



COUNCIL AGENDA: 02/23/21

FILE: 21-330

ITEM: 10.5

# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Planning Commission

**SUBJECT:** SEE BELOW

**DATE:** February 12, 2021

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**COUNCIL DISTRICT: 9**

**SUBJECT: GP20-003. AMENDMENT TO THE ENVISION SAN JOSE 2040 GENERAL PLAN LAND USE/TRANSPORTATION DIAGRAM DESIGNATION FROM PUBLIC/QUASI-PUBLIC TO RESIDENTIAL NEIGHBORHOOD ON AN APPROXIMATELY 2.7-GROSS-ACRE SITE ON THE NORTH SIDE OF CAMBRIANNA DRIVE, APPROXIMATELY 650 FEET EAST OF UNION AVENUE**

## **RECOMMENDATION**

The Planning Commission voted (6-0-1, Commissioner Bonilla absent) to approve the staff recommendation to recommend to the City Council to:

1. Consider the Negative Declaration in accordance with CEQA;
2. Adopt a resolution to deny the Envision San José 2040 General Plan Land Use/Transportation Diagram Amendment to change the land use designation from Public/Quasi-Public to Residential Neighborhood on an approximately 2.7-gross-acre site, located at 1975 Cambrianna Drive; and
3. Add an item to the Housing Crisis Workplan to explore policy changes for public school land conversions that could provide more opportunities for housing and revenue for public school districts.

The Planning Commission also recommended that staff provide more clarity on the legal requirements of the Naylor Act, Senate Bill 1486, and SB 330 regarding the transfer of land by the school district and how the school district proposes to transfer the subject property consistent with State law requirements.

## **OUTCOME**

Should the City Council adopt a resolution to deny the General Plan Amendment, the site would retain the Land Use/Transportation Diagram designation of Public/Quasi-Public. The Housing Crisis Workplan would also be updated to add an item to explore policy changes to for public school land conversions that could provide more opportunities for housing and revenue for public school districts.

Should the City Council adopt a resolution to approve the proposed General Plan Amendment concurrently with General Plan Amendments under File Nos. GP20-001, GP20-002, and GP19-002 that would result in a no net loss of residential capacity pursuant to SB 330, the Envision San José 2040 General Plan Land Use/Transportation Diagram designation would be changed from Public/Quasi-Public to Residential Neighborhood on an approximately 2.7-gross acre site on the north side of Cambrianna Drive, approximately 650 feet east of Union Avenue. Failure to approve a combination of proposed General Plan Amendments that would result in a no net loss in residential capacity at the same hearing would retain the Land Use/Transportation Diagram designation of Public/Quasi-Public.

Due to the deferral of this proposed General Plan Amendment from the January 26, 2021 City Council hearing date to February 9, 2021, should the City Council adopt a resolution to approve the proposed General Plan Amendment, it must be approved concurrently with File No. GP20-004 so that the change would result in a no net loss of residential capacity as required by SB 330. Failure to approve a combination of proposed General Plan Amendments that would result in a no net loss in residential capacity, the same hearing would require that the City retain the Land Use/Transportation Diagram designation of Public/Quasi-Public of the site.

## **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 Public/Quasi-Public to Residential Neighborhood on an approximately 2.7-gross acre site, located at 1975 Cambrianna Drive. The Director of Planning, Building and Code Enforcement recommended denial of the General Plan Amendment.

### **Staff Presentation**

Staff presented a summary of the applicant's proposed General Plan Amendment request including details of the public engagement process and community input. Staff stated that the proposed General Plan Amendment was analyzed with respect to conformance with the goals and policies of the General Plan. While the proposed land use amendment to Residential Neighborhood is consistent with some General Plan policies, it is inconsistent with other key major strategies and policies of the General Plan. The proposed General Plan Amendment is also inconsistent with Senate Bill 330 that prohibits a net loss of potential residential capacity in a jurisdiction, however, the proposed land use amendment could be approved in conjunction with

other amendments being considered during the General Plan hearing cycle to ensure no net loss of residential capacity. Although a similar General Plan Amendment request was approved by Council in 2018, a Public/Quasi Public conversion for the Campbell Union High School District File No. GP18-004, unlike the Campbell Unified project the Cambrianna General Plan Amendment does not meet the unique circumstances that would render low-density residential uses as the only feasible use for the site. The GP18-004 site did not have street frontage which is needed for commercial viability; however, the GP20-003 site fronts Cambrianna Drive and would be viable for Public/Quasi-Public uses, such as private schools, day care, places of worship, and other uses that were not feasible on the other site given its shape and location. Additionally, as mentioned above, this General Plan Amendment cannot be approved absent other General Plan amendments so that there would be no net loss of residential capacity as required by SB 330. Staff also recommends adding an item to the Housing Crisis Workplan to explore policy changes for public school land conversions that could provide more opportunities for housing and revenue for public school districts. Currently, the direction of the City Council to address school conversions is not yet complete and, therefore, could not be applied to this application.

