



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Planning Commission

SUBJECT: See Below

DATE: September 8, 2025

COUNCIL DISTRICT: 6

SUBJECT: GP25-002: Early Consideration for a Privately Initiated General Plan Amendment for Certain Real Property Located on the Northeasterly Corner of Emory Street and The Alameda.

STAFF RECOMMENDATION

- (a) Adopt a resolution denying the applicant's request to amend the Envision San José 2040 General Plan Land Use/Transportation Diagram land use designation from Neighborhood/Community Commercial to Mixed Use Neighborhood on an approximately 0.99-gross-acre site and direct staff to evaluate the subject site and surrounding sites, as an area that would allow for residential or mixed-use development in the future, as part of the General Plan 4-Year Review.
- (b) In the alternative, direct Planning staff to continue processing the application to amend the Envision San José 2040 General Plan Land Use/Transportation Diagram designation from Neighborhood/Community Commercial to Mixed Use Neighborhood on an approximately 0.99-gross-acre site located at the northeasterly corner of Emory Street and the Alameda, consider input from the City Council, complete the CEQA analysis, and return to the City Council with a completed development application for consideration. evaluate the subject site in the context of evaluating the surrounding sites, as an area that would allow for residential or mixed-use development in the future, as part of the General Plan 4-Year Review.

PLANNING COMMISSION RECOMMENDATION

The Planning Commission on August 27, 2025, voted 6-0-3 (Young, Oliverio, and Cantrell absent) to recommend that the City Council deny staff's recommendation and allow for the continued processing of the General Plan Amendment request.

SUMMARY AND OUTCOME

Policy IP-3.11 of the Envision San José 2040 General Plan (“General Plan”) provides for an applicant of a privately-initiated General Plan Amendment to request the early consideration of their project for denial or continued processing. The process allows the City Council to decide whether or not to continue processing a General Plan Amendment before the full review of the General Plan Amendment is completed.

City Council can approve one of the following actions: (1) deny staff recommendation and direct staff to continue processing the General Plan Amendment and any other associated applications as proposed; (2) deny staff recommendation and direct staff to continue processing the General Plan Amendment with suggested modifications to the proposal, such as with a different land use designation; or (3) approve staff’s recommendation and deny the proposed General Plan Amendment, and direct Planning staff to evaluate the subject site in the context of evaluating the surrounding sites, as an area that would allow for residential or mixed-use development in the future, as part of the General Plan 4-Year Review.

If the City Council directs staff to continue processing the application, staff would complete the review of the General Plan Amendment and other required permits, including environmental analysis of the proposed land use change and development proposal. City Council may also suggest the applicant to consider an alternative land use designation. Staff would bring a recommendation for approval or denial of those applications to the 2026 General Plan Annual Review hearing at the end of 2026.

If the City Council denies the proposed privately-initiated General Plan Amendment during this Early Consideration process, the site would retain its current land use designation of Neighborhood/Community Commercial. This site and the surrounding area will be examined comprehensively as part of the General Plan 4-Year Review. The 4-Year Review will provide an opportunity to evaluate policies and goals related to housing. This comprehensive analysis will consider and identify areas outside of current Growth Areas to accommodate more residential growth through mid-density housing development.

BACKGROUND

On August 27, 2025, the Planning Commission held a public hearing for Early Consideration to consider the proposed privately-initiated General Plan Amendment. Vice Chair Bickford made a motion to deny the staff recommendation and recommend continue processing of the General Plan Amendment. Commissioner Bhandal seconded the motion. The motion passed 6-0-3 (Young, Oliverio, and Cantrell absent).

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ANALYSIS

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

EVALUATION AND FOLLOW-UP

If the City Council approves the Planning Commission's recommendation to allow for continued processing, staff will process the General Plan Amendment and other associated applications and environmental review documents, once submitted, to be reheard by the City Council after full review is complete.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office.

PUBLIC OUTREACH

A notice of the public hearings was distributed to the owners and tenants of all properties located within 1,000 feet of the project site and a notice for the City Council hearing was posted in the San José Post printed paper and on the website on August 5, 2025. The staff report is also posted on the City's website. Staff has been available to respond to questions from the public.

This memorandum will be posted on the City's Council Agenda website for the September 30, 2025 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

On August 27, 2025, the Planning Commission held a public hearing for Early Consideration to consider the proposed privately-initiated General Plan Amendment ("Amendment").

Staff Presentation

Planner David Fong provided a presentation on the proposed Amendment, including the site context, project review and analysis, alternative project suggestions, the General Plan 4-Year Review, and staff's recommendation.

