



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

Hearing Date/Agenda Number:
P.C. May 25, 2005 Item:

File Number:
GP04-07-02 and C05-007

Council District and SNI Area:
7

Major Thoroughfares Map Number:
84

Assessor's Parcel Number(s):
472-11-074

Project Manager: Benjamin Corrales

GENERAL PLAN AMENDMENT AND REZONING STAFF REPORT SPRING 2005 HEARING

PROJECT DESCRIPTION:

General Plan amendment request to change the Land Use/Transportation Diagram from Industrial Park with Mixed Industrial Overlay to General Commercial, and rezoning application to change the IP Industrial Park Zoning District to CN Commercial Neighborhood Zoning District on a 0.88-acre site.

LOCATION: Northwest corner of the intersection of Story Road and McLaughlin Avenue (1145 Story Road)

ACREAGE: 0.88

APPLICANT/OWNER:

Miro Design Group, Applicant/Kim Nguyen, Owner

GENERAL PLAN LAND USE / TRANSPORTATION DIAGRAM DESIGNATION:

Existing Designation: Industrial Park with Mixed Industrial Overlay

Proposed Designation: General Commercial

ZONING DISTRICT(S):

Existing Designation: IP Industrial Park

Proposed Designation: CN Commercial Neighborhood

SURROUNDING LAND USES AND GENERAL PLAN DESIGNATION(S):

North: Commercial uses; General Commercial

South: Commercial uses; Neighborhood/Community Commercial

East: Commercial uses; Industrial Park with Mixed Industrial Overlay

West: Commercial uses; General Commercial

ENVIRONMENTAL REVIEW STATUS:

Mitigated Negative Declaration circulated on March 1, 2005. ND Protest filed on March 21, 2005, to be considered by the Planning Commission prior to the proposed General Plan amendment and zoning.

PLANNING STAFF RECOMMENDATION:

General Commercial General Plan designation and CN Commercial Neighborhood Zoning District

Approved by:

Date:

PLANNING COMMISSION RECOMMENDATION:

CITY COUNCIL ACTION:

CITY DEPARTMENT AND PUBLIC AGENCY COMMENTS RECEIVED:

- Department of Public Works: The Transportation and Development Services Division (DPW), stated that the site is located in a State of California liquefaction zone, and that the site has major access constraints due to existing street width and driveway access. Based on meetings and communications with Public Works, staff indicated to the applicant that some street improvements would have to be made at the development permit level to address access concerns. DPW has no comments or requirements for the Conforming Zoning application.
- Santa Clara Valley Water District (SCVWD): The Community Projects Review Unit (SCVWD) has no objections to the proposed change to the Land Use/Transportation Diagram.
- Department of Transportation: The proposed land use change is exempt from a computer model (TRANPLAN) traffic impact analysis.
- Fire Department: The site flow requirement may be as high as 4,500 GPM.

GENERAL CORRESPONDENCE:

Staff received favorable input regarding this project, at the Tully/Senter Strong Neighborhood Coalition meeting held on November 4, 2004. At the community meeting held on February 24, 2005, one of the residents expressed concern regarding the amount of new traffic that this project would generate and how it could affect the existing commercial uses in the area. These comments are addressed in the Public Outreach section of this staff report.

ANALYSIS AND RECOMMENDATIONS:**PROJECT DESCRIPTION**

This staff report addresses two pending privately initiated applications: **1)** a General Plan amendment request (File No. GP04-07-02) to change the Land Use/Transportation Diagram from Industrial Park with Mixed Industrial Overlay to General Commercial; and **2)** a conforming rezoning application (File No. C05-007) from IP Industrial Park to CN Commercial Neighborhood to allow neighborhood serving commercial uses on the site, including office and retail uses. The 0.88-acre site is located at the northwest corner of the intersection of Story Road and McLaughlin Avenue (1145 Story Road).

The existing General Plan land use designation of Industrial Park is an exclusive industrial designation intended for a wide variety of industrial uses such as research and development, manufacturing, assembly, testing and offices. The addition of the Mixed Industrial Overlay changes the industrial character to a mixed designation and allows a broader range of uses such as a mixture of primarily industrial with compatible commercial or public/quasi-public uses, or the site may be developed entirely with industrial uses in accordance with the base designation.

The proposed General Plan land use designation of General Commercial is a non-specialized commercial designation intended to permit miscellaneous commercial uses. It includes both strip commercial areas along major thoroughfares as well as freestanding commercial establishments. Business and professional office uses are allowed within this category, as well.

