Pending Envision San José 2040 Requests

As part of the Envision General Plan update process, the Task Force has reviewed a Draft Land Use/Transportation Diagram developed to align with the goals of the Draft Envision Plan and to support the planned amounts and locations of job and housing growth as developed for the Preferred Land Use Scenario. This Scenario was reviewed and endorsed by both the Task Force and City Council as the basis for the final development of the Draft Envision Plan and Envision Draft Program Environmental Impact Report (PEIR).

Community stakeholders were provided with a formal opportunity to request that a property within San José be given an alternative land use designation from the one indicated on the Draft Envision Land Use/Transportation Diagram through an "Envision Request" process approved by the City Council on October 19, 2010 with a deadline for submittal of Requests of November 15, 2011. The City received 14 Requests through this process. These Requests and their current status are summarized in a separate table included with the Task Force meeting packet materials.

Of the 14 Requests, 10 have been resolved either through City Council action or through withdrawal by the Requester. The August 22, 2011 Task Force meeting provides an opportunity for the Task Force to consider and make a recommendation on the remaining four Requests. This memo provides the Task Force with a brief analysis for each of these Requests. Based on this analysis, staff has concluded that incorporation of each of the four remaining Requests would not further advance the goals of the Draft Envision Plan and they would likely not be consistent with achievement of the planned amount of job growth established within the Preferred Land Use Scenario. Staff is therefore recommending that the Task Force not support the incorporation of these Requests into the Draft Land Use/Transportation Diagram. The remaining four Requests are:

- ESJ2040-001: Request to change the Draft Envision 2040 Land Use/Transportation Diagram designation to Urban Residential from Neighborhood/Community Commercial within an Urban Village Area Boundary. (Sywest Development – Requestor).
- ESJ2040-002: Request to change the draft Envision 2040 Land Use/Transportation Diagram designation on a 15-acre portion of the 331-acre Hitachi campus site from Industrial Park to Urban Village and to expand the Urban Village Area Boundary easterly by 500 feet to include the 15-acre portion.(Hitachi, LTD & GST Inc– Requestor).
- ESJ2040-004: Request to change the draft Envision 2040 Land Use/Transportation Diagram designation to Mixed Use Neighborhood from Neighborhood/Community Commercial within an Urban Village Area Boundary. (Daniel Hudson– Requestor).
- ESJ2040-010: Request to change the draft Envision 2040 Land Use/Transportation Diagram designation to Urban Mixed Use Neighborhood from Public/Quasi-Public. (Maxwell Frank Trustee/Pulte Homes– Requestor).

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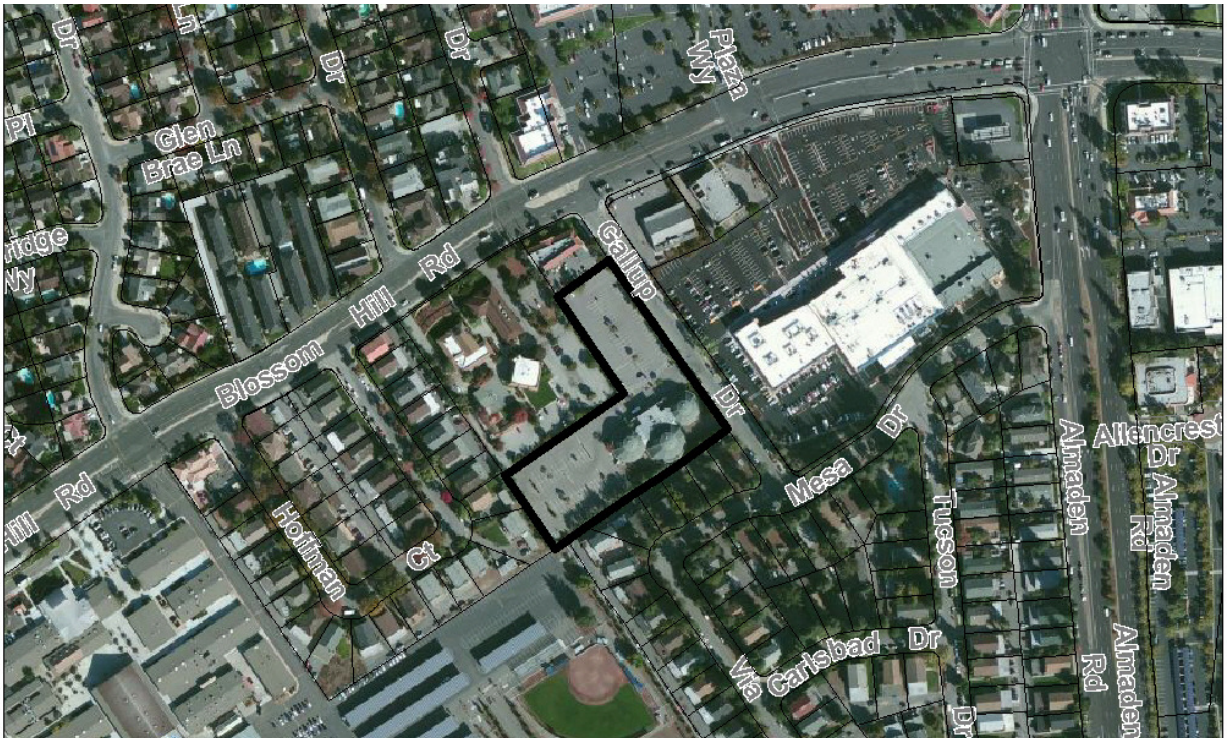
ESJ2040-001

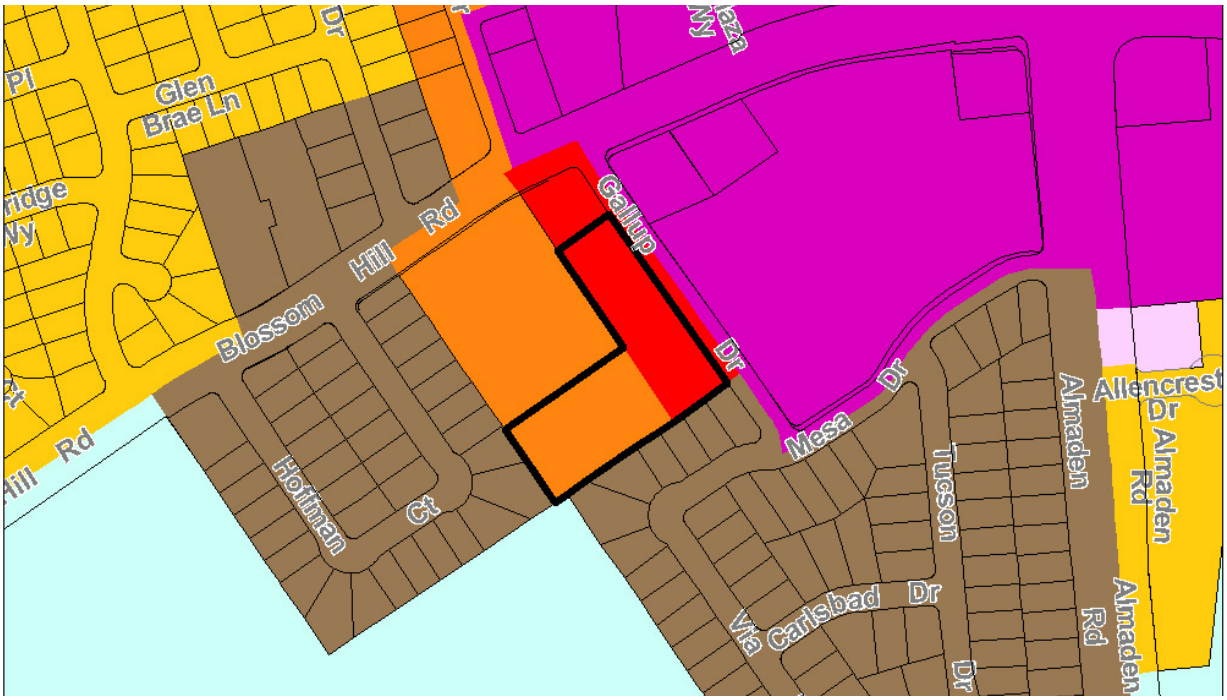
PROJECT DESCRIPTION: Request to change the Envision Draft Land Use/Transportation Diagram designation to Urban Residential from Neighborhood/Community Commercial within an Urban Village Area Boundary on a 2.97 acre site.

