISSION

FROM: Rosalynn Hughey

SUBJECT: See Below

DATE: January 30, 2019

SUBJECT: PP18-101–AN ORDINANCE OF THE CITY OF SAN JOSÉ AMENDING TITLE 20 OF THE SAN JOSÉ MUNICIPAL CODE (THE ZONING CODE) BY ADDING A NEW PART 3.75 OF CHAPTER 20.80, AMENDING CHAPTER 20.70 TO ADD CO-LIVING COMMUNITY AS AN ENUMERATED USE IN THE DOWNTOWN, AMENDING CHAPTER 20.200 TO ADD A NEW DEFINITION OF CO-LIVING COMMUNITY, ADDING RELATED PARKING REQUIREMENTS TO CHAPTER 20.90, AND MAKING OTHER TECHNICAL, NON-SUBSTANTIVE OR FORMATTING CHANGES TO TITLE 20.

RECOMMENDATION

1. Consider the Determination of Consistency in accordance with CEQA; and
2. Recommend that the City Council adopt an ordinance amending Title 20 (the Zoning Code) of the San José Municipal Code to:
 - i) Add Co-Living Community as an enumerated use in the Downtown Zoning Districts, add new Part 3.75 to Chapter 20.80 to establish the rules and regulations related to Co-Living Community, add related parking requirements, and amend Chapter 20.200 to add a definition for Co-living Community; and
 - ii) Make other technical, non-substantive, or formatting changes to Title 20.

OUTCOME

If adopted by the City Council, the proposed ordinance would create a new enumerated use, Co-Living Community, in the Downtown Zoning Districts, establish the rules and regulations for these communities, and adopt a definition for this use. This use will only be allowed in the Downtown Primary Commercial and Downtown Commercial- Neighborhood Transition 1 Zoning Districts.

BACKGROUND

Housing Crisis Workplan

In his September 27, 2017 memo, Mayor Liccardo established a goal of creating 25,000 housing units, with at least 10,000 of those units being for affordable housing, in the City of San José. This goal was meant to build upon existing efforts to intensify density in approved growth areas under the 2040 General Plan. The City Council approved the Mayor's memo and recommendations at the October 2017 Priority Setting session. This approval made the creation of 25,000 housing units a Council goal and priority. With the Council approval of this plan, staff was tasked with developing a Housing Crisis Workplan to facilitate the construction of these units.

One of the items identified in the Mayor's memo was to focus resources and staff time to enable the construction or approval of 12,500 new units in Downtown by 2022. The Mayor directed staff to get to this goal by updating the Downtown Zoning Districts to eliminate parking requirements and encouraging density and development. The Mayor tasked staff with implementing innovative planning approaches that facilitate the reduction in development costs so that more people can be housed quickly. This overall work item has a variety of components that staff will continue to work on over the next five years.

In the immediate term, staff is exploring more innovative ways to provide needed housing throughout the City and in Downtown specifically. One of these ways is exploring the concept of group housing, or co-living as a new residential use in the Downtown. The development community has approached staff about this housing model, and up until recently, staff was unable to entertain this type of living model, given the limitations of the existing Zoning Ordinance. Based on the Mayor's direction, and the clear need for additional housing options, staff is recommending adding this housing model as an enumerated use in the Downtown.

Co-Living Community

Group housing, or co-living, has become a modern solution to the existing housing crisis in the Bay Area. This modern co-living concept centers around renting bedrooms in a larger multi-unit complex where one or two individuals can enter a lease agreement for a single bedroom (with or without a private bath) and use shared kitchen and bath facilities, and common living space with other tenants. The Zoning Ordinance does not currently support this type of housing model. Staff is proposing to add "co-living community" as an enumerated use in two Downtown Zoning Districts. Should this model prove to be a successful housing type for the City, staff will consider expanding this use to other growth areas outside of Downtown.

This new use will be required to provide ample common living space for residents, provide extensive bicycle parking, and offer other transportation demand management (TDM) incentives that support this urban living option. These incentives could include but are not limited to those TDM measures listed in section 20.90.220.1.d of the Zoning Ordinance such as carpool/vanpool share programs, bike-share programs, car-share programs, unbundled parking, and other incentive-based measures that encourage residents to use alternative modes of transportation rather than personal vehicles.

It is too soon to tell if this particular housing product will be the answer to San José's Housing Crisis. However, creating the path forward for a project like this is essential to getting to the heart of the Mayor's memo of finding creating ways to address the housing crisis in San José.

ANALYSIS

Proposed Title 20 Changes

The addition of the new enumerated use of Co-Living Community requires the following changes to the Zoning Code:

1. **20.70.100 Allowed uses and permit requirements**

Table 20-140 of the Downtown Zoning Regulations found in Chapter 20.70 reflects the new enumerated use of Co-Living Community in the DC Downtown Primary Commercial and DC-NT1 Downtown Commercial Neighborhood Transition 1 zoning districts. This use will require a Special Use Permit which is noted with an “S” on Table 20-140.

2. **Chapter 20.80 Specific Use Regulations**

New Part 3.75 in Chapter 20.80 contains the rules and regulations of this new Co-Living Community use. This section identifies the size of rooms, required amenities, and required open space. This Part also identifies parking requirements and required Transportation Demand Management program requirements.

3. **Chapter 20.200 Definitions**

Section 20.200.197 defines this new use. A co-living community is intended to be a “residential community where individual secure bedrooms are rented to one or two persons.” Co-living communities contain bedrooms that are provided for an established duration with a lease agreement, in exchange for an agreed payment of a fixed amount of money. A co-living community must have common open space and shared full kitchen facilities must serve ten or more bedrooms.”

The purpose of this definition is to foster interaction and allow true co-living amongst residents. This definition could also be applied to larger four to six bedroom clusters with partial kitchen facilities.

General Plan Conformance

The proposed amendments to Title 20 support the Goals and Policies of the General Plan. The changes to the Zoning Ordinance help facilitate housing production, which is a primary goal of the General Plan. The following goals and policies also support this new use:

1. **Housing Policy H-3.3:** Situate housing in an environment that promotes the health, safety, and well-being of the occupants and is close to services and amenities.
2. **Housing Policy H-3.2:** Design high density residential and mixed residential/commercial development, particularly development located in identified Growth Areas.
3. **Design Policy CD-6.1:** Recognize Downtown as the most vibrant urban area of San José and maximize development potential and overall density with the Downtown.

4. Design Policy CD-6.2: Design new development with a scale, quality, and character to strengthen Downtown's status as a major urban center.

Analysis: The proposed Co-Living Community use is a new housing form that allows for more residential bedrooms than a traditional multifamily dwelling unit. The density of this proposed uses will not necessarily be reflected in a specific unit count, but it will allow the development community to house more people, in a flexible configuration, to address the current housing crisis. This new use will only be enumerated as a use in the two Downtown Zoning Districts, a growth area identified by the General Plan as one of the main areas anticipated for growth. This housing type offers more residents the opportunity to be near services and amenities of Downtown. This use will also provide more individuals with the ability to have access to transit and be less reliant on their vehicles. The Co-Living Community movement is a type of development that is taking off in other large, metropolitan cities and San José needs to be open to this housing type in order to stay economically viable. With future tech developments potentially moving into the Downtown, a denser, more urban environment will be required to meet the demands of the inevitable influx of individuals come to San José. The General Plan envisions the Downtown as a place where you can work, live, and play. It is vital to have rooms available for people to live in so that people can take advantage of a growing complete community envisioned for Downtown San José.

PUBLIC OUTREACH/INTEREST

Staff followed Council Policy 6-30: Public Outreach Policy, in that notices for the public hearings were posted on the City's website and published in the San José Post-Record and emailed to a list of interested groups and individuals. This staff report and attachments were posted on the City's website. Staff has been available to respond to questions from the public.

Staff initiated outreach efforts to gather public input on the proposed Zoning Code changes, and held a community meeting at City Hall on January 9, 2019. About 24 members of the public attended the meeting. The attendees were generally supportive of the proposal. They provided feedback related to requiring conformance with Downtown Design Guidelines, offering flexibility in design types and cluster configurations, incorporating vertical units and lofts, allowing a mix of use type within the same building, and lowering parking requirements. The attendees also had questions related to impact fee changes, which are typically determined by the Housing and PRNS departments.

COORDINATION

The preparation of the proposed ordinance and this staff report were coordinated with the City Attorney's Office.

CEQA

Determination of Consistency with the Envision San José 2040 General Plan Final Program Environmental Impact Report (FEIR), for which findings were adopted by City Council through Resolution No. 76041 on November 1, 2011, and Supplemental EIR Resolution No. 77617, adopted by City Council on December 15, 2015, and Addenda thereto. Pursuant to Section 15168 of the CEQA Guidelines, the City of San José has determined that this activity is within the scope of the earlier approved programs and the Final Program EIRs adequately describe the activity for purposes of CEQA. The project does not involve new significant effects beyond those analyzed in the Final Program EIRs.

Michael Bullard
for

ROSALYNN HUGHEY, DIRECTOR
Planning, Building and Code Enforcement

Attachments:

- 1) Draft Zoning Code changes
- 2) CEQA Determination of Consistency

DRAFT

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF SAN JOSE AMENDING SECTION 20.70.100 OF CHAPTER 20.70, ADDING A NEW PART 3.75 OF CHAPTER 20.80, AMENDING SECTION 20.90.060 OF CHAPTER 20.90, AND ADDING SECTION 20.200.197 OF CHAPTER 20.200 OF TITLE 20 OF THE SAN JOSE MUNICIPAL CODE TO ADD CO-LIVING COMMUNITY AS AN ENUMERATED USE IN THE DOWNTOWN, TO ESTABLISH RULES AND REGULATIONS RELATED TO CO-LIVING COMMUNITIES, TO ESTABLISH PARKING REQUIREMENTS FOR CO-LIVING COMMUNITIES, TO ADD A NEW DEFINITION FOR CO-LIVING COMMUNITY, AND MAKING OTHER TECHNICAL, NON-SUBSTANTIVE OR FORMATTING CHANGES

WHEREAS, pursuant to Section 15168(c)(2) of the CEQA Guidelines, the City of San José has determined that this Ordinance is pursuant to, in furtherance of and within the scope of the previously approved program evaluated in the Final Program Environmental Impact Report for the Envision San José 2040 General Plan (the “FEIR”), for which findings were adopted by City Council through its Resolution No. 76041 on November 1, 2011, and Supplemental Environmental Impact Report (the “SEIR”), through Resolution No. 77617, adopted by City Council on December 15, 2015, and Addenda thereto, and does not involve new significant effects beyond those analyzed in the FEIR and SEIR; and

WHEREAS, the City Council of the City of San José is the decision-making body for this Ordinance; and

WHEREAS, this Council of the City of San José has considered and approves the information contained in the FEIR, as supplemented and addendum thereto, and related City Council Resolution Nos. 76041 and 77617 and the determination of consistency therewith prior to taking any approval actions on this Ordinance;

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

SECTION 1. Section 20.70.100 of Chapter 20.70 of Title 20 of the San José Municipal Code is amended to read as follows:

20.70.100 Allowed Uses and Permit Requirements.

- A. "Permitted" land uses are indicated by a "P" on Table 20-140.
- B. "Permitted" uses which may be approved only on parcels within the downtown zoning districts which are designated on the land use/transportation diagram of the general plan, as amended, with a land use designation that allows some residential use, are indicated by a "P^{GP}" on Table 20-140. These uses may be allowed on such downtown zoning district parcels, but only in compliance with the general plan land use restrictions related to residential use.
- C. "Conditional" uses requiring planning commission approval as the initial decision-making body are indicated by a "C" on Table 20-140. These uses may be allowed in such designated districts, as an independent use, but only upon issuance of and in compliance with a conditional use permit approved by the planning commission, or city council on appeal, as set forth in Chapter 20.100.
- D. "Conditional" uses which may be approved only on parcels within the downtown zoning districts which are designated on the land use/transportation diagram of the general plan, as amended, with a land use designation that allows some residential use, are indicated by a "C^{GP}" on Table 20-140. These uses may be allowed on such downtown zoning district parcels, but only upon issuance of and in

compliance with a conditional use permit as set forth in Chapter 20.100; and in compliance with the general plan land use restrictions related to residential use.

