PLANNING COMMISSION AGENDA: 04-28-21

ITEM: 8.b.



Memorandum

TO: PLANNING COMMISSION FROM: Chu Chang

SUBJECT: File No. GP20-007 and C20-002 **DATE:** 04-21-21

COUNCIL DISTRICT: 3 and 6

Type of Permit	General Plan Amendment associated with amending the Diridon Station Area Plan (DSAP), and Conforming Rezoning
Project Planner	Jose Ruano
CEQA Clearance	Addendum to the Downtown Strategy 2040 Final Environmental Impact Report (Resolution No. 78942), and Addenda thereto
CEQA Planner	Shannon Hill

RECOMMENDATION

Staff recommends that the Planning Commission recommend to the City Council all of the following actions:

- 1. Adopt a Resolution adopting an Addendum to the Downtown Strategy 2040 Final Environmental Impact Report (Resolution No. 78942) and Addenda thereto, in accordance with CEQA; and
- 2. Adopt a Resolution by 2/3 majority making certain findings required by California Public Utilities Code Section 21676 that the proposed City-initiated General Plan Amendment (File No. GP20-007) and Conforming Rezoning (File No. C20-002) is consistent with the purposes set forth in California Public Utilities Code Section 21670 and overruling the Santa Clara County Airport Land Use Commission's (ALUC) determination that the proposed City-initiated General Plan Amendment and Conforming Rezoning are inconsistent with the ALUC noise and height policies as defined by the Comprehensive Land Use Plan for the San José International Airport (CLUP); and
- 3. Adopt a Resolution approving the General Plan Amendment (File No. GP20-007) amending the Envision San José 2040 General Plan pursuant to Title 18 of the San José Municipal Code to amend the "Planned Job Capacity and Housing Growth Areas by Horizon" table 5 in Appendix 5, and amending the Diridon Station Area Plan, a component of the Envision San José 2040 General Plan, to modify the Envision San José 2040 General Plan Land Use/Transportation Diagram for properties within the boundaries of

Diridon Station Area Plan and transportation street typology designations, expand the Diridon Station Area Plan boundary, and implement other text amendments and amendments to diagrams for the Diridon Station Area Plan.

4. Approve an Ordinance rezoning certain real property (totaling 97 acres) within approximately 262 gross acres located within the boundaries of the Diridon Station Area Plan generally bounded by Lenzen Avenue and the Union Pacific Railroad tracks to the north; the Guadalupe River and State Route 87 to the east; Interstate 280 to the south; and Sunol Street and the Diridon Station Commuter Rail to the west from Zoning Districts that include Combined Industrial/Commercial, Commercial General, Commercial Neighborhood, Commercial Pedestrian, Heavy Industrial, Industrial Park, Light industrial, Two-Family Residential, and Transit Employment Center to Zoning Districts that include Downtown Primary Commercial, Open Space, and R-M Residence District (Multiple Unit/Lot).

PROPERTY INFORMATION

Location	Generally bounded by Lenzen Avenue and the Union Pacific Railroad tracks to the north; the Guadalupe River and State Route 87 to the east; Interstate 280 to the south; and Sunol Street and the Diridon Station Commuter Rail to the west
Growth Area	Downtown
Council District	3 and 6
Acreage	Approximately 262 gross acres

PROJECT BACKGROUND

Diridon Station Area Context

5. As shown on the attached vicinity map (Attachment A), the proposed General Plan amendment would expand the 2014 Diridon Station Area Plan boundary by approximately 12 acres, increasing the total Diridon Station Area from approximately 250 acres to 262 acres. The Diridon Station Plan Area is a subarea of Downtown San José, with the exception of the area between Stockton Avenue and The Alameda, and the area west of the Union Pacific Railroad tracks between Park Avenue and Interstate 280. More specifically, the approximately 262-acre area is generally bounded by Lenzen Avenue and the Union Pacific Railroad tracks to the north; the Guadalupe River and State Route 87 to the east; Interstate 280 to the south; and Sunol Street and the Diridon Station Commuter Rail to the west. Surrounding uses include:

Surrounding Land Uses

North: Parks and Open Space land associated with the Guadalupe River Park is located directly north of
the Diridon Station Area across Coleman Avenue. Other uses surrounding this park area include areas
designated as Residential Neighborhood, Neighborhood/Community Commercial located east of the
Guadalupe River, and Light Industrial Areas located west of Coleman Avenue. The Airport is located
approximately one mile further to the north across Interstate 880.

- South: The Gardner and Willow Glen neighborhoods, located directly south of the Diridon Station Area and Interstate 280, generally comprise Residential Neighborhood uses with pockets of neighborhood/community Commercial and Mixed Use interspersed throughout.
- <u>East</u>: Directly east of the Diridon Station Area is the Guadalupe River Park and trail. Downtown, east of State Route 87, is currently developed with a mix of office, commercial, hotel, residential and public service uses. Notable development in this area includes the Fairmont Hotel, the De Anza Hotel, San José Convention Center, Children's Discovery Museum, and various high-rise office and residential buildings. Land uses in this area are generally defined as Downtown or Public/Quasi Public.
- West: Development to the west of the Diridon Station Area is characterized by residential neighborhoods, including Garden Alameda to the west of Stockton Avenue, Cahill Park east of Bush Street, the Shasta Hanchett Park neighborhood east of Sunol Street, Saint Leo's north of the intersection of Park Avenue and Sunol Street; Theodore Lenzen Park on the corner of Lenzen Avenue and Stockton Avenue; older industrial uses that are part of the College Park north of the crossing of Lenzen Avenue and the Union Pacific Rail Road tracks; and the Midtown and Buena Vista neighborhoods. Land uses are generally designated Residential Neighborhood or Neighborhood/Community Commercial, though there are pockets of Transit Residential, Urban Residential, and Industrial Park within the Buena Vista Neighborhood.

Diridon Station Area Plan

The proposed amended Diridon Station Area Plan ("the Plan") was prepared by the City with community input to adapt the existing 2014 Diridon Station Area Plan ("2014 Plan") to current conditions and reflect the City's goals of advancing equity as development and investment occurs in the area. To align the Plan with the City's Downtown Strategy 2040, major changes include expanding the 2014 Plan boundary, adding development capacity, increasing building height limits, and updating sections on land use, urban design, open space, and mobility. In addition, the City initiated separate, detailed areawide studies and implementation plans on affordable housing and parking, which contributed greatly to the development of the Plan.

