



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Planning Commission

SUBJECT: SEE BELOW

DATE: January 7, 2021

COUNCIL DISTRICT: 4

SUBJECT: GP20-002. AMENDMENT TO THE ENVISION SAN JOSE 2040 GENERAL PLAN LAND USE/TRANSPORTATION DIAGRAM DESIGNATION FROM MIXED USE COMMERCIAL TO URBAN RESIDENTIAL ON AN APPROXIMATELY 1.64-GROSS-ACRE SITE ON THE NORTHWEST CORNER OF LAKEWOOD DRIVE AND CROPLEY AVENUE INTERSECTION

RECOMMENDATION

The Planning Commission voted (7-0) to recommend that the City Council take the following actions:

1. Consider the Negative Declaration in accordance with CEQA; and
2. Adopt a resolution approving the Envision San José 2040 General Plan Land Use/Transportation Diagram Amendment to change the land use designation from Mixed Use Commercial to Urban Residential on an approximately 1.64-gross acre site, located at 1953 Via Reggio Court.

OUTCOME

Should the City Council approve the proposed General Plan Amendment, the Envision San José 2040 General Plan Land Use/Transportation Diagram designation would be changed from Mixed Use Commercial to Urban Residential on an approximately 1.64-gross acre site on the northwest corner of Lakewood Drive and Cropley Avenue intersection.

Should the City Council deny the General Plan Amendment, the site would retain the Land Use/Transportation Diagram designation of Mixed Use Commercial.

BACKGROUND

On December 9, 2020, the Planning Commission held a public hearing to consider the proposed General Plan Amendment to modify the Land Use/Transportation Diagram from Mixed Use Commercial to Urban Residential on an approximately 1.64-gross acre site, located at 1953 Via Reggio Court. Staff recommended approval of the General Plan Amendment. The item was on the consent calendar and was approved by the Planning Commission with no discussion.

Prior to Planning Commission's vote on the item, staff noted a modification to the Staff Report in which a discussion of Senate Bill 330 (SB330) compliance was added. Staff also clarified that the General Plan Amendment complies with SB 330 because it would not result in a net loss of residential capacity.

ANALYSIS

A complete analysis of the proposed General Plan Amendment is contained in the attached Planning Commission Staff Report.

CONCLUSION

The proposed General Plan Amendment is consistent with the goals and policies of the General Plan, which promote higher density residential development near public transit. The Planning Commission recommended approval of the proposed General Plan Amendment from Mixed Use Commercial to Urban Residential on the subject site.

EVALUATION AND FOLLOW-UP

If the General Plan Amendment is approved, the General Plan Land Use/Transportation Diagram designation would be changed from Mixed Use Commercial to Urban Residential on an approximately 1.64-gross acre site on the northwest corner of Lakewood Drive and Cropley Avenue intersection.

CLIMATE SMART SAN JOSE

The proposed General Plan Amendment aligns with one or more Climate Smart San José energy, water, or mobility goals by allowing an increase in density of new development within an urbanized area, thereby reducing the impact from expanding any public services or infrastructure. The site is adjacent to a light rail station and provides transportation options to residents that reduce Vehicle Miles Traveled, which in turn would reduce Green House Gas emissions.

PUBLIC OUTREACH

Staff followed Council Policy 6-30: Public Outreach Policy. The property owners and occupants within a 1,000-foot radius were sent public hearing notices for the Planning Commission and City Council hearings. A notice of the public hearing was 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. 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

An Initial Study (IS) and Negative Declaration (ND) were prepared by the Director of Planning, Building and Code Enforcement for the subject General Plan Amendment. The documents were circulated for public review from November 13, 2020 through December 2, 2020. No public comments were received. The ND states that the proposed General Plan Amendment will have a less than significant effect on the environment. No impacts were identified; therefore, no mitigation is required. The entire ND, Initial Study, technical reports, public comments, and responses are available at: <http://www.sanjoseca.gov/NegativeDeclarations> under File No. GP20-002.

/s/

ROSALYNN HUGHEY, Secretary
Planning Commission

For questions please contact Michael Brilliot, Deputy Director, at michael.brilliot@sanjoseca.gov.