Approval of this General Plan amendment and rezoning, with a subsequently submitted site development permit application, would potentially allow redevelopment of the site including the demolition of one unoccupied gas station/equipment rental building, and the construction of a new commercial building.

BACKGROUND

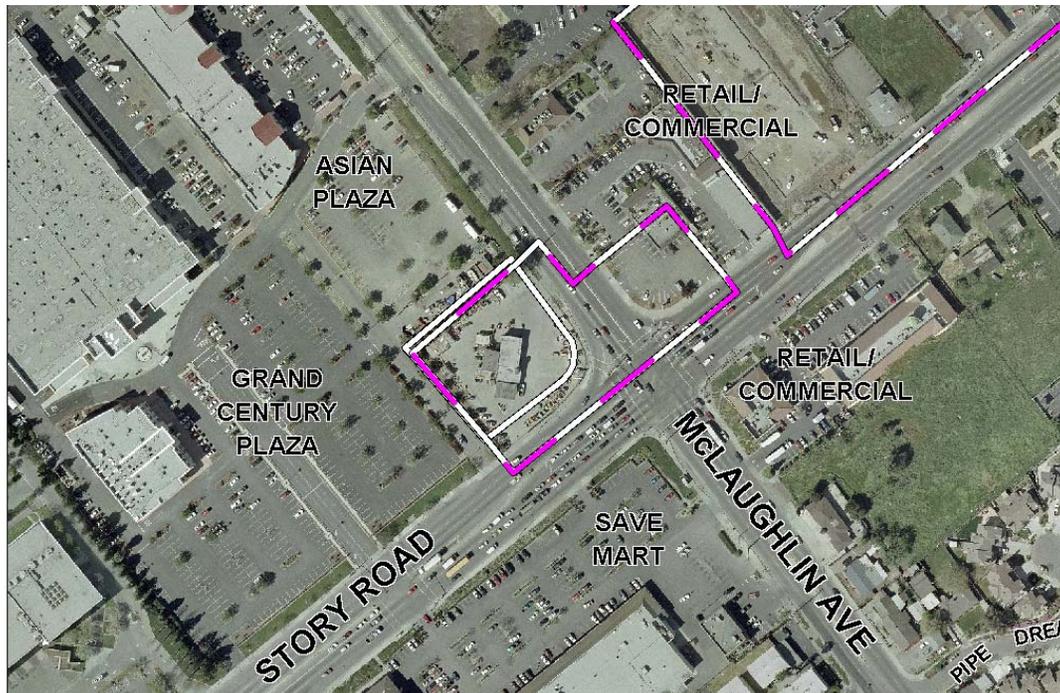
The proposal is a General Plan amendment and conforming rezoning for a 0.88-acre site that was previously used as a gas station/equipment rental company. The subject site is located in the Olinger Redevelopment Project area, and is just northwest and across the street from the Story Road boundary of the Tully/Senter SNI area. Formerly a gas station, the existing building is approximately 3,200 square feet in area and is unoccupied.

Amendment History

In 1995, a General Plan amendment (File No. GP95-07-5i) was approved adding the Mixed Industrial Overlay to the existing Industrial Park land use designation on the subject site, as well as on the site located at the northeast corner of Story Road and McLaughlin Avenue, a total 2.2-acre area. The General Plan amendment was approved in order to allow non-industrial uses in this 2.2-acre area in accordance with the existing and planned pattern of land use in the surrounding area. When File No. GP95-07-5i was approved, the area was already predominantly commercially developed.

Site and Surrounding Uses

The subject site is located at the northwest corner of the intersection of Story Road and McLaughlin Avenue. Restaurant, retail, and other commercial properties face the site from all sides of the intersection.



Aerial Exhibit

(Source: Department of Public Works, 2001. City of San Jose)



Northerly of Project Site



Southeasterly of Project Site



Northeasterly of Project Site



Further southeasterly of Project Site

ANALYSIS

The key issues in analyzing the proposed General Plan amendment and rezoning are: **1)** land use compatibility; **2)** consistency with the *San Jose 2020 General Plan* Major Strategies, Goals, and Policies; and **3)** appropriateness of the proposed zoning district.

Land Use Compatibility

The subject site is the only parcel on the northwestern portion of Story Road and McLaughlin Avenue that is not designated General Commercial. The project site is completely surrounded by commercial uses. Allowing the General Plan land use designation change from Industrial Park with Mixed Industrial Overlay to the proposed designation of General Commercial would help make the area a more cohesive commercial strip. The proposed General Commercial designation is compatible with the existing commercial development, General Plan land use designations and zoning districts in the surrounding area. Existing neighborhood oriented businesses surrounding the site are also complimentary to the residential uses located in the larger surrounding area to the south of the subject site.