The Plan presents an overview, a direction, and critical aspects for the successful future of an equitable Diridon Station Area. The Plan integrates land uses, urban design, open spaces, and mobility to enhance Downtown San José, while respecting existing surroundings. The Plan weaves new ideas and new development possibilities within existing city fabric and strong neighborhoods. Large proposals, such as the Diridon Integrated Station Concept Plan and Google's Downtown West Mixed-Use Plan, are reflected in the Plan. In addition, proposals are made to strengthen existing features of the area, such as Los Gatos Creek, and enhance connectivity to surrounding neighborhoods.

Beginning with the project vision, the Plan describes the many guiding principles of the area, as well as the planning process and schedule. Diridon Station Area Development follows, which is a tool to guide the future implementation of the Plan by public and private development. The Plan then describes the areas open space and public life, and mobility. Finally, the Plan discusses the next steps in the planning implementation process, including environmental analysis and actions for implementation.

The Plan has several companion documents, Some of which are incorporated by reference or included as Appendices. Notable among these documents are:

- Diridon Station Area Plan Amendment Initial Study/Addendum to the Downtown Strategy 2040 Final Environmental Impact Report
- Diridon Affordable Housing Implementation Plan

The Diridon Affordable Housing Implementation Plan (AHIP) executive summary is incorporated into the Plan (Section 2.5 of the Plan). The CQA clearance documentation for the Plan is included in Chapter 5 – Implementation of the Plan.

San José is poised to create a model urban transportation hub within an exciting and livable downtown environment. The Plan is a vital step on the way toward the creation of an equitable and innovative urban place, a place which has the potential to serve as a model for the United States and the world.

SANTA CLARA COUNTY AIRPORT LAND USE COMMISSION

The Santa Clara County Airport Land Use Commission (ALUC), under State regulations, maintains a Comprehensive Land Use Plan (CLUP) for Areas Surrounding Santa Clara County Airports, including the Norman Y. Mineta International Airport. The CLUP establishes land use policies for the regulation of height, air safety, and noise compatibility within the defined Airport Influence Area (AIA). As a large portion of the Diridon Station Area (primarily the eastern half) falls within the CLUP's AIA, certain proposed land use projects within the AIA, including General Plan, specific plan, zoning, or building regulation changes must be submitted to the ALUC for a CLUP consistency determination.

On December 16, 2020 and February 24, 2021, the proposed City-initiated General Plan Amendment (GP20-007) and Conforming Rezoning (C20-002) were taken to the ALUC for consideration. In both referral determinations, the ALUC found the General Plan Amendment and Conforming Rezoning would be inconsistent with the CLUP Noise Policy N-4 and Table 4-1 and H-1 height policy.

On March 16, 2021, staff notified the ALUC County planner and the Caltrans Division of Aeronautics of the City's intention to overrule the determination by the ALUC with a two-thirds vote of the City Council making certain findings required by California Public Utilities Code Section 21676 that the proposed City-initiated General Plan Amendment and Conforming Rezoning is consistent with the purposes set forth in California Public Utilities Code Section 21670 and overruling the ALUC's determination that the proposed City-initiated General Plan Amendment and Conforming Rezoning are inconsistent with the ALUC noise and height policies as defined by the CLUP. A copy of the City's draft override resolution and findings are attached (Attachment J).

On April 15, 2021, the Caltrans Division of Aeronautics sent a letter to staff regarding the Intent to overrule the ALUC finding of Inconsistency. In the letter Caltrans concurs with the ALUC inconsistency determination regarding aircraft noise and building heights (Attachment Q). The City's ALUC Override Draft Resolution (Attachment J) includes this comment letter as an exhibit and has been updated to respond to the comment letter.

As of April 20, 2021, staff has not received comments from the ALUC regarding the City's Intent to overrule the ALUC finding of Inconsistency pursuant to California Public Utilities Code 21676.

<u>Indoor Residential/Hotel Noise Is Addressed by Implementation of 2040 General Plan Policies EC-1.1, EC-1.9, and EC-1.11</u>

Caltrans asserts that acoustical analysis should be required prior to building permit issuance to ensure the Building Code's interior noise standard is met. Individual projects proposed under the DSAP will undergo project-level design and environmental review. Implementation of 2040 General Plan Policies EC-1.1, EC-1.9, and EC-1.11 would guide new development under Downtown Strategy 2040 proposed for areas susceptible to noise associated with the airport. Furthermore, future development within the 65 dBA CNEL noise contour would need to prepare a detailed noise analysis and incorporate noise insulation features into project design to reduce interior noise levels.

Outdoor Residential/Hotel Noise Does Not Create New Noise Problems

Caltrans and the ALUC do not acknowledge all of the requirements described in the proposed resolution supporting the conclusion that allowing outdoor use areas at residential and hotel buildings would not create new noise problems. As to noise, the City's difference with the CLUP pertains only to the ability to provide outdoor use areas such as balconies at residential and hotel uses within the 65 dBA CNEL noise contour; the City concludes, based on evidence described in the proposed resolution, that providing such areas is consistent with the purposes of the Aeronautics Act to avoid creating new noise problems.

Building Heights Are Subject to FAA Review

Caltrans and the ALUC take issue with the City's reliance on the FAA's regulatory process to ensure that building heights have been studied by the FAA as required by federal regulation and receive a determination of no hazard. The FAA is the only authoritative source on airspace utilization. FAR Part 77 and its imaginary airspace surfaces are used by the FAA to identify structures requiring aeronautical studies and airspace determinations. If a proposed building exceeds Part 77 surfaces, then the FAA is required to determine the potential aeronautical effect. The FAA's studies account for all known and proposed structures in the airport environment and consider both project-specific and cumulative effect. Caltrans expresses concern that the building heights permitted by the DSAP would constrain future Airport development, but the City's Airport Department has examined the project and considers it consistent with Airport planning, safety and economic interests.

GENERAL PLAN AMENDMENT

The General Plan Amendment associated with amending the 2014 Plan includes modifying the Envision San José 2040 General Plan Land Use/Transportation Diagram for properties within the boundaries the Plan, expanding the 2014 Plan boundary, and implementing other text amendments and amendments to diagrams for the Plan.

The City began the process of amending the 2014 Plan in November 2019, informed by an extensive outreach process for the Diridon Station Area that began in early 2018. This process was also influenced by the adoption of the Downtown Strategy 2040 and the Downtown Strategy 2040 EIR in late 2018, which analyzed a reallocation of City-wide development capacity to Downtown.

Additionally, the Plan addresses other changes in circumstances since the adoption of the 2014 DSAP.