Applicant Presentation

The applicant, Dan Mountsier, provided a presentation and described his building experience of over 30 years including affordable housing, assisted living, mixed-use, and a smaller number of townhomes such as the proposed project. He stated he understood staff's recommendation and could wait until the next four-year general plan update. But housing is urgent today. He shared that the lot has been vacant for over 60 years creating neighborhood problems, and waiting another four years won't make the currently allowed uses any more feasible. The applicant explained that retail, office, assisted living, affordable housing, and mixed-use projects were all considered for the site, but are not feasible due to market conditions, financing criteria, and compatibility issues. He emphasized that larger-scale uses would overwhelm the surrounding historic context of The Alameda, which includes several contributing historic structures. He concluded that townhomes are the most viable and contextually appropriate use, as their scale and design would complement the historic character of the neighborhood.

Public Hearing

Eleven members of the public spoke on the proposed amendment. Nine members of the public spoke in support of the proposed amendment while two members stated they were neutral on the proposed amendment and spoke broadly on general problems in the area.

Those who spoke in support of the project emphasized the project site's decades-long vacancy and lack of viable commercial interest. Residents further emphasized that new homes would generate more property tax revenue and provide customers and foot traffic to support existing commercial uses along The Alameda that are struggling. They noted that housing and more residents would reduce blight, deter dumping and encampments, and create new opportunities for community connection. Multiple speakers highlighted The Alameda's historic significance and supported housing that reflects and complements the area's architecture and context.

The two neutral speakers cited parking shortages, traffic safety, and the need for careful environmental and contextual planning.

Applicant Rebuttal

Dan Mountsier responded that they were committed to provide sufficient on-site parking and internal trash service. There would also be a homeowners' association with rules requiring garages to be used for cars and not storage to avoid adding to neighborhood issues. Finally, he clarified that the current vote is only to continue the process and explore details, not to grant final approval.

Planning Commission Discussion

Commissioner Casey clarified that a “no” vote on the item would not be final, noting that the Envision 2040 General Plan undergoes a review every four years, with the next cycle beginning in the fall. This process would allow the city to evaluate this site and others holistically to determine whether zoning changes are appropriate. Commissioner Casey asked staff when any zoning changes resulting from the General Plan Four-Year Review would become effective.

Staff responded that recommendations from the four-year review are anticipated to be heard by the Planning Commission and City Council by the end of 2027.

Commissioner Casey expressed appreciation to the many residents who attended and submitted letters, acknowledging the strong opinions shared. The commissioner noted familiarity with the area, emphasized the city’s challenge in balancing the jobs-to-residents ratio with the urgent need for housing, and recognized the difficulty of maintaining the neighborhood’s unique character while addressing these competing priorities.

Commissioner Bhandal thanked staff for the presentation, the applicant for the project, and community members for their participation. The commissioner emphasized the importance of commercial businesses and their role to San José’s future. He acknowledged that while the General Plan prioritizes preserving commercial land for tax revenue and jobs, the subject site has sat vacant for 60 years, and townhomes would better fit the neighborhood’s character and meet today’s urgent housing needs. The commissioner noted that decision-making can be challenging because addressing the immediate housing crisis may seem necessary now, but future generations might question whether it was the right choice, highlighting the tension between short-term needs and long-term planning. Commissioner Bhandal concluded by expressing support for the project, while deferring a motion until after hearing from another commissioner.

Commissioner Bickford asked staff for clarification on how the 40-foot setback required by the site’s current Planned Development (PD) Zoning would be affected if the site were rezoned to Mixed Use Neighborhood.

Staff explained that The Alameda Right-of-Way Historic District is memorialized through the current planned development zoning and that is where the 40-foot setback standard lies. Any future residential development would require a rezoning of the property and a development permit, including environmental and historic review. To maintain the setback under a new Mixed Use Neighborhood land use designation, staff would recommend applying a PD zoning to the project to continue that 40-foot setback in the new zoning district.

Commissioner Bickford then directed the same question to the applicant and asked them to clarify their plan for that area facing The Alameda. The applicant responded that, although the design is not yet finalized since the project is still under consideration, their plan does acknowledge the 40-foot setback. They emphasized their commitment to respecting the historic character of the community through setbacks, materials, and roof design.

Commissioner Bickford thanked the community for their engagement, noting that the long vacant lot should have the opportunity to be developed rather than remain a dumping ground. Finally, the commissioner made a motion to recommended moving forward with the proposal, allowing the project to be considered without delaying for another two years. Commissioner Bhandal seconded the motion.

Chair Rosario asked Commissioner Bickford to clarify if the motion was to recommend to City Council to allow continue processing of the request. Commissioner Bickford confirmed.

Commissioner Barocio thanked both the community for their input and staff for ensuring consistency with the General Plan. He noted that the community's feedback was largely supportive and highlighted the benefits of new housing, including new residents and increased business revenue, while acknowledging concerns about traffic. Commissioner Barocio then asked staff about the feasibility of using the SB 35 Ministerial process as a potential way to fast-track housing.