- E. "Conditional" uses requiring city council approval as the initial decision-making body are indicated by a "CC" on Table 20-140. These uses may be allowed in such designated districts, as an independent use, but only upon issuance of and in compliance with a conditional use permit approved by the city council as set forth in Chapter 20.100. Applications for these uses shall first be considered by the planning commission at a public hearing of the commission for the commission's report and recommendation on the application to the city council pursuant to the processes set forth in Chapter 20.100.
- F. "Special" uses are indicated by a "S" on Table 20-140. These uses may be allowed in such designated districts, as an independent use, but only upon issuance of and in compliance with a special use permit as set forth in Chapter 20.100.
- G. "Special" uses which may be approved only on parcels within the downtown zoning districts which are designated on the land use/transportation diagram of the general plan, as amended, with a land use designation that allows some residential use, are indicated by an "S^{GP}" on Table 20-140. These uses may be allowed on such downtown zoning district parcels, but only upon issuance of and in compliance with a special use permit as set forth in Chapter 20.100; and in compliance with the general plan land use restrictions related to residential use.
- H. "Administrative" uses are indicated by an "A" on Table 20-140. These uses may be allowed in such designated districts, as an independent use, but only upon issuance of and in compliance with an administrative use permit as set forth in Chapter 20.100.

- I. "Restricted" land uses are indicated by an "R" on Table 20-140. These uses may occur in such designated districts, as an independent use, but only upon issuance of and in full compliance with a valid and effective zoning code verification certificate as set forth in Chapter 20.100.
- J. Land uses not permitted are indicated by a "-" on Table 20-140. Land uses not listed on Table 20-140 are not permitted.
- K. The column of Table 20-140, under the heading "Additional Use Regulations for the DG Overlay Area", identifies further regulations on the uses of ground-floor building space within a portion of the DC zoning district. The portion of the DC downtown primary commercial district included in the DG overlay area is described in Section 20.70.520. If there are no additional regulations noted in this column (such as the type of permit required or a "-" or cross references to notes or other section in the zoning code), then the use regulations for the DG overlay area are the same as the regulations of the DC zoning district.
- L. The "Parking" column of Table 20-140 establishes the required parking. The amount of parking may not be increased or decreased unless modified by the director as set forth in Sections 20.70.320 and 20.70.330 of this chapter.
- M. When the right column of Table 20-140 includes a reference to a section number or a footnote, the regulations cited in the section number or footnote apply to the use. In addition, all uses are subject to any other applicable provision of this Title 20 and any other title of the San José Municipal Code.

Table 20-140
Downtown Districts Land Use Regulations

Use	Zoning District	Applicable Notes & Sections
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	DC	DC-NT1	Additional Use Regulations for the DG Overlay Area	Parking	Applicable to All Downtown Districts
Offices and Financial Services					
Automatic teller machine	P	P		No parking	Section 20.80.200
Business support use	P	P	S, Notes k and n	No parking	
Financial institution	P	P	S, Note n	2.5 per 1,000 sq. ft.	
Financial services	P	P	S, Notes m and n	No parking	
Offices, business and administrative	P	P	S, Notes i and n	2.5 per 1,000 sq. ft.	Section 20.70.110
Payday lending establishment	R	R			Part 12.5, Chapter 20.80; Section 20.200.875
Research and development	P	P	-	2.5 per 1,000 sq. ft.	Note 1
General Retail					
Off-sale, alcoholic beverages - beer and/or wine only	C	C		No parking	Section 20.80.900
Off-sale, alcohol beverages - full range of alcoholic beverages	C	C		No parking	Section 20.80.900
Auction	S	-	S	No parking	
Certified farmers' market	S	S		No parking	Part 3.5, Chapter 20.80
Certified farmers' market - small	P	P		No parking	Part 3.5, Chapter 20.80
Food, beverage, groceries	P	P		No parking	

Open air sales establishments and areas	S	S		No parking	
Outdoor vending	S	S		No parking	Part 10, Chapter 20.80
Outdoor vending - fresh fruits and vegetables	P	P		No parking	Part 10, Chapter 20.80
Pawn shop, pawn broker	C	C	Note b	No parking	
Retail sales, goods and merchandise	P	P	S/P, Note a	No parking	
Seasonal sales	P	P		No parking	Part 14, Chapter 20.80
Education and Training					
Day care center	P	P	S, Notes c and n	No parking	
School, post-secondary	P	P	-	1 per 360 sq. ft.	
School, trade and vocational	P	P	-	1 per 360 sq. ft.	
Personal enrichment, instructional art	P	P	-, Note d	1 per 360 sq. ft.	
School, elementary (grades K - 8)	C	C	-	1 per teacher and employee	
High school (grades 9 - 12)	C	C	-	.75 per teacher and employee and 1 per each 10 students	
Entertainment and Recreation Related					
Amusement game arcade	S	-	S, -	No parking	
Movie theater	P	P		No parking	
Recreation commercial/indoor	P	P		No parking	
Poolroom	S	-		No parking	
Private club or lodge	P	P	-	1 per 360 sq. ft.	

Art display structure	S	-	S	No parking	Section 20.70.140
Lighting display	A/S	A/S			Note e, Section 20.70.150
Food Services					
Banquet - facility	P	P		No parking required	
Caterer	P	P	C, Note f	No parking	
Drinking establishments	C	C		No parking	
Drinking establishments with an approved maximum occupancy load of over 250 persons and that operate between 12:00 midnight and 6:00 a.m.	CC	-		No parking	Note 7
Drinking establishments interior to a full-service hotel/motel with 75 or more guest rooms	P	P		No parking	Section 20.80.475
Public eating establishments	P	P		No parking	Note 9
Wineries, breweries	C	C		No parking	
Health and Veterinary Services					
Animal grooming	P	P	-	No parking	
Animal boarding, indoor	P	P	-	No parking	
Emergency ambulance service	C	-	-	No parking	
Hospital/in-patient medical facility	C	-	-	1.5 per doctor	
Medical or dental clinic/out-patient facility	P	P	-	1.5 per doctor	
Medical cannabis collective	R	-	-	No parking	Part 9.75, Chapter 20.80
Medical cannabis collective dispensary site only	R	-	-	No parking	Part 9.75, Chapter 20.80

Medical cannabis business	R	-	-	No parking	Part 9.75, Chapter 20.80
Non-medical cannabis business	R	-	-	No parking	Part 9.75, Chapter 20.80
Veterinarian	P	P	-	1.5 per doctor	
General Services					
Bed and breakfast inn	P	P	S, Note I	.35 per room	Part 2, Chapter 20.80
Hotel/motel	P	P	-, Note I	.35 per room	
Maintenance and repair of household appliances, small	P	P	-	No parking	
Mortuary and funeral services	C	C	-	.75 per employee and vehicle	
Personal services	P	P	Note g	No parking	
Printing and publishing	P	P	Note h	No parking	
Public, Quasi-Public and Assembly Uses					
Auditorium	C	-	C	No parking	
Cemetery	C	C	-	No parking	
Church/religious assembly	P	P		No parking	
Information center	P	P		No parking	
Museums, libraries	P	-	P	No parking	
Parks, playgrounds, or community centers	P	P	S, Note j	No parking	
Residential ^{GP}					
Residential shelter	C _{GP}	-	-	1 per 4 beds, 2.5 per 1,000 sq. ft.	
Live/work uses	P _{GP}	S ^{GP}		1.5 per unit	Section 20.70.120
Residential multiple dwelling	P _{GP}	P ^{GP}	-	1 per unit	

Co-Living Community	S	S	-	.25 per bedroom	Part 3.75, Chapter 20.80
Residential care facility for seven or more persons	C _{GP}	C _{GP}	-	.75 per employee	
Residential services facility, for seven or more persons	C _{GP}	C _{GP}	-	.75 per employee	
Hotel supportive housing	C _{GP}	C _{GP}	-	.35 per room	Note o; Part 22 of Chapter 20.80
Single room occupancy (SRO) living unit facility	S _{GP}	S _{GP}	-	.6 per unit	Part 15, Chapter 20.80
Single room occupancy (SRO) residential hotel	S	S	-	.6 per unit	Part 15, Chapter 20.80
Residential Accessory Uses ^{GP}					
Accessory buildings and accessory structures	P _{GP}	P _{GP}	-	No parking	Note 2
Recycling Uses					
Reverse vending machine	S	S	-	No parking	Part 13, Chapter 20.80
Small collection facility	S	S	-	No parking	Part 13, Chapter 20.80
Transportation and Communication					
Community television antenna systems	C	-	-	No parking	
Off-site and alternating use parking arrangements	P	P	-	N/A	Section 20.90.200
Off-street parking establishment	P	P	-	N/A	
Private electrical power generation facility	C	C	-	1 for each vehicle used in the operation of such facility	
Standby generators that do not exceed noise or air standards	A	A	-	N/A	

Temporary stand-by/backup generators	P	P	-	N/A	
Short term parking lot for uses or events other than on-site	S	S		N/A	
Radio and television studios	P	-	Note n	No parking	
Wireless communications antenna	S	-	-	No parking	Note 10, Sections 20.80.1900, 20.80.1915
Wireless communications antenna, building mounted	P	-	-	No parking	Note 10, Sections 20.80.1900, 20.80.1915
Electrical Power Generation					
Solar photovoltaic power system	P	P	-	No parking	Section 20.100.610 C.7.
Vehicle Related Uses					
Accessory installation for cars and passenger trucks	P	-	-	No parking	
Car wash, detailing	P	-	-	No parking	
Gasoline service station or charge station	P	-	-	No parking	Note 3, Note 8
Gasoline service station or charge station, with incidental service and repair	P	-	-	No parking	Note 3
Sale and lease, vehicles and equipment (less than one ton)	P	-	-	1.5 per employee	Note 4
Tires, batteries, accessories, lube, oil change, smog check station, air conditioning	P	-	-	2 per bay or .75 per employee	Note 5
Sale, vehicle parts, new	P	-	-	No parking required	
Historic Reuse					
Historic landmark structure reuse	S	S		Section 20.90.220 E.	Part 8.5, Chapter 20.80

Notes applicable to the DG area only:

- a. Second-hand stores not dealing primarily in antiques, artworks, or vintage clothing require a Special Use Permit in the DG overlay area.
- b. Only as a use incidental to a retail jewelry store, otherwise, not Permitted.
- c. Only as a use incidental to existing on-site office use, otherwise not Permitted.
- d. Culinary/art school with public classes and public demonstrations allowed, includes such areas as dance, music, martial arts, and fine arts.
- e. Section 20.70.150 specifies the permits required under Title 20 for a lighting display.
- f. Only as a use incidental to restaurant, grocery or bakery uses for primarily on-site sales, otherwise not Permitted.
- g. Excludes check-cashing services and bail bond services.
- h. Only if dedicated primarily to on-site retail customer copy services, otherwise not Permitted.
- i. Exception for travel agencies and real estate agencies which are the only Permitted uses.
- j. Community centers are allowed with a Special Use Permit.
- k. Exception for copy shops and mail centers which are the only Permitted uses.
- l. Use of ground floor to be primarily dedicated to customer-related public services.
- m. Includes financial retail services such as payroll advances, foreign currency exchange, debit card services and related financial services products but excludes check cashing except as an ancillary use.
- n. In order to be a Permitted use, the space to be occupied shall have been vacant on January 1, 2012, the size of the space of such use shall be limited in size to a total maximum area of no greater than twenty thousand

(20,000) square feet, and the space shall not be located within a corner tenant space that is directly adjacent to the intersection of two public Streets. Any use that does not meet all of the criteria specified above in this note may be allowed with a Special Use Permit, and a Special Use Permit is and shall be required.