- The City is no longer planning for a ballpark
- City Council adopted comprehensive Downtown Design Guidelines and Standards in 2019
- City Council approved a policy to allow for greater height limits
- City Council directed City staff to implement a 25 percent affordable housing goal for the Diridon Station Area and the City initiated an Affordable Housing Implementation Study
- City staff initiated updates to park and trail planning in the area
- The City initiated a Diridon Parking Study to identify parking supply and management strategies
- The Diridon Integrated Station Concept Plan (DISC) was initiated by the City and partner agencies
- A Downtown Transportation Study was initiated
- Google submitted the Downtown West Mixed-Use Plan development proposal at the core of the Diridon Station Area.

The goal is to develop a sustainable and equitable plan around Diridon Station that capitalizes on an anticipated possible build-out of new transit-oriented development to allow for more urban vitality and economic activity to act as a catalyst for similar development in surrounding neighborhoods, and to obtain environmental clearance under the California Environmental Quality Act (CEQA).

Changes to the 2014 Diridon Station Area Plan

The Plan includes the following changes:

- 1. Advancing Equity in the Diridon Station Area: The Plan integrates land uses, urban design, open spaces, and mobility to enhance Downtown San José, while respecting existing surroundings. Some of the features that make the area supportive of improved health and economic outcomes include improved transit access, proximity to jobs and cultural amenities in Downtown, trails and open space along the Guadalupe River and Los Gatos Creek, and a mix of housing types that support a range of income levels including several affordable housing buildings.
 - The goal is to retain and leverage these features, increase opportunities for low-income residents to live and work in this highly connected area, and increase access to the new and existing resources for all San José residents, especially those with the greatest needs. With these goals and community input in mind, the City used an equity lens when developing the Plan. The City will center these goals in the review of development proposals, negotiation of development agreements, and design of public infrastructure projects. The Guiding Principles in Section 1.2 of the Plan (Attachment L) incorporate equity. The chapters in this Plan further highlight equity as a key consideration in the planning process.
- 2. <u>Changes to the 2014 Plan's Boundary</u>: As shown on the attached vicinity map (Attachment A), the 2014 DSAP boundary would be expanded by approximately 12 acres, increasing the total Diridon Station Area from approximately 250 acres to 262 acres, all within the boundaries of Downtown. Areas of proposed boundary changes include:
 - Incorporation of the area bounded by Autumn Street, St John Street, the Guadalupe River, and West Julian Street
 - Incorporation of the Old San José Water Company site bounded by West Santa Clara Street, Los Gatos Creek, West San Fernando Street, and the Guadalupe River, which would place all of Google's Downtown West Mixed-Use Plan within the Plan's boundary
 - Incorporation of undeveloped areas along Los Gatos Creek between West Santa Clara Street and Park Avenue to allow for potential park and trail development
- 3. <u>Increase in Maximum Development Capacity</u>: The City evaluated two development capacity scenarios based on a capacity study conducted by Skidmore, Owings & Merrill LLP in January 2020: one with a residential focus and one with a commercial focus. For the purpose of the CEQA analysis, a maximum envelope including the greatest possible residential and commercial capacities from each scenario was assumed. Table 1 shows the theoretical Maximum Build-out used in the Environmental Analysis.

Table 1. Theoretical Maximum Build-out used in Environmental Analysis						
	Google's Downtown West Mixed-Use Plan (DW)		Diridon Station Area Outside DW*		Complete Diridon Station Area*	
Land Use	Total	Units	Total	Units	Total	Units
Residential	Up to 5,900	Units	Up to 7,619	Units	Up to 13,519	Units
Office	Up to 7,300,000	SF	Up to 7,144,154	SF	Up to 14,444,154	SF
Active Use/Retail	Up to 500,000	SF	Up to 536,000	SF	Up to 1,036,000	SF
Hotel	Up to 1,100**	Rooms	-	Rooms	Up to 1,100**	Rooms

^{*} The estimated theoretical maximum build-out outside of Google's Downtown West Mixed-Use Plan used in the environmental analysis is based on identified potential development sites.

Google's Downtown West Mixed-Use Plan also contemplates other uses, such as Limited-Term Corporate Accommodations, event center(s), Central Utilities, Plant(s), and logistics/warehouse.

This maximum build-out estimate does not preclude the development of projects under planning review prior to establishing the capacity framework or of other permitted uses for which capacity is available. The Diridon Station Area is within the Downtown Strategy 2040 boundary, which includes capacity beyond what is shown in Table 1.

In addition to the capacity scenarios in the CEQA analysis, the Plan includes an estimated illustrative build-out program outside of Google's Downtown West Mixed-Use Plan based on identified potential development sites and a predominant land use structure for the Diridon Station Area that reflects the Plan's guiding principles. Table 2 shows the estimated illustrative build-out program for the predominant land use structure. To support the proposed increase in development intensification in the Diridon Station Area Plan, planned residential units are proposed to be reallocated from Horizon 2 and 3 Urban Villages, and planned jobs are proposed to be reallocated from North Coyote Valley and other Growth Areas to the Diridon Station Area Plan (Attachment H). Proposed reallocation of planned jobs associated with the Downtown West Mixed-Use Plan and Diridon Station Area Plan Amendment would result in removing all planned employment growth in the North Coyote Valley Employment Growth Area, consistent with the General Plan 4-Year Review Task Force's recommendation pertaining to the long-term future of Coyote Valley. The Planning Commission and City Council will consider all remaining policy recommendations on Coyote Valley and other scope of work items from the General Plan 4-Year Review in late summer/fall 2021.

^{**}This includes 800 Limited Term Corporate Accommodations in the Downtown West project plus 300 hotel rooms

Table 2. Illustrative Build-Out Scenario Program						
	Google's Downt Mixed-Use Pl		Diridon Station Area Outside DW*		Complete Diridon Station Area*	
Land Use	Total	Units	Total	Units	Total	Units
Residential	Up to 5,900	Units	Up to 7,000	Units	Up to 12,900	Units
Office	Up to 7,300,000	SF	Up to 6,400,000	SF	Up to 13,700,000	SF
Active Use/Retail	Up to 500,000	SF	Up to 536,000	SF	Up to 1,036,000	SF
Hotel	Up to 1,100**	Rooms	-	Rooms	Up to 1,100**	Rooms

^{*} The estimated theoretical maximum build-out outside of Google's Downtown West Mixed-Use Plan used in the environmental analysis is based on identified potential development sites.

Google's Downtown West Mixed-Use Plan also contemplates other uses, such as Limited-term Corporate Accommodations, event center(s), Central Utilities, Plant(s), and logistics/warehouse.

- 4. <u>General Plan Land Use/Transportation Diagram Changes</u>: The vision for the 2014 Plan was categorized by three zones.
 - <u>Northern Zone</u>: a high-intensity business district with a higher concentration of businesses and commercial uses.
 - <u>Central Zone</u>: a commercial-focused area which included the Diridon Station, a planned baseball stadium, and a mix of employment, retail, hotel, and entertainment uses.
 - <u>Southern Zone</u>: a residential-focused area including mixed-use, residential, parks, business, and hotel uses.