Staff explained that SB 35 was not specifically addressed for this site because, under its current Neighborhood Community Commercial designation, the only feasible SB 35 project would be 100% affordable housing. The staff report had already provided analysis on two other similar streamlined processes for affordable housing, AB 2011 and General Plan policy H-2.9. Staff noted that the memo to City Council could be updated to clarify that SB 35 remains an option for developers who wish to pursue it.

Commissioner Barocio asked whether it would be possible to include mixed-income units within the project at the site as part of staff recommendation or if setting the price points for each unit is entirely up to the developer.

Staff responded that the recommendation to Council on an early consideration project is based on the land use change, and income levels for the units are not typically addressed in this context. Setting price points and determining mixed-income options is generally left to the developer's discretion.

Commissioner Barocio asked if City Council approves the continued processing of the application, whether it would return to the commission, and if that would be the opportune time to discuss including affordable units in the project.

Staff explained that if City Council directs the project to continue, the applicant would return with a rezoning request and a development permit, all of which would come to the Planning Commission for a recommendation to City Council. Staff noted that requesting the inclusion of affordable units during the future approval hearing could create challenges for the developer.

Commissioner Barocio then asked the applicant whether their intention is to keep all units market-rate or if there is a possibility of including mixed-income units at different price points.

The applicant responded that the project design has not progressed significantly since it has not yet been encouraged to move forward. The applicant affirmed their commitment to try to incorporate affordable housing in the project.

Commissioner Barocio asked the applicant whether the project would include any community amenities.

The applicant explained that details about community amenities cannot yet be finalized because they are still in early stages of consideration. However, they plan to include a memorial garden in honor of the previous property owner. They also intend to collaborate with neighbors and nearby organizations to provide shared recreational opportunities rather than duplicating facilities on-site.

Commissioner Casey asked staff to confirm that the density of the proposed Mixed Use Neighborhood designation would allow up to 30 dwelling units per acre, and that there is no city-mandated parking requirement for these residences. Staff confirmed both items. Commissioner Casey then emphasized that residents should stay engaged in the discussion since the land use change allows for more flexibility than what has currently been proposed.

Chair Rosario shared personal observations of the site, noting that despite San José's broader planning considerations, the lot currently exhibits blight, including trash and discarded items. He acknowledged the city's challenge in balancing jobs and housing, but felt this specific location is unlikely to become a major commercial hub. Citing the need to address the blight and improve the street, the commissioner expressed support for the motion.

Chair Rosario called a vote on the motion that was made by Commissioner Bickford and seconded by Commissioner Bhandal, the motion passed 6-0-3 (Young, Oliverio, and Cantrell absent).

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CEQA

Under the provisions of Section 15270 of the State Guidelines for Implementation of the California Environmental Quality Act, the 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 (CEQA), if the public agency disapproves of the project. Section 15270 allows for an initial screening of projects on the merits for quick disapprovals prior to the initiation of the CEQA process where the agency can determine that the project cannot be approved. This section shall not relieve an applicant from paying the costs for an EIR or Negative Declaration prepared for their project prior to the Lead Agency's disapproval of the project after normal evaluation and processing.

Should the City Council determine that the proposed or a modified General Plan Amendment should be further processed for future consideration, such action would not constitute an approval of a project under CEQA.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

CHRIS BURTON

Secretary, Planning Commission

For questions, please contact Ruth Cueto, Principal Planner, Planning, Building and Code Enforcement Department at ruth.cueto@sanjoseca.gov or (408) 535-7886.

ATTACHMENT

Planning Commission Staff Report from August 27, 2025



Memorandum

TO: PLANNING COMMISSION
SUBJECT: File No. GP25-002

FROM: Christopher Burton
DATE: August 27, 2025

COUNCIL DISTRICT: 6

Type of Permit	General Plan Amendment, Early Consideration
Project Planner	David Fong
CEQA Clearance	Statutorily Exempt pursuant to CEQA Guidelines section 15270: Projects Which are Disapproved.
CEQA Planner	David Keyon

RECOMMENDATION

Staff recommends that the Planning Commission make a recommendation to the City Council to:

Deny the request to amend the Envision San José 2040 General Plan Land Use/Transportation Diagram designation from Neighborhood/Community Commercial to Mixed Use Neighborhood on an approximately 0.99 gross acre site and direct Planning staff to evaluate the subject site in the context of evaluating the surrounding sites, as an area that would allow for residential or mixed-use development in the future, as part of the General Plan 4-Year Review.

EARLY CONSIDERATION PROCESS

Policy IP-3.11 of the Envision San José 2040 General Plan (General Plan) provides for an applicant of a privately-initiated General Plan Amendment to request the early consideration of their project for denial or continued processing (Early Consideration). The process allows the City Council to decide whether or not to continue processing a General Plan Amendment before the full review of the General Plan Amendment is completed. After recommendation from Planning Commission, City Council can either deny the proposed General Plan Amendment or direct staff to continue processing the General Plan Amendment and any other required permits.