### **Public Testimony**

Janet Borrison of the Cambrian School District provided a brief presentation on the Support Our Students initiative and stated that the General Plan Amendment would provide a new ongoing source of needed educational funding for school programs and students. She mentioned that the leased building will remain unchanged and preserve employment potential, but the remainder of the district property is underutilized. Mrs. Borrison also presented conceptual renderings of single-family homes and mentioned that the School District has worked with the community and neighbors on the General Plan Amendment and conceptual project and has over 500 letters of support from the Cambrian School district community. She concluded that the School District disagrees with the staff recommendation on the General Plan Amendment, because the General Plan Amendment would provide much needed housing for the city and would be an appropriate use for the existing neighborhood.

Eleven members of the public spoke on the item. Nine commenters expressed support for the General Plan Amendment. These speakers shared that the proposed General Plan amendment would be consistent with the existing uses in the neighborhood, preserve school district jobs, provide new construction jobs, provide an unrestricted source of revenue for the School District during a time of significant funding challenges, and would support students. Two commenters expressed opposition to the General Plan Amendment due to the many projects underway in the area that will cause more traffic. They also shared that redevelopment of the site would not preserve the character of surrounding homes and that the site is currently enjoyed as open space for recreation. These commenters expressed that Measure R funding would provide additional funding to the School District. In addition, a member of the public noted that the remainder of the school site is being considered by the District for an assisted living facility.

### **Planning Commission Discussion**

Commissioner Casey opened the discussion with a question to staff to explain the reason for denial for this General Plan Amendment, especially since the preceding item considered by the Planning Commission, File GP20-001, that was recommended for approval by Planning staff, was also a General Plan Amendment request to convert lands to residential uses outside of a Focused Growth Area. Staff explained that, the subject proposal is inconsistent with General Plan Policy LU-1.9, which specifically discourages the conversion of Public/Quasi-Public land to non-employment uses in order to maintain land for private community gathering facilities and to reduce the potential conversion of employment lands to non-employment uses.

Commissioner Lardinois asked if the City Council has the discretion to approve a General Plan amendment that is inconsistent with the General Plan. Staff responded that the City Council has the discretion to approve the proposed General Plan Amendment.

Commissioner Oliverio asked the Cambrian School District Superintendent, Dr. Carrie Andrews, when considering the residential construction projects in the area, what level of housing growth would be needed to reopen the school. Dr. Andrews explained that school enrollment continues to decline and that currently there is adequate space in existing schools; however, the School District is preserving the Metzler School site in case of future growth in which it could fit 400 students. Commissioner Oliverio also asked the Superintendent how the proposal would result in ongoing revenue and if it would be leased. Dr. Andrews clarified that the property would be part of a land exchange where the site would be exchanged for another property equal in value in which the School District would receive revenue on the newly-acquired parcel. Commissioner Oliverio asked the Senior Deputy City Attorney Vera Todorov whether the School District must offer the land to other public agencies first when they have surplus land, to which she responded that it likely needs to be offered for lower income housing or parks, but that she would have to research the laws to understand how and if they apply to the proposal. Commissioner Oliverio asked the Superintendent if this site was offered to public agencies for purchase; Dr. Andrews responded that since the proposal is a land exchange, surplus property laws do not apply, and the land was not offered to other public agencies. Senior Deputy City Attorney Vera Todorov stated that AB 1486 applies to school districts and applies to the sale and leases of properties. She requested that the School District provide clarification on whether the laws relating to surplus lands apply to land exchanges.

Commissioner Garcia asked the applicant if they considered the western part of the parcel closest to Union Avenue for development. Dr. Andrews and Scott Sheldon (consultant to the School District) responded that the western portion would be considered for a future development. Mr. Sheldon explained that since the General Plan Amendment site is adjacent to existing homes, a proposed General Plan Amendment to Residential Neighborhood and the future development of single-family homes would be appropriate, whereas the western part of the parcel on Union Avenue would be more appropriate for a memory care facility.