The Plan builds on the 2014 Plan and the community's recommendations to reflect changed conditions and City Council direction since the past Strong Neighborhood Initiative Plans and/or Business Improvements Plans were adopted, and to transform the Diridon Station Area into a more dynamic, sustainable, and equitable mixed-use urban neighborhood. The Plan's land use strategy includes removing the 2014 Plan's three distinct zones to establish a more mixed land use approach. The strategy takes into account the City's policy goal for a jobs/housing balance and provides flexibility on some sites to accommodate either office or housing development, providing flexibility for the Plan to respond to market demand.

^{**}This includes 800 Limited Term Corporate Accommodations in the Downtown West project plus 300 hotel rooms

The Plan includes modifying the General Plan Land Use/Transportation Diagram for certain properties within the boundaries of the Plan (Attachment B), including:

- Changes to the Transit Residential General Plan land use designation within the Diridon Station
 Area to increase the minimum and maximum residential densities from 50 250 dwelling units per
 acre (DU/AC) to 65 450 DU/AC.
- Changes to the Urban Residential General Plan land use designation within the Diridon Station Area to increase the minimum and maximum residential densities from 40 – 95 DU/AC to 50 - 95 DU/AC.
- The area north of the Alameda in the Diridon Station Area outside of Google's Downtown West Mixed-Use Plan would generally be converted from Transit Employment Center to Downtown or Commercial Downtown, with the exception of the blocks between North Autumn Street and Autumn Parkway, which would remain Transit Employment Center. The blocks north of West Julian Street between Stockton Avenue and Union Pacific Railroad tracks would be changed to Commercial Downtown, and Downtown between North Montgomery Street and Autumn Street. The blocks south of West Julian Street between North Montgomery and North Autumn Street would be changed to Downtown, and Commercial Downtown between North Autumn Street and the Guadalupe River.
- The Urban Village area bounded by West Julian Street to the north, West Santa Clara Street to the south, Union Pacific Railroad tracks to the east, and Stockton Avenue to the west would be changed9 to Downtown.
- The Urban Village and Mixed-Use Commercial area in the Diridon Station Area north of The Alameda east of Stockton Avenue would be changed to Transit Residential.
- The southernmost triangular area between the Los Gatos Creek Trail and Interstate 280 would be changed from Combined Industrial/Commercial to Urban Residential and Commercial Downtown.
- In the area generally bounded by Barack Obama Boulevard (Bird Avenue) to the east, Park Avenue to the north, State Route 87 to the east, and Auzerais Avenue to the south, a few sites would change from Neighborhood Residential to Downtown and one site from Downtown to Open Space, Parklands, and Habitats.
- The area generally bounded by West San Carlos to the South, Sunol Street to the west, Park avenue
 to the north, and the Union Pacific Railroad tracks to the east would be converted from Urban
 Residential and Mixed Use Commercial to Transit Residential, with the exception of some sites
 along Sunol Street which will remain Urban Residential.
- An Outer Safety Zone Overlay for the Diridon Station Area with a maximum occupancy of 300
 people per acre with 20 percent of the gross area required as Open Space. The Open Space
 requirement could also be achieved on the adjacent park land, Guadalupe River Park and Gardens,
 as well as State Route 87. The overlay would also preclude uses such as regional shopping centers,
 theaters, meeting halls, stadiums, schools, large day care centers, hospitals, nursing homes, or
 similar activities. No above ground bulk fuel storage would be allowed.

The mix of uses throughout the Diridon Station Area puts residential, commercial, and recreational uses closer together, promoting an increase in walking, biking, and other low-impact ways of travel. It provides for a more diverse and sizable population and increased commercial activity to support public transit use. This can also enhance the vitality and safety of neighborhoods by increasing the number of people and amount of activity on the street at different times of the day and evening. The dynamic experience can attract pedestrians and help increase economic activity and enhance public life, making streets, public spaces, and active uses into places where people meet.

5. <u>Increase in Maximum Building Height Limits</u>: The increased maximum building height limits allow for desired growth and are in response to City Council directive in March 2019. The establishment of maximum building heights is essential to ensuring that new development is integrated and compatible with the surrounding neighborhoods and with key City assets, including historic resources and the Guadalupe River Park.

As shown in Attachment C, the Plan establishes new allowable building height limits outside Google's Downtown West Downtown West Mixed-Use Plan. Building height limits within Google's Downtown West Mixed-Use Plan are governed by the proposed Google project approvals. Heights shown within Google's Downtown West Mixed-Use Plan in the Plan are approximate and are shown for illustrative purposes only.

The Plan's allowable heights for areas outside of Google's Downtown West Mixed-Use Plan take into account community input, the City's published elevation limits which are based on FAA flight procedures for the Norman Y. Mineta San José International Airport, height transition concepts, the Downtown Design Guidelines and Standards massing transition standards, and typical heights for midrise and high-rise construction.

The Plan establishes three types of height limits:

- <u>High-Rise height limits</u>, ranging from 170 to approximately 295 feet, are intended to allow development up to the maximum height permitted by the City, contingent upon required FAA airspace safety determinations. High-Rise height limits increase from north to south across the Diridon Station Area and are primarily located on sites near Diridon Station, the rail line, freeways, and the Guadalupe River Park. For both office and residential projects, maximizing allowable height is crucial for making high-rise building construction economically feasible given the City/ FAA height restrictions for the area. The High-Rise heights in the Plan are approximate and are provided for reference; applicants will need to coordinate with San José Airport Department staff and the FAA airspace safety review process for site-specific allowable height determinations. In some areas adjacent to lower-height contexts, additional height and massing transition standards apply. See 9. Update to Reflect/Build on the Downtown Design Guidelines and Standards.
- Mid-Rise height limits, ranging from 110 to 130 feet, are intended to create urban districts and neighborhoods that are lower in scale than High-Rise areas, in order to transition from High-Rise areas to existing low-rise residential neighborhoods. Mid-Rise height limits are located in the Sunol Street and West San Carlos Street area, and Central Delmas Park areas. Building codes typically require any building with an occupied level more than 75 feet above grade to be constructed to high-rise standards, which can make it economically challenging to take full advantage of these allowable heights; however, lower-rise development is still permitted in these areas. In some areas adjacent to lower height contexts, additional height and massing transition standards apply. See 9. Update to Reflect/Build on the Downtown Design Guidelines and Standards.
- <u>Transitional height limits</u>, ranging from 65 to 90 feet, are generally located near relatively low-density residential areas and are accompanied by height transition standards for specific locations. These lower height limits can apply to standalone development or to portions of sites where additional height is permitted, such as the podium portion of a high-rise building.

