



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Planning Commission

SUBJECT: See Below

DATE: June 19, 2017

COUNCIL DISTRICT: 1

**SUBJECT: FILE NO. GP17-009. STEVENS CREEK URBAN VILLAGE PLAN.
ADOPTION OF THE STEVENS CREEK URBAN VILLAGE PLAN
PREPARED BY THE CITY AND THE COMMUNITY TO FURTHER THE
URBAN VILLAGE MAJOR STRATEGY OF THE ENVISION SAN JOSE
2040 GENERAL PLAN.**

RECOMMENDATION

The Planning Commission voted 6-0-1 (Commissioner Allen absent) to consider the Envision San José 2040 General Plan Final Program Environmental Impact Report and its supplemental report in conformance with CEQA, recommend to the City Council adoption of a resolution approving the Stevens Creek Urban Village Plan, including incorporating modifications to the Stevens Creek Urban Village boundary and land uses as shown on the Land Use Plan into the Envision San Jose 2040 General Plan Land Use/Transportation Diagram; including staff's recommended text modifications to the pipeline policy (LU-1.7), movement of the Setback & Stepbacks Standard #3 to a guideline, addition of a standard for architectural projections and roof top equipment, and addition of a definition for the term commercial use.

BACKGROUND

May 24, 2017 Public Hearing

On May 24, 2017, the Planning Commission held a public hearing to consider the Stevens Creek Urban Village Plan and resulting General Plan amendments. The Director of Planning, Building, and Code Enforcement recommended approval of the proposed Plans.

Staff Presentation

Staff made a brief presentation that included: 1) Description of the Urban Village and the planning process, including details of public engagement process and submission of the recently received public comments. Staff also provided an overview of the contents of each Chapter, and

the outcome of the adoption of the Plan. Additionally, Staff also made a recommendation to modify the draft Plan as follows:

- Remove the time limit in Policy LU-1.7, a pipeline policy for currently on file “signature projects”.
- Change Setback & Stepbacks Standard #3 for buildings next to existing nonresidential uses from a standard to a guideline.
- Add a standard that allows architectural projections and roof top equipment to exceed maximum building heights.
- Provide a definition for the term Commercial Use

Advisory Group Presentation

Kirk Vartan and Bob Levy, co-chairs of the Stevens Creek Winchester Advisory Group (SCAG), commended the SCAG for their work on the Urban Village Plan and stated that the group generally agreed with principles of the Plan. The SCAG recommends approval of the Plan with the following two conditions:

- Reconvene SCAG to finish discussions on the Plan’s height transition standards and further develop the Plan’s implementation strategies.
- Extend the “Heart of the Village” west to Kiely Boulevard and change the land use designation of this area from Urban Village Commercial to Urban Village.

The Co-chairs stated that the Advisory Group agreed on a majority of the concepts in the Plan, but were split on the maximum allowable heights on some portions of the Height Diagram. While the group discussed building height transition standards, they were not able to finish their discussion due to lack of time and stated that they would like to have more time to complete this topic. They requested to expand the “Heart of the Village” to the west, changing the area on the eastside of Kiely Boulevard from Urban Village Commercial to Urban Village, because they believed that mixed-use residential development would be appropriate in this area, which currently contains a Chrysler, Dodge and Jeep dealership. They also discussed lessons learned about the planning process, which included the following:

- More time was needed for the planning process;
- Provide a clear explanation of the goals of the planning process and role of the Advisory Group;
- Provide more background information and education on key planning topics; and
- More collaboration with the City of Santa Clara and the City of Cupertino.

