

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

# Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

**FROM:** Planning Commission

SUBJECT: SEE BELOW DATE: November 18, 2019

SUBJECT: <u>GP18-008</u>: GENERAL PLAN AMENDMENT TO CHANGE THE LAND USE DESIGNATION FROM NEIGHBORHOOD/COMMUNITY COMMERCIAL TO RESIDENTIAL NEIGHBORHOOD FOR 1131 PARK AVENUE AND FROM RESIDENTIAL NEIGHBORHOOD TO NEIGHBORHOOD/COMMUNITY COMMERCIAL FOR 15 AND 17 TILLMAN AVENUE ON A 0.25 GROSS-ACRE SITE.

<u>C18-019</u>: REZONING FROM CO COMMERCIAL OFFICE ZONING DISTRICT TO R-1-8 ZONING DISTRICT ON A 0.10 GROSS-ACRE PORTION (1131 PARK AVENUE) OF THE 0.25 GROSS-ACRE SITE.

# **RECOMMENDATION**

On October 24, 2018, the Planning Commission voted unanimously (7-0) to recommend that the City Council take the following actions:

- 1. Consider the Exemption under Section 15303 of the CEQA Guidelines, in accordance with CEOA;
- 2. Adopt a resolution amending the Envision San José 2040 General Plan Land Use/Transportation Diagram land use designation from Neighborhood/Community Commercial to Residential Neighborhood for 1131 Park Avenue and from Residential Neighborhood to Neighborhood/Community Commercial for 15 and 17 Tillman Avenue on sites totaling 0.25 gross-acres, located on the north side of Park Avenue, approximately 160 feet west of Tillman Avenue (1131 Park Avenue), and on the west side of Tillman Avenue, approximately 110 feet north of Park Avenue (15 and 17 Tillman Avenue).
- 3. Approve an ordinance rezoning an approximately 0.10 gross-acre site, located on the north side of Park Avenue, approximately 160 feet west of intersection of Tillman Avenue and Park Avenue (1131 Park Avenue) from the CO Commercial Office Zoning District to the R-1-8 Single-Family Residence Zoning District.

HONORABLE MAYOR AND CITY COUNCIL

November 18, 2019

Subject: File Nos. GP18-008 and C18-019

Page 2

#### **OUTCOME**

Should the City Council approve the General Plan Amendment and Rezoning, the Envision San José 2040 General Plan Land Use/Transportation Diagram would be amended to reflect the proposed land use designation changes to Neighborhood Community/Commercial on 15 and 17 Tillman Avenue and to Residential Neighborhood on 1131 Park Avenue. Also, 1131 Park Avenue would be rezoned to the R-1-8 Single-Family Residence Zoning District.

## **BACKGROUND**

The applicant requested the project be deferred after the Planning Commission hearing to resolve property management issues. Staff deferred the proposal from the 2018 Annual Review hearing cycle to the 2019 Annual Review hearing cycle.

On October 24, 2018, the Planning Commission held a public hearing to consider the proposed General Plan Amendment and Conforming Rezoning. Planning staff recommended approval of the General Plan Amendment and Conforming Rezoning. The Planning Commission made a recommendation to the City Council to consider the exemption under Section 15303 of the CEQA Guidelines in accordance with CEQA, and approve the applicant's proposed General Plan Amendment and Conforming Rezoning requests.

#### **Public Comment**

No one from the public spoke on the item and the applicant was not present.

Commissioner Leyba asked staff whether this was the only procedural way to allow a residential use on 1131 Park Avenue and if there was any desire to keep the residential component on 15 and 17 Tillman Avenue. Staff stated that due to the length of time of use as a commercial property and the requirement for General Plan conformance, this was only the available option and that there was no desire by the applicant or staff to keep the residential land use designation on the 15 and 17 Tillman Avenue property.