Consistency with the San Jose 2020 General Plan Major Strategies, Goals, and Policies

The following Major Strategies, goals, and policies of the General Plan are applicable to the applicant's proposed General Plan amendment:

Economic Development Major Strategy

Economic development is a fundamental priority for future growth of the City. The General Plan's Economic Development Major Strategy strives to make San Jose a more "balanced community" by encouraging more commercial and industrial growth to balance existing residential development.

Economic Development Goals and Policies

Economic Development Goal No. 2 is to create a stronger municipal tax base by obtaining a greater share of the total industrial and commercial development in the County, protecting the exclusively industrial areas from incompatible development, and by nurturing and encouraging expansion of the existing industrial and commercial development in the City. The proposed General Plan amendment is consistent with this goal and the compatible commercial uses in the area by encouraging the addition of new neighborhood oriented businesses.

Economic Development Policy No.2 states that to enhance economic development goals and increase employment opportunities for San José citizens, the City should:

- Seek to attract businesses and industries, which are particularly suited to the area.
- Protect the industrial lands designated exclusively for industrial uses.
- Attract a diverse mixture of businesses and industries that can provide jobs suitable for the City's unemployed and under-employed labor force.

The proposed General Plan amendment is consistent with this policy because new businesses would be attracted to the site. The project site benefits from its prime location at the intersection of two major thoroughfares.

Commercial Land Use Goals and Policies

The commercial land use goals and policies reflect the need to locate new commercial uses in the City near residential communities, to facilitate convenient shopping and easy access to professional services, and to contribute to the economic base of the City. Redevelopment of existing areas and the conversion of existing structures to more appropriate uses could result in the upgrading of these areas.

Commercial Land Use Policy No. 2 states that new commercial uses should be located in existing or new shopping centers or in established strip commercial areas. The subject site is the only site within this northwesterly portion of Story Road and McLaughlin Avenue that is not designated General Commercial. Allowing the General Plan change to the proposed designation would solidify the already established commercial area.

Commercial Land Use Policy No. 4 encourages the upgrading, beautifying, and revitalization of existing strip commercial areas and shopping centers. Approving the proposed General Plan

amendment and rezoning would facilitate the redevelopment of the site with new retail and office uses.

Commercial redevelopment of the site would contribute to the revitalization of the Olinder Redevelopment Area. The numerous types of commercial businesses that this site could attract could enhance the community's livability. There would not be a significant loss in potential employment lands resulting from the proposed conversion of the site from industrial to commercial uses because the property is relatively small in size and is currently unoccupied.

EVALUATION OF INDUSTRIAL LAND CONVERSION

The subject proposal would change the General Plan Land Use designation and Zoning from industrial to non-industrial, which requires review using the *Framework, as a Guideline, to Evaluate Proposed Conversions of Employment Lands to Other Uses* (Framework). Attached to this report is an analysis of the proposal based on the criteria established in the Framework.

Rezoning

The proposed CN Commercial Neighborhood Zoning District conforms to the proposed General Plan land use designation of General Commercial. The proposed zoning is also consistent with the existing zoning of the surrounding parcels adjacent to the site to the north, west, and east, which are already located in the CN Commercial Neighborhood Zoning District. The parcel to the south and across the street from the subject site is located in the CP Commercial Pedestrian Zoning District, which allows many uses that are compatible with the CN Commercial Neighborhood Zoning District.

The proposed rezoning would allow neighborhood serving commercial uses including neighborhood centers, multi-tenant commercial development along major arterials, and small commercial establishments. Future development of the site would be subject to further discretionary review by the City. The proposed development would be reviewed for conformance with the development regulations of the CN Commercial Neighborhood Zoning District, including setback and height requirements, and the Commercial Design Guidelines. The development would also need to provide parking in accordance with the Zoning Ordinance requirements.

ENVIRONMENTAL REVIEW

A Draft Mitigated Negative Declaration was circulated on March 1, 2005 for review and comments. The Mitigated Negative Declaration included mitigation measures for both the General Plan amendment and Conforming Rezoning, to reduce any potential impacts to a less than significant level per the California Environmental Quality Act (CEQA) guidelines. The Draft Initial Study concluded that the project would have a less than significant impact with mitigation measures in the following categories: air quality; biological resources; cultural resources; geology and soils; hazards and hazardous materials; and noise.