Attachment: [Planning Commission Staff Report](#)



Memorandum

TO: PLANNING COMMISSION

FROM: Rosalynn Hughey

SUBJECT: File No. GP20-002

DATE: December 9, 2020

COUNCIL DISTRICT: 4

Type of Permit	General Plan Amendment
Project Planner	Jessica Setiawan
CEQA Clearance	Negative Declaration
CEQA Planner	Reema Mahamood

RECOMMENDATION

Staff recommends that the Planning Commission recommend that the City Council take all of the following actions:

1. Consider the Negative Declaration in accordance with CEQA; and
2. Adopt a resolution (Exhibit C) approving the Envision San José 2040 General Plan Land Use/Transportation Diagram amendment to change the land use designation from Mixed Use Commercial to Urban Residential on an approximately 1.64-gross acre site, located at 1953 Via Reggio Ct.

PROPERTY INFORMATION

Location	1935 Via Reggio Ct
Assessor Parcel No.	092-010-18
Existing General Plan	Mixed Use Commercial
Proposed General Plan	Urban Residential
Existing Zoning	A(PD)
Historic Resource	No
Annexation Date	September 2, 1964 (Piedmont No. 90)
Council District	4
Acreage	1.64

PROJECT BACKGROUND

On March 9, 2020, Madhu Sridhar (Sridhar Equities, Inc.) applied for a General Plan Amendment to change the Land Use/Transportation Diagram land use designation from Mixed Use Commercial to Urban Residential on an approximately 1.64-gross acre site. Changing the General Plan land use designation to Urban Residential would allow medium density residential development and a fairly broad range of commercial uses, including retail, offices, hospitals, and private community gathering facilities on the subject site. The applicant owns the subject site which is developed with a 48-unit multifamily apartment development (Lakewood Court Apartments) that is currently occupied. With this General Plan Amendment, the applicant's stated intent is to amend the General Plan land use designation to be consistent with what is currently on-site and a planned condominium conversion in the future.

Site Location

The project site is located at 1953 Via Reggio Court, approximately 200 feet north of Cropley Avenue. The site is not located within a development policy or growth area; however, it is located less than 0.15 miles from the Cropley light rail station which supports transit-oriented development. As shown in Figure 1, the subject 1.64-gross acre site is comprised of one parcel, which contains the occupied apartment complex. The site is surrounded by single-family residences to the north and west and garden style apartments to the east and south as shown in Exhibit A.

SURROUNDING USES			
	General Plan	Zoning District	Existing Use
North	Residential Neighborhood	R-1-8 Single-Family Residence	Single-family homes
East	Residential Neighborhood	R-M Multiple Residence	Apartments (across Lakewood Drive)
South	Mixed Use Commercial	CP Commercial Pedestrian	Commercial (across Cropley Ave)
West	Mixed Use Commercial	CP Commercial Pedestrian	Commercial

ANALYSIS

The proposed General Plan Amendment application is analyzed with respect to conformance with:

- 1) Envision San José 2040 General Plan
- 2) Municipal Code (Zoning Ordinance)
- 3) California Environmental Quality Act (CEQA)

Envision San José 2040 General Plan Conformance

Land Use Designation

As shown in the attached **General Plan map (Exhibit B)**, the proposed project site has an Envision San Jose 2040 General Plan designation of Mixed Use Commercial.

Mixed Use Commercial

This designation is intended to accommodate a mix of commercial and residential uses. The land use designation allows a residential density of up to 50 dwelling units per acre (DU/AC). As for commercial density, new development of a property with this designation should include commercial space equivalent to at least a 0.5 FAR for residential/ commercial mixed-use projects and 0.25 FAR for commercial-only projects. Both residential/commercial mixed-use projects and solely commercial projects are allowed an FAR of up to 4.5 for a medium intensity of development. Appropriate commercial uses include neighborhood retail, mid-rise office, medium scale hospitals or other health care facilities, and medium scale private community gathering facilities. Low impact industrial uses are appropriate if they are compatible and do not pose a hazard to other nearby uses.

The proposed General Plan Amendment would change the General Plan land use designation on the subject site from Mixed Use Commercial to Urban Residential as shown in the attached General Plan map.

