

CITY OF SAN JOSÉ, CALIFORNIA
Department of Planning, Building and Code Enforcement
801 North First Street, Room 400
San José, California 95110-1795

Hearing Date/Agenda Number
P.C. 7/10/02 Item: 4.c.2

File Number
PDCSH01-03-038

Application Type
Planned Development Rezoning

Council District 6

Planning Area
Central

Assessor's Parcel Number(s)
261-03-001, -006, -038, -051

STAFF REPORT

PROJECT DESCRIPTION

Completed by: Britta Buys

Location: Westerly side of Stockton Avenue between Cinnabar Street and Lenzen Avenue

Gross Acreage: 4.09

Net Acreage: 4.09

Net Density: 60 DU/AC

Existing Zoning: LI Light Industrial

Existing Use: Light Industrial and Commercial

Proposed Zoning: A(PD) Planned Development

Proposed Use: Multi-family Attached Residential

GENERAL PLAN

Completed by: BB

Land Use/Transportation Diagram Designation

Residential Support for the Core (25+ DU/AC)

Project Conformance:

Yes No

See Analysis and Recommendations

SURROUNDING LAND USES AND ZONING

Completed by: BB

North: Light Industrial and Commercial

LI Light Industrial and HI Heavy Industrial

East: Light Industrial

HI Heavy Industrial

South: Light Industrial, Commercial and Single-Family

LI Light Industrial

West: Single-family Detached and Multi-family Attached

LI Light Industrial and A(PD) Planned Development

ENVIRONMENTAL STATUS

Completed by: BB

Environmental Impact Report Pending

Negative Declaration circulated on

Negative Declaration adopted on

Exempt

Environmental Review Incomplete

FILE HISTORY

Completed by: BB

Annexation Title: College Park/Burbank Sunol

Date: 12/8/25

PLANNING DEPARTMENT RECOMMENDATIONS AND ACTION

Approval

Approval with Conditions

Denial

Uphold Director's Decision

Date: _____

Approved by: _____

Action

Recommendation

OWNER

John Serpa
4126 Technology Drive, Suite 101
Carson City, NV 89706

APPLICANT / DEVELOPER

Seven Hills Properties, Attn: Tom Rocca
3115 Vicente Street
San Francisco, CA 94116

PUBLIC AGENCY COMMENTS RECEIVED

Completed by: BB

Department of Public Works

See Attached Memorandum

Other Departments and Agencies

See Attached Memoranda from Fire Department, Police Department, Environmental Services Department, Office of the City Arborist, Department of Parks, Recreation and Neighborhood Services, Santa Clara Valley Transportation Authority, and State of California, Office of Historic Preservation.

GENERAL CORRESPONDENCE

See electronically mailed letter from Jill Escher dated March 27, 2001; letter from the College Park Neighborhood Association, dated April 9, 2001; electronically mailed letter from Kurt Sussman dated May 6, 2002; letter from Kay Marie Gutknecht dated May 9, 2002; Historic Landmarks Commission Synopsis for May 10, 2002; An Alternative Proposal for Live/Work Artist Housing at the Historic Muirson Label & Crate Factory prepared by Shasta Hanchett Park Neighborhood Association; Environmental Management Estimate for Adaptive Reuse prepared by EnviroAssets, Inc. dated May 14, 2002; Analysis Regarding Adaptive Reuse prepared by McCutchen, Doyle, Brown & Enersen, LLP dated May 16, 2002; letter from Silicon Valley Manufacturing Group dated May 16, 2002; letter from Rolf Jacobs dated May 21, 2002; letter from San Jose/Silicon Valley Chamber of Commerce dated June 18, 2002; Independent Accounts' Report prepared by Novogradac & Co, LLP (CPA) dated June 24, 2002; Adaptive Reuse Study prepared by Levy Design Partners dated June 26, 2002 .

ANALYSIS AND RECOMMENDATIONS

BACKGROUND

The developer, Seven Hills Properties, is requesting a Planned Development Rezoning from LI Light Industrial to A(PD) Planned Development to allow up to 245 multi-family attached residential units and an approximately 0.46-acre park on a 4.09 gross acre site located in the Downtown Frame Area. The subject site is located within the Shasta-Hanchett Park Neighborhood and is comprised of five parcels.