LOCATION: 5655 Gallup Drive **Council District: 2** **SNI/RDA: Hoffman Viamonte**

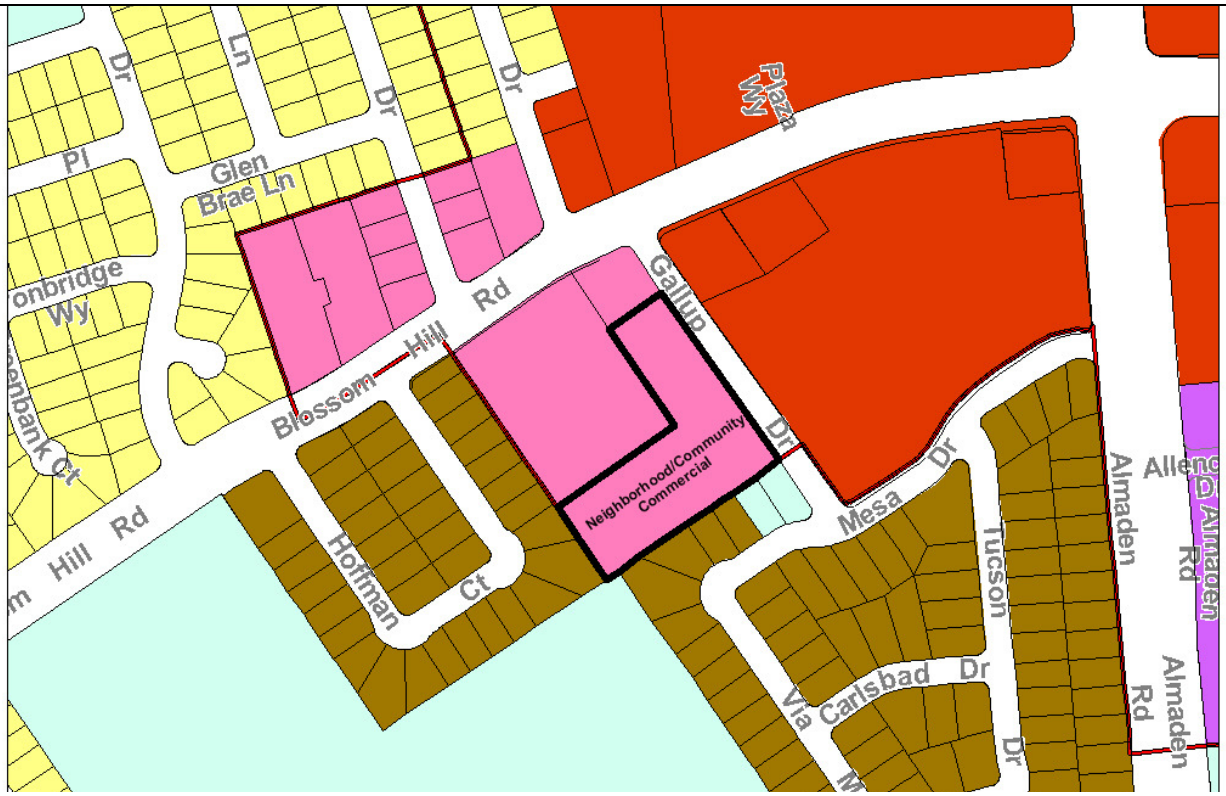
Aerial Map **N↑**



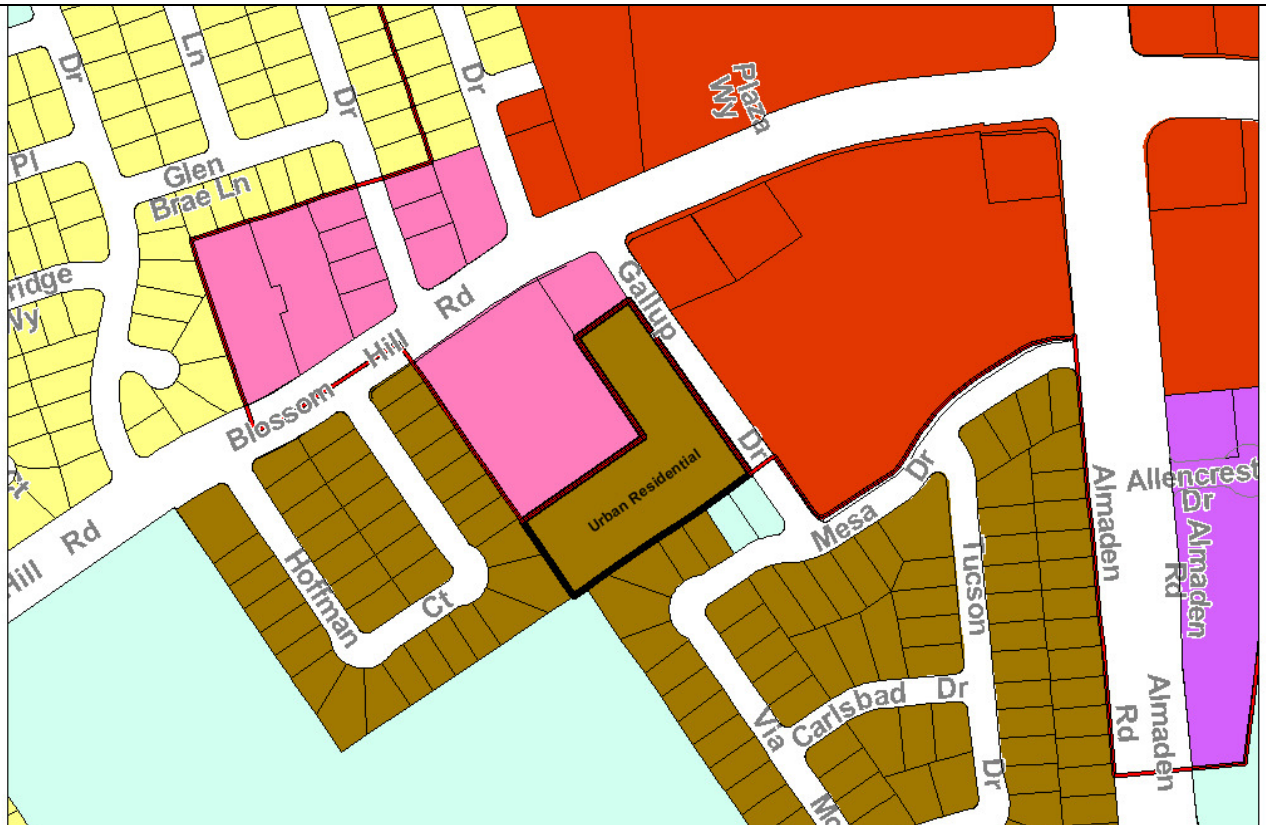
EXISTING SAN JOSE 2020 GENERAL PLAN: Medium Density Residential and General Commercial



DRAFT ENVISION SAN JOSE 2040 GENERAL PLAN: Neighborhood / Community Commercial and Village (V17)



APPLICANT'S PROPOSED DRAFT ENVISION SAN JOSE 2040 GENERAL PLAN: Urban Residential