Staff recommends denial because the proposal is fundamentally inconsistent with the Major Strategies, Goals, and Policies of the General Plan that focus on protecting neighborhood commercial lands from conversion to residential uses and focuses new growth in identified growth areas. These inconsistencies are explained in more detail in the General Plan Conformance section of this report.

If the City Council allows the General Plan Amendment to continue processing, the earliest this project could be brought to a Planning Commission and City Council hearing would be the Fall of 2026. A Draft Initial Study, Planned Development Zoning, and Planned Development Permit application must be submitted to meet that timeline.

PROPERTY INFORMATION

Location	Northeasterly corner of Emory Street and The Alameda
Assessor Parcel No.	261-12-084
Existing General Plan	Neighborhood/Community Commercial
Proposed General Plan	Mixed Use Neighborhood

Zoning	A(PD) Planned Development (File No. PDC85-081)
Historic Resource	No
Annexation Date	December 8, 1925 (College Park/Burbank Sunol)
Council District	6
Acreage	0.99-gross acres

PROJECT BACKGROUND

On May 2, 2025, the applicant Dan Mountsier of Emory Holdings, LLC, submitted an application for a General Plan Amendment (GPA) to modify the General Plan Land Use/Transportation Diagram designation (land use designation) from Neighborhood Community Commercial to Mixed Use Neighborhood on an approximately 0.99 gross-acre subject site located at the northeasterly corner of Emory St and The Alameda (subject site).

At the time of application submittal, the applicant requested for an early consideration hearing. No rezoning or development permit application was submitted with this General Plan Amendment application. However, a conceptual site plan for 18 townhomes was included with the General Plan Amendment application (See Attachment A). The proposed project has a density of 18 dwelling units per acre (du/ac), which is consistent with the proposed General Plan designation, which allows up to 30 du/ac, with no minimum density required.

On June 16, 2025, staff sent the initial comment letter to the applicant detailing how the proposed General Plan Amendment is inconsistent with the Envision San José 2040 General Plan Major Strategies, policies, and goals. The comment letter provided alternative considerations including preliminary analysis of the proposed project with applicable state laws, affordable housing policies, and the 4-Year Review opportunity. Analysis of potential housing opportunities using state laws is included later in this staff report. Staff also provided analysis on an alternative General Plan Land Use designation that could be supported under current General Plan policies. The Mixed Use Commercial land use designation allows a maximum density of 50 DU/AC, which would yield a maximum of 50 units on the subject site, with a maximum height of six stories (85 feet maximum). Commercial space with a minimum floor area ratio (FAR) of 0.5 is required for residential-commercial mixed-use projects in this land use designation, which would translate to approximately 22,000 square feet. The Mixed Use Commercial designation is a more suitable land use designation for this site as it would support housing while ensuring a minimum commercial component suitable for this vibrant commercial corridor.

On July 17, 2025, staff held a meeting with the applicant to discuss the hearing dates, environmental review submittal timelines, and the alternative considerations raised in the comment letter. The applicant indicated that an assisted living facility was considered as a potential use; however, due to current operational models, a small-scale assisted living facility was determined to be not viable. The applicant stated that the residential development at the proposed density is the most feasible option for the site at this time. The applicant also expressed that they faced challenge in achieving the 0.5 FAR that is required in lands designated as Mixed Use Neighborhood in other projects.