Commissioner Griswold asked staff that given the context of the commercial neighborhood if staff would consider this a conversion of commercial use, and if it would be against the policies of the General Plan. Staff stated that given the unique circumstances of the site and given the commercial uses on the adjacent property, the General Plan Amendment would preserve the commercial property on the corner and in this situation would not be considered a conversion. Commissioner Griswold asked staff if the commercial property on Tillman could still be used as a commercial building and questioned the need to change the 1131 Park Avenue commercial designation given that the building in the past was used as a commercial building. Staff stated that it would still be feasible for commercial businesses to locate on 1131 Park Avenue, but given the barriers for commercial use, like renovation for disabled persons and no space for additional parking, the proposal as a whole for the General Plan Amendment was reasonable.

HONORABLE MAYOR AND CITY COUNCIL

November 18, 2019

Subject: File Nos. GP18-008 and C18-019

Page 3

Commissioner Ballard asked if there was any language in the General Plan that differentiates between smaller conversions and larger conversions. Staff responded that the General Plan differentiates between land uses giving examples of Heavy Industrial and Light Industrial conversion being more detrimental than other conversions.

Commissioner Leyba questioned whether the General Plan amendment would allow the maximum FAR allowed on Neighborhood Community/Commercial. Staff stated that there are many other limiting factors such as Zoning Code requirements and compatibility policies that would preclude development from reaching the maximum intensity allowed in the General Plan.

Chairman Allen questioned the history of the site and asked why the parcel was designated as Commercial and Residential or whether if it was just carried through from past General Plans. Staff responded that the residential and commercial land use designations were originally from General Plan 1975 and had been retained in all subsequent general plans through Envision San José General Plan 2040.

# **ANALYSIS**

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

# **CONCLUSION**

The proposed General Plan Amendment would support the Major Strategies, goals and policies of the General Plan. If approved, the proposed project would allow a single-family home use and allow the continued use of commercial retail at the subject site.

#### **EVALUATION AND FOLLOW-UP**

Should the City Council approve the General Plan Amendment, and Rezoning, the Envision San José 2040 General Plan Land Use/Transportation Diagram would be amended to reflect the proposed land use designation change to Residential Neighborhood at 1131 Park Avenue and Neighborhood Community Commercial on 15 and 17 Tillman Avenue, and the 0.10-acre site on 1131 Park Avenue would be rezoned to the R-1-8 Single-Family Residence Zoning District.

#### **CLIMATE SMART SAN JOSE**

The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals.

HONORABLE MAYOR AND CITY COUNCIL

November 18, 2019

Subject: File Nos. GP18-008 and C18-019

Page 4

#### PUBLIC OUTREACH

Staff followed Council Policy 6-30: Public Outreach Policy. The property owners and occupants within a 500 feet radius were sent public hearing notices for the Planning Commission and City Council hearing, as well as all members of the public who requested to be placed on the application's contact list. A notice of the public hearing was also published in the San José Post Record and on the City's website. The Planning Commission agenda was posted on the City of San José website, which included a copy of the staff report, and staff has been available to discuss the project with members of the public.

# **COORDINATION**

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

# **CEQA**

Under the provisions of Section 15303 of the State Guidelines for Implementation of the California Environmental Quality Act (CEQA), the proposed General Plan Amendment is found to be exempt from the environmental review requirements of Title 21 of the San José Municipal Code, implementing the California Environmental Quality Act of 1970, as amended.

/s/
ROSALYNN HUGHEY, Secretary
Planning Commission

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

Attachment: Planning Commission Staff Report

PC AGENDA 10-24-18 ITEM: 7.a.