ESJ2040-002

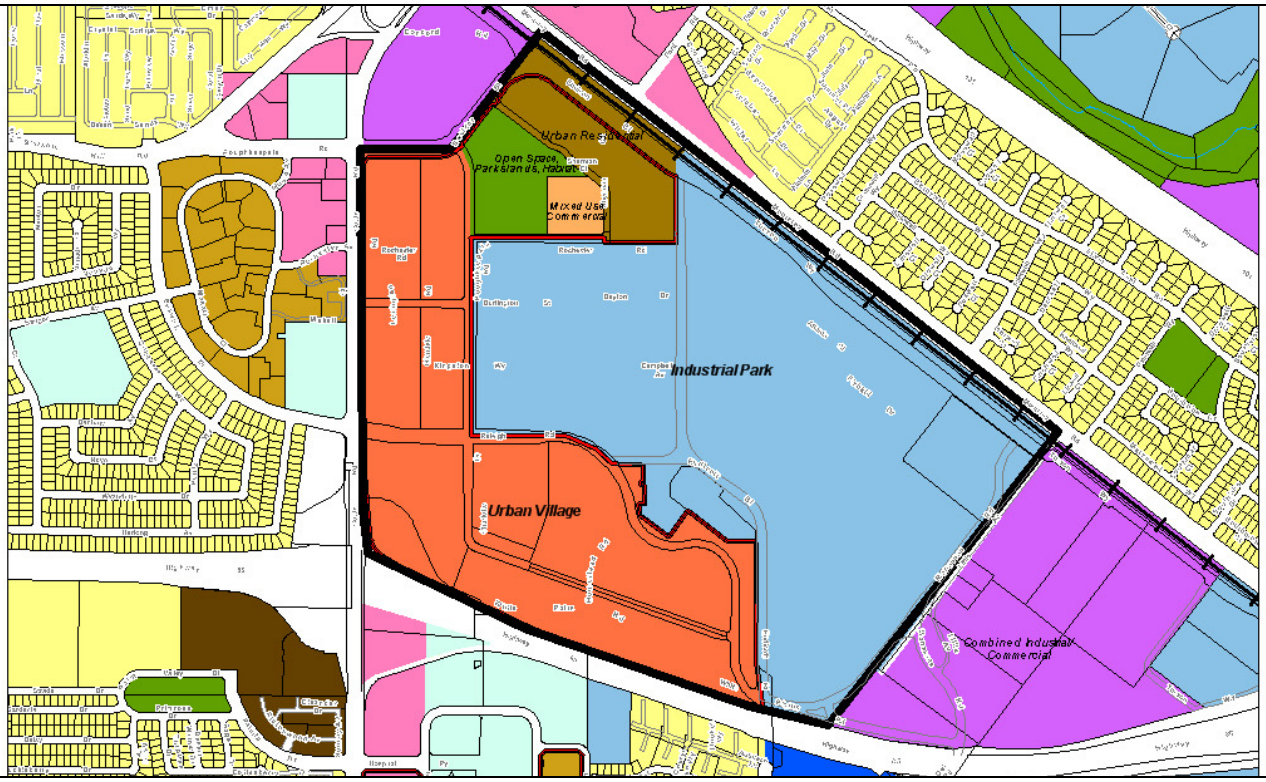
PROJECT DESCRIPTION: Request to change the Envision Draft Land Use/Transportation Diagram designation to Urban Village from Industrial Park and to extend the Urban Village area boundary easterly by 500 feet for a 15 acre portion of the 331 acre Hitachi Campus site.

LOCATION: 5601 Great Oaks Parkway (Hitachi) **Council District:** 2 **SNI/RDA Area:** Edenvale

Aerial Map N↑

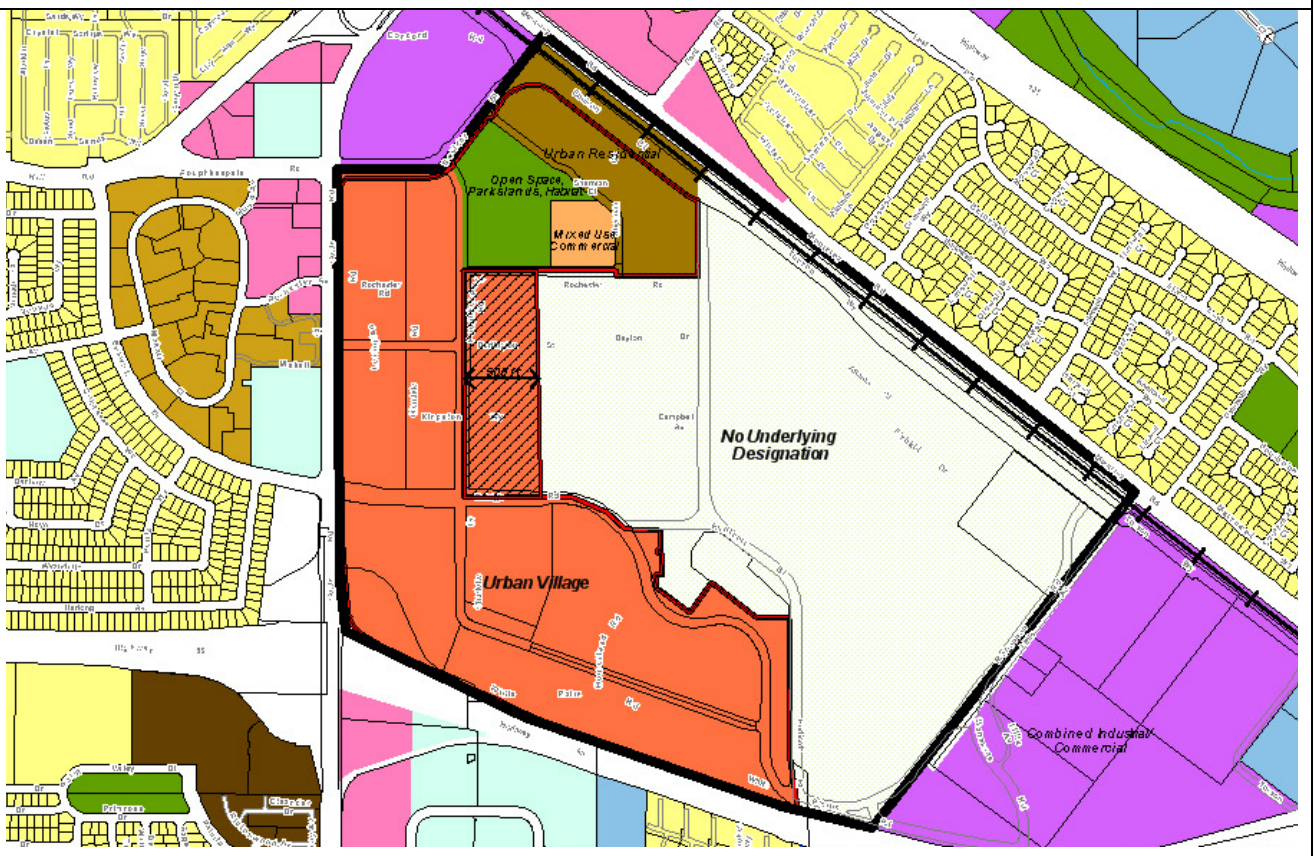
EXISTING SAN JOSE 2020 GENERAL PLAN: No underlying designation with Mixed Use Overlay

DRAFT ENVISION SAN JOSE 2040 GENERAL PLAN: Industrial Park and Village (VT6)



APPLICANTS PROPOSED DRAFT ENVISION SAN JOSE 2040 GENERAL PLAN:

No underlying designation with Mixed Use Overlay and Extend Village Boundary easterly by 500'