Site Location

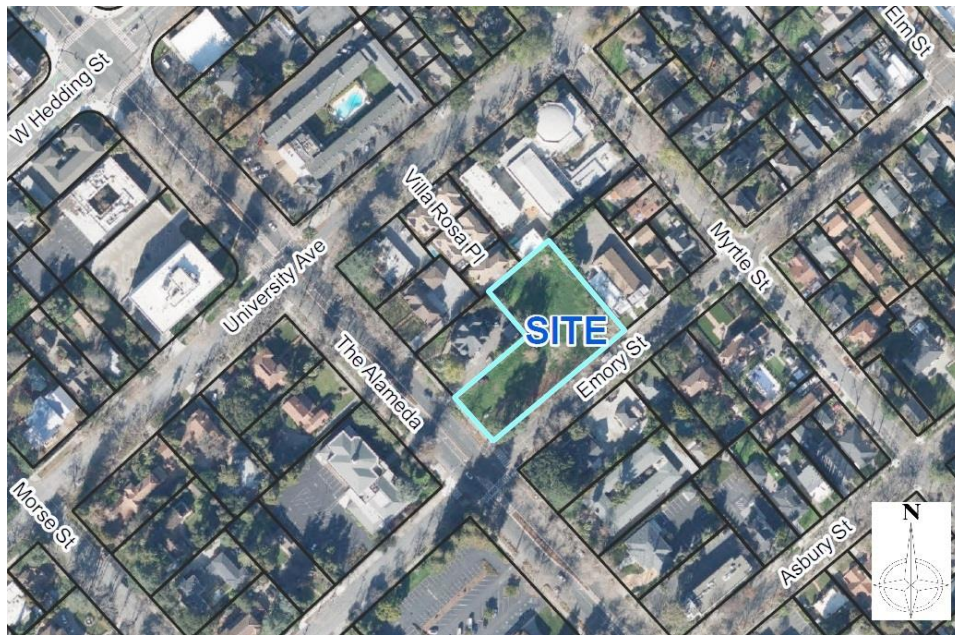


Figure 1: Aerial Map of Existing Site

As shown on the aerial map (see Figure 1), the site is located at the northeast corner of the intersection of Emory Street and The Alameda. The site has frontage on both The Alameda and Emory Street. The site is currently vacant. The site is adjacent to a fraternity hall use to the north; a religious assembly use to the south; office uses and single-family residences to the east; and office uses, single-family residences, and religious assembly use to the west.

This area is characterized as a low-density neighborhood with mixed residential and commercial uses. The few single-family residences adjacent to the subject site were built at different times with varied heights and density. All the adjacent commercial properties are 2 to 3-stories tall. Most buildings in the vicinity are 2 to 4 stories tall. As detailed further below, the subject site is not located in a designated Growth Area. The closest Growth Area is approximately 2,200 feet to the north at The Alameda West Urban Village. Nearby bus stops are approximately 500 feet away.

The Alameda right-of-way is a designated City Landmark. In 1985, the City Council adopted a Planned Development (PD) zoning (File No. PDC85-081) to preserve and enhance the historic character of The Alameda. The development standards of this PD zoning such as setback, height, and other design requirements, were based on historic design guidelines titled “The Alameda”, which were adopted by the Historic Landmarks Commission and the City Council in 1984. These standards and guidelines provide the historic context and outline preservation measures intended to ensure that new development is compatible with the historic character of properties along The Alameda. One of the most notable standards is a 40-foot landscaped setback for buildings and surface parking from The Alameda.

Three historic resources are also located adjacent to the subject site: Dunne Mansion (1818 the Alameda), a registered Historic Landmark Structure, is located to the west; First Church of Christ Science (797 The Alameda), an Identified Contributing Structure, is located to the southwest across The Alameda; and 1794 The Alameda, an Identified Contributing Structure, is located to the east across Emory St.

SURROUNDING USES			
	General Plan	Zoning District	Existing Use
North	Public/Quasi-Public	PQP Public/Quasi-Public	Fraternity Hall
South	Neighborhood/Community Commercial & Public/Quasi-Public	A(PD) Planned Development	Religious Assembly
East	Neighborhood/Community Commercial & Residential Neighborhood	A(PD) Planned Development & R-M Multi-Family Residence	Commercial Office and Single-Family Residential
West	Residential Neighborhood & Neighborhood/Community Commercial	A(PD) Planned Development	Commercial Office, Single-Family Residential, and Religious Assembly

Site Background

The existing site was annexed into the City in 1925. Historic Sanborn maps and aerial photographs show that the site had three single family residences until around the 1950's. It is unclear when those residences were demolished, but the site has been vacant since 1980 when a Site Development permit application for a 20,000 square foot office building was submitted, but never built. From 1998 to 2019, there were inquiries to redevelop the site with an 85-unit assisted living facility (1998), a mixed-use residential development (2014), and a 50,000 square foot office building (2019), but no actual development applications were submitted.

General Plan Background

Through Major Strategies, goals, and policies, the Envision San José 2040 General Plan strives to support the City's growth as an innovation and regional employment center and focus new residential and commercial growth in specifically identified Growth Areas. San José is the only U.S. city with a population over 500,000 that is a "bedroom community," meaning that the City acts as a net exporter of workers within the region. Since 1980, approximately 2,300 acres of employment lands have been converted to non-employment uses, resulting in an estimated loss in job capacity between 52,000 and 110,000 jobs. The imbalance between residents and jobs in San José has led to significant fiscal, environmental and quality of life impacts for San José. Additionally, through multiple General Plan updates, San José has identified improvement of the City's jobs/housing balance or Jobs/Employed Residents Ratio (J/ER) as a critical objective to address multiple City goals. The General Plan establishes achievement of a J/ER ratio of 1.1 to 1 by the year 2040 as a core objective of the Plan informing its policies and Land Use/Transportation Diagram designations.

Employment lands are those land uses aimed at creating and sustaining employment opportunities, upon which commercial businesses generate critical revenue for the City to fund essential services for its residents. The conversion of employment lands to residential uses leads to a significant loss of revenue for the City, diminishing the funds needed to support the very residential uses that would replace a commercial or industrial use. To address the preservation and creation of employment lands, the General Plan established the Innovation/Regional Employment Center and the Focused Growth Major Strategy. These Major Strategies and their objectives inform the City's land use policies and designations. The Innovation/Regional Employment Center Major Strategy focuses employment growth in Downtown, other designated Growth Areas, as well as on currently designated employment lands citywide, while also encouraging the development of neighborhood-serving commercial uses throughout the community and

close to the residents they serve. The General Plan recognizes the value of existing employment lands to the City overall and therefore establishes goals and policies to preserve these employment lands.