The site has frontages on Lenzen Avenue, Stockton Avenue, Cinnabar Street, and North Morrison Street, and is currently developed with four buildings that house a variety of light industrial and commercial uses and a single-family detached residence. A 35-foot tall California Coast Live Oak tree, located near the northwest corner of the project site at the Lenzen Avenue frontage, is eligible for Heritage Tree status. The buildings located at 421-435 Stockton Avenue, known as the Muirson Label Company facility, are eligible for listing as "Candidate City Landmark", and are eligible for both the California and National Register. All existing buildings are proposed to be demolished. The developer proposes to preserve the Coast Live Oak on the parcel to be dedicated for a public park.

The site is surrounded by (1) commercial and industrial uses to the north, 2) commercial, industrial and single-family residential uses to the south; (3) single-family detached residential, multi-family attached residential (currently under construction) and surface parking to the west; and (4) the Pacific Gas & Electric Service Center to the east.

The project proposes four residential buildings on podiums, which include a mixture of studio, one-, two- and three-bedroom units. The buildings are proposed to have a maximum height of 57 feet and four stories. Parking will be under a podium structure. A private street is proposed to bisect the site allowing parking entry from both Stockton Avenue and North Morrison Street. Details of the project including setbacks, open space, parking and circulation, and architecture are discussed in the *Analysis* section of this report.

ENVIRONMENTAL REVIEW

The environmental impacts of this project are addressed in a Draft Environmental Impact Report (EIR) entitled *Cinnabar Commons* scheduled to be considered for certification by the Planning Commission on July 10, 2002, immediately prior to this item. The EIR identifies significant project impacts that can be mitigated to a non-significant level in the areas of construction disturbance, hydrology and water quality, vegetation and wildlife; hazardous materials; prehistoric cultural resources; air quality; and interior noise. The EIR finds no significant impacts in the areas of geology and soils, transportation and circulation, public services, and utilities and service systems. The EIR identifies significant unavoidable impacts in the areas of land use, exterior noise and historic resources. In order to approve the proposed project, the City Council will need to find that mitigation of these impacts is infeasible and include Overriding Considerations in its resolution of findings identifying the benefits of the project that support its approval despite the significant environmental impacts. The significant unavoidable impacts are discussed in greater detail below.

Land Use

The EIR identifies that the change in land use from industrial to multi-family residential will result in an intensification of use of the site, which could have a variety of effects on the adjacent properties. Specifically, the proposed four-story apartment buildings would visually intrude on the rear yards of adjacent single-family homes on Cinnabar and North Morrison Streets, cast shadows across the open space of several adjacent properties and cast shadows on the proposed park.

The EIR concludes that because of the proposed height of the buildings, there is no mitigation available that would reduce the shade and shadow impacts to a less than significant level. The EIR does recommend several design measures to potentially minimize visual intrusion impacts: these include a minimum setback of 100 feet from adjacent single-family residences, installation of opaque or textured glass on the west side of Building 1, and an extensive landscape buffer along the common boundary. A minimum 100-foot setback is not feasible for this project due to the size of the site, the need to meet the City's density goals for the Downtown Frame Area without significantly increasing proposed building heights, and the fact that the General Plan provides for future redevelopment of the adjacent single-family properties with high density residential uses. Opaque or textured glass is not considered appropriate for residential living. An extensive landscape buffer will be incorporated into the project at the Planned Development Permit stage to provide an appropriate interface with adjacent single-family residences.

Noise

A noise study prepared for the proposed project identifies traffic along Stockton Avenue, inbound aircraft at the Norm Mineta International Airport, and nearby rail lines as the two primary noise sources affecting the project site. The study concludes that noise levels on the site will exceed the City's noise guidelines for outdoor residential and parkland uses. The San Jose 2020 General Plan recognizes that it may not always be possible to maintain the desired outdoor noise levels within the urban area without eliminating the beneficial attributes of the exterior spaces. In this case, attenuation of exterior aircraft noise would require roofs, a mitigation measure that is infeasible for outdoor open spaces. Mitigation has been included in the project to ensure that building interiors meet General Plan noise guidelines and that construction noise does not result in significant impacts to surrounding uses.

Historic Resources

Historic Significance

The proposed project includes the demolition of the existing Muirson Label Company buildings located at 421-435 Stockton Avenue. These buildings are eligible for listing as "Candidate City Landmark" and are eligible for both the California and National Registers. The historic report prepared for the project assigns the Muirson Label Company facility a rating of 92 points out of 134. A minimum rating of 67 is needed to qualify a structure for Candidate Landmark Status. The facility also qualifies for the California and National Registers based on the facility's local significance to the fruit processing industry. Due to the buildings' significance, the DEIR concludes that the proposed demolition would constitute a significant unavoidable impact of the proposed project.