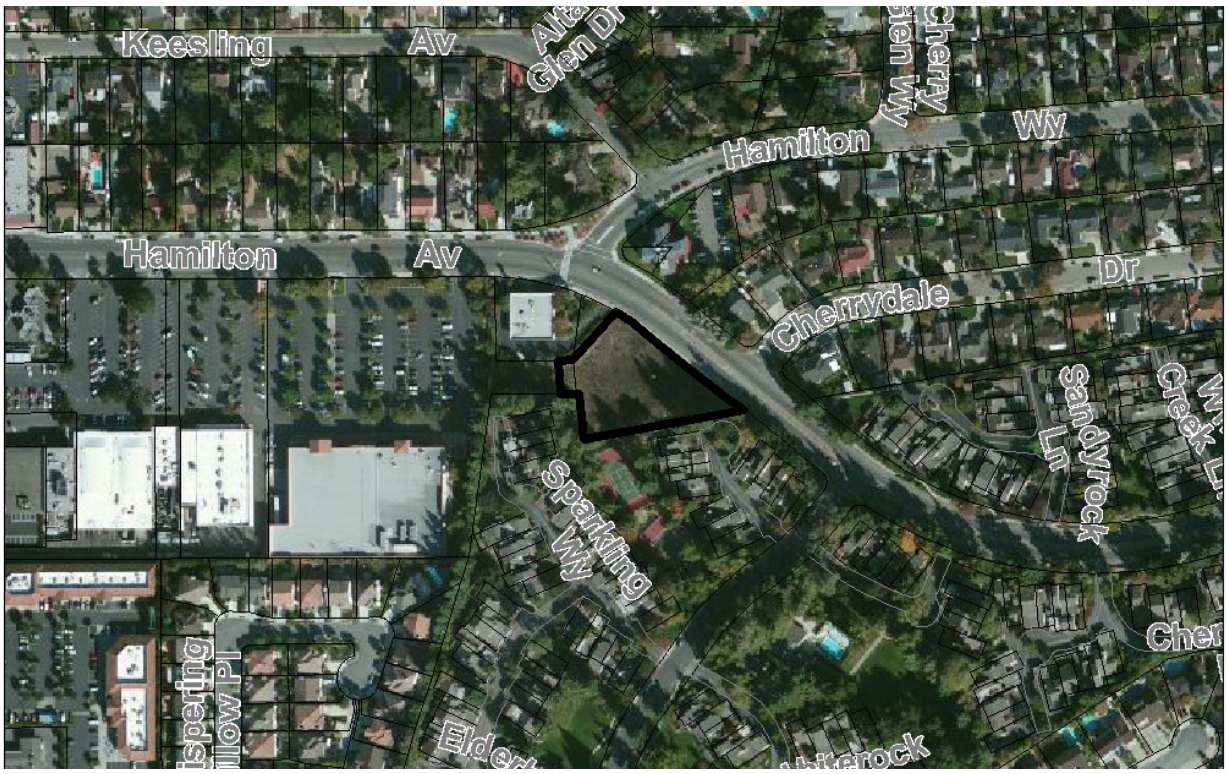


ESJ2040-004

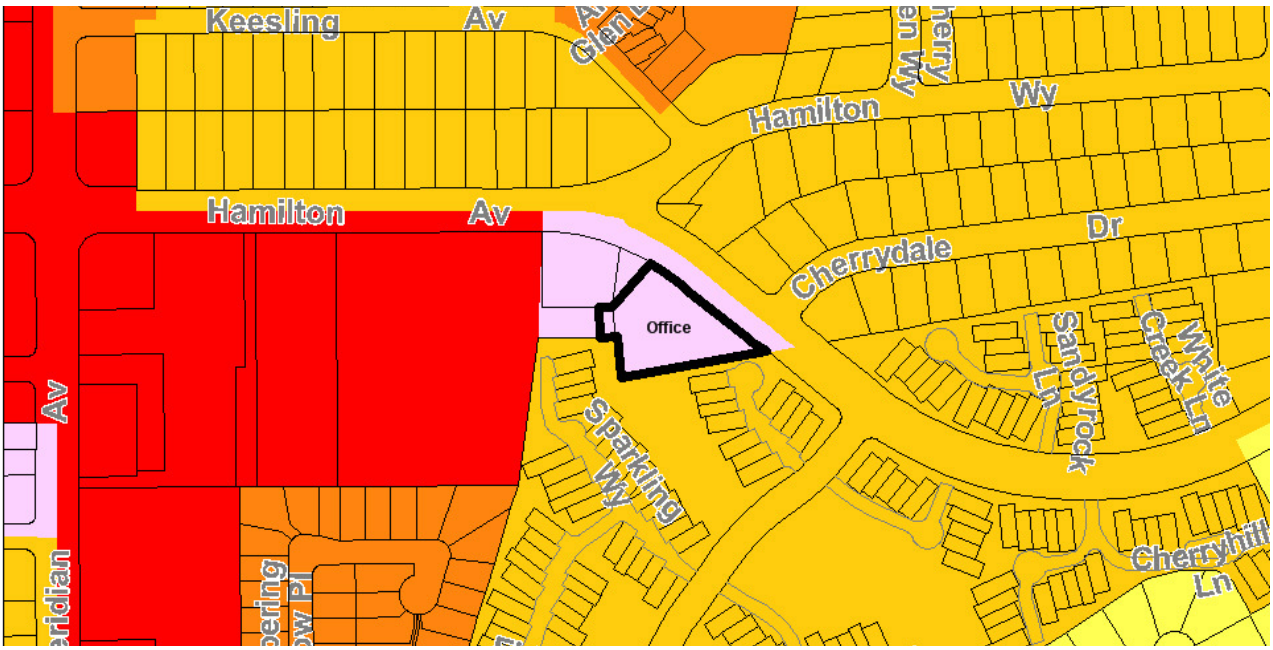
PROJECT DESCRIPTION: Request to change the Envision Draft Land Use / Transportation Diagram designation to Mixed Use Neighborhood from Neighborhood/Community Commercial within an Urban Village Area Boundary on a 0.92 acre site.