In all height areas, subject to FAA determination of no hazard, limited extrusions exceeding the maximum building height limits in the Plan by up to 15 feet may be allowed for elevator shafts, rooftop amenities and equipment, and architectural treatments, as long as such extrusions do not exceed the City's published elevation limits, which are based on FAA flight procedures for the Norman Y. Mineta San José International Airport, and receive required airspace safety determinations.

6. Transportation Network Changes: The Plan aims to increase the share of people moving around in the Diridon Station Area on foot or by public transit, bike, shared micro-mobility, carpooling, and other alternatives to single-occupancy vehicles (SOV) from the current level of 40 percent to at least 75 percent by 2040. Achieving these targets will require that the Diridon Station Area become much more people-focused. This is not only to improve the mobility network and outcomes, but also to create a place that is more attractive, sustainable, vibrant, and equitable. Non-SOV modes tend to be better for the environment, they take up less space, they are more affordable, and they do more to promote access to opportunities for disadvantaged populations. The Plan builds on the vision of the 2014 Plan, the goals of the General Plan, and reflect the overall spirit and characteristics the community indicated are important in planning for mobility in the Diridon Station Area.

To ensure a balanced, multimodal transportation network, the General Plan organizes public streets according to "street typologies". Each street is assigned a street typology that considers its surrounding land uses, street context, and the need to prioritize or accommodate certain travel modes. The Plan proposes changes to the transportation street typology designations (Attachment D), and to planned transportation improvements to ensure a balanced, multimodal transportation network that moves people to and within the Diridon Station Area in ways that are efficient, equitable, and safe, and that also supports the Diridon Station Area as an attractive people-focused place.

The Plan also identifies transportation network improvements to ensure an expansive and equitable network. The transportation network improvements are grouped by the type of access they provide to the Diridon station Area:

- Statewide transit access
- Regional and citywide access
- Local and neighborhood access
- Placemaking and new connections at and near the station

The transportation network improvements are listed in Section 4.4 of the Plan (Attachment L). These projects are in various stages of planning and would require discretionary actions and environmental review separate from the analysis presented in the Diridon Station Ara Plan Addendum to the Downtown Strategy 2040 Final Environmental Impact Report.

7. Changes to Parks and Open Space: The open space strategy for the Diridon Station Area looks to the Department of Parks, Recreation and Neighborhood Service's Activate SJ to create a people-focused and service-driven Plan. Public spaces in the Diridon Station Area will infuse Activate SJ's guiding principles of stewardship, nature, equity and access, identity and public life and incorporate a mix of uses that are intended to meet the needs of a variety of users. The Plan promotes access to a large and diverse variety of parks, plazas, trails, and recreational facilities for all residents. The strategic priorities outlined in the Plan will help to carry the City's open space system into the future, identify opportunities and guide decisions that result in more equitable and accessible public spaces and public life.

While many of the strategies in the 2014 Plan remain the City recognizes that the urban character and increased density in the area requires a different approach to parks and open space. The City has shifted its open space strategy toward the planning of a dispersed network of open spaces and neighborhood parks that provide a variety of multi-generational experiences and enhanced connection to the natural assets of the area, rather than one large community park. The2014 DSAP contemplated an eight-acre community park (a portion of which was to be located at the former Fire Training Station, a four-acre site). This was envisioned as the central open space not only for existing and future residents of the Diridon Station Area, but also residents of the broader San José community. In 2018,

the Fire Training Station Site was sold by the City to Google with an agreed upon understanding that the sale would result in no net loss of open space in relation to the eight-acre park previously identified in the 2014 DSAP.

The changes to parks and open space in the Plan includes the removal of the planned park site south of the Ballpark site in the 2014 DSAP, and changes to the planned Los Gatos Creek Trail. The open space strategy for the Diridon Station Area consists of 10 acres of publicly owned open spaces, as a supplement to the existing open space surrounding the Diridon Station Area. The proposed publicly owned open spaces include neighborhood parks, trail segments, and plazas (Attachment E). Though the Plan identifies 10 acres of open space, the City recognizes the need to explore more ways to increase access to parks and other publicly accessible open space.

- 8. <u>Changes to Infrastructure</u>: The existing utility infrastructure serving the Diridon Station Area may need augmentation to support the desired or required capacity for full build-out of the Plan.
 - Full build-out of the Plan would necessitate several infrastructure improvements to accommodate anticipated demand, including improvements to sanitary sewer and stormwater systems, which will require upsizing of distribution main lines to address existing deficiencies and accommodate increased demand capacity. The City will also prepare a separate infrastructure financing study following the adoption of the Plan. See Section 3.19 of the Diridon Station Area Plan Amendment Addendum to the Downtown Strategy 2040 Environmental Impact Report (Attachment M), for a full discussion of utility improvements.
- 9. <u>Update to Reflect/Build on the Downtown Design Guidelines and Standards</u>: The San José Downtown Design Guidelines and Standards adopted in 2019 (DDG) apply to the Diridon Station Area and provide guidance for the form and design of buildings, their appearance in the larger cityscape, and their interface with the street level public realm. The DDG defines the design objectives for the elements that determine the image of Downtown and refines the concepts of other plans, translating them into an operational document that increases predictability for developers and their architects for development in Downtown.

The DDG applies generally to the General Plan Downtown Growth Area, including the Diridon Station Area. The Plan also includes additional design standards that are specific to the Diridon Station Area and build on the existing Downtown Design Guidelines and Standards (DDG) to facilitate development consistent with the objectives of the Plan. Projects within the Diridon Station Area must be consistent with these standards in addition to the Downtown Design Guidelines and Standards, with exception of properties within Google's Downtown West Mixed-use Plan, which are required to comply with the Downtown West Design Guidelines and Standards (DWDSG) and the DDG Standards that are not superseded by the DWDSG.

The urban design direction in the Plan expands upon and will be incorporated into the DDG document following adoption of the Plan.

The Plan includes the following additional height and massing transition design standards:

• Stepback Plane: The primary stepback plane standards apply to the areas shown in Attachment F, which are adjacent to properties at the edge of the Diridon Station Area where mid-rise and high-rise height limits are found and where the adjacent properties have a Neighborhood Residential General Plan land use designation that limits buildings to lower heights. In order to facilitate an informed dialogue with nearby residents, development on sites affected by the stepback plane standards must provide perspective renderings from ground level, illustrating the proposed development in relation to the adjacent properties, as part of their Planning permit application.