Commissioner Torrens stated that she was impressed with the community organization to support students and the School District but is still unclear on how land exchanges lead to

ongoing revenue and unsure about the legality of the land exchange as mentioned by Commissioner Oliverio. Commissioner Torrens moved to recommend the staff recommendation with a friendly amendment from Commissioner Oliverio to ask that the applicant provide clarity to the land transaction and how it applies to Naylor Act, AB 1486, and SB 330. Chair Caballero stated she shared Commissioner Torrens's concerns regarding the lack of clarity with compliance to state laws.

The Planning Commission voted 6-0-1 (Commissioner Bonilla absent) to recommend that the City Council adopt a resolution to deny the 1975 Cambrianna General Plan Amendment and to add an item to the Housing Crisis Workplan to explore public school-related Public/Quasi-Public land conversions through the Housing Crisis Workplan. The Planning Commission also recommended that staff provide more clarity on the legal requirements of the Naylor Act, Senate Bill 1486, and SB 330 regarding the transfer of land by the school district and how the school district proposes to transfer the subject property consistent with State law requirements. After the Planning Commission hearing, the School District provided a letter dated December 16, 2020, which is included in letters from the public with the Council agenda item, responding to the concerns expressed by the Commission. The City Attorney's office is reviewing the District's letter and will advise Council further prior to the Council hearing date if necessary.

## **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 inconsistent with the goals and policies of the General Plan, which encourages residential growth in established Growth Areas and discourages the conversion of Public/Quasi-Public land to non-employment uses. Additionally, in order to comply with SB 330 which prohibits local governments from reducing the residential capacity on a site, the other general plan amendments noted above must be approved at the same hearing to offset the residential loss and result in a no net loss. Planning Commission approved the staff recommendation to recommend to the Council the denial of the proposed General Plan Amendment to change the Land Use/Transportation Diagram designation from Public/Quasi-Public to Residential Neighborhood on the subject site.

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

If the General Plan Amendment is denied, the General Plan Land Use/Transportation Diagram designation would remain Public/Quasi-Public on an approximately 2.7-gross acre site on the north side of Cambrianna Drive, approximately 650 feet east of Union Avenue.

### **CLIMATE SMART SAN JOSE**

The proposed General Plan Amendment does not align with Climate Smart San José energy, water, or mobility goals because it would allow development of low density residential development outside of a growth area, thereby increasing Vehicle Miles Traveled and greenhouse gas emissions.

The Planning Commission recommendation to deny to the proposed General Plan Amendment would result in no expansion of public services or infrastructure or adverse impacts to greenhouse gas emissions.

### **PUBLIC OUTREACH**

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

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 October 30, 2020 to November 19, 2020. One public comment was received from Santa Clara Valley Water District with minor clarifications and corrections on environmental settings of the project site. The comments does not result in any changes to the analysis disclosed in the circulated IS/ND. 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. GP20-003.

/s/

Rosalynn Hughey, Secretary  
Planning Commission

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

Attachments: Planning Commission Staff Report  
Map of Metzler Site



# Memorandum

**TO:** PLANNING COMMISSION

**FROM:** Rosalynn Hughey

**SUBJECT:** File No. GP20-003

**DATE:** December 9, 2020

**COUNCIL DISTRICT:** 9

<b>Type of Permit</b>	General Plan Amendment
<b>Project Planner</b>	Jessica Setiawan
<b>CEQA Clearance</b>	Negative Declaration
<b>CEQA Planner</b>	Thai-Chau Le

## 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) to deny the Envision San José 2040 General Plan Land Use/Transportation Diagram amendment to change the land use designation from Public/Quasi-Public to Residential Neighborhood on an approximately 2.7-gross-acre site, located at 1975 Cambrianna Drive.
3. Add an item to the Housing Crisis Workplan to explore policy changes for public school land conversions that could provide more opportunities for housing and revenue for public school districts.