LOCATION: 1506 Hamilton Avenue **Council District:** 6 **SNI/RDA:** N/A

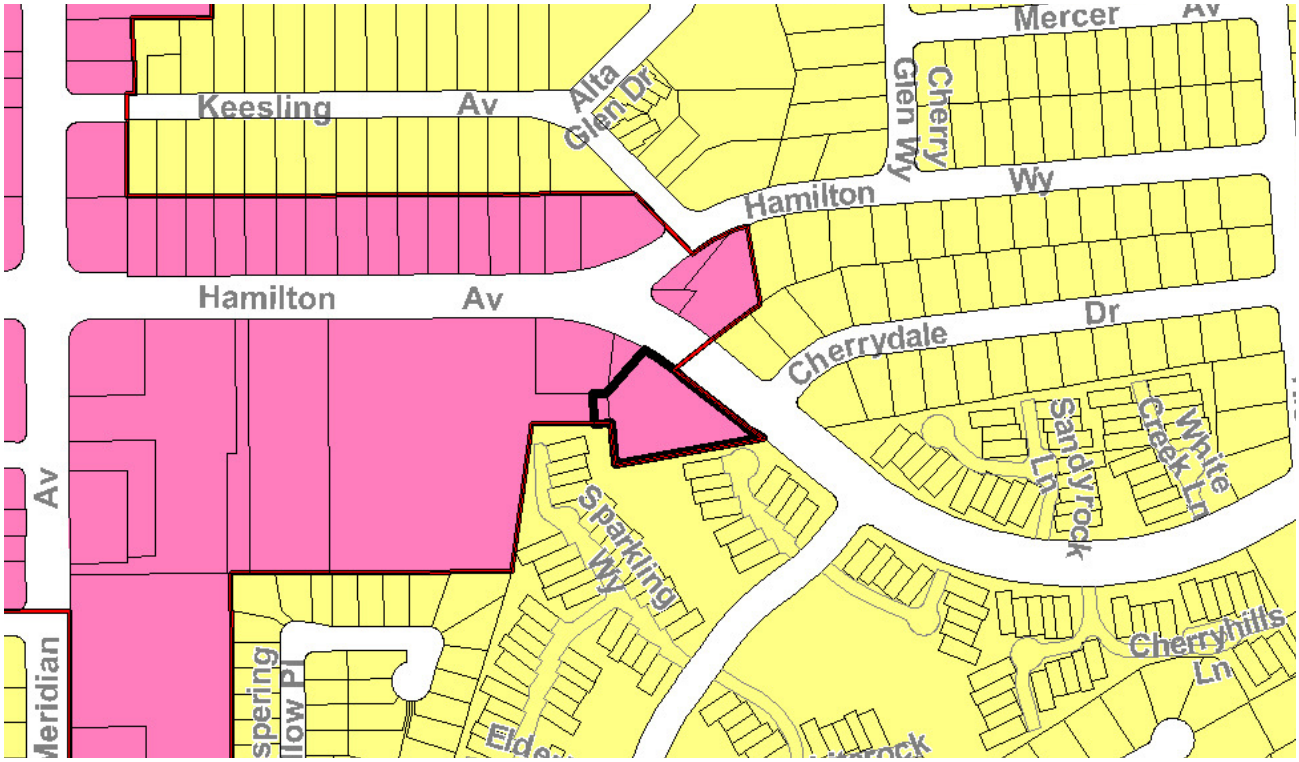
Aerial Map N↑



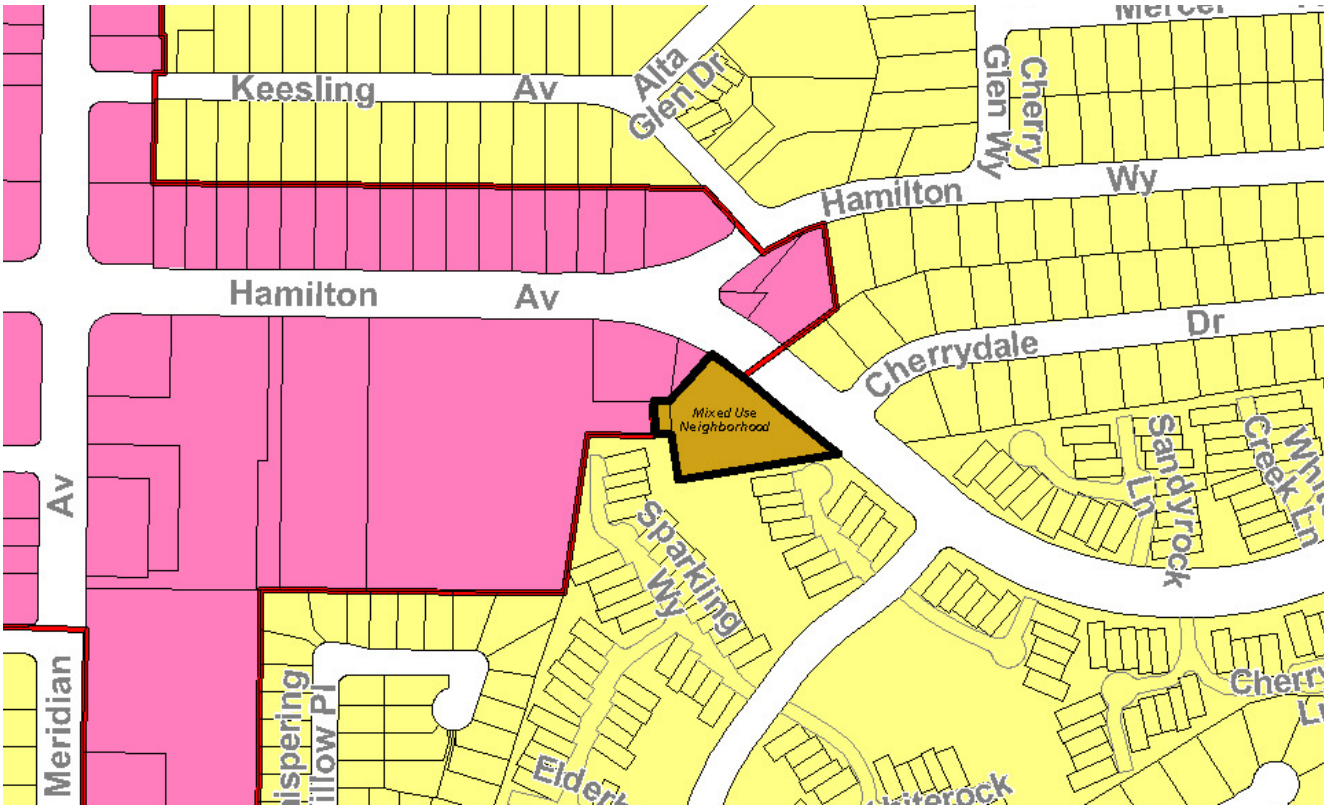
EXISTING SAN JOSE 2020 GENERAL PLAN: OFFICE



DRAFT ENVISION SAN JOSE 2040 GENERAL PLAN: Neighborhood / Community Commercial and Village V63



APPLICANT'S PROPOSED DRAFT ENVISION SAN JOSE 2040 GENERAL PLAN: Mixed Use Neighborhood