General Plan 4-Year Review

The Planning Division will begin the General Plan 4-Year Review this fall, which will provide an opportunity to evaluate policies and goals related to housing. While existing policies focus new housing in Growth Areas and preserve employment lands to improve the City's jobs/employed resident ratio, current housing challenges and projected Regional Housing Needs Assessment (RHNA) obligations may require a more flexible approach. One of the topics of analysis is identifying additional areas outside of current Growth Areas to accommodate more residential growth through mid-density housing development in peripheral single-family neighborhood. An initial review indicates that the subject site and surrounding areas may be considered for such changes during the comprehensive evaluation of the General Plan 4-Year Review process.

ANALYSIS

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

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

ENVISION SAN JOSE 2040 GENERAL PLAN CONFORMANCE

Existing Land Use Designation



Figure 2: Existing General Plan Land Use Designation Map

The existing Envision San José General Plan land use designation of the subject site is **Neighborhood/Community Commercial**, which has no density specification, and a FAR of up to 3.5 (1 to 5 stories). This 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. This designation also supports one hundred percent (100%) deed restricted affordable housing developments that are consistent with General Plan Policy H-2.9 and Policy IP-5.12.

Proposed Land Use Designation

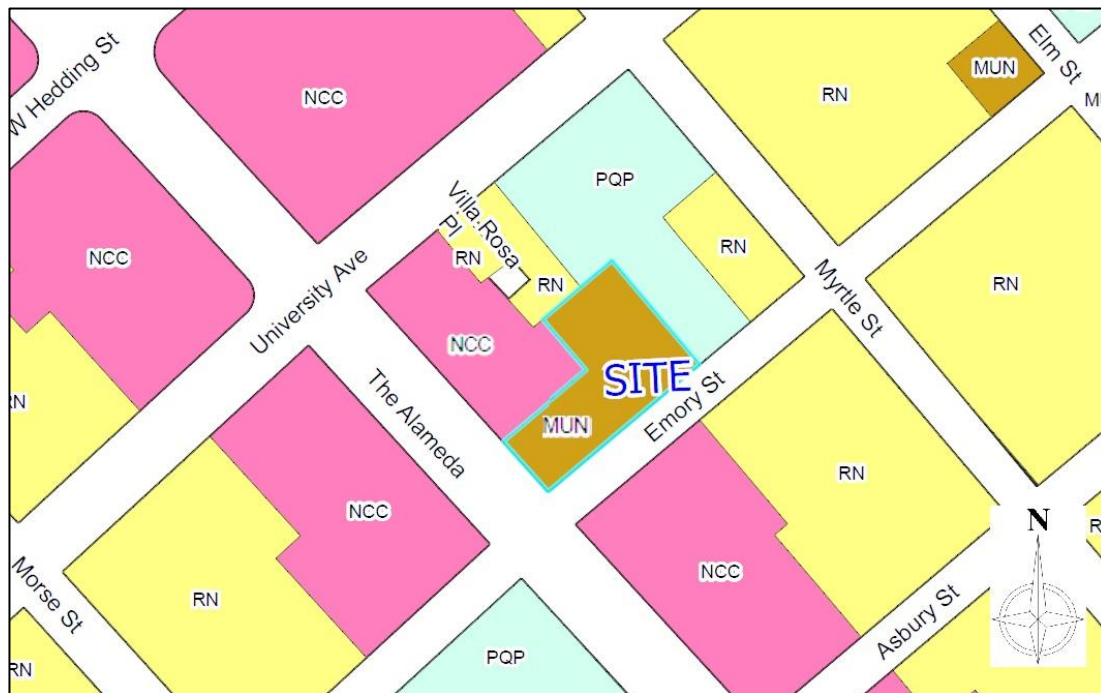


Figure 3: Proposed General Plan land use designation map

The proposed Envision San José General Plan land use designation of the subject site is **Mixed Use Neighborhood**, which has a maximum density of 30 DU/AC and a FAR of 0.25 to 2.0. This designation is typically applied to areas intended for development primarily with either townhouse or small lot single-family residences and also to existing neighborhoods that were historically developed with a wide variety of housing types, including a mix of residential densities and forms. Because, within such mixed neighborhoods, the established overall neighborhood density and character is more intense than that found in typical single-family detached neighborhoods, it is appropriate to allow for infill development in Mixed Use Neighborhood areas that includes medium density residential uses such as townhouses or stacked flats and some opportunity for live/work, residential/commercial, or small stand-alone commercial uses. This designation should be used to establish new neighborhoods with a cohesive urban form, to provide transition between higher-density and lower-density neighborhoods, or to facilitate new infill development within an existing area that does not have an established cohesive urban character. This designation may also be appropriate for areas in close proximity to urban amenities (such as transit stations), but that are not within a proposed Urban Village area.