# PLANNING COMMISSION STAFF REPORT

File Nos.	GP18-008 / C18-019	
Applicant:	Debbie Simpson	
Location	1131 Park Avenue and 15 and 17 Tillman Avenue	
<b>Existing General Plan Land Use</b>	Neighborhood/Community Commercial and	
Designation	Residential Neighborhood	
<b>Proposed General Plan Land Use</b>	Residential Neighborhood and	
Designation	Neighborhood/Community Commercial	
<b>Existing Zoning District</b>	Commercial Office	
<b>Proposed Zoning District</b>	R-1-8 Single-Family Residence	
<b>Council District</b>	6	
Historic Resource	No	
Annexation Date:	December 25, 2008 (College Park/Burbank Sunol)	
CEQA:	<b>Exempt per CEQA Guidelines Section 15305 Minor</b>	
	<b>Alterations in Land Use Limitations</b>	

#### **APPLICATION SUMMARY:**

<u>GP18-008:</u> General Plan Amendment to change the Land Use Designation from Neighborhood/Community Commercial to Residential Neighborhood for 1131 Park Avenue and from Residential Neighborhood to Neighborhood/Community Commercial for 15 and 17 Tillman Avenue on a 0.25 gross-acre site.

<u>C18-019:</u> Rezoning from CO Commercial Office Zoning District to R-1-8 Zoning District on a 0.10 gross-acre portion (1131 Park Avenue) of the 0.25 gross-acre site.

#### **RECOMMENDATION:**

Staff recommends that the Planning Commission:

- 1. Consider the Exemption, in accordance with CEQA; and
- 2. Recommend that the City Council adopt a resolution amending the Envision San José 2040 General Plan Land Use/Transportation Diagram land use designation from Neighborhood/Community Commercial to Residential Neighborhood for 1131 Park Avenue and from Residential Neighborhood to Neighborhood/Community Commercial for 15 and 17 Tillman Avenue on a 0.25 gross-acre site, located on the north side of Park Avenue, approximately 160 feet west of Tillman Avenue (1131 Park Avenue), and on the west side of Tillman Avenue, approximately 110 feet north of Park Avenue (15 and 17 Tillman Avenue).
- 3. Recommend that the City Council adopt an ordinance of the City of San José rezoning an approximately 0.10 gross-acre site, located on the north side of Park Avenue, approximately 160 feet west of intersection of Tillman Avenue and Park Avenue (1131 Park Avenue) from the CO Commercial Office Zoning District to the R-1-8 Single-Family Residence Zoning District.

#### PROJECT DATA

GENERAL PLAN CONSISTENCY				
<b>General Plan Designation</b>		Neighborhood/Community Commercial and		
		Residential Neighborhood		
		☐ Consistent ☐ Inconsistent		
<b>Consistent General Plan Policies</b>		Goal LU-4.2 Goal LU-5, LU-9.2, CD-4.3, CD-4.4,		
		Goal IE-1, LU-4.1, FS-4, FS-4.1		
SURROUNDING USES				
	General Plan Land Use	Zoning	Existing Use	
North	Residential Neighborhood	R-2 Two- Family	single-family residential homes	
		Residence		
South	Neighborhood	CP Commercial	single-family residential homes	
	Community/Commercial	Pedestrian	and small offices	
East	Residential Neighborhood	CP Commercial	commercial retail and personal	
	/ Neighborhood	Pedestrian	services	
	Community/Commercial			
West	Neighborhood/Community	CO Commercial	single-family residential homes	
	Commercial	Office		

RELATED APPROVALS		
Date	Action	
1954	Rezoning from R-1 Residence District (One-Family) and R-3 Residence District	
	(Multiple-Family) to C Commercial District (Professional-Office) (1131 Park	
	Avenue)	

#### PROJECT DESCRIPTION

On May 2, 2018, the applicant submitted an application for a General Plan Amendment to change the Land Use/Transportation Diagram land use designation from Neighborhood/Community Commercial to Residential Neighborhood for 1131 Park Avenue and Residential Neighborhood to Neighborhood/Community Commercial for 15 and 17 Tillman Avenue on a 0.25 gross-acre site.