Urban Residential

This designation allows medium density residential development and a fairly broad range of commercial uses. The land use designation allows a residential density between 30 and 95 DU/AC. For commercial developments a FAR between 1.0 and 4.0 is allowed. Uses allowed in this designation include retail, offices, hospitals, and private community gathering facilities within identified Urban Villages, in other areas within the City that have existing residential development built at this density, within Specific Plan areas, or in areas in close proximity to an Urban Village or transit facility where intensification will support those facilities. Any new residential development at this density should be in Growth Areas or, on a very limited basis, as infill development within areas with characteristics similar to the Urban Village areas (generally developed at high-density and in proximity to transit, jobs, amenities and other services).

General Plan Conformance

The proposed General Plan Amendment is **consistent** with the following General Plan policies:

1. High Quality Living Environments Policy LU-9.3: Integrate housing development with our City's transportation system, including transit, roads, and bicycle and pedestrian facilities.
2. Efficient Use of Residential and Mixed-Use Lands Policy LU-10.3: Develop residentially- and mixed-use-designated lands adjacent to major transit facilities at high densities to reduce motor vehicle travel by encouraging the use of public transit.
3. Passenger Rail Service Policy TR-4.1: Support the development of amenities and land use and development types and intensities that increase daily ridership on the VTA, BART, Caltrain, ACE and Amtrak California systems and provide positive fiscal, economic, and environmental benefits to the community.

4. Housing – Environmental Sustainability Policy H-4.2: Minimize housing’s contribution to greenhouse gas emissions, and locate housing, consistent with our City’s land use and transportation goals and policies, to reduce vehicle miles traveled and auto dependency.

Analysis: The proposed General Plan amendment would be located less than 0.15 miles from the Cropley Light Rail Station and would allow for higher residential density. The proximity of the project site to a passenger rail transit station would help reduce motor vehicle travel and would support transit use, and therefore, is consistent with General Plan Policy LU-9.3, LU-10.3, TR-4.1, and H-4.2.

The proposed project is **inconsistent** with the following Envision San José 2040 General Plan policy.

1. Major Strategy #3: Focused Growth: The Focused Growth Major Strategy plans for new residential and commercial growth capacity in specifically identified “Growth Areas” (Urban Villages, Specific Plan areas, Employment Areas, Downtown) while the majority of the City is not planned for additional growth or intensification. The strategy focuses new growth into areas of San José that will enable the achievement of economic growth, fiscal sustainability, and environmental stewardship goals, while supporting the development of new, attractive urban neighborhoods. While the Focused Growth strategy directs and promotes growth within identified Growth Areas, it also strictly limits new residential development through neighborhood infill outside of these Growth Areas to preserve and enhance the quality of established neighborhoods, to reduce environmental and fiscal impacts, and to strengthen the City’s Urban Growth Boundary.
2. Growth Areas Policy LU-2.3: To support the intensification of identified Growth Areas, and to achieve various goals related to their development throughout the City, restrict new development on properties in non-Growth Areas.
3. High Quality Living Environments Policy LU-9.17: Limit residential development in established neighborhoods that are not identified growth areas to projects that conform to the site’s Land Use / Transportation Diagram designation and meet Urban Design policies in this Plan.

Analysis: The project site is located in a non-growth area and Envision San José 2040 generally discourages intensification of development outside of growth areas. However, the project site is less than 0.15 miles east of the Cropley Light Rail Station and increased residential density near transit would be consistent with the environmental stewardship goals of the Growth Area concept. Additionally, the applicant’s stated intent is not to intensify the number of housing units on-site, but to convert the existing apartments to condominiums.

4. Commercial Policy LU-4.1: Retain existing commercial lands to provide jobs, goods, services, entertainment, and other amenities for San Jose’s workers, residents, and visitors.

Analysis: The General Plan amendment proposes to convert a 1.64-gross-acre site from a commercial land use designation to a residential designation, which could diminish the opportunity to locate future commercial uses on the site. However, the site is currently developed with a 48-unit multifamily development (Lakewood Court Apartments) that is currently occupied. The applicant’s stated intent is to convert the apartments to condominiums, and therefore, it is unlikely commercial uses would be located on the subject site.

Municipal Code (Zoning Ordinance) Conformance

The site is currently zoned A(PD) for the existing apartment development, which is conforming to the proposed General Plan land use designation of Urban Residential (San Jose Municipal Code sec. 20.120.110 and Table 20-270). Therefore, the general plan amendment will not result in inconsistency with the Zoning Code. Additionally, the proposed project does not propose any development, and any future development would be analyzed for conformance with the General Plan, Municipal Code, and applicable City Council Policies.