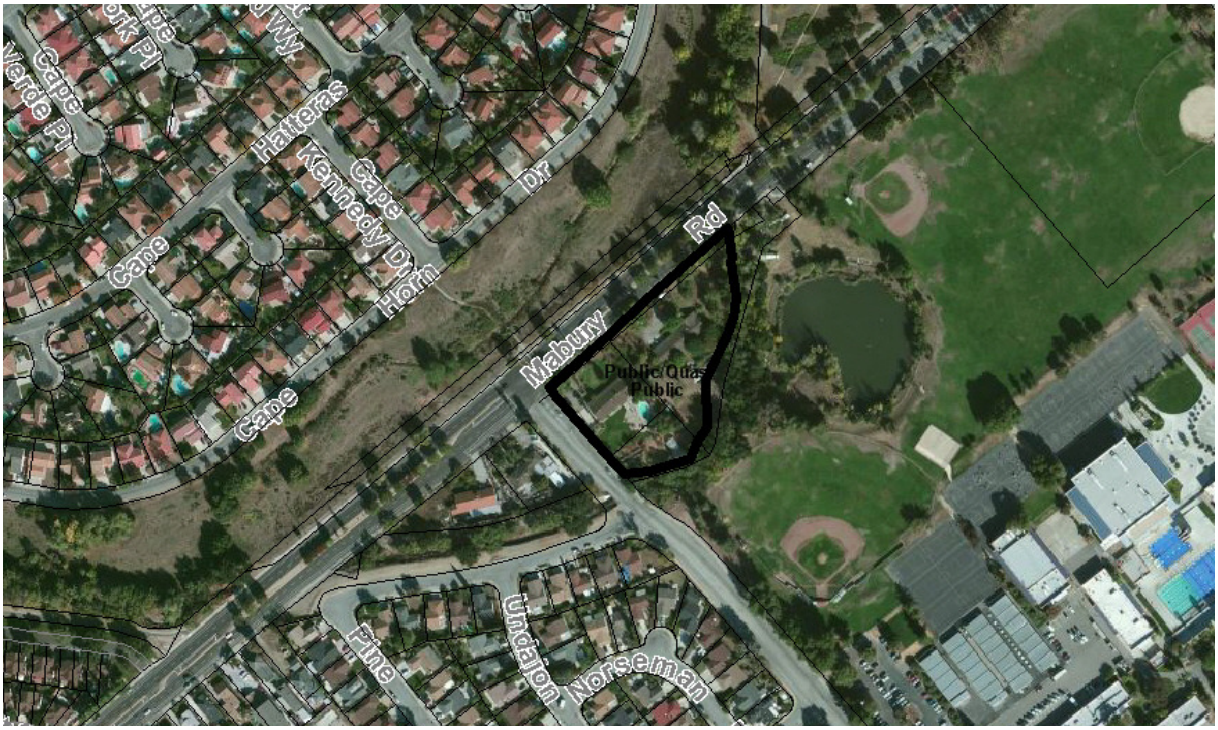


ESJ2040-010

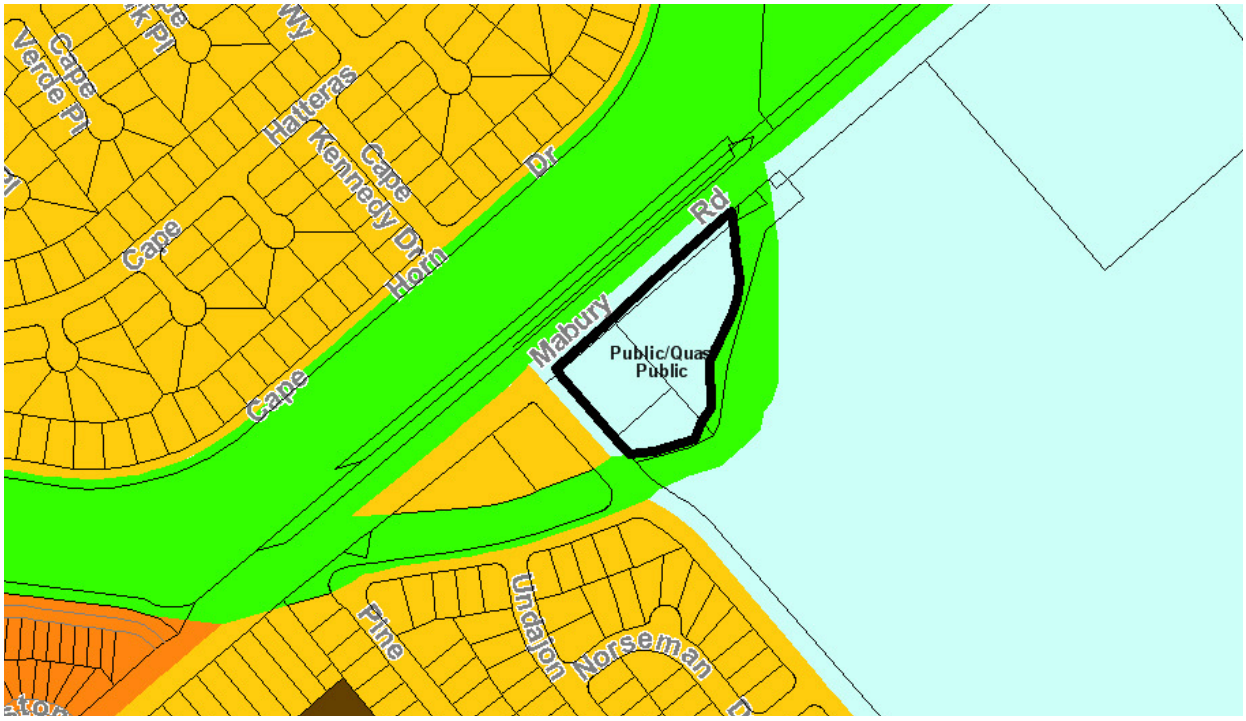
PROJECT DESCRIPTION: Request to change the Envision Draft Land Use / Transportation Diagram designation to Mixed Use Neighborhood from Public Quasi/Public on a 3.1 acre site.