- o. Hotel Supportive Housing may be Permitted only with a Conditional Use Permit pursuant to Part 22 of Chapter 20.80 and only until December 31, 2026.

Notes applicable to downtown primary commercial (DC) zoning district, including DG area:

1. Excludes manufacturing uses.
2. No Lot may be used solely for an Accessory Structure or Accessory Building.
3. Incidental repair includes air conditioning service, carburetor and fuel injection service, electrical service, radiator service, and tune-up, lube, oil change, and smog check, as well as tires, batteries and accessories installation. Does not allow body repair or painting.
4. All activity must be conducted indoors.
5. Non-engine and exhaust-related service and repair allowed as incidental use.
6. Limited to instrumental and vocal music and readings. Also, notwithstanding the provisions of Section 20.200.940 B., incidental instrumental and vocal music shall be allowed between the hours of 6:00 a.m. and 12:00 a.m.
7. Maximum occupancy load shall be that maximum occupancy load determined by the City fire marshal.
8. Pedestal Charge Stations that are incidental to a separate primary use, that do not impact on-site or off-site vehicular circulation, and that serve

patrons of the primary use on-site are permitted in all Downtown Zoning Districts.

9. Includes on-site outdoor dining area(s).
10. Certain modifications of existing Wireless Facilities may be Permitted with an Administrative Permit in accordance with Section 20.80.1915 of Chapter 20.80.

SECTION 2. A new Part is added to Chapter 20.80 of Title 20 of the San José Municipal Code, to be numbered, entitled and to read as follows:

Part 3.75
Co-Living Community

20.80.290 Co-Living Community Criteria for Approval.

- A. For the purposes of this part, a co-living community is comprised of multiple bedrooms in a non-traditional unit configuration. Bedrooms are considered sleeping units as defined in Chapter 2 of the California Building Code, and as adopted in Chapter 24.03 of the San Jose Municipal Code.
- B. No special use permit may be issued for a co-living community unless the following criteria are met:
 1. Excluding the closet and the bathroom area, a bedroom must be at least one hundred (100) square feet in floor area if occupied by one (1) person, and one hundred fifty (150) square feet in floor area if occupied by two (2) persons, in accordance with the California Building Code. The average bedroom size shall be no greater than two hundred seventy-five (275) square feet and no bedroom may exceed four hundred (400) square feet.

2. Each bedroom shall be designed to accommodate a maximum of up to two (2) persons, along a lateral or loft configuration, in accordance with California Building Code.
3. Bedrooms may be arranged within a four (4) to six (6) bedroom cluster and may contain partial kitchen and bath facilities, and shall meet the additional common space requirement in accordance with Section 20.80.290.B.7.
4. A bedroom may contain partial kitchen facilities. If individual partial or complete bath facilities are not provided in a bedroom, common bath facilities must be provided in accordance with Subsection B of Section 17.20.290 of Title 17 of the San José Municipal Code.
5. Common full kitchen facilities must be provided to adequately serve the residents of the co-living community and must serve ten or more bedrooms.
6. Individual bedrooms may not have separate external entryways.
7. Co-living community shall provide a minimum of 20 square feet of interior common space per bedroom, excluding janitorial storage, laundry facilities and common hallways. The interior common space can be on different floors than the corresponding bedrooms.
8. A closet or designated storage space is required in every bedroom.

9. A cleaning supply storeroom and/or utility closet with at least one (1) laundry tub with hot and cold running water must be provided on each floor of the facility.
10. Laundry facilities must be provided in a separate room at the ratio of one (1) washer and one (1) dryer for every twenty (20) bedrooms or fractional number thereof.
11. The co-living community is subject to regulatory programs and requirements by the Department of Housing.
12. The co-living community application must have an operations management plan approved by the Departments of Planning and Housing.
13. The co-living community shall conform to the design guidelines in Section 20.70.500.
14. A Transportation Demand Management Plan (TDM), in conformance with Section 20.90.220, shall be required for a co-living community, regardless of whether a reduction in parking is requested.

C. Kitchen and bathroom facilities:

1. For purposes of this section, a partial bathroom contains a water closet and sink. A full bathroom includes sink, toilet, and shower and/or bath facilities.
2. A full kitchen contains all of the following: a sink, food preparation counter, storage cabinets, and permanent cooking facilities such as an oven and

range or cooktop, that meet Building Code standards. A partial kitchen shall not include permanent cooking facilities.

- D. The planning director shall deny the application where the information submitted by the applicant and/or presented at the public hearing fails to satisfactorily substantiate that the project will comply with these criteria.

SECTION 3. Section 20.90.060 of Chapter 20.90 of Title 20 of the San José Municipal Code is amended to read as follows:

20.90.060 Number Of Parking Spaces Required.

A. Number of Off-Street Vehicle Spaces Required.

1. All parking requirements in Table 20-190 are minimums unless otherwise specified. Each land use shall provide, on site, at least the minimum number of vehicle parking spaces required by Table 20-190, unless a modification has been granted pursuant to Section 20.90.220 or 20.90.230.
2. All required parking shall be made available to residents, patrons and employees of a use on the site.
3. All vehicle parking spaces shall be standard size spaces as set forth in Section 20.90.100. Alternatively, a development permit may:
 - a. Authorize all off-street vehicle parking spaces to be uniform-size car spaces, as set forth in Section 20.90.100; or

- b. Allow up to forty percent of the off-street vehicle parking spaces to be small car spaces as set forth in Section 20.90.100. The remainder of the required vehicle off-street parking spaces shall be standard car space as defined in Section 20.90.100.
4. If the number of off-street vehicle parking spaces hereinafter required contains a fraction after all parking is totaled, such number shall be rounded to the nearest higher whole number.
5. Whenever alternative units of measurement are specified in Tables 20-190, 20-200 or 20-210 for computing vehicle off-street parking requirements for any given use, the unit of measurement which provides the greatest number of off-street parking spaces for such use shall control.
6. The minimum number of vehicle off- street parking spaces required for any given use is the same irrespective of the district in which such use is conducted. In case of a use for which vehicle off-street parking requirements are not specified at all, the requirements for the most nearly similar use for which vehicle off-street parking requirements are specified shall apply.
7. When two or more uses are located in the same lot or parcel of land or within the same building, the number of vehicle off-street parking spaces required shall be the sum total of the requirements of the various individual uses computed separately in accordance with this Chapter 20.90, except as hereinafter provided for alternating uses or exceptions.

B. Number of Bicycle Parking Spaces Required.

1. The minimum number of bicycle parking spaces required for uses permitted under this title is set forth in Table 20-190.
2. Except as otherwise expressly permitted in this chapter, the minimum number of bicycle parking spaces required under this title shall be provided on private property on a parcel or development site in an area, other than a public street, public way, or other public property, permanently reserved or set aside for bicycle parking spaces.
3. A minimum of two short-term bicycle parking spaces and one long-term bicycle parking space shall be provided for each site that has a nonresidential use set forth in Table 20-190.
4. If the number of bicycle parking spaces hereinafter required contains a fraction, such number shall be rounded to the nearest higher whole number.

Table 20-190
Parking Spaces Required by Land Use

Use	Vehicle Parking Required	Applicable Sections	Bicycle Parking Required
Agriculture and Resource Uses			
Agriculture and Resource Uses	1 per employee	Note 6	1 per 10 full-time employees
Drive-Through Uses			
Drive-through in conjunction with any use	No additional parking required		None
Education and Training			
Day care center	1 per 6 children, up to 5 spaces and thereafter 1	Note 6	1 per 10 full-time employees and children

	per 10 children (includes employee parking)		
Instructional studios	1 per 150 sq. ft. of floor area	Note 6	1 per 3,000 sq. ft. of floor area
Private instruction, personal enrichment	1 per 3 students, plus 1 per staff	Note 6	1 per 10 students and full-time employees
School- elementary (K - 8)	1 per teacher, plus 1 per employee	Note 6	1 per 10 full-time employees plus 6 per classroom
School- secondary (9 - 12)	1 per teacher, plus 1 per employee, plus 1 per 5 students	Note 6	1 per 10 full-time employees plus 10 per classroom
School, post secondary	1 per 3 students, plus 1 per staff	Note 6	1 per 10 full-time employees plus 10 per classroom
School, trade and vocational	1 per 3 students, plus 1 per staff	Note 6	1 per 10 full-time employees plus 10 per classroom
Entertainment and Recreation			
Arcade, amusement	1 per 200 sq. ft of floor area	Note 6	1 per 3,000 sq. ft. of floor area
Batting cages	1 per station, plus 1 per employee	Note 6	1 per 10 full-time employees plus one per 6 stations
Bowling establishment	7 per lane	Note 6	1 per 2 lanes
Dancehall	1 per 40 sq. ft. open to public	Note 6	1 per 3,000 sq. ft. of floor area
Driving range	1 per tee, plus 1 per employee	Note 6	1 per 10 full-time employees

			plus 1 per 10 tees
Golf course	8 per golf hole, plus 1 per employee	Note 6	1 per 10 full-time employees plus 1 per 2 golf holes
Health club, gymnasium	1 per 80 sq. ft. recreational space	Note 6	1 per 1,600 sq. ft. of recreational space
Miniature golf	1.25 per tee, plus 1 per employee	Note 6	1 per 10 full-time employees plus 1 per 6 tees
Performing arts rehearsal space	1 per 250 sq. ft. of floor area	Section 20.90.220E.	1 per 4,000 sq. ft. of floor area
Poolroom	1 per 200 sq. ft. of floor area	Note 6	1 per 3,000 sq. ft. of floor area
Private club or lodge	1 per 4 fixed seats on the premises, or 1 per 6 linear feet of seating, plus 1 per 200 square feet of area without seating but designed for meeting or assembly by guests, plus 1 per 500 sq. ft. of outdoor area developed for recreational purposes	Note 6	1 per 60 fixed seats on the premises, or 1 per 90 linear feet of seating, plus 1 per 3,000 sq. ft. of area without seating but designed for meeting or assembly by guests, plus 1 per 5,000 sq. ft. of outdoor area developed for recreational purposes
Recreation, commercial (indoor)	1 per 80 sq. ft. of recreational area	Note 6	1 per 1,600 sq. ft. of recreational area

