

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

STAFF REPORT

Hearing Date/Agenda Number
P.C. 06/22/05 Item #

File Number
PDC02-066

Application Type
Planned Development Rezoning

Council District
7

Planning Area
South

Assessor's Parcel Number(s)
455-09-003, 010, 030, 031, 034, 035, 043 & 038

PROJECT DESCRIPTION

Completed by: Lori Moniz

Location: Southwest corner of Monterey Road and Goble Lane.

Gross Acreage: 29.5

Net Acreage: 29.5

Net Density: 33 DU/AC

Existing Zoning: R-MH Residential Mobile Home Park, LI Light Industrial and HI Heavy Industrial
Existing Use: Industrial and Mobile Home Park

Proposed Zoning: A(PD) Planned Development
Proposed Use: Up to 969 residential units & 18,000 square feet of commercial

GENERAL PLAN

Completed by: LM

Land Use/Transportation Diagram Designation
High Density Residential (25-50 DU/AC) Communications Hill
Specific Plan

Project Conformance:
 Yes No
 See Analysis and Recommendations

SURROUNDING LAND USES AND ZONING

Completed by: LM

North: Chateau La Salle Mobile Home Park

A(PD) Planned Development

East: Mobile Home Park, Animal Shelter and Vacant

R-MH Residence Districts, A(PD) Planned Development & IP Industrial Park

South: Industrial uses

HI Heavy Industrial & LI Light Industrial

West: Union Pacific Railroad Tracks and Vacant Land (Former Quarry)

County

ENVIRONMENTAL STATUS

Completed by: LM

Environmental Impact Report circulated on April 22, 2005
 Negative Declaration
 Negative Declaration adopted

Exempt
 Environmental Review Incomplete

FILE HISTORY

Completed by: LM

Annexation Title: Monterey Park Nos. 13-A & 14-A

Date: September 13, 1956 & January 28, 1957

PLANNING DEPARTMENT RECOMMENDATIONS AND ACTION

Approval
 Approval with Conditions
 Denial
 Uphold Director's Decision

Date: _____

Approved by: _____
 Action
 Recommendation

OWNER

The Goble Family
Attn: Ron Robinson
1650 Zanker Road, #100
San José, CA 95112

APPLICANT/DEVELOPER

ROEM Development
Attn: Anthony Ho
1650 Lafayette Street
Santa Clara, CA 95050

CONTACT

Paulo Hernandez
Silicon Valley Advisors
1150 N. 1st Street, #130
San José, CA 95112

PUBLIC AGENCY COMMENTS RECEIVED

Completed by: LM

Department of Public Works

See attached memo dated June 15, 2005

Other Departments and Agencies

N/A

GENERAL CORRESPONDENCE

N/A

ANALYSIS AND RECOMMENDATIONS

BACKGROUND

The applicant, ROEM Development Corporation, is proposing to rezone an approximately 29.5-acre site located on the southwest corner of Monterey Road and Goble Lane from R-MH Residential Mobile Home Park, LI Light Industrial and HI Heavy Industrial to A(PD) Planned Development to allow up to 969 residential units and 18,000 square feet of commercial.

In June 2004, the City Council approved the Goble Lane General Plan Amendment (GPA) and corresponding text amendment File Nos. GP02-07-04/GPT02-07-04. The GPA amended the San José 2020 General Plan Land Use/Transportation Diagram and the Communications Hill Specific Plan. The amendment changed the land use designation on the site from *Heavy Industrial, Combined Industrial/Commercial*, and *Single Family Detached and Attached Residential (8-16 DU/AC)* to a new land use designation of *High Density Residential/Commercial Mix (25-50 DU/AC)*. The new designation allows for the potential development from 738 to up to 1,475 dwelling units and a minimum of 18,000 square feet of commercial uses on the project site.

Project Description

The project is located in the northeast portion of the Communications Hill Planned Community. The project site is located west of Monterey Road, east of the Union Pacific Railroad tracks, south of the Chateau La Salle Mobile Home Park, and north of the existing Raisch Products asphalt/concrete plant. The proposed PD Rezoning would allow a mixed-use commercial/retail and residential development on the site.