On March 21, 2005 one letter protesting the adequacy of the Mitigated Negative Declaration was submitted to the Department of Planning, Building and Code Enforcement, Planning Services Division. The letter was filed by Gregory P. O'Hara, representing the firm Thelen Reid & Priest LLP, Attorneys at Law, on behalf of Asian Square, Inc. The issues raised in the letter are discussed and addressed in a memo dated April 26, 2005 to Planning Commission from the

Director of Planning, Building and Code Enforcement. The Planning Commission will consider the Negative Declaration Protest prior to consideration of the subject General Plan amendment and Conforming Rezoning applications.

PUBLIC OUTREACH

Two newsletters were sent to the property owners and tenants within a 1000-foot radius of the amendment site informing them about the community meetings. The first newsletter informed the property owners that two community meetings were scheduled for February 16 and 24, 2005 to discuss the proposed General Plan amendment. Because a Negative Declaration Protest was submitted, a second newsletter was sent to property owners to inform them about two community meetings scheduled for April 25, and 26, 2005. They also received a hearing notice and re-notice regarding the public hearings to be held on the subject amendment and proposed rezoning before the Planning Commission and City Council. Information about the status of this General Plan amendment and rezoning has also been available on the Department's web site.

Staff presented the proposed General Plan amendment and rezoning to the Tully/Senter Strong Neighborhood Coalition meeting held on November 4, 2004, where staff received favorable input. Staff has received one phone call requesting clarification on the location of the proposal.

At the community meeting held on February 24, 2005, one of the residents expressed some concern regarding the amount of new traffic that this project would generate and how it could affect the existing commercial uses in the area, particularly during the weekends, when the additional cars could potentially overflow onto the existing parking areas on nearby sites in the area. Staff responded that as part of a future development application, parking spaces would be required onsite based on the type and square footage of any future development proposed.

No comments from the community were expressed regarding this project at the community meetings held on April 25, and 26, 2005.

RECOMMENDATION

Planning staff recommends that the Planning Commission forward a recommendation to the City Council to change the General Plan Land Use/Transportation Diagram designation from Industrial Park with Mixed Industrial Overlay to General Commercial.

In addition, Planning staff recommends that the Planning Commission forward a recommendation to the City Council, that should the General Plan be amended, to approve the proposed conforming rezoning from IP Industrial Park to CN Commercial Neighborhood Zoning District.

Attachments

PBCE002/GP_Team/2005Annual Review/GP04-07-02/Staff Report/GP04-07-02_C05-007_SR_Renoticed.do

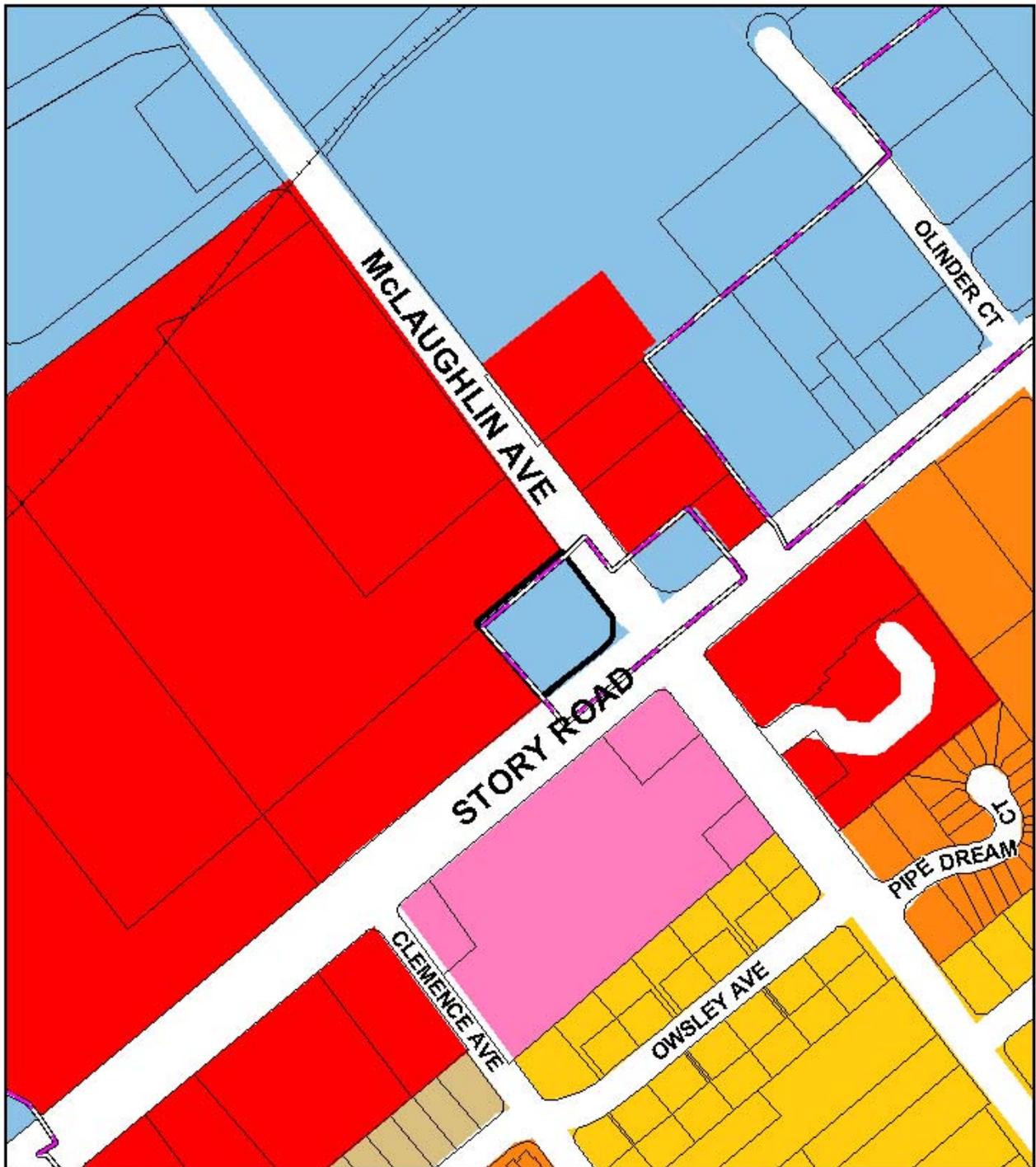
Evaluation of Industrial Land Conversion