Recreation, commercial (outdoor)	20 per acre of site	Note 6	2 per acre of site
Relocated cardroom	1 per 40 sq. ft. of area devoted to card games	Note 6	1 per 800 sq. ft. area devoted to card games
Skating rink	1 per 50 sq. ft. of floor area	Note 6	1 per 1,000 sq. ft. of floor area
Swim and tennis club	1 per 500 sq. ft. of recreation area	Note 6	1 per 5,000 sq. ft. of recreation area
Motion picture theatre, indoor	1 per 3 seats in theaters with 1-3 screens; 1 per 3.3 seats with 4+ screens	Note 6	1 per 45 seats in theaters with 1-3 screens; 1 per 50 seats with 4+ screens
Motion picture theatre, outdoor	1 per 300 sq. ft.	Note 6	1 per 3,000 sq. ft.
Theaters, auditoriums, sports arenas, and stadiums- with or without fixed seats	1 per 4 fixed seats on the premises, plus 1 per 7 linear feet of fixed benches, or 1 per 30 square feet of area used for assembly	Note 6	1 per 60 fixed seats on the premises, plus 1 per 100 linear feet of fixed benches, or 1 per 450 sq. ft. of area used for assembly
Food Services			
Banquet facility	1 per 2.5 seats or 1 per 40 square feet of dining area, whichever requires the greater number of parking spaces	Note 6	1 per 50 seats or 1 per 800 square feet of dining area, whichever requires the greater number of parking spaces
Caterer w/eating facility (not a catering facility)	1 per 2.5 seats or 1 per 40 square feet of dining area, whichever requires the	Note 3, Note 6	1 per 50 seats or 1 per 800 sq. ft. of dining

	greater number of parking spaces		area, whichever requires the greater number of parking spaces
Caterer w/no public interface	1 per 250 sq. ft.	Note 6	1 per 3,000 sq. ft. of floor area
Drinking establishments	1 per 2.5 seats or 1 per 40 square feet of drinking area, whichever requires the greater number of parking spaces	Note 3, Note 6	1 per 50 seats or 1 per 800 sq. ft. of dining area, whichever requires the greater number of parking spaces
Entertainment (with any food or alcohol service)	1 per 40 sq. ft. of area open to the public	Note 3, Note 6	1 per 800 sq. ft. of area open to the public
Outdoor dining incidental to a public eating establishment or a retail establishment	0 spaces up to 25 seats, 1 space per 2.5 for seats over 25	Note 6	1 space per 50 seats
Public eating establishments	1 per 2.5 seats or 1 per 40 square feet of dining area, whichever requires the greater number of parking spaces	Note 3, Note 6	1 per 50 seats or 1 per 800 sq. ft. of dining area, whichever requires the greater number of parking spaces
Take-out only establishment (including but not limited to pizza delivery, ice cream shops, doughnut shops)	1 per 75 sq. ft. of area open to the public, minimum of 5 spaces, plus 1 per delivery vehicle (if applicable)	Note 3, Note 6	1 per 750 sq. ft. of area open to the public
General Retail			
Alcohol, off-site sales	1 per 200 sq. ft. of floor area	Note 3 and Part 11, Chapter	1 per 4,000 sq. ft. of floor area

		20.80, Note 6	
Auction house	1 per 2.5 seats, or 1 per 200 sq. ft. of auction area exclusive of warehouse area	Note 6	1 per 5,000 sq. ft. of floor area
Food, beverage, groceries	1 per 200 sq. ft. of sales area	Note 3, Note 6	1 per 3,000 sq. ft. of floor area
Plant nursery	1 per 200 sq. ft. of floor area	Note 6	1 per 3,000 sq. ft. of floor area
Open air sales establishments and areas	1 per 200 sq. ft. of sales area	Note 6	1 per 3,000 sq. ft. of floor area
Outdoor vending	3 parking spaces	Part 10, Chapter 20.80, Note 6	2 parking spaces
Pawn shop/broker	1 per 200 sq. ft. of floor area	Note 6	1 per 3,000 sq. ft. of floor area
Large format commercial establishment	1 per 200 sq. ft. of floor area	Note 6	1 per 3,000 sq. ft. of floor area
Large format commercial establishment, associated commercial	1 per 200 sq. ft. of floor area	Note 6	1 per 3,000 sq. ft. of floor area
Retail sales, goods and merchandise	1 per 200 sq. ft. of floor area	Note 3, Note 6	1 per 3,000 sq. ft. of floor area
Retail sales of furniture	1 per 250 sq. ft. of floor area	Note 3, Note 6	1 per 4,000 sq. ft. of floor area
Retail Art Studio	1 space per 200 sq. ft. of retail area	Note 3, Note 6	1 per 3,000 sq. ft. of floor area
Sales, appliances, industrial equipment, and machinery	1 per 1,000 sq. ft. of floor area	Note 6	1 per 10,000 sq. ft. of floor area
Neighborhood shopping center (minimum 100,000 sq. ft. in size), includes a mix of permitted, special, and conditional uses	1 per 225 sq. ft. of floor area	Note 1, Note 6	1 per 3,000 sq. ft. of floor area at publicly accessible entrances with locations to be

			determined through a development permit
Neighborhood shopping center (minimum 20,000 sq. ft. in size), includes a mix of permitted, special, and conditional uses	1 per 200 sq. ft. of floor area	Note 1, Note 6	1 per 3,000 sq. ft. of floor area at publicly accessible entrances with locations to be determined through a development permit
General Services			
Bed and breakfast	2 spaces, plus 1 per guest room, plus 1 per employee	Note 6	1 per space plus 1 per 10 guest rooms
Crematory	1 per full-time employee	Note 6	1 per 10 full-time employees
Dry cleaner	1 per 200 sq. ft. of floor area	Note 6	1 per 3,000 sq. ft. of floor area
Hotel/motel	1 per guest room or suite, plus 1 per employee	Section 20.90.220 C., Note 6	1 space plus 1 per 10 guest rooms
Laundromat	1 per 200 sq. ft. of floor area	Note 6	1 per 3,000 sq. ft. of floor area
Maintenance and repair, small consumer goods	1 per 200 sq. ft. of floor area	Note 6	1 per 3,000 sq. ft. of floor area
Messenger services	1 per 200 sq. ft. of floor area, plus 1 per company vehicle	Note 6	1 per 3,000 sq. ft. of floor area
Mortuary and funeral services	1 per 4 seats, plus 1 per company vehicle	Note 6	1 per 10 full-time employees
Mortuary, excluding funeral services	1, per full-time employee, plus 1 per company vehicle	Note 6	1 per 10 full-time employees

Personal services	1 per 200 sq. ft. of floor area	Note 3	1 per 3,000 sq. ft. of floor area
Photo processing and developing	1 per 200 sq. ft.	Note 6	1 per 3,000 sq. ft. of floor area
Printing and publishing	Minimum 1 per 350 sq. ft. of floor area, maximum 5% over minimum required.	Note 6	1 per 5,000 sq. ft. of floor area
Social service agency	1 per 250 sq. ft. of floor area	Note 6	1 per 4,000 sq. ft. of floor area
Health and Veterinary Services			
Animal boarding, indoor	1 per employee, plus 1 per 1,000 sq. ft. of floor area	Note 6	1 per 10 full-time employees
Animal grooming	1 per 200 sq. ft. of floor area	Note 6	1 per 3,000 sq. ft. of floor area
Emergency ambulance station	1 per employee, plus 1 per on- site staff, plus 1 per facility vehicle	Note 6	1 per 10 full-time employees
Hospital per in-patient facility	1 per 2.5 beds	Note 6	1 per 25 beds
Medical clinic/out-patient facility	1 per 250 sq. ft. of floor area	Note 6	1 per 4,000 sq. ft. of floor area
Medical, dental and health practitioner	1 per 250 sq. ft. of floor area	Note 6	1 per 4,000 sq. ft. of floor area
Veterinary clinic	1 per 250 sq. ft. of floor area	Note 6	1 per 4,000 sq. ft. of floor area
Industry			
Catalog and mail order house	1 per 250 sq. ft. of floor area of office space plus, plus 1 per 1,000 sq. ft. of floor area of warehouse and distribution area	Note 6	1 per 4,000 sq. ft. of floor area
Commercial support	1 per 350 sq. ft. of floor area	Note 6	1 per 5,000 sq. ft. of floor area
Distribution facility	A minimum of 2 for facilities with a total gross	Note 6	1 per 10 full-time employees

	floor area under 5,000 square feet; a minimum of 5 for facilities with a total gross floor area between 5,000 sq. ft. and 25,000 sq. ft.; for facilities with a total gross floor area in excess of 25,000 sq. ft. a minimum of 1 per 5,000 sq. ft. of gross floor area or a fraction thereof		
Establishment for the repair, cleaning of household, commercial or industrial equipment or products	1 per 350 sq. ft. of floor area	Note 6	1 per 5,000 sq. ft. of floor area
Hazardous materials storage facility	1 per employee plus 1 per company vehicle	Note 6	1 per 10 full-time employees
Hazardous waste facility	1 per employee plus 1 per company vehicle	Note 6	1 per 10 full-time employees
Industrial services	1 per 350 sq. ft. of floor area	Note 6	1 per 5,000 sq. ft. of floor area
Junkyard	1 per employee	Note 6	1 per 10 full-time employees
Laboratory	1 per 350 sq. ft. of floor area	Note 6	1 per 5,000 sq. ft. of floor area
Manufacturing and assembly, light, medium, heavy	1 per 350 sq. ft. of floor area plus 1 per company vehicle	Note 6	1 per 5,000 sq. ft. of floor area
Miniwarehouse/ministorage	1 per 5,000 sq. ft. of floor area, plus 1 per resident manager	Note 4, Note 6	1 per 10 full-time employees
Outdoor storage	1 per employee	Note 6	1 per 10 full-time employees
Private power generation	1 per employee plus 1 per company vehicle	Note 6	1 per 10 full-time employees
Research and development	1 per 350 sq. ft. of floor area	Note 6	1 per 5,000 sq. ft.

Stockyard, including slaughter	1 per employee	Note 6	1 per 10 full-time employees
Warehouse	A minimum of 2 for warehouses with a total gross floor area under 5,000 square feet; a minimum of 5 for warehouses with a total gross floor area between 5,000 sq. ft. and 25,000 sq. ft.; for warehouses in excess of 25,000 sq. ft. of total gross floor area a minimum of 1 per 5,000 sq. ft. of gross floor area or a fraction thereof	Note 6	1 per 10 full-time employees
Warehouse retail	Minimum 1 per 2,000 sq. ft. of floor area; maximum 1 per 250 sq. ft. of floor area	Note 6	1 per 10 full-time employees
Wholesale sale establishment	1 per 2,000 sq. ft. of floor area, plus 1 per company vehicle	Note 6	1 per 20,000 sq. ft. of floor area
Offices and Financial Services			
Automatic teller machine (free standing)	2 per machine	Note 6	1 per 10 machines
Business support	1 per 200 sq. ft. of floor area plus 1 per company vehicle	Note 6	1 per 3,000 sq. ft. of floor area
Financial institution	1 per 250 sq. ft. of floor area	Note 6	1 per 4,000 sq. ft. of floor area
Offices, business and administrative	1 per 250 sq. ft. of floor area	Note 6	1 per 4,000 sq. ft. of floor area
Offices, research and development	1 per 300 sq. ft. of floor area	Note 6	1 per 4,000 sq. ft. of floor area
Private security	1 per 250 sq. ft. of floor area office space, plus 1	Note 6	1 per 4,000 sq. ft. of floor area

	per employee, plus 1 per company vehicle		
Public, Quasi-Public and Assembly Uses			
Cemetery	1 per full-time employee	Note 6	1 per 10 full-time employees
Church/religious assembly	1 per 4 fixed seats, or 1 per 6 linear feet of seating, or 1 per 30 sq. ft. of area designed for assembly, used together or separately for worship.	Note 6	1 per 60 fixed seats, or 1 per 90 linear feet of seating, or 1 per 450 sq. ft. of area designed for assembly, used together or separately for worship
Community television antenna systems	1 per company vehicle	Note 6	1 per 10 full-time employees
Museums and libraries	1 per 300 sq. ft. of area open to the public	Note 6	1 per 4,000 sq. ft. of floor area open to the public
Parks and playgrounds	1 per 500 sq. ft.	Note 6	1 per 5,000 sq. ft. of outdoor recreation space
Community centers	1 per 4 fixed seats, or 1 per 6 linear feet of seating, plus 1 per 200 square feet of area without seating but designed for meeting or assembly by guests, plus 1 per 500 sq. ft. of outdoor area developed for recreational purposes	Note 6	1 per 60 fixed seats, or 1 per 90 linear feet of seating, plus 1 per 3,000 sq. ft. of area without seating but designed for meeting or assembly by guests, plus 1 per 5,000 sq. ft. of outdoor area developed for