## PROPERTY INFORMATION

<b>Location</b>	1975 Cambrianna Drive
<b>Assessor Parcel No.</b>	414-21-062
<b>Existing General Plan</b>	Public/Quasi-Public
<b>Proposed General Plan</b>	Residential Neighborhood
<b>Existing Zoning</b>	R-1-8
<b>Historic Resource</b>	No
<b>Annexation Date</b>	March 30, 1955 (Union No. 1)
<b>Council District</b>	9
<b>Acreage</b>	2.7



## PROJECT BACKGROUND

On March 12, 2020, Cambrian School District applied for a General Plan Amendment to change the Land Use/Transportation Diagram land use designation from Public/Quasi-Public to Residential Neighborhood on an approximately 2.7-gross acre site on the eastern portion of the property located at 1975 Cambrianna Drive. Changing the General Plan land use designation to Residential Neighborhood would allow residential uses at a density of up to 8 dwelling units per acre or the prevailing neighborhood density, whichever is lower. Based on the prevailing density, approximately 18 single-family homes could be allowed. The existing use on the subject site is open space (grass field) associated with the former school (Metzler Elementary School). The school has closed but the building is currently occupied by tenants including the California Sports Center, the 7 Magic Flowers, and ATLC (A Tyson Loving Care) preschool. The applicant has represented that they intend to develop single-family homes on the subject site if the General Plan Amendment is approved.

During the 2018 General Plan Annual Review cycle, Campbell Union High School District proposed a similar General Plan Amendment (GP18-004) to change land owned by the school district from Public/Quasi-Public to Residential Neighborhood and Combined Industrial Commercial on a site across Union Avenue from the subject site of this General Plan Amendment (GP20-003). Planning staff also recommended denial of the 2018 General Plan Amendment request to change the land use designation from Public/Quasi-Public to Residential Neighborhood based on conformance with the Major Strategies, goals, and policies of the General Plan. The City Council approved the General Plan Amendment at the December 11, 2018 City Council meeting. However, the following year, SB 330 took effect which dictates that there be no net loss in residential capacity when a local agency considers changes to its land use policies and ordinances. Unlike GP18-004, this project, GP20-003 1975 Cambrianna Drive, includes the additional SB330 issue of a net loss in residential capacity by proposing a change in land use designation from Public/Quasi-Public that allows permanent supportive housing at 100 DU/AC to Residential Neighborhood that allows 8 DU/AC.

During the 2018 City Council hearing on GP18-004, Mayor Liccardo acknowledged that staff had adequately analyzed the project based on the General Plan and its policies and then-applicable law, but stated that changes to policies to address school land conversions should be considered as part of the next General Plan 4-Year Review. In addition to approving the proposed General Plan Amendment, the City Council then directed staff to review policies to address school conversions through the next General Plan 4-Year Review process.

The 2019 General Plan 4-Year Review Scope of Work was approved by City Council on June 11, 2019 and a 43-member Task Force was assembled to review policy changes identified in the scope of work. Exploring policy changes to allow Public/Quasi-Public school land conversions was not included in the General Plan 4-Year Review Scope of Work. To address City Council direction staff recommends that an item be added to the Housing Crisis Workplan to explore policy changes for public school land conversions that could provide more opportunities for housing and revenue for public school districts. However, as described below, any change in land use through general plan amendments, rezoning, or other local policies must not run afoul of the no net loss prohibitions in SB 330.

### Site Location

The site is located on the north side of Cambrianna Drive, approximately 650 feet east of Union Avenue (1975 Cambrianna Drive). The site is not located within a development policy or General Plan Growth Area. As shown in Figures 1, the subject 2.7-gross acre site is the eastern portion of the former Metzler Elementary School parcel. It is currently open space (grass field) used by the community for recreational activities. The site is surrounded by single-family residences to the north, east, and south. See Exhibit A.

SURROUNDING USES			
	General Plan	Zoning District	Existing Use
<b>North</b>	Residential Neighborhood	R-1-8 Single-Family Residence	Single-family homes
<b>East</b>	Residential Neighborhood	R-1-8 Single-Family Residence	Single-family homes
<b>South</b>	Residential Neighborhood	R-1-8 Single-Family Residence	Single-family homes
<b>West</b>	Public/Quasi-Public	R-1-8 Single-Family Residence	Former school

## ANALYSIS

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

- 1) Envision San José 2040 General Plan
- 2) Title 20 of the Municipal Code (Zoning Ordinance)
- 3) Senate Bill 330
- 4) California Environmental Quality Act (CEQA)

### Envision San José 2040 General Plan Conformance

As shown in the attached General Plan map (Exhibit B), the subject site has an Envision San Jose 2040 General Plan designation of **Public/Quasi-Public**.