Implementation of the proposed project would result in the removal of a mobile home park and the demolition of five commercial/industrial buildings currently located on the project site. The proposed project will be a phased development of 18,000 square feet of commercial retail (fronting Monterey Road), a two-acre public park, and up to 969 residential units (approximately 33 DU/AC).

The residential units will be a combination of attached townhouses, podium type condominiums, and apartments. Approximately 200 of the apartments on the project site are anticipated to be affordable housing, assuming that funding is acquired. If funds are not available, then all the apartments will be market rate units. All other residential units on the project site will be market-rate units. The project currently proposes approximately 195 market rate townhouses, 374 market rate condominiums, 200 market rate apartments and 200 affordable apartments for a total of 969 units.

The specific aspects of the proposed project are described below.

Monterey Road Frontage (east property boundary). The Monterey Road frontage is proposed to be developed with market-rate apartment buildings (with private balconies) over ground floor, neighborhood serving retail (4 stories total). Retail parking would be provided on surface parking lots located directly behind the buildings. Parking for the residents of these two buildings would be provided in one level of below grade parking under the buildings. Resident parking would be in a communal garage and will be restricted by a gated entrance.

Northern Property Boundary. The northern property line is proposed to be developed with a combination of two to three-story market-rate attached townhouses with attached garages. Guest parking would be available in small surface lots within close proximity of the townhouses. Each unit would have a private patio adjacent to the front door.

Western Property Boundary. The western property line is proposed to be developed with four-story, market-rate condominium buildings (with private balconies and patios) with below grade parking. Resident parking would be in a communal garage and would be restricted by a gated entrance. Guest parking would be provided along the interior street immediately outside the buildings. Each individual building will have its own common open space and amenities for the residents.

Southern Property Boundary. The southern property line is proposed to be developed with four-story, affordable family apartments (with private balconies and patios) with below grade parking. Resident parking for the apartments would be in a communal garage and will be restricted by a gated entrance. Guest parking would be provided along the street immediately outside the development. Each individual building would have its own common open space and amenities for the residents.

As with the condominium units along the western property line, taller buildings are planned adjacent to the industrial property (to the south) to minimize the sound from the daily operations of the plant in the neighborhood. There are minimal windows, balconies, or open space areas proposed on the south side of the apartment buildings.

Project Interior. The interior of the project site is proposed to be developed with two to three-story attached market-rate townhouses with attached garages and a two-acre public park. Each townhouse would have a semi-private patio adjacent to the front door of the unit. The proposed park would be dedicated to the City of San José for use by the project residents and the neighboring community. Parking for park users would be accommodated by parallel parking spaces on the street around the perimeter of the park. Park amenities (i.e., barbeques, benches, tot lot, open lawn, etc.) would be decided in coordination with the Department of Parks, Recreation and Neighborhood Services and the neighboring community.

The park will be placed as close to Monterey Road as possible for better overall visibility and to encourage public use from outside the proposed neighborhood. The project also proposes pedestrian access connections to the adjacent Chateau La Salle Mobile Home neighborhood to the north of the project site.

The project site will have masonry walls along the west and south property boundaries, which will help to minimize noise (at ground level) traveling onto the site from the adjacent land uses.

Project Phasing. The project is proposed to be constructed in 3 phases. The first phase would be construction of the frontage along Monterey Road. Along with this would be the retail parking lots immediately behind, and the 2-acre public park. Phase I may include some townhouses and, if funding becomes available, affordable apartments. The loop road would be completed in such a way that emergency vehicles would be able to make a complete loop around the site.

GENERAL PLAN CONFORMANCE

The proposed project conforms to the site's General Plan Land Use/Transportation Diagram designation of Communications Hill Planned Community (CHPC) High Density Residential/Commercial Mix (25-50 Dwelling Units Per Acre) as modified by a General Plan and text amendment (GP02-07-04/GPT02-07-04) that were approved by the City Council on June 15, 2004.