- 10. Implement Climate Smart San José and City's Updated GHG Reduction Strategy: The Diridon Station Area will significantly increase overall sustainability through a mix of uses, high-density, sustainably designed buildings, and an urban environment that promotes walking, biking, and transit. Making sustainable systems and materials visible and comprehensible throughout the Diridon Station Area can contribute to San José's vision of becoming the world center of clean tech innovation.
 - In accordance with City's policies for reducing greenhouse gas emissions and green design (e.g. <u>Climate Smart San José</u>, <u>San José's Green Building Ordinance</u>, <u>Building Reach Code and Natural Gas Infrastructure Prohibition Ordinances</u>, <u>Zero Waste Strategic Plan</u>, the Downtown Transportation Plan, the Downtown Design Guidelines and Standards, and the <u>Green Stormwater Infrastructure Plan</u>), the Plan includes strategies that encourage site planning to integrate sustainable practices and expand beyond the scale of a building or a site to the larger context of the district.
- 11. <u>Update Parking Strategy:</u> The 2014 Plan contains numerous parking and transportation demand management strategies. The Plan reinforces those and recommends a Parking and Transportation Management District and Transportation Management Association to coordinate and manage parking and transportation demand management strategies in the Diridon Station Area.

CONFORMING REZONING

The City of San José's Zoning Ordinance (Title 20 of the Municipal Code) is intended to promote the public peace, health, safety, and general welfare of residents, while supporting the goals and policies of the 2040 General Plan.

The Conforming Rezoning analyzes Zoning Ordinance changes within the Diridon Station Area undertaken by the City of San José as part the Plan to comply with State law and support the Plan's vision for the area. As shown in Attachment G, certain properties within the Diridon Station Area are proposed to be rezoned to the conventional Zoning Districts that align with the underlying General Plan land use designations of the respective sites. These sites' Zoning Districts would be rezoned from Combined Industrial/Commercial, Commercial General, Commercial Neighborhood, Commercial Pedestrian, Downtown Primary Commercial, Heavy Industrial, Industrial Park, Light industrial, Two-Family Residential, and Transit Residential to Downtown Primary Commercial, Open Space, and R-M Residence District (Multiple Unit/Lot).

DIRIDON STATION AREA PLAN OVERVIEW

The Plan builds on the General Plan and other City plans to establish a framework for future public and private investment in the Diridon Station Area, to achieve the vision of the Plan. Chapter 1 is the introduction. Chapters 2, 3 and 4 address broadly related topics. Each of these chapters includes a framework section, key principles, and a discussion of related plans and projects, followed by more detailed discussion of related topics.

- <u>Chapter 1 Introduction</u>: describes the project vision, related projects, presents a station area profile, provides an overview of planning for equity and the engagement process and timeline, and outlines the organization of the Plan document.
- <u>Chapter 2 Diridon Station Area Development</u>: discusses multiple topics related to development within the Diridon Station Area, including land use, building heights, urban design, affordable housing, and infrastructure capacity and demand. It includes a discussion of Google's Downtown West Mixed-Use Plan within the Diridon Station Area.

- <u>Chapter 3 Open Space and Public Life</u>: describes the envisioned open space and trail network, public art, and public life strategy for the area, including the trail and open space systems that connect to the Diridon Station Area as well as those within it.
- <u>Chapter 4 Mobility</u>: includes a description of the envisioned mobility network connection to the Diridon Station Area. It discusses important related plans, including the Diridon Integrated Station Concept Plan, and includes a framework for an area-wide parking and Transportation Demand Management strategy.
- <u>Chapter 5 Plan Implementation</u>: describes actions the City will take together with and after the Plan
 is adopted. These include CEQA and environmental clearance, key planning amendments, director's
 update to the Downtown Design Guidelines and Standards, coordinating and constructing major
 projects over time, and possible ways to measure progress as the Plan is implemented.
- Appendix A Maximum Build-Out: discusses the Plan's maximum build-out methodology and calculations, including assumptions and exclusions.
- Appendix B1 Public Feedback: summary of 2019-21 Outreach
- Appendix B2 Public Feedback: summary of 2018 Outreach
- Appendix C1 Companion Documents: Diridon Station Area Plan Amendment Initial Study/Addendum to the Downtown Strategy 2040 Final Environmental Impact Report
- Appendix C2 Companion Documents: Diridon Affordable Housing Implementation Plan

ANALYSIS

Adoption of the Plan and associated General Plan Amendment and Conforming Rezoning was analyzed with respect to:

- Envision San José 2040 General Plan
- Title 20 of the Municipal Code (Zoning Ordinance)
- Senate Bill 330
- California Environmental Quality Act (CEQA)

Envision San José 2040 General Plan Conformance

General Plan Major Strategies

The following describes the Plan's consistency with the General Plan Major Strategies. The General Plan Major Strategies are listed first, followed by the analysis:

- Major Strategy #1 Community Based Planning: Embody the community values and goals articulated through an extensive and meaningful community-based planning process. The City's commitment to effectively engaging representatives of all segments of the San José community in the development and implementation of the Envision San José 2040 General Plan is critical to the ensure that the Plan will promote San José's continued growth into a leading world city, while maintaining social equity in its operations.
- <u>Major Strategy #9 Destination Downtown</u>: Support continued growth in the Downtown as the City's cultural center and as a unique and important employment and residential neighborhood. Focusing growth within the Downtown will support the Plan's economic, fiscal, environmental, and urban design/ placemaking goals.

• <u>Major Strategy #11 – Design for a Healthful Community</u>: Support the physical health of community members by promoting walking and bicycling as commute and recreational options, encouraging access to healthful foods, and supporting the provision of health care and safety services.

Analysis: In 2018, the City launched a community engagement process for the Diridon Station Area. As part of this process, the City Council appointed 38 organizations to a new Diridon Station Area Advisory Group (SAAG), which included equity advocates. The City also set up a new website (www.diridonsj.org) and held a variety of events and activities to engage the general public. In fall 2019, the City officially launched the process of amending the 2014 DSAP. The process included three rounds of public outreach and engagement in fall 2019, spring 2020, and fall 2020.

The 2019-21 engagement process evolved from the original plan due to the COVID-19 crisis. The City had to extend the process and switch to digital tools for the 2020 engagement events. Throughout the process, the goal was to hear from all segments of the San José community, such as residents living in the area, Downtown businesses, developers, transit riders, and affordable housing, labor, and environmental advocates. To help reach populations that are typically under-represented in planning processes, the City established a small grant program and partnered with seven community-based organizations to assist with 2020-21 outreach and engagement. The City also offered many of the meetings and materials in Spanish and Vietnamese. For in-person community meetings, the City typically offered refreshments and supervised activities for children.