LOCATION: 12750 Mabury Road **Council District:** 4 **SNI/RDA:** N/A

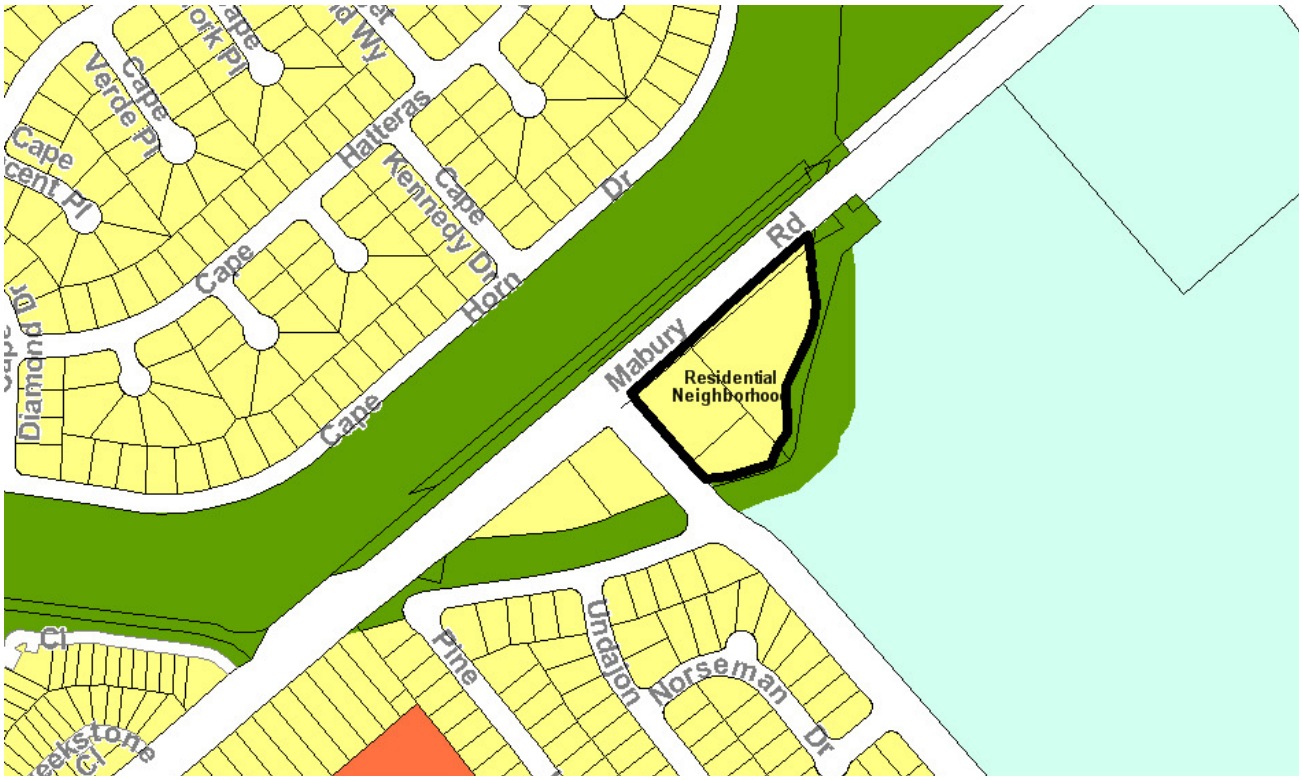
Aerial Map N↑



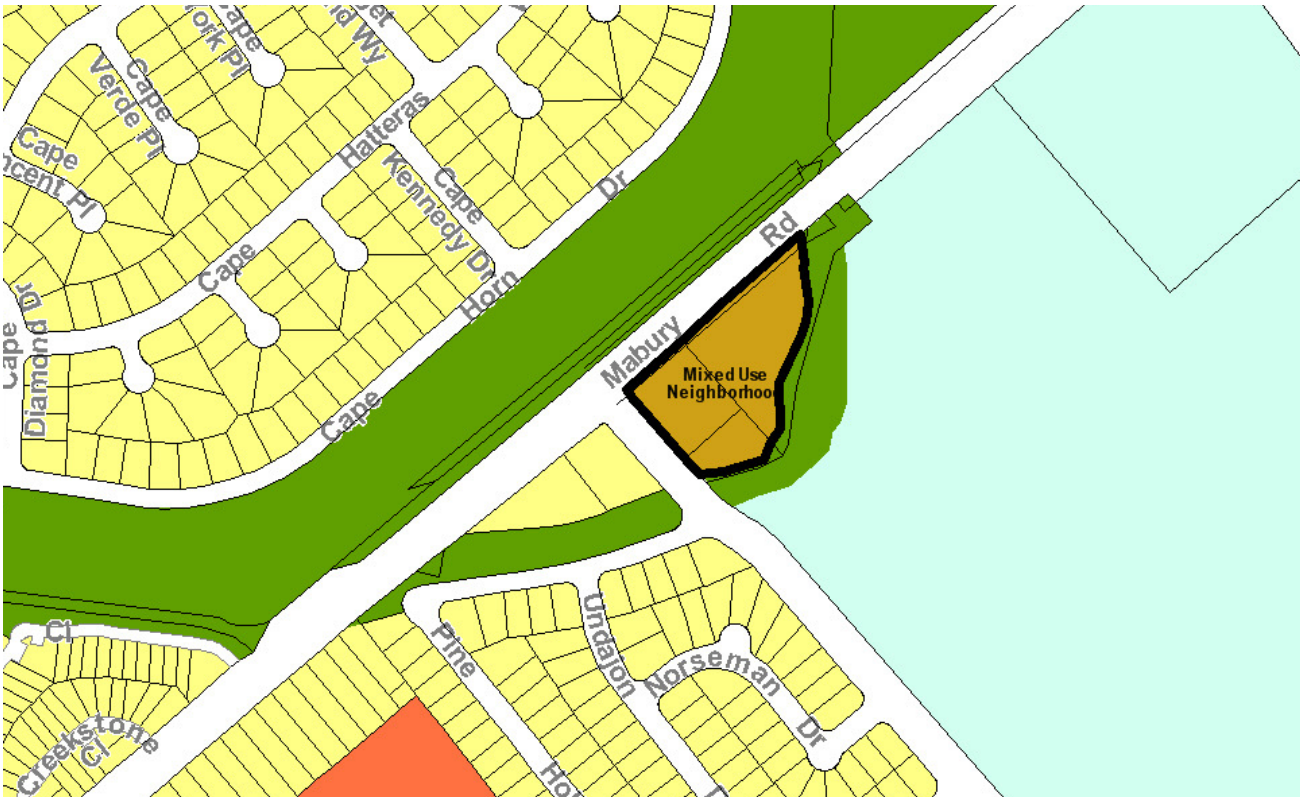
EXISTING SAN JOSE 2020 GENERAL PLAN: Public / Quasi Public



DRAFT ENVISION SAN JOSE 2040 GENERAL PLAN: Public Quasi / Public



APPLICANT'S PROPOSED DRAFT ENVISION SAN JOSE 2040 GENERAL PLAN: Mixed Use Neighborhood



Analysis of Envision Requests

A primary Task Force objective for the Draft Envision Plan is to maintain and expand the City's employment lands to promote economic development, provide for new jobs to improve the jobs-to-housing balance, and support the City's fiscal sustainability. Specifically, the Draft Envision Plan incorporates several key goals and policies supportive of job growth and the key concepts of the City's existing Framework for Preservation of Employment Lands. The Draft Envision Land Use/Transportation Diagram has been developed to promote economic development and job growth by maintaining a wide range of commercial and industrial lands as opportunity sites for new or expanding businesses.

The identification of specific Growth Areas was also a primary focus in the development of the Envision Preferred Land Use Scenario and Draft Land Use/Transportation Diagram. Areas to focus new growth were carefully selected in order to achieve several Envision goals, including the minimization of environmental and fiscal impacts, and the promotion of complete, walkable communities.

The Envision Plan establishes a vision for the development of many of these Growth Areas as Urban Villages which will accommodate significant housing growth by focusing most of this growth into specified areas, typically with good access to transit and other existing infrastructure and a significant potential to help build complete, cohesive neighborhoods. These areas are planned to incorporate a mix of land uses, support walking and bicycling uses and provide a high degree of urban amenities for future residents. Because in most cases the Urban Village areas rely upon the conversion of commercial lands to residential mixed-use, and because San Jose currently has insufficient commercial lands to support the existing retail demand, the Draft Envision Plan includes several strategies to manage the timing for conversion of new Urban Village areas to allow housing development. Preparation of an Urban Village Plan, prior to the development of an Urban Village area, is one of the key Draft Plan strategies.

The current Draft Envision Plan also sorts each of the Urban Village areas into three sequential development phases (called Horizons) in order to manage over time the implementation of new housing growth. The Draft Envision Plan policies include a "pool" of residential growth capacity for Horizons 1 and 2, consisting of 5,000 housing units which may be entitled in any Urban Village, regardless of the designated Horizon. These units may be developed following preparation of an Urban Village Plan for the Urban Village in which they are located.

The four remaining Requests are similar in that each would allow increased flexibility for housing as a near term development option. Two of the Requests (ESJ2040-001 Gallup Drive and ESJ2040-004 Hamilton Avenue) include removal of a site from within a Horizon 2 or Horizon 3 Urban Village area in order to allow near-term, residential development. While the Urban Village strategy was developed as a means to provide for significant new housing growth, the Draft Plan also carefully incorporates several policies to insure that Urban Village areas will also accommodate significant amounts of new job growth along with that housing growth and includes a Horizon phasing plan to help prioritize specific areas for near-term residential growth. The other two Requests would respectively convert planned employment lands for residential mixed-use (ESJ2040-002 Hitachi) and increase the residential density (ESJ2040-010 Mabury Road) on a site that is not within one of the identified Growth Areas selected by the Task Force. Each Request is discussed further below.

Gallup Drive/Sywest Development (Request No: ESJ2040-001)
This Request is to change the Draft Envision Land Use/Transportation Diagram designation for the subject property from Neighborhood/Community Commercial within a Horizon 3 Urban Village boundary (VR 17) to Urban Residential and to modify the Urban Village boundary to exclude the property. This change would allow the near-term development of high density residential on the site. The Requester has indicated intent to pursue possible development of a senior housing/assisted care facility.

The subject property has two designations currently in the *Focus on the Future San Jose 2020 General Plan*, with approximately half of the site designated as General Commercial and half as Medium Density Residential (8-16 DU/AC). The proposed Envision Land Use/Transportation Diagram designation (Neighborhood/Community Commercial and Urban Village) would allow for near-term commercial development and long-term mixed-use development with a significant commercial component. The Request would therefore reduce the amount of employment lands from the current *Focus on the Future San Jose 2020 General Plan* and also require that employment development occur more intensely (e.g., on a smaller amount of land area) in the remaining VR17 Urban Village area in the future in order to achieve the planned amount of job growth for that Urban Village.

The subject property is generally bordered by commercial uses to the north and east and by medium density residential properties to the south and west (Hoffman / Via Monte area). The latter area is composed of older rental 2-plex and 4-plex units which have been the focus of the City's revitalization efforts. Development of a higher density senior housing development would likely be isolated from the surrounding land uses and would not extend or complete an existing cohesive neighborhood pattern.

For properties located within an Urban Village Area, generally preparation of a comprehensive Urban Village Plan is required prior to new residential mixed-use development. The Urban Village Plan will be used to maintain the existing job capacity of the Village as a prerequisite to any residential development (non-residential and "Signature" projects, which include significant amounts of job growth, can proceed prior to the preparation of the Village Plan).

The subject property is designated as part of an Urban Village (VR 17). This Village is currently included in Horizon 3, indicating a long-term potential for residential or mixed-use development. In the nearer term, the Urban Village designation limits use of the site to commercial development; however, following preparation of a Village Plan, the "pool" of dwelling units may be used to grant entitlements to projects within this or other Urban Village areas in Horizon 2 and 3, thereby allowing for the potential of residential development on the site while also requiring an employment component within new development.

The request for the Urban Residential designation to allow residential development would allow the near-term conversion of the entire site to residential use without the preparation of an Urban Village Plan and would not support the Envision Plan's goal of maintaining and expanding commercial employment. Further, given the specific location and character of the site, the proposed designation will not contribute to the establishment of a cohesive and complete neighborhood.

Staff recommends that the site continued to be designated as Neighborhood / Community Commercial with an Urban Village Overlay (VR 17) on the Draft Envision Land Use / Transportation

Diagram. This recommendation would potentially allow conversion of the site to mixed-use including residential following preparation of an Urban Village Plan, but would retain a significant employment component on the site and contribute to the Urban Village's overall viability as a part of the City's job growth strategy.