Public Testimony

Following the staff and Advisory Group presentation, the Commission took public testimony from 31 community members, a majority of whom were from the cities of Cupertino and Santa Clara. The following is a general summary of the topics covered by the community members who spoke:

- Support staff's recommended text changes to the Plan as stated in their presentation.
- Support the SCAG recommendation and the Plan itself, but it should also include closing Kiely Boulevard to through traffic and redirect cars to Stevens Creek Boulevard, San Tomas Expressway and Saratoga Avenue.
- The SCAG process needs more time and did not allow for enough public comment.
- Residents from the cities of Cupertino and Santa Clara were not included in the planning process for this Urban Village.
- There should be a cohesive look to the area.
- This Plan is out of scale with the character of the area and will change the existing character in a negative way.
- Concerns about growth impacts to the surrounding neighborhoods from increased traffic and current lack of street parking.
- The Urban Village is too dense; building heights should be scaled back.
- The 150-foot building height limit is too high and not necessary.
- The City of Santa Clara has max building height of four-stories, which will make for a lopsided corridor if San Jose's heights are much taller.
- Cupertino's "Heart of the City Plan" should be extended down Stevens Creek Boulevard in San Jose.
- The Taco Bell site should be designated as Urban Village Commercial and not Urban Village.
- The area needs housing for service workers, teachers, etc. By not densifying we put more people on the road as they move farther away to find affordable housing.
- This Plan will have traffic and visual impacts to City of Santa Clara residents.
- This area needs a fire station for all of the new growth.
- We need to allow for housing in this area in order to get PDO/PIO fees for new parks and open spaces in the area.

Commissioner Abelite then closed the public hearing, and discussion among the Commissioners commenced. Commissioner Yesney stated that she did not feel she had the information needed to make a decision at the meeting. Commissioner Bit-Badal requested the item to be deferred.

Staff responded to the deferral request by stating that the SCAG would be reconvened for further discussion and input on the Implementation Chapter, pending further direction on the urban village implementation framework by the City Council. To meet the Metropolitan Transportation Commission grant timeline, staff said that this item has been noticed to be heard by the City Council on June 27, 2017. Staff then suggested that, along with the deferral to June 14th, a Study Session also be held before the hearing to provide more detail about the Urban Village Plan and specifically the context for the height diagram.

Commissioner Yesney then made a motion to continue the item to the June 14, 2017, Planning Commission Hearing with a study session prior to the hearing. The motion was seconded by Commissioner Bit-Badal. The Planning Commission then voted 7-0-0 to continue the item to the June 14, 2017, Planning Commission hearing and set a Study Session for 5:00 pm prior to that hearing.

Planning Commission Study Session

On June 14, 2017, the Planning Commission conducted a study session on the proposed Stevens Creek Urban Village Plan. Staff provided a Power Point presentation with an overview of the contents of the Plan, including additional information as to how the height diagram was derived. This presentation is posted on the City's website at:

<http://www.sanjoseca.gov/DocumentCenter/View/69752>

Following the presentation, the Commission asked clarifying questions and then opened the meeting for public comment. Nine community members spoke on the item. The following is a general summary of the topics covered by the community members who spoke:

- There is already gridlock at Miramar Avenue and Albany Drive for those trying to get to Stevens Creek Boulevard. Cars use Albany Drive as a speedway.
- Why is the height limit on Stevens Creek Boulevard 150 feet? Other Villages have lower maximum height limits.
- Concerns over the proposed heights adjacent to the City of Cupertino. They are too high.
- Auto dealerships are important for the area.
- City of Santa Clara residents do not want to look south and see a City.
- Where the three cities abut each other in the west, the City of Santa Clara has one existing 105-foot-tall office building with another one planned. Why should San Jose not allow 85' foot tall buildings directly across the street, on the San Jose portion of Stevens Creek?
- The proposed hotel use in the Village, adjacent to Cupertino, would generate 83 million dollars in tax in revenue over 30 years.
- The proposed Urban Village Plan represents a balancing act between existing low intensity uses and proposed higher intensity uses. It aims to create a sense of place and to protect the existing single-family neighborhoods through its policies, standards and guidelines.
- The Stevens Creek Advisory Group recommend a maximum height of 85 feet and it was rejected.

June 14, 2017 Public Hearing

On June 14, 2017, the Planning Commission continued the agenda item to consider the Stevens Creek Urban Village Plan and resulting General Plan amendments. Staff made a brief presentation, reminding the Commission that staff was recommending approval of the proposed plan with four text edits.