The historic report prepared for the project summarizes the history of the subject project site. It indicates that in 1913, George Muirson founded the Muirson Label and Carton Company at the southwest corner of Stockton and Lenzen Avenues (425 Stockton Avenue). The company specialized in the production of labels and wraps for the food industry. Muirson Label and Carton Company was the only designer and printer of labels in the Santa Clara Valley. Between 1916 and 1966, Ralph Rambo, well known local historian and artist, worked for Muirson, starting out in the foundry and ultimately ending up as the head of the Art Department.

William Binder, a local architect known for many downtown commercial buildings including the Hales Department Store, the YMCA, the Montgomery Hotel, and the Hester/Towne Theater on The Alameda, designed the original Muirson building. The Muirson building is Binder's only known factory building. An addition to the original building was made in 1928, and the first warehouse was constructed in 1927. While the architect for the expansion is not documented, it is likely that Binder designed the additions. Two more warehouses were added in 1934 and 1946. The International Paper Company purchased Muirson Label Company in 1960, and the plant operation was relocated to Newark in the mid-1970s. John Serpa, the current property owner, purchased the project site from International Paper Company, and has continuously rented the building spaces to a variety of tenants including Antique Showcase, Security Storage Center, and various auto body shops.

While the Muirson building was constructed in several phases, it retains a high level of historic integrity. The main exterior facades have not been altered since the building's period of primary significance, 1913-1945. The two buildings that comprise the main facility, the original production facility at 425-435 Stockton Avenue and the 1934 warehouse at 421 Stockton Avenue, were constructed of reinforced concrete on a concrete slab foundation, have steep gabled roofs, rough plaster surface, and a series of industrial sash windows along the ground level. The interiors of the buildings have been divided into numerous tenant spaces, yet the original interiors are primarily intact.

Alternatives Analysis

The DEIR addresses three alternatives to the proposed project (in addition to the no-project alternative) that would avoid or reduce the significant impacts to historic resources. These alternatives are discussed below.

Adaptive Reuse – Reduced Scale. This Adaptive Reuse Alternative would modify the Muirson buildings for residential uses. Modification of the buildings was limited in this alternative in order to preserve the historic value of the buildings and the unit yield is relatively low - a few dozen units. New construction would occur with low-scale buildings on the southern portion of the site and the small park dedication would remain at the corner of Stockton and Lenzen Avenues. The unit yield would be reduced by approximately 50 percent. The remaining underground storage tank (UST) below the Muirson buildings would not be removed, and measures to contain asbestos and lead containing materials would need to be undertaken. The DEIR indicates that it is unknown if contaminated soil below the buildings could be removed or remediated to acceptable levels to allow residential use. The DEIR concludes that this alternative would remove or reduce the cultural resources impact, may not reduce or avoid the hazardous materials impact, and would not meet the project objective.

Adaptive Reuse – Full Scale. The full-scale adaptive reuse alternative would also modify the Muirson buildings for residential use. In this alternative, the balance of the units needed to meet the project objective would occur on the southern portion of the site and would require taller buildings. The park dedication would remain as proposed. The DEIR identifies that this alternative would meet the project objectives, but would result in greater visual impacts than the proposed project and more severe shade and shadow impacts on nearby single-family residences. The DEIR also indicates that the UST would not be removed, asbestos and lead containing materials would need to be contained, and that it is unknown whether contaminated soil beneath the Muirson buildings could be removed or remediated to acceptable levels for residential use.

Location Alternative. The Location Alternative would move the project to another site at the northwest corner of Stockton Avenue and The Alameda. This location is approximately 1.25 acres in size and could be developed with a four-story building to accommodate approximately 100 units. This alternative would save the Muirson facility, but would reduce the proposed project's unit yield by approximately 60 percent and eliminate the park dedication.

GENERAL PLAN CONFORMANCE

The proposed multi-family residential use is consistent with the *San Jose 2020 General Plan Land Use/Transportation Diagram* designation of Residential Support for the Core (25+ DU/AC). This designation has been applied within the Downtown Core and Frame Areas to expand the potential for residential development close to central area jobs and retail uses. The proposed residential project provides a density of 60 units per acre in conformance with the Residential Support for the Core designation and proximate to The Alameda Neighborhood Business District. See discussion in the analysis section below regarding conformance with General Plan goals and policies relative the provision of affordable housing.