			recreational purposes
Utility facilities, excluding corporation yards, storage or repair yards and warehouses	1 per 1.5 employees, plus 1 per company vehicle	Note 6	1 per 10 full-time employees
Recycling Uses			
Processing facility	1 per employee of the largest shift, plus 1 per facility vehicle	Note 6	1 per 10 full-time employees
Transfer facility	1 per employee of the largest shift, plus 1 per facility vehicle	Note 6	1 per 10 full-time employees
Small collection facility	1 per attendant	Note 6	1 per 10 full-time employees
Residential			
Co-living community with shared full kitchen facilities	.25 per bedroom	Note 7	.5 per bedroom
Emergency residential shelter	1 per 4 beds, 1 per 250 square feet of area which is used for office purposes	Section 20.90.220 G.	1 per 5,000 sq. ft. of floor area
Guesthouse	1 per guest room, plus 1 per each employee	Note 6	1 per 10 guest rooms plus 1 per 10 full-time employees
Live/work	No additional parking required above what is required for commercial use parking	Note 6	1 per 5,000 sq. ft. of floor area
Living quarters, custodian, caretakers	1 per living unit	Note 6	1 per 10 living units
Mixed use/ground floor commercial with residential above	Respective commercial and residential parking requirements combined	Note 6	
Multiple dwelling	See Table 20-210 and Table 20-211, required parking is determined by		See Table 20-210 and Table 20-211

	the type of parking facility and the number of bedrooms		
One family dwelling	2 covered	Note 5 and Section 20.90.220 B.	None
Residential care or service facility	1 per first 6 client beds, plus 1 additional space for up to 4 client beds (or portion thereof) above the first six, plus 1 additional space for each additional four client beds (or portion thereof), plus 1 space for each employee or staff member.	Section 20.90.220 G.	1 per 10 full-time employees
Servants quarters attached to a one-family dwelling or attached to a garage structure	1 additional parking space	Note 6	1 per 10 full-time employees
SRO facilities within 2,000 ft. of public transportation		Note 6	1 per SRO unit
SRO residential hotels	.25 per SRO unit		
SRO living unit facilities with shared kitchen and bathroom facilities	.25 per SRO unit		
SRO living unit facilities with partial or full kitchen and bathroom facilities	1 per SRO unit		
SRO facilities not within 2,000 ft. of public transportation	1 per SRO unit	Note 6	1 per SRO unit
Sororities, fraternities and dormitories occupied exclusively (except for administrators thereof) by students attending college	1 per guest room, plus 1 per employee	Note 6	1 per guest room plus 1 per 10 full-time employees

or other educational institutions			
Temporary farm labor camp necessary to the gathering of crops grown on the site	1 per dwelling unit		None
Travel trailer parks	1 per employee	Note 6	1 per 10 full-time employees
Two family dwelling	See Table 20-200, required parking is determined by the type of parking facility and the number of bedrooms		None
Transportation and Utilities			
Common carrier depot	1 per employee, plus 1 per company vehicle	Note 6	1 per 10 full-time employees
Data center	1 per 250 sq. ft. of office/meeting/technician work space, plus 1 for each 5,000 square feet of floor area, or fraction thereof, devoted to computer equipment space	Note 6	1 per 5,000 sq. ft. of office/meeting/technician work space, plus 1 for each 50,000 sq. ft. of floor area, or fraction thereof devoted to computer equipment space
Television and radio studio	1 per 250 sq. ft. of space devoted to office use	Note 6	1 per 5,000 sq. ft. of space devoted to office use
Wireless communication antenna	1 per site	Note 6	1 per site
Vehicle Related Uses			
Accessory installation, passenger vehicles and pick- up trucks	4 per vehicle work station, plus 1 per employee	Note 6	1 per 10 full-time employees
Auto broker, w/on-site storage	See Vehicle sales and leasing	Note 6	1 per 10 full-time employees

Auto dealer, wholesale, no on-site storage	1 per 250 sq. ft. of floor area	Note 6	1 per 10 full-time employees
Car wash	1 per employee, plus stacking as follows: self service- 5 cars per lane full service- 15 cars (may be in multiple lanes)	Note 2, Note 6	1 per 10 full-time employees
Gas or charge station	1 per employee, plus 1 per air and water pump service area, plus 1 space for information stop	Note 6	1 per 10 full-time employees
Gas or charge station with incidental service and repair	4 per grease rack or vehicle work station, plus 1 per employee, plus 1 per air and water pump service area, plus 1 space for information stop	Note 6	1 per 10 full-time employees
Glass sales, installation and tinting	4 per vehicle work station, plus 1 per employee	Note 6	1 per 10 full-time employees
Repair and cleaning per detailing of vehicles	4 per grease rack or vehicle work station, plus 1 per employee	Note 6	1 per 10 full-time employees
Sale or lease of vehicles	1 per 350 sq. ft. enclosed showroom, 1 per 2,500 sq. ft. open area, plus 2 per service bay	Note 6	1 plus 1 per 10 full-time employees
Exclusively indoors sales	1 per 200 sq. ft.	Note 6	1 plus 1 per 10 full-time employees
Auto rental agency	1 per 400 sq. ft. of floor area, plus 1 per rental vehicle	Note 6	1 plus 1 per 10 full-time employees
Sale, vehicle parts	1 per 200 sq. ft. of floor area	Note 6	1 plus 1 per 10 full-time employees
Tires, batteries, accessories, lube, oil	4 per grease rack or vehicle work station, plus 1 per employee	Note 6	1 plus 1 per 10 full-time employees

change, smog check station, air conditioning			
Tow yard	1 per employee, plus 1 per company vehicle	Note 6	1 per 10 full-time employees
Vehicle wrecking, including sales of parts	1 per employee	Note 6	1 per 10 full-time employees

Notes:

1. A covenant of easement is required when multiple parcels are involved.
2. Stacking shall be calculated at twenty feet per car.
3. Parking for uses of this type located within a Neighborhood Business District or an Urban Village and meeting all of the requirements set forth in Section 20.90.220C. may be reduced as specified in Section 20.90.220C.
4. Parking for miniwarehouse/ministorage uses meeting all of the requirements of Section 20.90.220F. may be reduced as specified in Section 20.90.220F.
5. Covered parking may include carports or garages.
6. When part or all of the bicycle parking spaces required for a land use is based on the number of full-time employees, that portion shall be provided in long-term bicycle parking facilities. When part or all of the bicycle parking spaces required for a land use is based on classrooms, that portion shall be provided in short-term bicycle parking facilities. When the bicycle parking required for a land use is based solely on square footage or other criteria in the table, at least eighty percent of the bicycle parking spaces shall be provided in short-term bicycle parking facilities and at most twenty percent shall be provided in long-term bicycle facilities.
7. **Bicycle Parking shall be required for a co-living unit community, and shall be provided at a ratio of one bicycle space per two bedrooms. At least sixty percent of the bicycle parking shall be long term parking spaces; no more than forty percent may be short term parking spaces. Short term and**

long term bicycle parking shall be designed per Part 2.5 of Chapter 20.90 of this Title.

SECTION 4. A new section is added to Chapter 20.200 of Title 20 of the San José Municipal Code, to be numbered, entitled and to read as follows:

20.200.197 Co-Living Community.

A "Co-Living Community " is a residential facility where individual secure bedrooms rented to one or two persons, are provided for an established period of time with a lease agreement, in exchange for an agreed payment of a fixed amount of money. To be considered a Co-Living Community, shared full kitchen facilities must serve ten or more bedrooms, and must include interior common space excluding janitorial storage, laundry facilities and common hallways. A bedroom that contains a full kitchen facility is not a Co-Living Community for the purposes of this code section.

PASSED FOR PUBLICATION of title this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk

DETERMINATION OF CONSISTENCY WITH THE ENVISION SAN JOSE 2040 GENERAL PLAN FINAL ENVIRONMENTAL IMPACT REPORT AND SUPPLEMENTAL PROGRAM ENVIRONMENTAL IMPACT REPORT (SCH# 2009072096) AND ADDENDA THERETO.

Pursuant to Section 15168 of the California Environmental Quality Act (CEQA) Guidelines, the City of San José has prepared a Determination of Consistency with the Envision San José 2040 General Plan Final Environmental Impact Report and Supplemental Program Environmental Impact Report (SCH# 2009072096) and Addenda thereto because proposed amendments to Title 20 (Zoning Code) of the San José Municipal Code described below are pursuant to, in furtherance of and within the scope of the previously approved program evaluated in the above noted Final Environmental Impact Reports (FEIRs) and do not raise new issues about the significant impacts on the environment beyond those analyzed in the FEIRs.

File Number and Project Name: PP18-101- Proposed City-initiated amendments and additions to Title 20 of the San José Municipal Code (the Zoning Code) to allow “Co-living Community” use within the San José Downtown Area. The proposed actions include an ordinance amending Title 20 (the Zoning Code) of the San José Municipal Code to:

- i) Add “Co-Living Community” as an enumerated use in the Downtown Zoning Districts, add new Part 3.75 to Chapter 20.80 to establish the rules and regulations related to Co-Living Community, add related parking requirements, and amend Chapter 20.200 to add a definition for Co-living Community; and
- ii) Make other technical, non-substantive, or formatting changes to Title 20.

Location: San José Downtown Area as defined in Section 20.70.020 - Downtown Zoning Districts and Overlays in the Zoning Code.

The environmental impacts of this project were addressed by the Envision San José 2040 General Plan Final Environmental Impact Report, the Supplemental Program Environmental Impact Report (SCH# 2009072096) and Addenda thereto.

The following impacts were reviewed and found to be adequately considered by the FEIRs:

<input checked="" type="checkbox"/> Aesthetics	<input checked="" type="checkbox"/> Agriculture Resources	<input checked="" type="checkbox"/> Air Quality
<input checked="" type="checkbox"/> Biological Resources	<input checked="" type="checkbox"/> Cultural Resources	<input checked="" type="checkbox"/> Geology and Soils
<input checked="" type="checkbox"/> Greenhouse Gas Emissions	<input checked="" type="checkbox"/> Hazardous Materials	<input checked="" type="checkbox"/> Hydrology & Water Quality
<input checked="" type="checkbox"/> Land Use	<input checked="" type="checkbox"/> Mineral Resources	<input checked="" type="checkbox"/> Noise
<input checked="" type="checkbox"/> Population and Housing	<input checked="" type="checkbox"/> Public Services	<input checked="" type="checkbox"/> Recreation
<input checked="" type="checkbox"/> Transportation/Traffic	<input checked="" type="checkbox"/> Utilities & Service Systems	<input checked="" type="checkbox"/> Energy
<input checked="" type="checkbox"/> Growth Inducing	<input checked="" type="checkbox"/> Cumulative Impacts	<input checked="" type="checkbox"/> Mandatory Findings of Significance

ANALYSIS

Housing Crisis Workplan

In his September 27, 2017 memo, Mayor Liccardo established a goal of creating 25,000 housing units, with at least 10,000 of those units being for affordable housing, in the City of San Jose. This goal was meant to build upon existing efforts to intensify density in approved growth areas under the 2040 General Plan. The City Council approved the Mayor's memo and recommendations at the October 2017 Priority Setting session. This approval made the creation of 25,000 housing units a Council goal and priority. With the Council approval of this plan, staff was tasked with developing a Housing Crisis Workplan to facilitate the construction of these units. The Mayor directed staff to get to this goal by updating the provisions of the Downtown Zoning Districts to minimize parking requirements for residential uses and encouraging density and development. The Mayor tasked staff with implementing innovative planning approaches that facilitate the reduction in development costs so that more people can be housed quickly. This overall work item has a variety of components that staff will continue to work on over the next five years.