The Plan integrates land uses, urban design, open spaces, and mobility to enhance Downtown San José, while respecting existing surroundings. Some of the features that make the area supportive of improved health and economic outcomes include great transit access, proximity to jobs and cultural amenities in Downtown, trails and open space along the Guadalupe River, and a mix of housing types that support a range of income levels – including several affordable housing buildings.

The goal is to retain and leverage these features, increase opportunities for low-income residents to live and work in this highly connected area, and increase access to the new and existing resources for all San José residents, especially those with the greatest needs. With these goals and community input in mind, the City used an equity lens when developing the Plan. The City will center these goals in the review of development proposals, negotiation of development agreements, and design of public infrastructure projects.

General Plan Policies

The following describes how each of the Diridon Station Area Plan chapters are consistent with General Plan policies. The General Plan Policies are listed first, followed by the analysis. Summaries of the chapters may be found in the Diridon Station Area Plan Overview Section of this report.

1. Chapter 1 – Introduction:

 <u>Active Community Engagement Policy CE-1.9</u>: Appoint advisory bodies, task forces, or ad hoc committees as needed to ensure broad perspective. Encourage membership of such groups to reflect community diversity.

Analysis:

The community engagement process has had equity as a key consideration. The goal has been to hear from all segments of the San José community and to pay special attention to reaching populations that are typically under-represented in planning processes. Examples include including equity advocates on the 38-member advisory group, establishing a small grant program for community-based organizations to assist with outreach and engagement, offering many of the meetings and materials in Spanish and Vietnamese, and reducing logistical barriers to participation in community meetings.

The Plan includes guiding principles that reconfirm and adapt the 2014 Plan's objectives, themes and goals to include input received through the broader Diridon Station Area outreach process in 2018-21. The 2014 themes and goals were based on the collective input received during the Existing Conditions Report phase of the 2014 Plan, to gain consensus on the primary goals and objectives.

The Plan includes the following area-wide guiding principles that embody the overall spirit and characteristics that the community indicated are important to include in the Plan. The guiding principles serve as the foundation to achieve the vision of the Plan, consistent with the Downtown strategy outlined in the General Plan. They can also be used as a basis for ongoing evaluation and subsequent detailed planning projects, a framework for policies in the Diridon Station Area, and for review of planning applications for individual projects as they come forward.

- Consider social equity throughout implementation of the Plan.
- Consider the effects on climate change throughout the implementation of the Plan.
- Ensure the area is accessible and welcoming to all.
- Promote a healthy, safe neighborhood environment that is resilient in the face of natural disasters, public health emergencies, and economic cycles.
- Advance economic opportunities by supporting small/local businesses, entrepreneurship, and living wage jobs, education, and job training.
- Establish Diridon Station and the surrounding area as a local, citywide, and regional destination where all residents and visitors, regardless of race, ethnicity, age, gender identity, physical ability, and income level can live, work, and play.
- Preserve and build upon existing cultural assets, reflect the city's cultural diversity, and honor the history of the Ohlone people, and other indigenous peoples.
- Understand and respond to local context and community needs.
- Educate and inform the public about the area planning process and Equitable Transit-Oriented Development (eTOD) concepts.
- Practice community engagement that utilizes clear, consistent communication and inclusive strategies for involving historically marginalized communities and that builds trust, relationships, and capacity over time.
- Foster connection between community members through design, programming, and civic engagement.

12. Chapter 2 – Diridon Station Area Development:

- <u>Land Use and Employment Policy IE-1.5</u>: Promote the intensification of employment activities on sites in close proximity to transit facilities and other existing infrastructure, in particular within the Downtown, North San José, the Berryessa International Business Park and Edenvale.
- <u>Land Use and Employment Policy IE-1.6</u>: Plan land uses, infrastructure development, and other initiatives to maximize utilization of the Mineta San José International Airport, existing and planned transit systems including fixed rail (e.g., High-Speed Rail, BART and Caltrain), Light-Rail and Bus Rapid Transit facilities, and the roadway network. Consistent with other General Plan policies, promote development potential proximate to these transit system investments compatible with their full utilization. Encourage public transit providers to serve employment areas.

- <u>Land Use and Employment Policy IE-1.7</u>: Advance the Diridon Station Area as a world-class transit hub and key transportation center for Northern California.
- Community Noise Levels and Land Use Compatibility Policy EC-1.1: Locate new development in areas where noise levels are appropriate for the proposed uses. Consider federal, state and City noise standards and guidelines as a part of new development review. Applicable standards and guidelines for land uses in San José include:

Interior Noise Levels

The City's standard for interior noise levels in residences, hotels, motels, residential care facilities, and hospitals is 45 dBA DNL. Include appropriate site and building design, building construction and noise attenuation techniques in new development to meet this standard. For sites with exterior noise levels of 60 dBA DNL or more, an acoustical analysis following protocols in the City-adopted California Building Code is required to demonstrate that development projects can meet this standard. The acoustical analysis shall base required noise attenuation techniques on expected Envision General Plan traffic volumes to ensure land use compatibility and General Plan consistency over the life of the Plan.

Exterior Noise Levels

- The City's acceptable exterior noise level objective is 60 dBA DNL or less for residential and most institutional land uses (Table EC-1). The acceptable exterior noise level objective is established for the City, except in the environs of the San José International Airport and the Downtown, as described below:
- For new multi-family residential projects and for the residential component of mixed-use development, use a standard of 60 dBA DNL in usable outdoor activity areas, excluding balconies and residential stoops and porches facing existing roadways. Some common use areas that meet the 60 dBA DNL exterior standard will be available to all residents. Use noise attenuation techniques such as shielding by buildings and structures for outdoor common use areas. On sites subject to aircraft overflights or adjacent to elevated roadways, use noise attenuation techniques to achieve the 60 dBA DNL standard for noise from sources other than aircraft and elevated roadway segments.
- For single family residential uses, use a standard of 60 dBA DNL for exterior noise in private usable outdoor activity areas, such as backyards.
- <u>Community Health, Safety, and Wellness Policy CD-5.2</u>: Foster a culture of walking by designing walkable urban spaces; strategically locating jobs, residences and commercial amenities; providing incentives for alternative commute modes; and partnering with community groups and health services organizations to promote healthful life-styles for San José residents.
- <u>Downtown Urban Design Policy CD-6.1</u>: Recognize Downtown as the most vibrant urban area of San José and maximize development potential and overall density within the Downtown.
- <u>Downtown Urban Design Policy CD-6.3</u>: New development within the Downtown Growth Area that is adjacent to existing neighborhoods that are planned for lower intensity development should provide transitions in height, bulk and scale to ensure that the development is compatible with and respects the character of these neighborhoods, as they are designated in the General Plan.
- Affordable Housing Policy H-2.6: Incorporate an affordable housing implementation plan in the preparation of each Urban Village plan, specific plan, master plan, or strategy plan that include plans for housing.