General Plan Conformance

The proposed General Plan Amendment is **inconsistent** with the following General Plan strategies and policies:

Major Strategy #3 – Focused Growth: The Focused Growth Major Strategy focuses new growth into areas of San José that will enable achievement of City goals for economic growth, fiscal sustainability, and environmental stewardship. The Plan focuses new growth capacity in specifically identified Growth Areas, while much of the city is not planned for additional growth or intensification. This Major Strategy 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.

Growth Area Policy LU-2.3: To support the intensification of identified Growth Areas, and to achieve the various goals related to their development throughout the City, restrict new development on properties in non-Growth Areas.

High Quality Living Environment 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 General Plan sets capacity for ambitious job and housing growth over its lifetime, with the vast majority of the growth planned within designated Growth Areas. Additionally, it restricts residential development in non-Growth Areas to projects that conform to the existing General Plan land use designation. This focused growth strategy helps achieve multiple General Plan goals such as fiscal sustainability, environmental stewardship, more efficient delivery of City services, and the creation of vibrant urban areas. The subject site is located along a commercial arterial roadway, but not located in a designated Growth Area, where new development is restricted. Additionally, the subject site is within an established neighborhood. Therefore, the proposed General Plan Amendment is inconsistent with the above strategy and policies of the General Plan.

Major Strategy #4 - Innovation/Regional Employment Center: Emphasize economic development within the City to support San José's growth as center of innovation and regional employment. Growing San José's role as an employment center will enhance the City's leadership role in North America, increase utilization of the regional transit systems, and support the City's fiscal health. The Plan recognizes that all existing employment lands add value to the City overall and therefore preserves those employment lands and promotes the addition of new employment lands when opportunities arise.

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.

Fiscally Sustainable Land Use Framework Policy FS-4.1: 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 of retail to serve individual neighborhoods, larger community areas, and the Bay Area.

Land Use 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 current Neighborhood/Community Commercial land use designation is intended to support employment generating land uses. Under this designation, with the maximum allowed FAR of 3.5, the site could accommodate a commercial development of up to approximately 150,000 square feet. In contrast, the proposed Mixed Use Neighborhood land use designation allows for a 100% residential use which is a non-employment-generating use. The proposed residential project without any commercial component would not create new or intensified employment opportunities at the site, nor provide goods, services or other amenities. The conversion would reduce the inventory of employment land in the City, while increasing the number of residents. Such a change from a revenue-generating land use to one which would require expanded City services, would hinder the City's ability to meet its stated jobs-to-employed-resident (J/ER) ratio goal and result in a negative fiscal impact. Therefore, the proposed General Plan Amendment is inconsistent with Major Strategy #4 and the above-mentioned General Plan policies.

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

Housing Social Equity and Diversity 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.

Analysis: The proposed Mixed Use Neighborhood land use designation could facilitate the development of up to 30 housing units on the site (maximum allowable density), which could help to address the ongoing housing crisis. While the proposed General Plan Amendment is consistent with General Plan Goal H-1.0, residential development on the subject site is not required to fulfill this policy. The policy is already being implemented through the Focused Growth strategy and affordable housing policies aimed at meeting this Housing Element cycle's Regional Housing Needs Allocation (RHNA).