Communications Hill Specific Plan

The project site is located in the northeastern portion of the Communications Hill Planned Community (CHPC) in the City's General Plan. This area of the CHPC, along Monterey Road, contains a variety of land uses including low density residential, heavy industrial, and combined industrial/commercial uses. A ring of open space encircles the hilltop residential development and separates the upland community from the industrial and commercial uses to the southeast. The boundaries of the CHPC were chosen to ensure a careful integration of the existing used with new residential uses, as outlined in the Communications Hill Specific Plan. The CHPC retains most of the commercial, light industrial, and heavy industrial designations along Monterey Road and the UP/SP railroad tracks at the base of the hill. With the adoption of the General Plan Amendment for the project site, the Communications Hill Specific Plan was revised to reflect the new land use designation of High Density Residential/Commercial Mix (25-50 Dwelling Units Per Acre). The definition of the new land use designation is as follows:

“This density is typified by three-to four-story apartments or condominiums over parking, as well as vertical mixed use residential/commercial development. Along Monterey Road, neighborhood commercial uses are required on the ground floor with residential units above. The commercial component should be well integrated and well designed in the context of the overall development. To create a viable neighborhood commercial location, a minimum of 18,000 square feet of commercial space should be located along Monterey Road. It should be oriented to and accessible from Monterey to begin to create a more pedestrian-friendly environment along Monterey Road”.

The proposed project has an overall net density of approximately 33 DU/AC, depending on the final unit count. The conforming range of units is from 738 to 1,475 units. However, the Environmental Impact

Report for this project only assumes 969 units. Supplemental environmental review would be required to increase the unit count above 969 or 33 DU/AC. The overall density however will conform to the 25-50 DU/AC designation set forth in the Communications Hill Specific Plan. The proposed project does include the 18,000 square feet of well integrated and designed commercial uses along Monterey Road called for in the Communications Hill Specific Plan.

ENVIRONMENTAL REVIEW

The project is the subject of an Environmental Impact Report, which was available for public review and comment from April 22, 2005 through June 6, 2005. The project would result in the following significant, unavoidable impacts:

- Significant impacts associated with odors (from adjacent asphalt plant).
- Significant project and cumulative traffic impacts associated with a one percent increase in traffic on three freeway segments, including SR 87 between Curtner Avenue and Almaden Expressway; SR 87 between Almaden Expressway and Alma Avenue; and US 101 between Tully Road and Story Road.
- Significant cumulative traffic impacts associated with the decrease in level of service to three signalized intersections, including the Almaden Road & Curtner Avenue; SR 87 NB on/off ramps & Curtner Avenue; Monterey Highway & Curtner Avenue/Tully Road.
- Significant cumulative contribution to the existing jobs/housing imbalance in San José.
- Significant cumulative contribution to the loss of industrial land in San José.

All other impacts of the proposed project, including land use, visual, geology and soils, hydrology, vegetation and wildlife, hazardous materials, cultural resources, transportation and circulation, air quality, noise and utilities would be reduced to a less than significant level with the implementation of mitigation measures identified in the EIR.

ANALYSIS

The primary issues concerned in the proposed rezoning include: 1) consistency with City Council direction, 2) compatibility with perimeter surrounding land uses, 3) internal site plan considerations, 4) conformance to the City's Residential Design Guidelines, 5) conformance to the City's Commercial Design Guidelines, 6) architecture, and 7) mobile home park closure requirements.

Consistency with City Council Direction

On June 15, 2004, the City Council approved Council Member Gregory, Chavez and Cortese' memorandum, dated June 15, 2004, recommending approval to change the General Plan designation for the site. In the memorandum, the Council Members included a request for City Staff to include the following guidelines as necessary and appropriate in any proposals submitted during the Zoning and Permit application stages:

- a. Develop open space opportunities on site in conformance to the City's Parkland Dedication Ordinance/Park Impact Ordinance. A turn-key park should be designed, sited and constructed to be accessible to the public, especially residents of the Goble Lane project and the Chateau La Salle Mobile Home Park.*

The proposed project includes the development of a 2-acre turn-key park that will be situated near the front of the project site and accessible to the residents, neighboring properties and the public.

- b. *Design neighborhood commercial uses on the ground floor of buildings that are oriented to Monterey Road, with residential units above.*

The proposed project includes ground floor commercial oriented directly to Monterey Road. These structures will be of a mixed use configuration with residential uses above the retail spaces.