In the immediate term, staff is considering more ways to provide needed housing throughout the City and in Downtown specifically. One of these ways is group housing, or "co-living," as a new residential use in the Downtown. The development community has approached staff about this housing model, and up until recently, staff was unable to entertain this type of residential use, given the limitations of the existing Zoning Code. Based on the Mayor's direction, and the clear need for additional housing options, staff is recommending adding this housing model as an enumerated residential use in the Downtown.

Co-Living Communities

This use will be allowed only in the Downtown Primary Commercial and Downtown Commercial-Neighborhood Transition 1 Zoning Districts. Group housing, or "co-living," has become part of a solution to the existing housing crisis in the Bay Area. This co-living concept centers around renting bedrooms in a larger multi-unit complex where one or two individuals can enter a lease agreement for a single bedroom (with or without a private bath) and use shared kitchen and bath facilities, and common living space with other tenants. The Zoning Code does not currently support this type of residential use. Staff is proposing to add "co-living community" as an enumerated use in the Downtown Zoning Districts. Should this use prove to be a successful residential type for the City, staff will consider expanding this use to other growth areas outside of Downtown.

This new use will be required to provide ample common living space for residents, provide extensive bicycle parking, and offer other transportation demand management (TDM) incentives that support this urban living option. These incentives could include but are not limited to those TDM measures listed in section 20.90.220.1.d of the Zoning Code such as carpool/vanpool share programs, bike-share programs, car-share programs, unbundled parking, and other incentive-based measures that encourage residents to use alternatives modes of transportation rather than personal vehicles.

Consistency with General Plan EIR and Supplemental EIR

One of the key strategies analyzed the Envision San José 2040 General Plan EIR includes providing a wide variety of housing opportunities to meet the needs of all economic segments of the community in stable neighborhoods. The Envision San José 2040 General Plan EIR as supplemented and addended provides capacity for the development of up to 382,000 new jobs and 120,000 new dwelling units through 2040, supporting a population of approximately 1,379,108 people by 2040.

This scenario also incorporates existing planned growth areas (Downtown, North San José, Specific Plan areas, other employment lands, etc.) and adds growth capacity primarily in specific areas of the city (transit and commercial corridors and villages). In accordance with the General Plan EIR, as supplemented and addended, the new Growth Areas were chosen to create a more interconnected city with strong linkages to transit and the Downtown, or to provide additional services in existing neighborhoods through the development of neighborhood villages with the intent of promoting transit use and reducing the need for automobile travel while achieving other General Plan goals. The General Plan focuses on new housing growth within identified Growth Areas and precludes large-scale residential development from occurring on sites outside of these Growth Areas. These planned Growth Areas were identified to promote transit use, address multiple environmental concerns and to align with the overall General Plan goals.

The General Plan specifically includes the following policies:

1. Housing Policy H-3.2: Design high density residential and mixed residential/commercial development, particularly development located in identified Growth Areas.
2. Design Policy CD-6.1: Recognize Downtown as the most vibrant urban area of San Jose and maximize development potential and overall density with the Downtown.
3. Design Policy CD-6.2: Design new development with a scale, quality, and character to strengthen Downtown's status as a major urban center.

Conclusion:

The proposed "co-living community" use is a new housing form that allows more bedrooms than a traditional multifamily dwelling unit. The density of this proposed use will not necessarily be reflected in a specific dwelling unit count, but it will allow the development community to house more people to address the current housing crisis. This new use will only be enumerated as a use in the Downtown Zoning Districts, in Downtown, a growth area identified by the General Plan as one of the main areas anticipated for growth. This residential use offers more residents the opportunity to be near services and amenities of Downtown. This use will also provide more individuals with the ability to have access to transit and be less reliant on their vehicles.

The proposed project is within the scope of the San José Downtown area that was analyzed in the the Envision San José 2040 General Plan Final Environmental Impact Report, Envision San José

2040 General Plan Supplemental FEIR, and Addenda thereto, and the project complies with applicable General Plan policies. Given the proposed project description and the analysis, the City has concluded that the proposed project would not result in any new impacts that have not been previously identified in the Envision San José 2040 General Plan FEIR, and Envision San José 2040 General Plan Supplemental EIR, and Addenda thereto; nor would the project result in a substantial increase in the magnitude of any significant environmental impact previously identified in the previously certified EIRs. The proposed project, therefore, will not result in new impacts or impacts of greater severity than those previously identified in the Envision San José 2040 General Plan FEIR, and Envision San José 2040 General Plan Supplemental FEIR to the, and addenda thereto.

Rosalynn Hughey, Director
Planning, Building and Code Enforcement

01/22/2019
Date

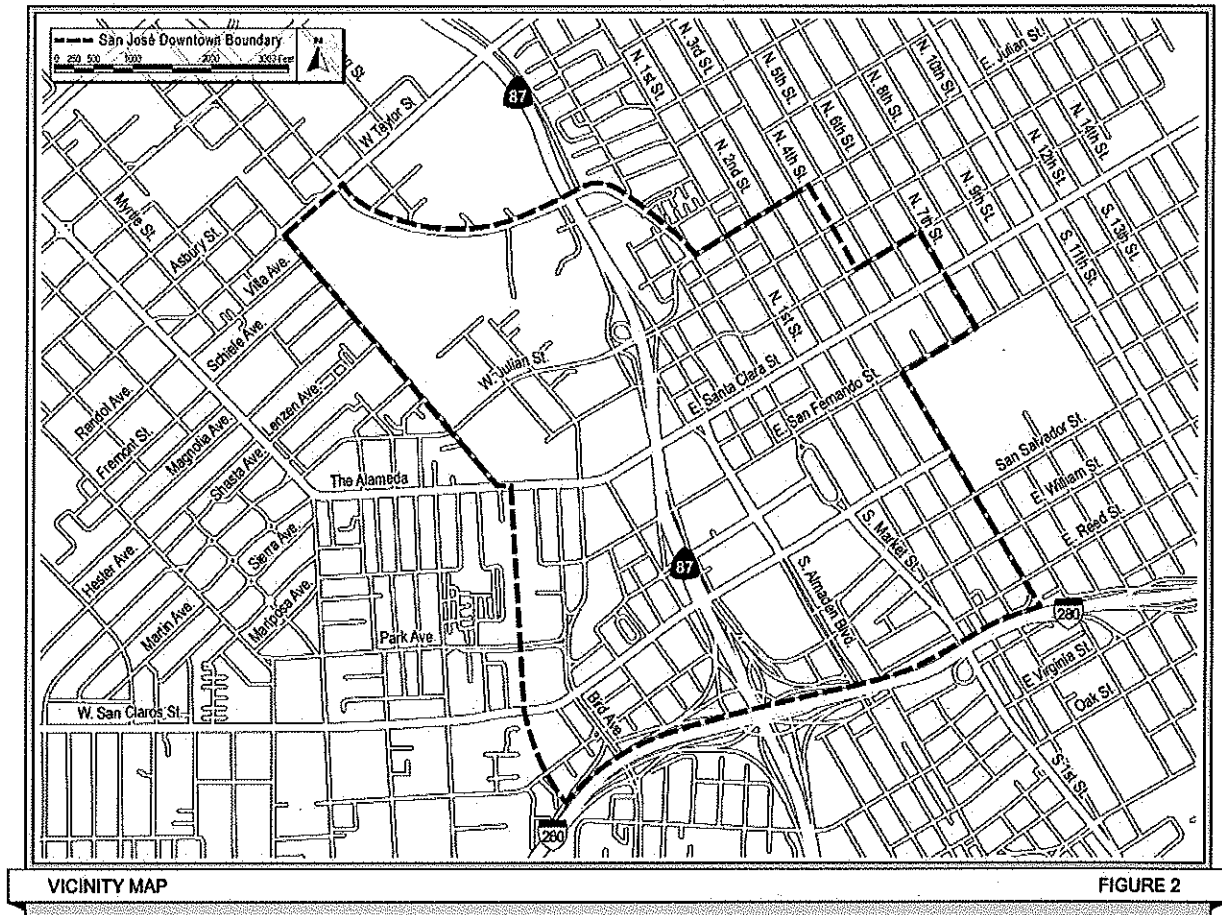
Jenny Nussbaum
Deputy

Project Manager: Aparna Ankola

Attachment:

1. Map of Downtown Boundary Area

Map of Downtown Boundary Area



The following
items were
received after
packets were
distributed.

From: Shawn Milligan <[REDACTED]>
Date: January 25, 2019 at 4:31:28 PM PST
To: Rosalynn Hughey <rosalynn.hughey@sanjoseca.gov>
Cc: "dave.sykes@sanjoseca.gov" <dave.sykes@sanjoseca.gov>, Kelly Kline
<kelly.kline@sanjoseca.gov>, "Ferguson, Jerad" <Jerad.Ferguson@sanjoseca.gov>, Mark Tersini
<[REDACTED]>, Nathan Miller <[REDACTED]>, "Kevin Sauser"
<[REDACTED]>, Eli Sokol <[REDACTED]>
Subject: KT Urban | Draft Co-living Ordinance Comments

Hi Rosalynn,

We respectfully submit our comments for next weeks Planning Commission meeting on the draft co-living ordinance.

Thanks and have a fantastic weekend.

Shawn Milligan
KT Urban

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

This email may contain information that is confidential or attorney-client privileged and may constitute inside information. The contents of this email are intended only for the recipient(s) listed above. If you are not the intended recipient, you are directed not to read, disclose, distribute or otherwise use this transmission. If you have received this email in error, please notify the sender immediately and delete the transmission. Delivery of this message is not intended to waive any applicable privileges.

Any "Financial Analysis" is provided as a courtesy so that you may have available one of the analytical methods available to others who are making decisions about real estate. However, since this analysis is only one of many such methods of evaluation, and since its utility depends in part on your objectives and the assumptions upon which the analysis is based, we strongly recommend that this analysis and the assumptions upon which it is based be interpreted for you by an accountant or other professional who is an expert.



January 25, 2019

Ms. Rosalynn Hughey
Director
Planning, Building & Code Enforcement
City of San Jose
200 E Santa Clara Street
San Jose, CA 95113

RE: Draft Co-living Ordinance

Dear Director Hughey,

First, I would like to thank you for your leadership and the planning department staff's hard work in putting the draft Co-living ordinance together. We would also like to recognize the Mayor's office for their efforts in coordinating departments and moving the draft co-living ordinance forward over the last four months. As a company currently working on some of the largest and most innovative Co-living projects in the country, we see firsthand how your efforts can lead to compelling and more affordable housing solutions.

We believe Co-living is an innovative solution that should be part of the City's Housing Crisis Workplan especially as you get ready to draft the City's Housing Element 2018 Annual Progress Report. Moderate rate housing has been largely missing in many communities and, with product designed to meet income limits less than 120% of AMI, we believe that Co-living can help the City achieve its RHNA goals.

The sharing economy is transforming our urban landscape and our Bay Area city centers are the test beds for innovation. These innovations are altering our approach to housing and our transportation systems at an unprecedented rate. The city of San Jose with Mayor Liccardo and Councilmember Peralez' leadership have been at the forefront of embracing downtown San Jose's role as an incubator for new solutions to old problems.

Based on this, we would like to respectfully offer a few recommendations on certain key issues in the draft ordinance:

Co-living

KT Urban recognized that “missing middle” housing was, in fact, missing in downtown San Jose. We started to track Co-Living as a viable solution and hired The Concord Group, a leading housing market research firm, to confirm our view. The results of the study exceeded even our expectations. The unmet demand for Co-living housing based on affordability levels was approximately 78,000 units in the San Jose metro market alone. We then sought out the most innovative companies at the forefront of providing Co-living housing solutions for the missing middle. Since then, we’ve had the pleasure of working with industry leaders including the CEO’s of StarCity, Ollie, Common, and OpenDoor. We are inspired by their passion and their mission to be part of the housing crisis solution and give teachers, nurses, fire fighters, police officers and working-class members of our community a seat at the table.