Senate Bill 330

Governor Gavin Newsom signed Senate Bill 330, Housing Crisis Act of 2019, on October 9, 2019 to catalyze housing that would offset the high rents and home ownership costs leading to increasing homelessness. The bill is intended to speed up housing construction in California by decreasing the time it takes to obtain building permits and limiting fee increases on housing applications. The bill also bans local governments from reducing the number of homes that can be built on properties that allow housing, including downzoning, changing general or specific plan land use designations to a less intensive use, reductions in height, density or floor area ratio, or other types of increased requirements. The exception to this is that a property may be allowed to reduce intensity of residential uses if changes in land use designations or zoning elsewhere ensure no net loss in residential capacity within the jurisdiction.

The proposed General Plan Amendment (GP20-002) does not reduce the intensity of residential uses because the Urban Residential land use designation allows a higher residential density than Mixed Use Commercial. GP20-002 would increase the residential capacity by 74 units and the proposed General Plan amendment is therefore in compliance with SB330. Furthermore, if approved concurrently with GP20-001 (net 69 units) and GP19-012 (net 248 units) this would offset reduced residential capacity for proposed project file no. GP20-003 (loss of 248 units) to result in no net loss of residential capacity as mandated by SB330.

Conclusion

Staff recommends approval of the proposed General Plan Amendment from Mixed Use Commercial to Urban Residential as it is consistent with Policies LU-9.3, LU-10.3, TR-4.1, and H-4.2 of the General Plan which promote residential development near public transit. Although the proposed land use amendment is inconsistent with the Focused Growth Major Strategy and several land use policies, the site is located less than 0.15 miles from the Cropley Light Rail Station. The General Plan Amendment would also create consistency between the General Plan land use designation and what is existing on-site, and would be consistent with policies focused on concentrating development near public transit and other amenities despite being outside of a Growth Area.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

An Initial Study (IS) and Negative Declaration (ND) were prepared by the Director of Planning, Building and Code Enforcement for the subject General Plan Amendment. The documents were circulated for public review from November 13, 2020 through December 2, 2020. No public comments were received.

The ND determined that the proposed General Plan Amendment will have a less than significant effect on the environment. No impacts were identified; therefore, no mitigation is required. The entire ND, Initial Study, technical reports, public comments and responses are available at:
<http://www.sanjoseca.gov/negativedeclarations>

PUBLIC OUTREACH

Staff followed Council Policy 6-30: Public Outreach Policy. Planning staff facilitated a community meeting for File No. GP20-002 on August 27, 2020 via Zoom to discuss the proposed General Plan Amendment. A notice for the community meeting was distributed to all land owners and tenants of all properties within 1,000 feet of the subject site. There were 9 community members that attended, but there were no comments on the General Plan Amendment.

A notice for the December 9, 2020, Planning Commission hearing was distributed to the owners and tenants of all properties located within 500 feet of the project site and posted on the City's website. The staff report is also posted on the City's website. Staff has been available to respond to questions from the public.

Project Manager: Jessica Setiawan

Approved by: /s/ Deputy Director for Rosalynn Hughey, Planning Director

ATTACHMENTS:
Exhibit A: Location Map
Exhibit B: Land Use Change Maps
Exhibit C: Resolution
Exhibit D: Initial Study and Negative Declaration
Exhibit E: CEQA Resolution

Owner:	Applicant:	Applicant's Representative:
Madhu Sridhar, Sridhar Equities, Inc. 1777 Saratoga Ave #210 San Jose, CA 95129	Madhu Sridhar, Sridhar Equities, Inc. 1777 Saratoga Ave #210 San Jose, CA 95129	Salvatore Caruso, Salvatore Caruso Design Corporation 980 El Camino Real, Suite 200 Santa Clara, CA 95050

GP20-002 List of Attachments

[Exhibit A- Location Map](#)

[Exhibit B- Land Use Change Map](#)

[Exhibit C- Resolution](#)

[Exhibit D- Initial Study and Negative Declaration](#)

[Exhibit E- CEQA Resolution](#)