- c. *Use high-quality architectural and site designs as well as good construction materials throughout the entire project area to attract viable new commercial businesses and create a livable residential area.*

The site was designed to maximize the potential of the proposed uses on the site. Fine-tuning of smaller project details will occur at the Planned Development Permit stage as appropriate to ensure maximum conformance. Based on the conceptual architecture, the developer has demonstrated a good commitment to adhering to this recommendation.

- d. *Prohibit automobile repairs, detailing or similar vehicle uses in the commercial area of the property.*

The proposed development shall conform to the requirements of the CP-Commercial Pedestrian Zoning District of Title 20 of the SJMC. The only vehicle related use allowed in the CP Zoning District is a wholesale vehicle auto broker with no on-site storage of vehicles.

- e. *Prohibit commercial uses such as adult-oriented entertainment and other types of commercial uses that are incompatible with a family environment.*

Conditional Uses of the CP-Commercial Pedestrian Zoning District shall require the issuance of a PD Permit or PD Permit Amendment. No adult-oriented entertainment or other incompatible uses would be allowed by right.

- f. *Establish a distinct buffer along the southern edge (through the uses of setbacks, sound walls, building walls, and/or other techniques) to maintain the operational viability of the adjacent employment uses.*

The proposed project was designed to reduce the impact of the existing industrial use to the south of the project site would create minimal impact on future residence of Goble Lane.

- g. *Include an affordable housing component of up to 200 residential units, contingent on the availability of federal, state and local grants for affordable housing.*

The proposed project proposes an affordable housing element along the southerly property line if funding becomes available.

Compatibility With Perimeter Surrounding Land Uses

The project site has four (4) unique different interfaces, including the Chateau La Salle Mobile Home Park to the north, the Raisch asphalt facility to the south, railroad tracks to the west and Monterey Road to the east.

Chateau La Salle Mobile Home Park is the most visually sensitive of the four interfaces. Single-family attached units within 100' of Chateau LaSalle Development shall be limited to 35 feet. Since, the new residential buildings will be taller than the adjacent mobile homes, along the northern property line (near Monterey Road), the proposed townhouses have the potential to be up to 20 feet taller than the adjacent mobile homes, the residents of the townhouses could have direct views into windows or private outdoor open space areas of the nearby mobile homes. Although, this situation is common in urban residential neighborhoods, the orientation of buildings along the northern project boundary will have varied setbacks and reduced building massing so that the buildings will not be overly dominant as viewed from the mobile home park. The subject property will be at a lower overall grade elevation (as much as 10 feet) as compared to Chateau La Salle property which will help diminish the visual impacts of the new structures.

The interfaces to the south and west are the *Raisch Products Asphalt Plant* and the *Union Pacific rail line*. The issue of land use compatibility was considered by the City Council when it approved the General Plan Amendment for the project site in June 2004. The Raisch plant is 18 acres in size; approximately one-half of the site (nine acres) is occupied by plant operations and the other half of the site is used for storage. The site operates Monday to Friday from 7:00am to 4:00pm, except for the summer months when demand for asphalt increases due to road construction. During the summer months, the plant may also operate during the weekend from 7:00am to 4:00pm. However, the plant can operate 24 hours per day. Currently there is a Conditional Use Permit Amendment on file to continue the operations at the Raisch facility.

Freight and passenger trains often use the two sets of railroad tracks of the Union Pacific Rail line nearest the site for through traffic. The third track is used primarily for storage. Approximately 19 to 23 trains passed the site per day, including eight scheduled Caltrain passbys.

Taller buildings are planned adjacent to the *Raisch Products Asphalt Plant* and the *Union Pacific rail line* to provide a sound buffer for the rest of the site. No balconies or open space areas are proposed on the south side of the proposed buildings adjacent to the Raisch property. Only minimal use of windows are proposed. Corridor walkways are proposed in the buildings along the southern property line to further reduce impacts to the residential units. A landscape buffer is provided along both the south and west property lines to allow room for trees. Increasing the setback on the southerly property line was considered, but was determined to have only a negligible improvement with regard to noise impacts. It was determined that an increase in this setback would result in reducing the size of the landscaped areas along the new project streets which would be of less overall benefit to the attractiveness of the project. There is a potential to increase the setback adjacent to the rail line due to the geometric shape of the area. Opportunities to increase the setback by minor reconfigurations of the proposed buildings could probably be achieved without impacting the quality of the streetscape on the opposite side of the buildings. Increasing this setback from the railroad tracks might further improve safety to building occupants in the unlikely event of a train derailment. The site design will be fine tuned at the Planned Development Permit stage.