The General Plan's *Historic, Archaeological and Cultural Resources* goal calls for the preservation of historically and archaeologically significant structures, sites, districts and artifacts. Supporting policies specify that the preservation of significant historical structures should be a key consideration in the development review process and that the City should utilize a variety of techniques and measures to serve as incentives to developers to rehabilitate significant buildings or sites. The disposition of the Muirson Label facility buildings has been a primary issue for the review of the rezoning proposal and the primary focus of the Draft Environmental Impact Report (DEIR) prepared for the project. The EIR evaluates alternatives to the proposed project, including adaptive reuse of the Muirson facility, and concludes that in order to preserve the historic buildings it would be necessary to increase the height of the other proposed residential buildings on the site or reduce the proposed number of units (see analysis section below for further discussion). In response to staff's advice during preparation of the environmental document and subsequent input from the neighborhood, the applicant prepared several analyses of the feasibility of adaptive reuse. The results of these analyses are discussed in the *Analysis* section of this report.

PUBLIC OUTREACH

Notices of the public hearings were distributed to the owners and occupants of all properties located within 1,000 feet of the project site. Staff has been available to discuss the project with interested members of the public.

The developer has conducted two community meetings to present the proposed project to the neighborhood. Over 30 residents attended the first meeting, held at the Hester Elementary School on April 3, 2001. The project presented by the applicant included approximately 335 residential units in 3 buildings with a maximum height of 8 stories and approximately 80 feet. The architecture was industrial in style. Those in attendance expressed concern regarding traffic, the proposed height and density of the project, the potential historic significance of the buildings, the lack of open space in the area surrounding the project and the proposed architecture. Residents also indicated a preference for inclusion of some market-rate or for-sale units in the project.

A second community meeting was held at the same location on May 7, 2002 to present a revised project developed by the applicant in response to prior community input. Approximately 35 people attended this meeting. The majority of comments from those in attendance pertained to the historic significance of the Muirson buildings. Residents expressed concern that the applicant had not fully explored adaptive reuse options for the existing historic buildings and that the neighborhood had been

given insufficient time to review the project, the Environmental Impact Report and the potential for preservation and adaptive reuse of the historic buildings. Members of the Shasta-Hanchett Park Neighborhood Association (SHPNA) Board emphasized the historic significance of the buildings, suggested that the developer further explore adaptive reuse of the two most significant buildings and expressed concern that the developer had not worked more closely with area residents regarding the project design. SHPNA representatives made a proposal for adaptive reuse that included affordable live/work units for artists (see attached). Other comments expressed concern regarding the amount of new housing proposed in the neighborhood and the associated traffic and public service implications; a preference for a commercial use at the subject site; and concern regarding the proposed location of the park. Several residents indicated support for the project and expressed appreciation of the revised architecture.

HISTORIC LANDMARKS COMMISSION

The Historic Landmarks Commission (HLC) met to discuss the DEIR and the proposed rezoning on May 10, 2002. The HLC indicated that they had not been provided adequate time to respond to the DEIR or the rezoning and expressed concern that the applicant is proposing demolition of very important historic buildings without having made a serious attempt to assess the feasibility of adaptive reuse of these resources. The Commission indicated opposition to the rezoning as it is currently proposed and recommended that the rezoning not move forward until further analysis is provided by a qualified historic architect and structural engineer to determine the feasibility of adaptive reuse.

An Adaptive Reuse Study prepared by the project architect, dated May 17, 2002, was reviewed by the HLC on June 5, 2002. The Commission made the following recommendation to the Planning Commission (see attached memorandum):

- Require that an independent preservation architect, whose qualifications conform to the requirements of the National Park Service, evaluate the project for reuse of the existing buildings as part of a project that does not adversely affect the context of the existing neighborhood or the historic buildings.
- Require that a consultant with expertise in historic preservation financing help review the financing for use of the Rehabilitation Tax Credit and other historic preservation incentives.

ANALYSIS

The key issues associated with this rezoning are impacts to historic resources, conformance with the *Residential Design Guidelines* and preservation of the California Coast Live Oak.