Great Oaks Parkway/Hitachi Campus (Request No: ESJ2040-002)
This Request would convert a 15-acre portion of the Hitachi Campus currently designated as Industrial Park on the Envision Draft Plan Land Use / Transportation Diagram to Urban Village, making it a part of the adjacent Horizon 1 Urban Village area (VT6). While the *Focus on the Future San Jose 2020 General Plan* designation for this entire area is "Mixed Use with No Underlying Designation", an existing Planned Development Zoning, Development Agreement and other entitlements designate the subject 15-acre area for employment uses. The boundary of the Urban Village area (VT6) as shown on the Draft Envision Plan Land Use / Transportation Diagram was drawn so as to match the area zoned for mixed-use development in the existing Planned Development Zoning. Because this area already is entitled for a significant amount of new mixed-use residential growth, it was incorporated into the Envision Draft Plan as a Horizon 1 Urban Village Area.

The proposed Request would not alter the overall amounts of housing and job growth planned for the Hitachi Campus area, but would reduce the amount of land planned for employment growth while increasing the amount planned for residential growth. The result of this change would be to reduce the density of development in the residential area and to require that future employment growth be realized at a higher density in order to achieve the Envision Draft Plan job growth objectives. The existing residential entitlements allow a mix of densities, but in general would be less than those planned for other Urban Village areas. Further reducing the residential density would generally not be consistent with the Envision Draft Plan vision for Urban Village areas. Reducing the amount of area planned for employment uses could also further undermine the long-term viability of developing a major employment center within the New Edenvale area.

A primary Council objective for the Draft Envision Plan is to maintain and expand the City's employment lands to promote economic development, provide new job opportunities to improve the jobs-to-housing balance, and support the City's fiscal sustainability. The Draft Envision Land Use / Transportation Diagram has been developed to promote economic development and job growth, maintaining a wide range of industrial sites as opportunities for new or expanding businesses. The Draft Plan incorporates several key goals and policies supportive of job growth and key concepts of the City's existing Framework for Preservation of Employment Lands.

Because the Request would convert a portion of the site planned and entitled for industrial uses to a residential, mixed-use Urban Village designation from the proposed Industrial Park designation, representing a net loss of approximately 15 acres of industrial employment land, staff recommends that the Draft Envision Land Use/Transportation Diagram maintain the areas of Industrial Park and Urban Village designations as currently shown. This recommendation is in alignment with the site's current entitlements and Development Agreement.

Hamilton Avenue/Hudson Companies (Request No. ESJ2040-004)
This Request would change a 0.92 acre site from Neighborhood / Community Commercial to Mixed Use Neighborhood in order to allow near-term residential development. While the property is designated (Office on the *Focus on the Future San Jose 2020 General Plan*) and zoned for commercial use, the Requester would like to develop residential townhouses as a near-term use of the

property. As an alternative, staff proposes incorporation of the site into the adjacent Urban Village area (V63) as a means of allowing the potential for residential development on the site in the future, following the completion of an Urban Village Plan for the V63. The site could also be maintained as a commercially designated site. Because the *Focus on the Future San Jose 2020 General Plan* Office designation was consolidated into the Neighborhood / Community Commercial for the Draft Envision Plan, the site is currently designated as Neighborhood / Community Commercial on the Draft Envision Land Use/Transportation Diagram. This designation supports office development as well as an expanded range of other commercial uses.

As noted above, a primary objective of the Draft *Envision San Jose 2040* General Plan includes multiple policies intended to promote job growth while also carefully focusing new residential growth into Urban Village areas that will best advance various Draft Plan goals. For properties located within an Urban Village area, preparation of a comprehensive Urban Village Plan or adherence to other specific criteria is required for new residential mixed-use development in order to insure that this new development provides for a significant job growth component. The Urban Village Plan will be used to maintain the existing job capacity of the Village as a prerequisite to any residential development (non-residential and "Signature" projects, which include significant amounts of job growth, can proceed prior to the preparation of the Village Plan).

Based on these objectives, staff recommends that the subject site continue to be designated for commercial uses on the Draft Envision Land Use/Transportation Diagram. The Request for the Mixed Use Neighborhood designation would allow near-term conversion of the site to residential use, resulting in a loss of commercial employment capacity and not contributing to the overall development of the adjacent Urban Village area. As an alternative, staff recommends designation of the site as an Urban Village area, with a near-term Neighborhood / Community Commercial designation and long-term potential to convert to residential mixed-use. In this alternative, the adjacent planned Urban Village (V63) on the Draft Envision Diagram is expanded to include the subject property, maintaining the planned near-term commercial development potential for the site while providing an opportunity for residential mixed-use development potential in the longer term. Using the Urban Village planning process will help to maintain the overall amounts of job and housing growth capacity provided in the Draft Plan. Urban Village V63 is currently designated for development in Horizon 3. However, with preparation of a Village Plan, the "pool" of dwelling units may potentially be used to grant entitlements to projects within the Urban Village areas regardless of Horizon.

Mabury Road (Request No. ESJ2040-010)

This Request would change the designation of a 3.1-acre site from Public/Quasi-Public to Mixed Use Neighborhood in order to allow the development of townhouse residential units on the subject site. The Requester has also expressed an interest in dedication of a portion of the site area (including an area located within a Riparian Corridor) to the City to help meet the parkland dedication requirement of an otherwise unrelated residential development located at a different location within San José. The site is currently developed with two single-family residences and designated as Public/Quasi-Public on the *Focus on the Future San Jose 2020 General Plan*. As an alternative, staff recommends that the

site be designated as Residential Neighborhood on the Draft Envision Land Use/Transportation Diagram in order to support the existing low-density residential character of the site.

The subject property, along with two other residential properties located to the southwest, are otherwise separated from surrounding residential neighborhoods. While the two adjacent properties have been converted to commercial use, the Draft Envision Plan Residential Neighborhood designation supports such small-scale retail activity where it will not significantly impact an established residential neighborhood.

While the subject property is not part of an established neighborhood, nearby residential areas are designated as Residential Neighborhood. The site does not have good access to retail, transit or other services and also does not have potential to contribute to the development of an Urban Village as identified within the Draft Plan. Much of the subject property is also within a Riparian Corridor buffer area and would likely not be available for new development. Independence High School is located to the southeast, on the other side of the Riparian Corridor, and is also appropriately designated as a Public/Quasi-Public site on both the *Focus on the Future San Jose 2020 General Plan* and Draft Envision Plan Land Use/Transportation Diagrams. Much of the Riparian Corridor in the site vicinity has been designated as Open Space, Parks and Habitat.

As noted, nearby residential uses are predominantly developed with single family structures consistent with the Residential Neighborhood designation. The Residential Neighborhood designation is also consistent with the existing uses on the project site and adjacent residential property. The development of a higher-density townhouse project at this location would not be consistent with the existing character and would create a small-scale intensification in an area of the city that would not advance Draft Plan goals. Development of a small town-house project on this site would also not result in or contribute to the development of a complete residential neighborhood. The City's Department of Parks, Recreation and Neighborhood Services has reviewed the potential for development of a park or trail at this location and concluded such development would not be consistent with the City's park development goals. Therefore a designation of Residential Neighborhood is more appropriate than the requested Mixed Use Neighborhood designation and staff recommends that this designation be applied to the site on the Draft Envision Land Use / Transportation Diagram.

Conclusion

Based upon analysis of the remaining four Requests for consistency with the fundamental principles, goals and policies of the Draft *Envision San José 2040* General Plan, including specific concepts previously endorsed by the Task Force and City Council, staff does not recommend modification of the Draft Land Use/Transportation Diagram per the Requests. Incorporation of the Requests would specifically be counter to the job growth goals embodied within the Draft Plan policies and Draft Land Use/Transportation Diagram and inconsistent with elements of the Growth Areas and Urban Village strategies. As noted above, staff does recommend minor adjustments to the Draft Land Use/Transportation Diagram for two of the Requests (ESJ2040-004 Hamilton Avenue and ESJ2040-010 Mabury Road) in order to better align with existing land uses and/or to provide for residential development in the future as part of a mixed-use development project.