Recommendation: Make Co-living a separate chapter in the zoning code like SRO or multi-family and, within that separate chapter, note that housing with less than 10 beds per unit falls under the zoning for multi-family or SRO depending on the length of the lease.

Sharing Economy

Co-living is not the only innovation that will affect the physical landscape in our city centers going forward. New companies like Lime who provide “dockless” bikes and Bird who rent “dockless” scooters have arrived in many US cities. These companies are transforming last mile connections for residents who want to take advantage of public transportation and jobs in city centers. Increasingly, people do not own bikes or scooters; they rent them in the sharing economy. Parking requirements and ratios that don’t reflect walk scores or generational changes in user preferences and lifestyles will act as a barrier to new development. For example, rather than requiring Class II (short-term) facilities onsite, many cities like San Francisco charge a \$300-400 per bike stall mitigation fee to locate bike facilities in the public domain where they belong. This recognizes and encourages sharing these resources.

Recommendation: We believe the proposed onsite bicycle parking ratio is too high based on best practices in other cities like San Francisco, Seattle and Portland. Reduce the dedicated Class I (long-term) parking ratio to 1 per 4 beds (.25 per bed) and the Class II ratio (short-term) to 1 to 20 beds (.05 per bed). Create flexibility in how these ratios are met. Give projects an option of paying a mitigation fee to the City to provide Class I & II facilities offsite in the public realm and give projects credit for in-room bike storage equipment.

Parking Reservation Apps

According to a MarketWatch article in 2017, “Real estate developers and the municipal codes they’re operating under can’t seem to nail the parking-space formula...there’s actually an ample inventory of parking in most high-density, or otherwise highly traveled, areas. Those spaces just need smarter use.” Today, the parking supply-and-demand gap is shrinking in the sharing economy. Parking reservation apps like ParqEx, ParkWhiz and SpotHero are playing matchmaker between property managers and owners looking to monetize underutilized parking resources in city centers.

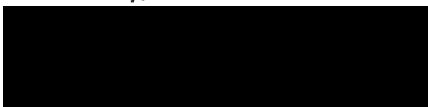
Downtown San Jose has literally thousands of parking stalls, both private and public, that do not get used during nights and weekends. Better utilization of existing parking infrastructure can lower required parking ratios in new developments. Additionally, the increasing reliance on ridesharing services from companies like Uber and Lyft and the emergence of peer-to-peer car sharing with Getaround has significantly reduced parking impacts. These trends coupled with the prospects for autonomous vehicles in the near future require an eye toward the future in drafting the Co-living ordinance.

If the City’s goal for downtown San Jose is to reduce dependence on the automobile and promote a walkable city, we believe that reducing or eliminating minimum parking requirements now is critical to that end.

Recommendation: The proposed automobile onsite parking ratio is too high. We believe that the City should be moving towards maximum parking ratios in the downtown and away from minimums. If staff believes that parking ratios cannot be eliminated, reduce the required parking ratio from .25 to .20 per bed. In addition, TDM measures should only be required if an applicant seeks to lower the ratio below the adopted ratio.

Again, thank you for your efforts and additional consideration. We look forward to continuing to work with you and your staff.

Sincerely,

A black rectangular box redacting the signature of Shawn A. Milligan.

Shawn A. Milligan
Partner
KT Urban

From: Don Tomita <[REDACTED]>
Sent: Friday, January 25, 2019 5:15 PM
To: Hughey, Rosalynn; Ankola, Aparna; Ferguson, Jerad; raul Alcaraz
Subject: San Jose Draft Ordinance - Ollie

Hi Rosalynn - please see the attached PDF with our initial comments and questions on the Coliving Ordinance Draft.

We truly appreciate the interest that the city has in the Coliving space and the efforts they are taking to build out code around it.

As I had mentioned previously, our particular coliving model stems from multi-family housing and some of our comments and questions reflect that. From the Coliving types that we have seen there seem to be two different approaches: SRO and Multifamily. The current ordinance presented does a nice job addressing the SRO approach, but it would be remiss of us if we did not mention the multifamily approach. It seems like the cluster portion hinted at it but it limits our sub 10 bedroom approach. We typically have units ranging from micro-studios to 6 bedrooms.

That said we look forward to meeting with you in the coming weeks and please do not hesitate to reach out to us in the meantime.

And again, we really appreciate the time being taken to address Coliving!

Best

ollie

DON TOMITA | Director of Project Development

■ [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Ollie Comments and Questions on 01/18/2019 Coliving Ordinance Draft

- **General:**
 - o Coliving models vary from company to company and currently this code addresses just one of those coliving models. Products like Ollie stem from a multi-family housing approach, so I think it would be beneficial to include a portion that addresses another avenue of Coliving facilities that isn't born out of the SRO model.
 - o SRO code says "All SRO units shall comply with all applicable accessibility and adaptability requirements." Is this also required in the Coliving Facilities?
 - o How do these requirements fit within mixed use projects?
 - o Overall seems a bit confusing in regards to how bedrooms can be oriented in the space.
- **Parking Ratio**
 - o We think the .25:1 ratio exceeds the needs within the coliving market. In dense downtown cores, where public or shared transportation is easily accessible, we believe the market should dictate the need for parking. All of our projects that are being planned in dense downtown environments do not contain any parking. That said we understand that zero parking will be a hit on the marketability of the product and propose that the coliving group provides what they perceive as sufficient accommodations. Suggest .2:1
 - o The parking requirements will have an increased financial impact on the project.
 - o The parking will increase the load of traffic in the surrounding neighborhood
 - o Car share programs require less of a need for the proposed parking ratio.
 - o Future BART extension will add additional public transportation
- **Bike parking**
 - o In our current inventory of projects, we have worked with much looser bike parking requirements. For our NYC projects we have a requirement of 1 spot per 2 units. Even with this reduced ratio in comparison to what is proposed, we have very large bike rooms with at most 10% of the racks being used. Suggest .1:1
 - o Bike share programs require less of a need for the elevated level of bike storage required.
 - o Future BART extension will add additional public transportation
- **Coliving should be located in a new section. Having Coliving as a subcategory under the SRO will result in negative connotation of the new use-group.**
- **B-1**
 - o How is the number of occupants enforced?
 - o Insert "...**at least** one hundred and fifty (150)..."
 - o Are the 100 and 150SF of contiguous space?
 - o Please clarify that the 275 and 400 SF markers are only subject to the other coliving facility bedrooms in the case of mixed use.
- **B-2**
 - o Oddly phrased, sounds as if each bedroom **has** to have the ability to accommodate 2 people.
 - o Does this require a furniture plan for proof of concept?

- Please clarify "lateral or loft configuration"
- B-3-1
 - Please define cluster and what the parameters are to create a cluster. Is a cluster a variation of a dwelling unit?
 - If kitchen is not located in bedroom should be allowed to have a full kitchen.
 - Is this 4-6 bedroom number required in order to fall under coliving? We view coliving as having the ability to provide bedrooms with a range of privacy and interactive levels.
 - Does the "additional common space requirement" have to fall within the area of this cluster? B7 states it can be on a different floor.
 - This point seems to contradict the rest of the Chapter.
- B-4
 - How is "adequately serve" determined / defined?
- B-6
 - Please define external entryways. Is this to the exterior of the building or internal circulation corridor? If meaning internal circulation corridor suggest removing.
- B-8
 - Built-in closets impact the efficiency of the smaller spaces due to the clearances required to access the bedroom and the closet. Better in-unit layouts can be achieved through FF&E. Ollie provides storage space through wardrobes, dressers, etc.
 - At the moment the "closet and designated storage space" seems to be worded very loosely. How is adequate storage determined?
- B-10
 - What if laundry is provided "in-cluster"?
- B-11
 - How is the management plan to be submitted, when is it to be submitted, and how is it enforced?
- B-13
 - Why is a TDM required if reduction in parking is not being sought? TDM puts a very large burden on the developer/operator and will largely deter future interest of the development community.

A "co-living facility" is a residential facility where individual secure bedrooms, ~~of a smaller size than normally found in multiple dwellings,~~ are rented to one or two persons. Co-living facilities contain bedrooms that are provided for an established period of time with a lease agreement, in exchange for an agreed payment of a fixed amount of money. To be considered a co-living facility, shared full kitchen and bathroom facilities must serve ten or more bedrooms, and must include interior common space as provided in section 20.80.1300. A bedroom that contains both complete bath and kitchen facilities, is considered a studio and not a bedroom for the purposes of this code section.

- If below 10 bedrooms does this fall under multi-family? Confusing with the introduction of clusters above.

From: Eli Sokol [REDACTED] >
Sent: Wednesday, January 23, 2019 7:56 PM
To: Hughey, Rosalynn
Cc: Mo Sakrani; Brilliot, Michael; Lipoma, Emily; Ankola, Aparna; Ferguson, Jerad; Kline, Kelly
Subject: Co-living Ordinance

Hi Rosalynn,

I hope that all has been well with you.

The Starcity team has had a chance to review the draft co-living language for the proposed ordinance amendment that was circulated earlier this week. First, I'd like to express once again how energized we at Starcity have been by San Jose's enthusiasm for the co-living use, and we have really enjoyed the collaborative effort working with Planning staff thus far on this effort. I believe that this proposed ordinance change is well on its way.

There are a few key areas we have identified in the attached summary that have critical implications to the feasibility of 199 Bassett St, and further would have significant impact on the viability of future co-living projects in San Jose.

Some of these items such as the Parking/Bicycle minimum ratios may already be on your radar. Ultimately, we are supportive of rigorous and thoughtful Co-Living requirements that encourage the creation of quality affordable urban living in the heart of the city, and at the same time, allow sufficient flexibility to achieve this goal.

Our team would gladly meet or set up a call to discuss further or share any supporting information/data to help your team work towards finalizing this proposal. Thank you for all of your efforts!

All the best,

Eli



Eli Sokol Development
[REDACTED]

[REDACTED]

Starcity

Proposed Co-Living Amendment - Notes

- The Co-Living Use should exist in a stand-alone section of the Planning Ordinance, rather than as a sub-category of SROs, so as not to confuse or conflate these uses, which are wholly distinct.
- Parking Ratio
 - The .25:1 ratio exceeds the demand we anticipate in Downtown San Jose.
 - In San Francisco, the projects we are operating or developing (including a 270-unit vertical high-rise) contain no parking, nor are they required to by the city.
 - Since the co-living use would at least initially be limited to Downtown San Jose, there is precedent for not requiring any parking minimums. Our Bassett Street site has excellent access to bike, light rail, commuter rail, and bus service, and it is highly walkable to the existing downtown core as well as the anticipated commercial developments near Diridon Station.
 - We ultimately have designed our project to sufficiently accommodate the demand for parking that we anticipate (current effective ratio .23:1), and it would be to our own detriment to not provide adequate stalls for our residents. To provide additional stalls would moreover require an additional level of subterranean parking, which is a major financial impediment to the project.
 - In general, parking ratios should be in reference to *Units*, not *Bedrooms*, in order to be consistent with other use requirements
- Bicycle Ratio
 - The .5:1 ratio greatly exceeds bike requirements that exist in much denser, established bicycle-oriented cities such as San Francisco or Portland
 - For a project of this size, San Francisco group housing regulations would require 165 Class 1 spaces and 16 Class 2 spaces for a total of 171 spaces. Portland requires 1 space for every 20 residents in group housing.
 - Link to SF Requirements (Group Housing on Page 29):
<https://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances13/o0183-13.pdf>
 - Our latest SPA includes a proposed 324 spaces, which is nearly 2x what would be required in more bicycle-oriented cities. We have included this high amount of bike parking to help encourage sustainable transit and reduce auto-dependency, but do not believe that a greater requirement is justified.
 - We are also considering ways to incorporate bike-sharing into these facilities, which may further reduce the need for more parking.
 - Ratio should be in reference to *Units*, not *Bedrooms*, in order to be consistent with other use requirements
- Ch 15.5, B-2: To clarify, if the minimum bedroom size is 100 SF, then bedrooms would not have to necessarily be designed for 2 occupants unless desired by the builder, in which case bedroom size would have to be at least 150 SF per item B-1. We are unclear on meaning of the language "*lateral or loft configuration*."