Impacts to Historic Resources

The Adaptive Reuse Study for the Muirson Label Company, submitted in May 2002, shows that adaptive reuse of the buildings is structurally feasible; however, the study concludes that adaptive reuse is not financially feasible for the proposed affordable housing development. A supplemental study, dated June 26, 2002 provides construction costs for the proposed project and three alternatives:

(1) the DEIR Adaptive Reuse Alternative – Full Scale; (2) the adaptive reuse alternative submitted by the Shasta Hanchett Park Neighborhood Association (SHPNA); and (3) the developer-modified SHPNA alternative. The study concludes that Alternative 1, the Adaptive Reuse – Full Scale scheme from the DEIR as discussed in the *Environmental Review* section above, would increase the cost of the proposed project by 10 million dollars. The cost breakdown also shows that Alternatives 2 and 3 would cost approximately 5 million dollars more to construct than the proposed project. In addition, remediation for reuse of the buildings would add an additional cost of 1.7 to 2 million dollars to each of the adaptive reuse alternatives.

The *General Plan Housing* goals and policies are intended to both improve the City's existing housing resources and to meet the housing needs of all segments of the community. A specific goal of the *General Plan* is to increase housing opportunities for lower income families. The proposed project will provide rental units of varying sizes to low and moderate income residents in an area of the City that has been designed for higher density development, thereby meeting several General Plan objectives. The applicant indicates that redesigning the project to include adaptive reuse of the historic buildings would make this affordable housing development infeasible. In reviewing previously approved projects in the City of San Jose, staff has identified two developments that have included adaptive reuse of historically-significant structures: Plant 51, located adjacent to the Diridon Station, which has yet to be developed and the Pickle Factory site (City Landmark #79) located at the southwest corner of North 8th and East Taylor Streets, which is currently under construction. Unlike the proposed project, both of these developments are market-rate, a factor that staff believes to be central to their feasibility. In this case, staff believes that the loss of the historically-significant Muirson Label Company building is an unavoidable impact that is justified by the City's need to provide affordable housing for all segments of the community.

Salvage, Documentation and Public Exhibit

Staff has included the following measures as conditions of the Planned Development Zoning to ensure that the historic resources proposed for demolition are documented and that appropriate elements are salvaged.

- 1) Prior to demolition, the applicant will consult with History San Jose, Preservation Action Council of San Jose and the Historic Landmarks Commission to determine whether and what elements of the buildings warrant salvage for public information or reuse in other locations. Any elements not identified through this effort should be made available to salvage companies facilitating the reuse of historic building materials.
- 2) Prior to demolition, the buildings should be documented in accordance with the Secretary of the Interior's Standards and Historic American Building Survey (HABS) to at least Documentation Level III. Planning staff recommends that four original copies of the documentation be provided to the Historic Preservation Officer for review. Upon approval, the Historic Preservation Officer will forward copies to History San Jose, the California Room of the Martin Luther King, Jr. Library, San Jose State University and the Northwest Information Center at Sonoma State University.

- 3) Prior to demolition of the historic buildings, the applicant will develop a public exhibit and education program on the Muirson Label Company and the fruit processing/canning industry in the Santa Clara Valley in consultation with History San Jose. This program will include information on the career of Ralph Rambo. The exhibit and education program will be developed by a qualified historian, as described in the Professional Qualification Standards of the Secretary of the Interior's Standards and Guidelines for Archaeology and Historic Preservation.

Consistency with the *Residential Design Guidelines*

Setbacks and Building Separations

The proposed project conforms to the setback recommendations of the *Residential Design Guidelines* (RDG) with three exceptions. First, the RDG recommend that residential buildings of three stories or greater be set back a minimum of 35 feet from major public streets unless the project is in an urban location with smaller established or planned setbacks. Staff believes that the reduced setback of 15 feet proposed along Stockton Avenue and Cinnabar Street is appropriate for this project in that it matches the setbacks of other high density housing projects previously approved in the area, provides an urban streetscape suitable to the Residential Support for the Core Area designation and allows for adequate landscaping to soften the proposed buildings. Second, the RDG recommend a minimum setback of two feet for every one-foot of height for a three-story or greater residential structure adjacent to a single-family rear yard. This project proposes a 10-foot side setback for Building 1 from the adjacent single-family residence on Cinnabar Street. In light of the fact that the adjacent properties are designated Residential Support for the Core (25+ DU/AC) and are expected to redevelop in the future with high density housing, staff concludes that the smaller setback is appropriate in this situation. Finally, the rear setback from Building 4 to the adjacent multi-family development on Lenzen Avenue is slightly less than the 12.5 feet needed to replicate the setback for the adjacent housing project in conformance with the RDG. Both developments have well-landscaped setback areas that provide appropriate separation between the uses and meet the intent of the RDG.