The General Plan amendment site is located in the Story Road subarea and Olinder Redevelopment Area. As a conversion from an industrial use to a non-industrial use, the proposal must be evaluated using the *Framework, as a Guideline, to Evaluate Proposed Conversions of Employment Lands to Other Uses* (Framework) classifies employment lands into three different categories: **1)** subareas to promote or facilitate conversion to housing, retail, mixed use, or other Household-Serving industries; **2)** subareas to consider for conversion to housing, retail, mixed use, or other Household-serving industries in certain circumstances; and **3)** subareas to preserve for Driving and Business Support Industries. The site is in a subarea listed in the first category.

The Framework identifies key criteria that need to be evaluated when considering conversion of Employment lands to other uses. The following is an analysis of the proposed amendment based on the established criteria:

1. Economic contribution of the subarea: the previous land uses of the project site were uses that supported industrial and commercial activity in the area. Currently the site is unoccupied. New commercial development could contribute to the retail tax base for the City and provide additional employment opportunities.
2. Consistency with the City's Policies, Goals, and Strategies: the proposed General Plan amendment supports General Plan goals and policies as analyzed in this staff report.
3. Fulfilling the City's retail needs: approval of this amendment would encourage commercial development that is compatible with the surrounding existing uses.
4. Adequacy of major street access: the site is located at the intersection of two major arterials, Story Road, designated as a Major Arterial (115 to 130-foot right of way), and McLaughlin Avenue, designated as Minor Arterial (80 to 106-foot right of way) on the General Plan Land Use/Transportation Diagram. Arterial streets are designed mainly for the movement of through traffic, which may include light rail transit, but also normally perform a secondary function of providing access to abutting properties. The Department of Public Works has indicated that there are major access constraints to the site; additional analysis of traffic operations would be required for site access when a development application is submitted.
5. Potential environmental impacts and mitigation measures: The proposed General Plan amendment and conforming rezoning were analyzed in an Initial Study that resulted in a Mitigated Negative Declaration that was circulated on March 1, 2005. The Initial Study determined that the change in land use would create less than significant impacts in the following environmental categories with the inclusion of General Plan policy mitigation:
 - Air quality
 - Biological Resources
 - Cultural Resources
 - Geology and Soils
 - Hazards and Hazardous Materials
 - Noise
6. Net fiscal impact on the City of using this parcel for retail instead of the current use: The site is currently unoccupied. Retail development on the site has the potential to increase sales tax dollars as well as provide employment opportunities.

GP04-07-02




CITY OF SAN JOSE
CITY OF SILICON VALLEY
Department of Planning, Building
and Code Enforcement
Planning Services Division

-  SITE
-  MIXED INDUSTRIAL OVERLAY


N
Scale 1" = 250'
Quad: 84