- Ch 15.5, B-3: We suggest eliminating this item, as it is in direct conflict with the Co-Living Facility definition. The Co-Living Facility definition indicates that a shared kitchen and bathroom facility must serve 10 or more bedrooms, and must include common space to be considered a Co-Living facility. We strongly agree with this definition. This is what distinguishes Co-Living from traditional Multi-Family, and that 4 to 6 bedroom cluster as noted in B-3 should not qualify.
- Ch 15.5, B-6: We are unclear on the meaning of “*external entryways*”
- Ch 15.5, B-8: All Starcity units contain some form of personal storage for residents (i.e. dresser, armoire, etc), but it is often times not a closet. Practically speaking, this requirement is too prescriptive, and should allow for Co-Living housing to provide storage for its residents at its own discretion.
- Ch 15.5, B-13: Historically, TDM plans are required in order to satisfy certain transportation-based requirements that have otherwise not been met by a given project. We feel strongly that our project includes abundant transportation resources and access for future residents. Requiring a TDM plan even if base parking/bicycle requirements are met is unprecedented in group housing development and would be a substantial deterrent for future projects that might otherwise be located in dense, walkable, urban areas.
- Co-Living Facility:
 - The following are suggested edits to the definition included in the draft document:
 - *A "co-living facility" is a residential facility where individual secure bedroom units of a smaller size than normally found in multiple dwellings, are rented to one or two persons. Co-living facilities contain bedroom units that are provided for an established period of time with a lease agreement, in exchange for an agreed payment of a fixed amount of money. To be considered a co-living facility, shared full kitchen and bathroom facilities must serve ten or more bedrooms, and must include interior common space as provided in section 20.80.1300. A bedroom that contains both complete bath and kitchen facilities, is considered a studio and not a bedroom for the purposes of this code section.*

PP18-101

5.b.

From: Nathan Miller [REDACTED]
Sent: Tuesday, January 29, 2019 1:45 PM
To: Ankola, Aparna
Cc: Hughey, Rosalynn; Brilliot, Michael; Mark Tersini [REDACTED]; Shawn Milligan [REDACTED]; Kevin Sauser
Subject: co-living ordinance feedback

Aparna,
Attached are comments and feedback regarding the proposed co-living ordinance.

Thanks,

NATHAN MILLER · ASSOCIATE PRINCIPAL · AIA · NCARB · LEED AP

C2K ARCHITECTURE INC
[REDACTED]
[REDACTED]



January 29, 2019

Aparna Ankola
Planning Division - PBCE, City of San Jose
200 E. Santa Clara Street
San Jose CA 95113

Re: Co-Living Ordinance

Dear Aparna,

Thank you for the opportunity to provide feedback on this important proposal and for the leadership and innovation shown by City of San Jose to address housing accessibility.

Following are suggestions and comments on the published draft Ordinance change.

Co-Living is proposed as Part 15.5, which is a subsection of SRO. We suggest moving Co-Living to a new Part 23, to distinguish from SRO facilities.

20.80.1300

- A. suggest removing the word “non-traditional”
- B.1. we suggest you reconsider the requirement for 2 person occupancy be at least 150 sf.
- B.2. the phrase “lateral or loft configuration” is unclear and may be unnecessary.
- B.3. the reference to 4 to 6 bedroom clusters is confusing when compared to the later definition which references a 10 bedroom threshold. Please clarify the intent of this section.
- B.6. why are external entryways prohibited? Is this a carry-over from an SRO requirement?
- B.8. we suggest you give the option for storage to be provided in something other than a built-in closet.
- B.13. why is a TDM required if parking reductions are not sought?

20.200.1150

The proposed definition references bedrooms “of a smaller size than normally found in multiple dwellings,” This is not accurate as 1bed, 2bed apartments or condos can have bedrooms of a small size. We suggest the phrase be removed from the definition.

The proposed definition states “To be considered a co-living facility, shared full kitchen and bathroom facilities must serve ten or more bedrooms, and must include interior common space as provided in section 20.80.1300”

This seems to suggest that the threshold for a project falling into a co-living type versus a multi-family or other type is 10 bedrooms or more, acting as a "unit".

Please consider revising section to be clearer about what makes a facility co-living vs. multifamily. For example, if a floor contains 20 bedrooms and 3 kitchens, could you argue that it is not co-living?

Possible suggestion for revision: "If a floor or portion of a floor, separated by demising walls from the other portion of the floor, contains 10 or more bedrooms with shared full kitchen and common living spaces, then a residential facility is considered co-living. Sleeping units within the co-living facility may have dedicated or shared bathroom facilities. Buildings or portions of residential facilities that contain 9 or fewer bedrooms, with shared full kitchen and common living facilities are considered multiple dwelling units. By this definition, multiple dwelling units may have up to 9 bedrooms."

Table 20-190

Note 7. Proposed bicycle parking ratio is very high. An alternate option would be to allow some of the bike parking spaces to be provided in the units, if the Owner chooses. Some jurisdictions allow a bike wall rack in a unit, to satisfy the bike space requirement.

Sincerely,



Kevin Sauser, AIA, NCARB, Principal
C2K Architecture, Inc.
California Architectural License #C-31859



From: Hughey, Rosalynn
Sent: Saturday, January 26, 2019 7:55 AM
To: Provedor, Jennifer; Ankola, Aparna; Brilliot, Michael
Subject: Fwd: KT Urban | Draft Co-living Ordinance Comments

Begin forwarded message:

From: Shawn Milligan <[REDACTED]>
Date: January 25, 2019 at 4:31:28 PM PST
To: Rosalynn Hughey <rosalynn.hughey@sanjoseca.gov>
Cc: "dave.sykes@sanjoseca.gov" <dave.sykes@sanjoseca.gov>, Kelly Kline <kelly.kline@sanjoseca.gov>, "Ferguson, Jerad" <Jerad.Ferguson@sanjoseca.gov>, Mark Tersini <[REDACTED]>, Nathan Miller <[REDACTED]>, "Kevin Sauser" <[REDACTED]>, Eli Sokol <[REDACTED]>
Subject: KT Urban | Draft Co-living Ordinance Comments

Hi Rosalynn,

We respectfully submit our comments for next weeks Planning Commission meeting on the draft co-living ordinance.

Thanks and have a fantastic weekend.

Shawn Milligan
KT Urban

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

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January 25, 2019

Ms. Rosalynn Hughey
Director
Planning, Building & Code Enforcement
City of San Jose
200 E Santa Clara Street
San Jose, CA 95113

RE: Draft Co-living Ordinance

Dear Director Hughey,

First, I would like to thank you for your leadership and the planning department staff's hard work in putting the draft Co-living ordinance together. We would also like to recognize the Mayor's office for their efforts in coordinating departments and moving the draft co-living ordinance forward over the last four months. As a company currently working on some of the largest and most innovative Co-living projects in the country, we see firsthand how your efforts can lead to compelling and more affordable housing solutions.

We believe Co-living is an innovative solution that should be part of the City's Housing Crisis Workplan especially as you get ready to draft the City's Housing Element 2018 Annual Progress Report. Moderate rate housing has been largely missing in many communities and, with product designed to meet income limits less than 120% of AMI, we believe that Co-living can help the City achieve its RHNA goals.

The sharing economy is transforming our urban landscape and our Bay Area city centers are the test beds for innovation. These innovations are altering our approach to housing and our transportation systems at an unprecedented rate. The city of San Jose with Mayor Liccardo and Councilmember Peralez' leadership have been at the forefront of embracing downtown San Jose's role as an incubator for new solutions to old problems.

Based on this, we would like to respectfully offer a few recommendations on certain key issues in the draft ordinance:

Co-living

KT Urban recognized that “missing middle” housing was, in fact, missing in downtown San Jose. We started to track Co-Living as a viable solution and hired The Concord Group, a leading housing market research firm, to confirm our view. The results of the study exceeded even our expectations. The unmet demand for Co-living housing based on affordability levels was approximately 78,000 units in the San Jose metro market alone. We then sought out the most innovative companies at the forefront of providing Co-living housing solutions for the missing middle. Since then, we’ve had the pleasure of working with industry leaders including the CEO’s of StarCity, Ollie, Common, and OpenDoor. We are inspired by their passion and their mission to be part of the housing crisis solution and give teachers, nurses, fire fighters, police officers and working-class members of our community a seat at the table.

Recommendation: Make Co-living a separate chapter in the zoning code like SRO or multi-family and, within that separate chapter, note that housing with less than 10 beds per unit falls under the zoning for multi-family or SRO depending on the length of the lease.

Sharing Economy

Co-living is not the only innovation that will affect the physical landscape in our city centers going forward. New companies like Lime who provide “dockless” bikes and Bird who rent “dockless” scooters have arrived in many US cities. These companies are transforming last mile connections for residents who want to take advantage of public transportation and jobs in city centers. Increasingly, people do not own bikes or scooters; they rent them in the sharing economy. Parking requirements and ratios that don’t reflect walk scores or generational changes in user preferences and lifestyles will act as a barrier to new development. For example, rather than requiring Class II (short-term) facilities onsite, many cities like San Francisco charge a \$300-400 per bike stall mitigation fee to locate bike facilities in the public domain where they belong. This recognizes and encourages sharing these resources.

Recommendation: We believe the proposed onsite bicycle parking ratio is too high based on best practices in other cities like San Francisco, Seattle and Portland. Reduce the dedicated Class I (long-term) parking ratio to 1 per 4 beds (.25 per bed) and the Class II ratio (short-term) to 1 to 20 beds (.05 per bed). Create flexibility in how these ratios are met. Give projects an option of paying a mitigation fee to the City to provide Class I & II facilities offsite in the public realm and give projects credit for in-room bike storage equipment.

Parking Reservation Apps

According to a MarketWatch article in 2017, “Real estate developers and the municipal codes they’re operating under can’t seem to nail the parking-space formula...there’s actually an ample inventory of parking in most high-density, or otherwise highly traveled, areas. Those spaces just need smarter use.” Today, the parking supply-and-demand gap is shrinking in the sharing economy. Parking reservation apps like ParqEx, ParkWhiz and SpotHero are playing matchmaker between property managers and owners looking to monetize underutilized parking resources in city centers.

Downtown San Jose has literally thousands of parking stalls, both private and public, that do not get used during nights and weekends. Better utilization of existing parking infrastructure can lower required parking ratios in new developments. Additionally, the increasing reliance on ridesharing services from companies like Uber and Lyft and the emergence of peer-to-peer car sharing with Getaround has significantly reduced parking impacts. These trends coupled with the prospects for autonomous vehicles in the near future require an eye toward the future in drafting the Co-living ordinance.

If the City’s goal for downtown San Jose is to reduce dependence on the automobile and promote a walkable city, we believe that reducing or eliminating minimum parking requirements now is critical to that end.

Recommendation: The proposed automobile onsite parking ratio is too high. We believe that the City should be moving towards maximum parking ratios in the downtown and away from minimums. If staff believes that parking ratios cannot be eliminated, reduce the required parking ratio from .25 to .20 per bed. In addition, TDM measures should only be required if an applicant seeks to lower the ratio below the adopted ratio.

Again, thank you for your efforts and additional consideration. We look forward to continuing to work with you and your staff.

Sincerely,

A black rectangular box redacting the signature of Shawn A. Milligan.

Shawn A. Milligan
Partner
KT Urban