Parking and Access

Staff is recommending that the Planned Development Zoning require 1.5 parking spaces per studio or one-bedroom unit, 1.8 spaces per two-bedroom unit, and 2.0 spaces per 3-bedroom unit in conformance with the parking standards of the *Residential Design Guidelines*. These parking ratios have been incorporated into the project Development Standards (see attached).

The conceptual parking plan included in the project plan set provides a total of 438 parking spaces, of which 399 are located in the garage structures beneath the four buildings. The conceptual plan indicates 121 single spaces and 282 spaces in tandem configuration within the parking structures, 21 spaces along the private drive, and 14 spaces along the Stockton Avenue frontage. Of the total single spaces, 46 are located on a second subterranean level accessed from the northern end of the main parking level. The proposed parking plan allows 2 spaces per 3- and 2-bedroom unit, and provides an adequate number of single spaces to assign at least one space per studio and one-bedroom unit and maintain an appropriate number of spaces for guest parking. Based on this analysis, staff has concluded that the proposed parking is in conformance with the RDG and adequate for the proposed project.

Open Space and Park Dedication

Common open space is provided at approximately 160 square-feet per dwelling unit and private open space is provided at 60 square-feet per unit in conformance with the recommendations of the *Residential Design Guidelines*. Landscaping details will be finalized at the Planned Development Permit stage to assure planting of appropriate perimeter trees along the boundary of the adjacent single-family residence and adequate podium landscaping.

This rezoning proposes an approximately 0.46-acre park dedication at the northern portion of the project site. This project does not propose park improvements, but will be required to improve street frontages along the park. Future planning for the design and implementation of the park will include additional opportunities for neighborhood input.

Architecture

The Conceptual Elevations show three- and four-story buildings over parking with a maximum height of 57 feet. Building 1 includes three stories along the Cinnabar Street frontage: a fourth story is set back an additional 22+ feet. All other buildings are proposed at four stories. The three-story elevation is proposed to reduce the perceived scale of the building along the residential street. In addition, stoops are proposed along both the Cinnabar Street and Stockton Avenue frontages to provide a pedestrian-friendly environment in conformance with the RDG requirements for Podium Cluster Housing in urban settings. The buildings are designed in the Arts and Crafts/Prairie style, with a 3-foot roof overhang, wood or metal brackets at the eaves, wood siding for the top story, cement plaster finish for the lower floors, and split-face block for the base. Windows are shown flush, with wood trim surrounds. The proposed roof material is asphalt shingle. As recommended in the RDG, the parking garage floors along the streets are screened by berms, landscaping and/or architectural techniques and are accessed in a manner that camouflages the garages from the neighborhood. Further, the garages are accessed from a private street, which minimizes pedestrian/vehicle conflicts and provides for uninterrupted landscaping along the front of the buildings.

Architectural details will be finalized at the Planned Development Permit stage, with special attention given to the entry features, the park interface, and the stoops along Cinnabar and Stockton.

Conclusion

Based on the above analysis, staff concludes that the proposed project is in substantial conformance with the *Residential Design Guidelines*.

Preservation of the California Coast Live Oak

The applicant is proposing to preserve the significant California Coast Live Oak tree located adjacent to the Muirson building along the Lenzen Avenue frontage. The City Arborist has recommended that the 48-inch diameter tree be considered for heritage status in that it constitutes a unique specimen in the urban forest due to its size and location (see attached memorandum). The project proposes to preserve the tree in the area of the site to be dedicated to the City for a public park. The EIR identifies mitigation measures to protect the tree during building demolition, which have been incorporated into

the project. The EIR also identifies measures that will be considered in the future design and construction of the public park to ensure the long-term health of the tree.

Conclusion

Based on the above analysis, staff concludes that the project conforms to the General Plan Land Use designation for the site, is consistent with the intent of the *Residential Design Guidelines* and compatible with the surrounding neighborhood. Development of the affordable housing project as proposed will result in the loss of historic resources, but will further the City's overall goal to provide housing for all income levels.

RECOMMENDATION

Planning staff recommends that the Planning Commission forward a recommendation to the City Council to approve the subject rezoning for the following reasons:

1. The project will provide affordable housing consistent with the General Plan goal of providing housing to meet the needs of all segments of the community and with the site's General Plan designation of *Residential Support for the Core (25+ DU/AC)*.
2. The project complies with the applicable provisions of the Zoning Ordinance, Title 20 of the Municipal Code.
3. The proposed project is in compliance with the California Environmental Quality Act (CEQA).
4. The proposed project is consistent with the intent of the *Residential Design Guidelines*.