There was no Commission discussion on the item. Commissioner Yesney made a motion to recommend approval of the proposed Stevens Creek Urban Village Plan, with staff's recommended text edits, to the City Council. The motion was seconded by Commissioner Ballard. Commissioner Yesney stated that, as someone who worked on the Environmental Impact Report (EIR) for the Envision San Jose 2040 General Plan, significant hard work went into determining how to spread the City's projected growth throughout San Jose. This Urban Village Plan is fulfilling a commitment to the community to transform San Jose into a viable urban area that provides housing for new job growth in San Jose and the neighboring cities.

Commissioner Abelite commented the City is now starting to see the results of work done by staff and the community. He added that these urban village plans establish the framework for how the City will grow into the future.

The Planning Commission voted 6-0-1 (Commissioner Allen absent) to recommend to the City Council approval of the proposed Stevens Creek Urban Village Plan with staff's recommended text edits.

OUTCOME

Should the City Council approve the Urban Village Plan as recommended by the Planning Commission and staff, any proposed new commercial development within the Village boundaries would be analyzed for consistency with goals, policies, standards, and guidelines of the Urban Village Plan. Residential and residential mixed-use projects must wait until the residential capacity of Horizon 3 of the General Plan becomes available in order to move forward with entitlements. Alternatively, residential and residential mixed-use projects may use the residential pool policy in the General Plan that allows the City Council to approve residential development ahead of the opening of a Horizon.

ANALYSIS

A complete analysis of the Stevens Creek Urban Village Plan, including General Plan conformance, is contained in the staff report. This report is attached for reference.

EVALUATION AND FOLLOW-UP

If the Stevens Creek Urban Village Plan is approved, the land use designations depicted on the Plan's Land Use Diagram and the modifications to the Village boundaries will be incorporated into the Envision San Jose 2040 General Plan Land Use/Transportation Diagram.

PUBLIC OUTREACH

Public engagement included three community workshops with approximately 50-70 participants at each meeting, two online surveys, two intercept surveys at Safeway and Starbucks, 12 Stevens Creek Corridor Advisory Group meetings, monthly updates on the Stevens Creek Urban Village website and the SCAG website, and a joint Stevens Creek Advisory Group and WAG meeting.

Staff followed Council Policy 6-30: Public Outreach Policy. A notice of the public hearing was distributed to the owners and tenants of all properties located within 500 feet of the urban village boundaries sites and posted on the City website. The notice was also published

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in a local newspaper, the Post Record. This transmittal is also posted on the City's website. Staff has been available to respond to questions from the public.

COORDINATION

This memorandum was coordinated with the Public Works Department, Department of Transportation, and the City Attorney's Office.

CEQA

The environmental impacts of this project were addressed in the Envision San José 2040 General Plan Final Program Environmental Impact Report (Resolution No. 76041, and the Supplemental Environmental Impact Report for the Envision San Jose 2040 General Plan (Resolution No. 77617). (Collectively, "EIR") The EIR was prepared for the comprehensive update and revision of all elements of the City of San José General Plan, including an extension of the planning timeframe to the year 2035 and including designating Growth Areas and Urban Villages, which propose intensified urban redevelopment of underutilized commercial lands to accommodate new commercial and residential growth. The EIR is available for review on the Planning web site at: <http://www.sanjoseca.gov/index.aspx?NID=2435>.

/s/

ROSALYNN HUGHEY, SECRETARY
Planning Commission

For questions please contact Steve McHarris, Planning Official, at 408-535-7893.

Attachments:

1. Proposed Stevens Creek Urban Village Plan text revisions
2. SCAG recommendation letter and Staff's response
3. Public Correspondence received after publishing of the Planning Commission agenda
4. Planning Commission Staff Report
5. Draft Stevens Creek Urban Village Plan: <http://www.sanjoseca.gov/index.aspx?nid=3792>
6. Draft Resolution