#### **Public/Quasi-Public**

This designation supports a very broad range of public land uses, including schools, colleges, corporation yards, homeless shelters, permanent supportive housing, libraries, fire stations, water treatment facilities, convention centers and auditoriums, museums, governmental offices and airports. Joint development projects or private entities may also use this land use designation – examples, include private schools, daycare centers, hospitals, public utilities, and the facilities of any organization involved in the provision of public services such as gas, water, electricity, and telecommunications. Private community gathering facilities, including those used for religious assembly or other comparable assembly activity, are also appropriate on lands with this designation. The Public/Quasi-Public land use designation does not have a floor area ratio (FAR) associated with the designation. The appropriate intensity of development can vary considerably depending on potential impacts on surrounding uses and the specific Public/Quasi-Public use developed on the site. Although the Public/Quasi-Public land use designation allows permanent supportive housing, it does not have a formal residential density outlined in the General Plan. However, existing permanent supportive housing projects on properties with this land use designation have a maximum residential density of 100 dwelling units per acre (100 DU/AC).

The proposed General Plan Amendment would change the General Plan land use designation on the 2.7-acre site at 1975 Cambrianna Drive from Public/Quasi-Public to Residential Neighborhood as shown in the attached General Plan map (Exhibit B).

## Residential Neighborhood

This 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. New infill development should improve and/or enhance existing neighborhood conditions by completing the existing neighborhood pattern and bringing infill properties into general conformance with the quality and character of the surrounding neighborhood. New infill development should be integrated into the existing neighborhood pattern, continuing and, where applicable, extending or completing the existing street network. The average lot size, orientation, and form of new structures for any new infill development must therefore generally match the typical lot size and building form of any adjacent development, with particular emphasis given to maintaining consistency with other development that fronts onto a public street to be shared by the proposed new project.

Existing development within this designation will typically have a density of approximately 8 DU/AC, but in some cases this designation may be applied to areas already developed at slightly higher or slightly lower densities. New infill development should conform to the General Plan design guidelines for Residential Neighborhoods and be limited to a density of 8 DU/AC or the prevailing neighborhood density, whichever is lower.

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

1. Housing Goal H-1: Provide housing throughout our City in a range of residential densities, especially at higher densities, and product types, including rental and for-sale housing, to address the needs of an economically, demographically, and culturally diverse population.
2. High Quality Housing and Great Places 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.

*Analysis: The proposed General Plan Amendment would allow development of approximately 18 new single-family homes, which is nearby to the Camden Community Center, Camden Park Shopping Center and other various neighborhood serving commercial uses.*

3. Compatibility Policy CD-4.4: 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 project site is located in a non-growth area. Any future development on the site under the proposed RN designation would have to be consistent with the density and character of the neighborhood. As the site is surrounded by single-family residences with a Residential Neighborhood designation on three sides, the proposed land use change to RN would be consistent with Policy CD-4.4.*

4. Education Policy ES-1.14: Collaborate with school districts, the community, post-secondary institutions, businesses, and industry to ensure availability of necessary resources to meet student needs.

*Analysis: The proposed General Plan Amendment would provide opportunities for additional revenue for the Cambrian School District to meet the needs of its students.*

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, approximately 1,000 feet north of the Camden Avenue/Hillsdale Avenue Urban Village, and is not located near a transit station. The proposed General Plan Amendment would thus allow new residential growth on a site that is located outside of an identified Growth Area and not currently designated for residential development. The Envision San José 2040 General Plan, with limited exceptions for affordable housing, only supports residential development outside of Growth Areas on properties that are already designated for residential uses, which is not applicable for the subject site; and therefore, the proposed General Plan Amendment is inconsistent with the Focused Growth major strategy.*

4. General Land Use Policy LU-1.9: Preserve existing Public/Quasi-Public lands in order to maintain an inventory of sites suitable for Private Community Gathering Facilities, particularly within the Residential Neighborhoods, Urban Villages and commercial areas, and to reduce the potential conversion of employment lands to non-employment use.