A portion of the subject site located at 1131 Park Avenue has been designated for commercial uses since the General Plan '75, and was rezoned for commercial uses in 1954. The single-family home on the site, built approximately during the 1930's, was used as a residence until 1998, and after as a daycare center and commercial office. Since the site was used as a daycare and commercial office, the legal non-conforming status for use of the single-family home as a residence was lost. The applicant has represented that they intend to use the single-family home as a residence again. Changing the General Plan land use designation to Residential Neighborhood from Neighborhood/Community Commercial would allow a single-family residential use at 1131 Park Avenue.

A portion of the subject site located at 15 and 17 Tillman Avenue is part of a larger commercial building that has been utilized for commercial uses since 1952. 15 and 17 Tillman Avenue is zoned CP Commercial Pedestrian, however this portion has a General Plan land use designation of Residential Neighborhood. Changing the General Plan land use designation to Neighborhood/Community Commercial from Residential Neighborhood would continue to allow the historic use of the site as a commercial property.

Further, changing the General Plan land use designation from Residential Neighborhood to Neighborhood Community/Commercial would retain the property on 15 and 17 Tillman Avenue as a commercial use.

On June 18, 2018, the applicant applied for a Conforming Rezoning to change the Zoning District from CO Commercial Office to R-1-8 Single Family Residence on the 0.10-acre portion of the site located at 1131 Park Avenue, so that application is being analyzed concurrently with the General Plan Amendment request.

#### **Site Location:**

The subject site is a 0.25-gross acre site located on the north side of Park Avenue, approximately 160 feet west of Tillman Avenue (1131 Park Avenue), and on the west side of Tillman Avenue, approximately 110 feet north of Park Avenue (15 and 17 Tillman Avenue). The 0.10-acre portion of the subject site located at 1131 Park Avenue has an existing single-family home, and the 0.15-acre portion of the site located at 15 and 17 Tillman Avenue contains an existing commercial building and surface parking lot. The single-family home is not listed on the City's Historic Resources Inventory. The following uses directly border the project site:

• North: Single-family residential

• South: Commercial and single-family residential

• East: Commercial

• West: Commercial and single-family residential

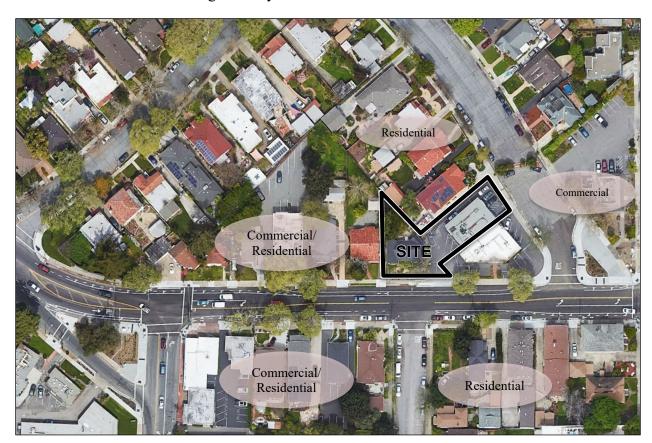


Figure 1: Aerial Image of Subject Site



Figure 2: 1131 Park Avenue facing Park Avenue



Figure 3: 15 and 17 Tillman Avenue

## **ANALYSIS**

The proposed General Plan Amendment and Rezoning was analyzed with respect to and conformance with the following plans and policies: 1) Envision San José 2040 General Plan 2) City of San José Municipal Code 3) California Environmental Quality Act of 1970, as amended (CEQA).

#### Envision San José 2040 General Plan Conformance

# Existing General Plan Land Use Designation

The subject site is designated **Neighborhood Community/Commercial** and **Residential Neighborhood** on the Land Use/Transportation Diagram of the Envision San José 2040 General Plan.