ZONING ORDINANCE CONFORMANCE

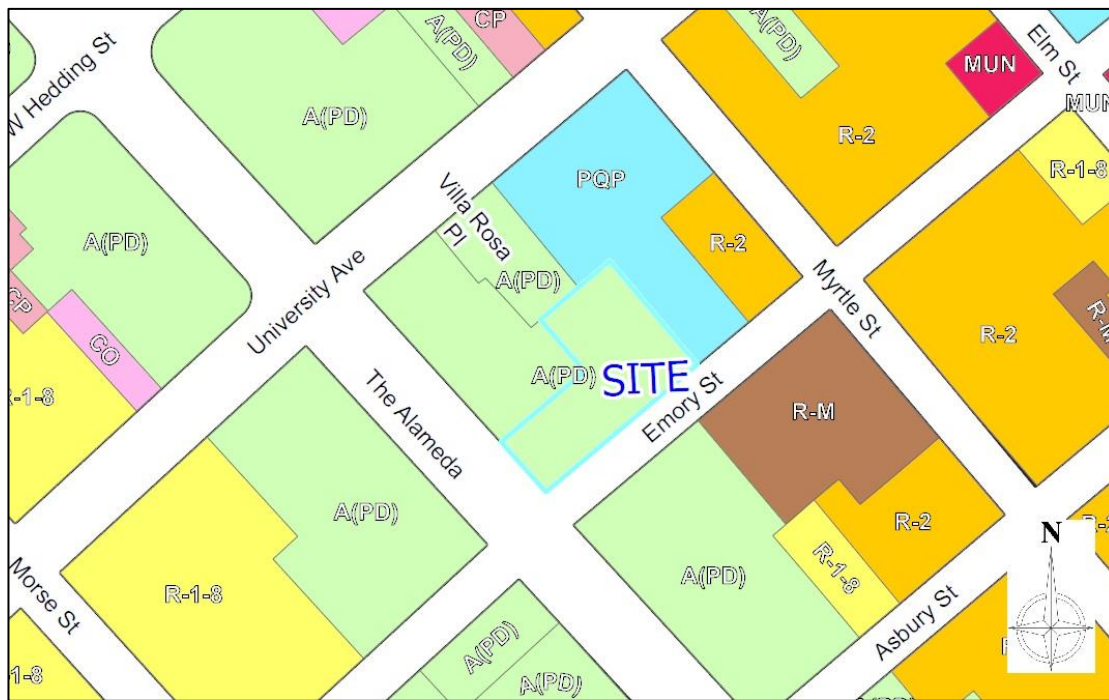


Figure 4: Existing zoning districts map

The existing zoning district for the subject site is A(PD) Planned Development (File No. PDC85-081). This Planned Development zoning was adopted by the Council for preserving and enhancing the historic character along The Alameda, which was designated as a Historic Landmark in 1984. The development standards of this zoning include setbacks, height and other design standards for parcels along The Alameda. In order to preserve the historic character of the area, a Planned Development Rezoning conforming to the new General Plan designation would be required. The standards of the zoning district would be determined after a Historic review is completed.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CONFORMANCE

Under the provisions of Section 15270 of the State Guidelines for Implementation of the California Environmental Quality Act, the action to deny a 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 (CEQA), if the public agency disapproves of the project. Section 15270 is intended to allow an initial screening of projects on the merits for quick disapprovals prior to the initiation of the CEQA process where the agency can determine that the project cannot be approved. This section shall not relieve an applicant from paying the costs for an EIR or Negative Declaration prepared for his project prior to the Lead Agency's disapproval of the project after normal evaluation and processing.

If City Council directs staff to continue processing the General Plan Amendment request, staff will complete full environmental review for the proposed General Plan Amendment, site development permit and rezoning.

NON-GENERAL PLAN AMENDMENT ALTERNATIVES

Staff conducted a preliminary analysis of State housing laws that may facilitate housing development on the site without a General Plan Amendment.

Based on recent state legislation and the current zoning district A(PD) Planned Development (File No. PDC85-081), which primarily only allows commercial uses, the site likely qualifies for a 100% affordable multifamily housing project under Assembly Bill 2011¹, or a residential or mixed-use project under Senate Bill 6², provided all development standards and prevailing wage requirements are met. AB2011 Bills allow for a streamlined ministerial process with no CEQA review.

A 100% affordable residential project is also allowed on the site under the current General Plan designation through the use of General Plan Housing Policy H-2.9, and such a project can take advantage of state ministerial, streamlining laws.

PUBLIC OUTREACH

Staff followed Council Policy 6-30: Public Outreach Policy in order to inform the public of the proposed project. The project is considered a Significant Community Interest Proposal, so the applicant posted a 4'x 6' on-site sign at the subject site on June 20, 2025, to inform the neighborhood of the proposed project. Staff has received three inquiries for more information since the sign has been posted.

A notice of this public hearing was distributed to the owners and tenants of all properties located within 1,000 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. Since the notice was distributed, staff has not received any additional inquiries at the time of this staff report being posted.

¹ Assembly Bill 2011 of 2023 (AB 2011) provides a ministerial approval process for 100% affordable or mixed-income multifamily housing developments on sites with a zoning district where office, retail, or parking are a principally permitted use.

https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB2011

² Senate Bill 6 of 2023 (SB 6) provides that residential or mixed-use projects meeting SB 6 criteria may invoke SB 35 Streamlined Ministerial Review and the Housing Accountability Act on sites with a zoning district where office, retail, or parking are a principally permitted use.

https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB6

Project Manager: David Fong

Approved by: /s/ Manira Sandhir, Deputy Director, for Christopher Burton, Director of Planning,
Building & Code Enforcement

Please click on the title of each exhibit to view the document:

ATTACHMENTS:
Exhibit A: General Plan Amendment Draft Denial Resolution

Owner/ Applicant:	Applicant Representative:
Dan Mountsier Emory Holdings LLC 1346 El Solyo Avenue Campbell, CA 95008 dan@mountsier.com	Deena Morsilli HMH 1570 Oakland Road San José, CA 95131 dmorsilli@hnhca.com

GP25-002

Links to Correspondence Received After 8/20/25

Click on the title to view document.

<u>Correspondence Received After 8/20/25</u>
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