Monterey Road is a six-lane arterial roadway that borders the project site to the east. This is the most visible interface on the site. Mixed-use first floor commercial with residential above is proposed along this interface. The mixed-use element will be pedestrian oriented with the commercial component allowing the uses of the CP Commercial Pedestrian Zoning District. The building façade will get the most attention from an architectural standpoint. There is an opportunity to make a significant architectural statement, therefore a lot of attention will be given to take full advantage of the opportunity at the Planned Development Permit stage.

Internal Site Plan Considerations

Two points of vehicle access for the project site are proposed on the Monterey Road frontage. The first driveway will be at the north end of the project site. The north driveway will be unsignalized and will provide right-in/right-out only access to the project site. The north driveway will have one lane in each direction. The second driveway will be located near the southern property line. The exact design of the southerly driveway will be subject to the review and approval at the Planned Development Permit stage. The road may be moved northward from the current proposed location on the southerly property line to make sure vehicles from the proposed development don't interfere with the existing truck traffic from the adjacent Raisch asphalt plant. In addition, it is important that the main access point to the site serves as a gateway to the site with an optimal appearance. A minor realignment from the current proposal would reduce visibility into the asphalt plant. Both project driveways will connect to a 52-foot wide interior loop road just beyond the retail buildings that provide access to the interior of the project site. This road will narrow to 48-feet for the cul-de-sacs at the northwest corner of the property.

The internal road network was carefully considered as the site plan was being created. Some major objectives were to make sure that any new streets had new development on both sides to increase their attractiveness and utility. The proposed street was designed to avoid having one edge running along side the existing or proposed sound walls. Another objective was to increase the accessibility of the proposed 2-acre park by maximizing the number of sides fronting on a public street. A loop street was determined to achieve those primary goals in addition to being consistent with the intent of the Communications Hill Specific Plan in regards by providing a rectilinear, grid pattern street network. The site design also includes the potential for future connections to the southerly property line in case the Raisch property were to redevelop with commercial or residential uses at some future date.

A significant internal paseo has been included in the site design that provides an attractive pedestrian linkage connecting residential units on both ends of the development to each other as well as to the proposed park and commercial uses.

Conformance with the City's Residential Design Guidelines

The project includes three different types of residential development: mixed-use, podium and garden townhouse units. The key project components addressed by the guidelines include setbacks and internal separations, parking and open space.

Setbacks. The proposed perimeter setbacks are 8 feet to the side, 15 feet to the front and 8 feet to parking or drive on the north property line and 10 feet to the west, south and east property lines. The proposed internal setbacks and separations are 15 feet from the internal streets for the podium and garden

townhouse buildings and 10 feet for the mixed use buildings. The proposed minimum paseo width (distance between townhouse patios/decks from each other) is 20 feet. The proposed setback for parking areas from internal streets is 15 feet. In all cases, the project conforms to the relevant policies of Residential Design Guidelines.

Parking. The parking for the residential development is based on the number of bedrooms that range in requirements from 1.5 to 2.0 spaces per unit. The single-family attached component has an additional requirement of 0.6 parking spaces per unit for guests. Parallel parking along private or public streets within the project site can be counted towards the required spaces, provided that such parking spaces are directly in front of the property. Tandem garages are permitted as an alternative parking design.

The mixed-use commercial element will conform to the requirements of Title 20 of the SJMC. Ground floor office commercial space shall be counted as retail. This project shall allow an alternating parking arrangement whereby the commercial parking requirement, developed as part of a mixed-use commercial/residential project may be reduced by up to 20% if determined to be appropriate at the Planned Development Permit stage.

Open Space. The multi-family attached units (podium and mixed use) will have 60 square feet of private open space (with a 6 feet minimum dimension). In addition, the podium units will have 100 square feet of common open space per unit. The single-family attached units will have 100 square feet of private open space (with a 6 feet minimum dimension) and 200 square feet of common open space per unit. Although not a typical project requirement, this project also proposes a two acre park in addition to meeting the standard common open space requirements.