The Neighborhood Community/ Commercial designation supports a very broad range of commercial activity, including commercial uses that serve the communities in neighboring areas, such as neighborhood serving retail and services and commercial/professional office development. Neighborhood/Community Commercial uses typically have a strong connection to and provide services and amenities for the nearby community and should be designed to promote that connection with an appropriate urban form that supports walking, transit use and public interaction. General office uses, hospitals and private community gathering facilities are also allowed in this designation.

The Neighborhood Community/Commercial land use designation allows a commercial floor area ratio (FAR) up to 3.5.

The Residential Neighborhood designation is applied broadly throughout the City to encompass most of the established, single-family residential neighborhoods, including both the suburban and traditional residential neighborhood areas which comprise the majority of its developed land. The intent of this designation is to preserve the existing character of these neighborhoods and to strictly limit new development to infill projects which closely conform to the prevailing existing neighborhood character as defined by density, lot size and shape, massing and neighborhood form and pattern.

The Residential Neighborhood typically allows densities of eight (8) DU/AC and a commercial FAR up to 0.7.

#### Proposed General Plan Land Use Designation

The proposed General Plan Land Use Designations are the same as the existing land use designations. The difference being the configuration between parcels.

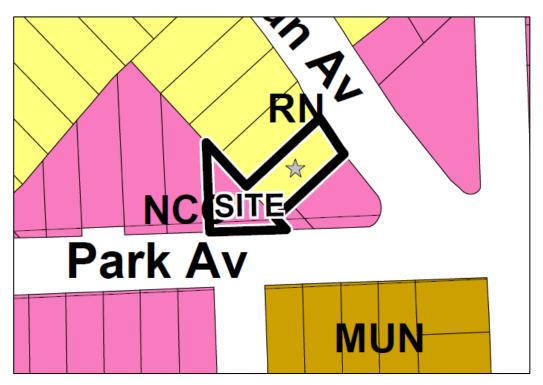


Figure 4: Existing General Plan Land Use Designations

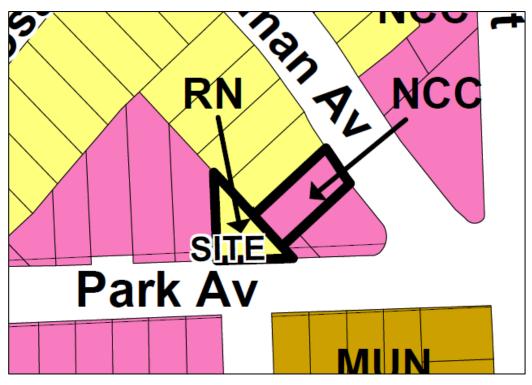


Figure 5: Proposed General Plan Land Use Designations

The proposed project is consistent with the following Major Strategies, goals, and policies of the Envision San José 2040 General Plan:

- 1. <u>Commercial Lands Goal LU-4.1:</u> Retain existing commercial lands to provide jobs, goods, services and entertainment, and other amenities for San José's workers, residents and visitors.
  - <u>Neighborhood Serving Commercial Goal LU-5:</u> Locate viable neighborhood-serving commercial uses throughout the City in order to stimulate economic development, create complete neighborhoods, and minimize vehicle miles traveled.
  - <u>High-Quality Living Environments Land Use Policy LU-9.2:</u> Facilitate the development of complete neighborhoods by allowing appropriate commercial uses within or adjacent to residential and mixed-use neighborhoods.
- 2. <u>Analysis:</u> The proposed General Plan Amendment and Rezoning would ensure the 0.15-acre portion of the site is retained for neighborhood serving commercial uses, consistent with the goals and policies listed above. This portion of the site is occupied by an approximately 5,800 square foot commercial building, however, the site could be converted to residential uses because it has a Residential Neighborhood land use designation. Together with the adjoining commercial building on the adjacent parcel, this portion of the site forms a small commercial center that provides services that meet the daily needs of nearby residents and employees (see Figure 1).
- 3. <u>Compatibility Policy CD-4.3:</u> Promote consistent development patterns along streets, particularly in how buildings relate to the street, to promote a sense of visual order, and to provide attractive streetscapes.
  - <u>Compatibility Policy CD-4.4:</u> In non-growth areas, design new development and subdivisions to reflect the character of predominant existing development of the same type in the surrounding area through the regulation of lot size, street frontage, height, building scale, siting/setbacks, and building orientation.