*Analysis: The project proposes a General Plan Amendment from Public/Quasi-Public to Residential Neighborhood, thereby decreasing the inventory of sites suitable for Private Community Gathering sites in a primarily residential neighborhood and converting the land to a non-employment use. The proposed General Plan Amendment is directly inconsistent with Policy LU-1.9.*

5. General Land Use Policy LU-1.1: Foster development patterns that will achieve a complete community in San José, particularly with respect to increasing jobs and economic development and increasing the City’s jobs-to-employed resident ratio while recognizing the importance of housing and a resident workforce.
6. Fiscally Sustainable Land Use Framework Policy FS-3.3: Promote land use policy and implementation actions that increase the ratio of Jobs to Employed Residents to improve our City’s fiscal condition, consistent with economic development and land use goals and policies. Maintain or enhance the City’s net total employment capacity collectively through amendments made to this General Plan in each Annual Review process.

*Analysis: The proposed General Plan Amendment would convert Public/Quasi-Public lands, which allow various employment generating uses, to a non-employment use. This would decrease the potential jobs that the land could support, and therefore would be inconsistent with Policy LU-1.1.*

### **Zoning Ordinance Conformance**

The site is currently zoned R-1-8, which is a conforming zoning district with the proposed General Plan designation of Residential Neighborhood (San Jose Municipal Code sec. 20.120.110 and Table 20-270) so the proposed General Plan Amendment would not result in inconsistency between the site's existing zoning district. 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 housing construction in California by decreasing the time it takes to obtain building permits and limiting fee increases on housing applications. The bill also prohibits local governments from reducing the number of residential units 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 more restrictive 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 Public/Quasi-Public land use designation allows permanent supportive housing for the homeless which are built at medium to high densities. Staff has determined that the maximum density for permanent supportive housing on Public/Quasi-Public designated land to be 100 DU/AC. This maximum density is not listed in the General Plan, but was determined through reviewing the densities of existing permanent supportive housing developments in the city.

The Residential Neighborhood land use designation allows housing with a typical maximum residential density of 8 DU/AC. Because the Public/Quasi-Public designation allows for higher density housing than the 8 DU/AC allowed by the Residential Neighborhood designation, conversion from Public/Quasi-Public to Residential Neighborhood on 2.7 gross acres would result in a net loss of 248 units under SB 330.<sup>1</sup>

Therefore, concurrent changes in General Plan land use designations must be made elsewhere to ensure no net loss in residential capacity consistent with SB 330.

In conformance with SB 330, this project is being considered concurrently by Planning Commission and the City Council with the following projects during the current cycle of general plan amendments so that there will be no net loss of residentially designated land:

- File No. GP20-002, a General Plan Amendment request to change the land use designation of a 1.64-gross-acre site from Mixed Use Commercial to Urban Residential, an increase of 74 units.
- File No. GP20-001, a General Plan Amendment request to change the land use designation of an 8.6-gross-acre site from TU Transportation and Utilities to RN Residential Neighborhood, an increase of 69 units.

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<sup>1</sup> A review of supportive housing on Public/Quasi Public designated land resulted in a 100 DU/AC maximum residential density. On the 2.7-acre site, supportive housing could yield 270 units. The Residential Neighborhood land use designation has an 8 DU/Ac maximum residential density which would yield a potential maximum of 22 units. This results in a residential capacity net loss of 248 residential units.

- File No. GP19-012, a General Plan Amendment request to change the land use designation of a 0.44 gross-acre site from Residential Neighborhood to Downtown, an increase of 248 units.

The concurrent general plan amendments listed above, if approved by Council, would provide capacity for 391 residential units. The proposed general plan amendment for this project has a deficit of 248 units. If approved concurrently with the three proposed General Plan Amendments listed above, the subject project (GP20-003) would not result in a loss of residential capacity consistent with SB 330.

## Conclusion

Staff recommends denial of the proposed General Plan Amendment as it is inconsistent with the Focused Growth Major Strategy and associated policies of the General Plan. Furthermore, the project would result in a conversion of Public/Quasi-Public land, which is directly inconsistent with Land Use Policy LU-1.9. Although a similar General Plan Amendment request was approved in 2018 (GP18-004) prior to the effective date of SB 330 and the no net loss requirement, this project does not meet the unique circumstances that would render low-density residential uses as the only feasible use for the site. The resulting City Council direction to address school conversions is not yet complete and therefore could not be applied to this project. Moreover, such school conversion may not provide relief for such projects based upon the state law requirements of SB 330 that took effect after the Council direction in 2018.

## CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The project, if denied, is not subject to CEQA per Section 21080 (5) or 15270. However, 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 October 30, 2020 to November 19, 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. GP20-003.