Conformance to the City's Commercial Design Guidelines

The Commercial Design Guidelines do not specifically address mixed-use projects, however, they do include many basic requirements related to building placement, traffic circulation and project details such as trash enclosures and signs. The project complies with the key elements identified in these guidelines as appropriate at the Planned Development Zoning stage of the process. Further fine-tuning of smaller project details will occur at the Planned Development Permit stage to ensure maximum conformance.

Architecture

The overall architecture for the proposed project is well articulated and detailed. However, staff has concerns regarding the over-diversity of unrelated architectural elements on the mixed-use component of the project. These elements will need to be refined at the PD Permit stage.

The maximum height for the buildings on the site is 50 feet. Pursuant to the Communications Hill Specific Plan and approved General Plan Text Amendment (GPT02-07-04), up to 30% of each building footprint may exceed 50 feet and/or 4 stories. Such areas above 50 feet and/or 4 stories shall be non-habitable architectural features and extend up to a maximum of 65 feet. Single-family attached units within 100' of Chateau LaSalle Development shall be limited to 35 feet. Top of garage podium slab shall be no more than 5 feet above finished grade.

Mobile Home Park Closure

On June 15, 2004, when the San José City Council adopted a resolution approving a change to the land use designation to High Density Residential/Commercial Mix (25-50 DU/AC), the City Council directed City staff to monitor the property owner and project applicant to ensure their compliance with State Laws and City Ordinances pertaining to appropriate compensation and potential relocation of the residents of the Redwood Mobile Home Park. Through private negotiations, ROEM Development purchased all but one of the mobile homes (there is a contract pending for the remaining mobile home at the time this report was written) in the Redwood Mobile Home Park.

If there are any mobile home park units that have not been acquired by the developer prior to the Planned Development Permit stage, the applicant will have to comply with the Mobile Home Park Conversion process in Title 20. This Chapter is enacted to ensure that approval of proposed conversions is consistent with policies and objectives of the City of San Jose, particularly the following:

1. To make adequate provision for the housing needs of all economic segments of the community;
2. To facilitate resident ownership of mobilehome parks, while recognizing the need for maintaining an adequate inventory of rental space within mobilehome parks;
3. To provide a reasonable balance between mobilehomes and other types of housing;
4. To inform prospective conversion purchasers regarding the physical conditions of the structures and land offered for purchase;
5. To reduce and avoid the displacement of long-term residents, particularly senior citizens, the handicapped, those who are of low income, and families with school-age children, who may be required to move from the community due to a shortage of replacement mobilehome housing.

PUBLIC OUTREACH

Notices for the public hearing were distributed to the owners and tenants of all properties located within 1000 feet of the project site and published in the San Jose Post record in conformance with the City's Public Outreach Policy. The Planning Commission Agenda, which is posted on the City of San Jose's website includes a copy of the staff report for this project.

A neighborhood meeting was held on April 21, 2005 near the subject site. Invitations for the neighborhood meeting were sent to owners and tenants of all properties within 1,000 feet of the project. Approximately 8 members of the public attended the meeting. Additionally, the developer, project architect, City Staff and representatives from the Mayor and Council District 7 offices attended. None of the area residents expressed opposition to the project.

CONCLUSION

Overall, the proposed project substantially fulfills the vision of the approved amendment to the Communication Hill Specific Plan. The street pattern and building types will help ensure the creation of a unique urban neighborhood, and many of the other special features of the CHSP such as pocket parks.

The project also takes a responsible approach in addressing and mitigating environmental impacts associated with the development.

RECOMMENDATION

Planning Staff recommends approval of the proposed Planned Development Rezoning for the following reasons:

1. The project conforms to the site's General Plan Land Use Transportation Diagram designation of High Density Residential/Commercial Mix (25-50 Dwelling Units Per Acre) Communications Hill Planned Community.
2. The proposed project conforms to the design and development goals identified in the Communications Hill Specific Plan.
3. The proposed project further the objectives of the City's infill housing strategies.
4. The proposed project is compatible with the surrounding land uses.
5. The proposed project conforms to all applicable policies of the City's Residential Design Guidelines.
6. The proposed project conforms to all applicable policies of the City's Commercial Design Guidelines.
7. The proposed project conforms to the requirements of CEQA.