Analysis: The existing single-family house on the subject site was built in approximately the 1930s and has predominately been used as a single-family residence. The north side of Park Avenue predominately resembles a residential neighborhood with single-family and multifamily homes and residential homes converted to offices. The existing single-family house on the subject site would integrate into the neighborhood character. Conversion to a commercial use would require ADA access and additional parking that would alter the existing single-family home. The Residential Neighborhood land use designation also supports commercial uses with an FAR up to 0.7 if the site is located on busier streets or at street intersections, and provided such development does not negatively impact the surrounding neighborhood. As such, the property owner could still maintain employment uses on the subject site if desired.

While the proposed General Plan Amendment is consistent with several General Plan goals and policies, the proposal is **inconsistent** with the following General Plan goals and policies:

- 1. <u>Innovative Economy Goal IE-1:</u> Proactively manage land uses to provide and enhance economic development and job growth in San José.
  - <u>Land Use Policy LU-4.1:</u> Retain existing commercial lands to provide jobs, goods, services, entertainment, and other amenities for San José's workers, residents, and visitors.
  - <u>Fiscal Sustainability Goal FS-4:</u> Maintain, enhance, and develop our City's employment lands as part of our strategy for Fiscal Sustainability.

<u>Fiscal Sustainability Policy FS-4.1:</u> Preserve and enhance employment land acreage and building floor area capacity for various employment activities because they provide revenue, near-term jobs, contribute to our City's long-term achievement of economic development and job growth goals, and provide opportunities for the development retail to serve individual neighborhoods, larger community areas, and the Bay Area.

<u>Analysis:</u> The proposed General Plan Amendment would convert 0.1-gross-acre of the subject site from a commercially-designated property to residentially-designated property. However, the proposed General Plan Amendment balances this request by changing the land use designation to Neighborhood/Community Commercial on the 0.15-acre portion of the site with existing commercial uses. The portion located on 15 and 17 Tillman Avenue is part of an existing commercial center and is better designed and suited for commercial use with better access to off-street parking spaces. The property at 1131 Park Avenue is better suited and designed as a residential use. In order to accommodate most commercial uses, the site would require internal and potentially external modifications to accommodate ADA access and parking for vehicles.

# **Zoning Ordinance Conformance**

The approximately 0.10-acre parcel (APN No. 261-27-074) located approximately 160 feet west of Tillman Avenue is currently zoned CO Commercial Office. If the General Plan Amendment is approved, the proposed rezoning would conform to table 20-270, Section 20.120.110 of the San José Municipal Code, which identifies the R-1-8 Single Family Residence Zoning District as a conforming district to the Residential Neighborhood General Plan Land Use/Transportation Diagram land use designation.