## PUBLIC OUTREACH

Staff followed Council Policy 6-30: Public Outreach Policy. Planning staff facilitated a virtual community meeting for File No. GP20-003 on September 10, 2020 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 52 members of the public in attendance with 18 public speakers. Below is a general summary of the comments by members of public.

- Support
  - The school district is underfunded and need the additional \$0.5 million revenue
  - Additional programs for schools would be great with the additional revenue
  - Creative projects like these are good to generate additional needed income for the school district
  - Field is vacant and used for open space, but it is a luxury that the school district cannot afford
  - Two story homes are allowed under zoning code, which also applies to all other properties in the surrounding neighborhood

- Concerns
  - Existing issues of parking and how new residential development would accommodate additional cars
  - Existing issues of traffic and the additional impact on traffic with all other nearby development projects cumulatively exacerbating traffic
  - Concerns on how potential new development would impact other nearby streets and thoroughfares and request that it be studied
  - Concerns that traffic counts would not be accurate during the COVID-19
  - Concerns on construction noise and air quality impacts as well as construction activity time frames
  - Concern about the service capacity from PG&E that have existing issues
  - This existing field is heavily used by local residents as recreational open space and there is already a lack of open space
  - Concerns that there is money elsewhere in the school district budget and whether the money from the potential development would be used wisely, would like to see the allocation of funds from the potential development
  - Adjacent neighbors do not want two-story homes the impact the privacy of existing homes
  - Request for Robson Homes to be respectful and work with the surrounding neighbors for the potential development project
  - Request for higher density, affordable housing, and mixed-use with commercial

Staff received multiple comment letters including a one petition signed by over 70 nearby residents against the project and a letter of support signed by over 60 nearby residents regarding the project (see Exhibit F). A summary of the project letters and petition is included below:

- Support the project because of COVID-19 impacts on school budgets and the need for more funding for students and teachers
- Support the project because of the dire need housing
- Support the project because the change would allow single family housing, which would be consistent with the surrounding neighborhood development
- Concern about construction noise, dust, debris, heavy machinery, trucks and traffic
- Concern over lack of privacy/full exposure directly into yards and homes
- Concern over the cumulative traffic/parking impacts of Cambrian Park Plaza/other potential developments in this area
- Concern that the unknown impacts of COVID-19 on the demand for housing in San Jose will not be known for some time
- Concern that there will be an oversupply of homes that will come with the Silver Tsunami and that it would negatively impact housing prices
- Concern about the preservation of local open space
- Concern that adequate parking for new development would not be supplied

- Concern about construction noise during shelter-in-place while neighbors are working/learning from home
- Concern over exacerbating existing neighborhood traffic on Cambrianna, Jennifer, Browning, Taper and others
- Concern over exacerbating existing parking issues with ATLC, Seven Magic Flowers, and Cal Sports Center
- Concerns on quality of life decline (noise, air pollution)
- Concern that traffic counts and environmental impact studies during COVID-19 would not reflect regular patterns
- Concern over the fragile existing electrical grid and the pressure that potential new homes would have
- Concern that some Bay Area development projects are declaring bankruptcy and the impact that it may have on the development of this site
- Concern over pedestrian and bicyclist safety with additional cars

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

<b>ATTACHMENTS:</b>
Exhibit A: Location and Aerial Map
Exhibit B: General Plan Land Use Amendment Maps
Exhibit C: Resolution - Denial
Exhibit D: Initial Study and Negative Declaration
Exhibit E: CEQA Resolution
Exhibit F: Public Correspondence
Exhibit G: Resolution - Approval

<b>Owner:</b>	<b>Applicant:</b>	<b>Applicant's Representative:</b>
Cambrian School District (Dr. Carrie Andrews) 4115 Jacksol Drive San Jose, CA 95124	Cambrian School District (Dr. Carrie Andrews) 4115 Jacksol Drive San Jose, CA 95124	Scott Sheldon, Terra Realty Advisors 450 Chadbourne Road Suite G Fairfield, California 94534



## **GP20-003 List of Attachments**

[Exhibit A- Location and Aerial Map](#)

[Exhibit B- General Plan Land Use Amendment Maps](#)

[Exhibit C- Resolution -Denial](#)

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

[Exhibit E- CEQA Resolution](#)

[Exhibit F- Public Correspondence](#)

[Exhibit G- Resolution -Approval](#)

[Correspondence Received After 12/2/20](#)

# Metzler Site

A

B

C

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September 8, 2020

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