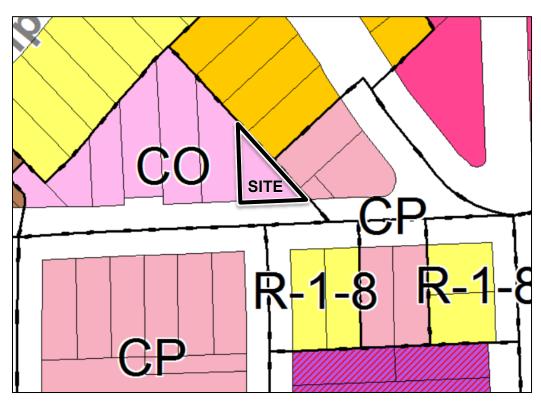


Figure 4: Existing Zoning District

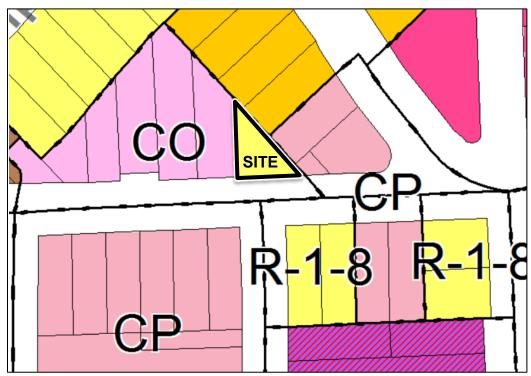


Figure 5: Proposed Zoning District

The R-1-8 Single Family Residential Zoning District will allow the property to be used and developed in accordance with the allowable uses in Table 20-50, including One-family dwelling, Secondary dwelling, Residential care facility with six or fewer persons and Public Schools (Elementary and secondary).

# CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Under the provisions of Section 15303 of the State Guidelines for Implementation of the California Environmental Quality Act (CEQA), the proposed General Plan Amendment is found to be exempt from the environmental review requirements of Title 21 of the San José Municipal Code, implementing the California Environmental Quality Act of 1970, as amended. An exemption pursuant to Section 15305 of the CEQA Guidelines (Minor Alterations in Land Use Limitations) was prepared by the Director of Planning, Building and Code Enforcement for the subject General Plan Amendment because as a result of the General Plan Amendment from Neighborhood/Community Commercial to Residential Neighborhood and from Neighborhood/Community Commercial to Residential Neighborhood would result in no change for an area with an average slope less than 20%.

The project site is approximately 0.25 gross acres and is currently developed with a single-family home and a commercial building. The site's current General Plan land use designation is Neighborhood/Community Commercial, which supports a range of local-serving commercial uses and Residential Neighborhood, which allows for development of single-family residential uses up to eight dwelling units/acre or the prevailing neighborhood density. Given this density range, the site could be used for one single-family home or the other portion of the site could develop for commercial uses.

Due to the limited development potential of the proposed Residential Neighborhood General Plan land use designation and Neighborhood Community/Commercial land use designation, the

General Plan Amendment will not result in a significant impact on the environmental and therefore would conform to CEQA Guidelines Section 15305 Minor Alterations in Land Use Limitations. Any future redevelopment of the site would be subject to additional environmental review at the time of permit application.

The Exemption states that the proposed General Plan Amendment will not have a significant effect on the environment. The entire exemption is attached to this staff report.

#### PUBLIC HEARING NOTIFICATION

Staff followed Council Policy 6-30: Public Outreach Policy. A notice of the public hearing was distributed to the owners and tenants of all properties located within 500 feet of the project site and posted on the City website. The staff report is also posted on the City's website. Staff has been available to respond to questions from the public.

# **Community Meeting**

On Monday, July 9<sup>th</sup>, 2018 at City Hall, approximately 2 community members attended a joint community meeting for File No. GP18-008. Residents and stakeholders expressed their concerns and asked questions related to parking, environmental impacts, and procedural processes.

Residents from Tillman Avenue were specifically concerned about Tillman Avenue remaining a commercial use and expressed desires for renovation of the building or use of the property as a public park. Another resident expressed support for the property at 1131 Park Avenue to return to a residential use, but stated 15 and 17 Tillman Avenue should remain designated for residential use. They also expressed concerns regarding a lack of parking and height for future commercial development.

Project Manager: Robert Rivera

**Approved by:** Deputy Director for Rosalynn Hughey, Planning Director

Date:

#### **Attachments:**

- A) Draft Resolution
- B) Draft Ordinance
- C) Statement of Exemption
- D) Public Correspondence

Owner:	Applicant:
Delisle Frank R and Rita C Trustee	Debbie Simpson
306 Camino Bailen	306 Camino Bailen
Escondido, CA 92029	Escondido, CA 92029