- <u>Downtown Policy LU-3.1</u>: Provide maximum flexibility in mixing uses throughout the Downtown area. Support intensive employment, entertainment, cultural, public/quasi-public, and residential uses in compact, intensive forms to maximize social interaction; to serve as a focal point for residents, businesses, and visitors; and to further the Vision of the Envision General Plan.
- <u>Safe Airports Policy TR-14.1</u>: Foster compatible land uses within the identified Airport Influence Area overlays for Mineta San José International and Reid-Hillview airports.
- <u>Safe Airports Policy TR-14.2</u>: Regulate development in the vicinity of airports in accordance with Federal Aviation Administration regulations to maintain the airspace required for the safe operation of these facilities and avoid potential hazards to navigation.
- <u>Safe Airports Policy TR-14.3</u>: For development in the Airport Influence Area overlays, ensure that
 land uses and development are consistent with the height, safety and noise policies identified in
 the Santa Clara County Airport Land Use Commission (ALUC) comprehensive land use plans for
 Mineta San José International and Reid- Hillview airports, or find, by a two-thirds vote of the
 governing body, that the proposed action is consistent with the purposes of Article 3.5 of Chapter 4
 of the State Aeronautics Act, Public Utilities Code Section 21670 et seq.
- <u>Safe Airports Policy TR-14.4</u>: Require avigation and "no build" easement dedications, setting forth maximum elevation limits as well as for acceptance of noise or other aircraft related effects, as needed, as a condition of approval of development in the vicinity of airports.

Analysis:

The Station Area Development strategy is founded on an Equitable Transit-oriented Development approach. The strategy includes removing the 2014 Plan's three distinct zones to establish a more mixed land use approach, increasing building height limits to help support equitable development, and updating urban design direction to build on the San José Downtown Design Guidelines and Standards to ensure design excellence and sensitivity to surrounding established lower-density residential neighborhoods.

The mix of uses throughout the Diridon Station Area puts residential, commercial, and recreational uses closer together, promoting an increase in walking, biking, and other low-impact ways of travel. It provides for a more diverse and sizable population and increased commercial activity to support public transit use. This can also enhance the vitality and safety of neighborhoods by increasing the number of people and amount of activity on the street. The dynamic experience can attract pedestrians and help increase economic activity and enhance public life, making streets, public spaces, and active uses into places where people meet.

Residential uses are strategically located throughout the Diridon Station Area to enhance vitality, to achieve a jobs/housing balance, and maximize the competitiveness for state funding affordable housing sources. For stand-alone affordable housing projects, it is assumed that units will be provided in a mix of mid-rise and high-rise buildings. Incorporating a range of height limits not only provides transitions in building heights adjacent to lower density residential areas, but also provides opportunities for a variety of affordable housing types to be developed close to public transit.

The Plan's allowable heights for areas outside of Google's Downtown West Mixed-Use Plan take into consideration community input, the City's published elevation limits which are based on FAA flight procedures for the Norman Y. Mineta San José International Airport, height transition concepts, the Downtown Design Guidelines and Standards massing transition standards, and typical heights for midrise and high-rise construction. In some areas adjacent to lower-height contexts, additional height and massing transition standards apply.

These additional design standards are specific to the Plan and build on the existing Downtown Design Guidelines and Standards (DDG) to facilitate development consistent with the objectives of the Plan. Projects within the Diridon Station Area must be consistent with these standards in addition to the Downtown Design Guidelines and Standards, with exception of properties within Google's Downtown West Mixed-use Plan, which are required to comply with the Downtown West Design Guidelines and Standards (DWDSG) and the DDG Standards that are not superseded by the DWDSG.

Increased building height limits create a supportive environment for equitable development and makes more efficient use of scarce transit-adjacent land and preserves natural resources by accommodating urban growth in the city's core instead of undeveloped areas at the city's edge. It also provides for opportunities for an increase in quality housing for people of all income levels through the City's Inclusionary Housing Ordinance. Reaching the Plan's goal for 25 percent affordable housing in the Diridon Station Area, along with strategies for tenant protection and the preservation of existing affordable units, will also ensure low-income residents benefit from new development. The Plan also incorporates the executive summary of the Diridon Affordable Housing Implementation Plan (AHIP) (Section 2.5 of the Plan).

The City's Envision San José 2040 General Plan also requires that projects within the Airport Influence Area be consistent with height, safety and noise policies identified in the CLUP, or that the City find, by a two-thirds vote of the City Council, that the proposed action is consistent with the purposes of Article 3.5 of Chapter 4 of the State Aeronautics Act, Public Utilities Code Section 21670 et seq.

As part of the General Plan Amendment and Conforming Rezoning, staff is seeking City Council adoption of a Resolution by 2/3 majority making certain findings required by California Public Utilities Code Section 21676 that the proposed City-initiated General Plan Amendment (File No. GP20-007) and Conforming Rezoning (File No. C20-002) is consistent with the purposes set forth in California Public Utilities Code Section 21670 and overruling the Santa Clara County Airport Land Use Commission's (ALUC) determination that the proposed City-initiated General Plan Amendment and Conforming Rezoning is inconsistent with the ALUC noise and height policies as defined by the Comprehensive Land Use Plan for the San José International Airport (CLUP). See Resolution No.______ for further details on consistency with the Airport policies (Attachment J).

13. Chapter 3 – Open Space and Public Life:

- San José as the Silicon Valley Cultural Center Policy AC-2.1: Site public art in key locations. Prioritize innovative public art in three regional destination areas: Downtown, North San José, and the Mineta San José International Airport. Place public art at transportation hubs: pedestrian, bike and transit improvements in pedestrian priority areas; encourage the inclusion of public art at VTA and BART stations, including Diridon Station; and integrate a broad range of art projects into the trail network to connect neighborhoods and bring people closer to nature. Integrate public art into bond-funded park, library, community facility and public safety projects. Cultivate community-based art projects that support neighborhood revitalization goals.
- <u>Cultural Opportunities Policy VN-4.3</u>: Consider opportunities to include spaces that support arts and cultural activities in the planning and development of the Downtown, new Urban Village areas and other Growth Areas.
- <u>Downtown Urban Design Policy CD-6.5</u>: Design quality publicly accessible open spaces at appropriate locations that enhance the pedestrian experience and attract people to the Downtown. Use appropriate design, scale, and edge treatment to define, and create publicly accessible spaces that positively contribute to the character of the area and provide public access to community gathering, recreational, artistic, cultural, or natural amenities.

- High Quality Facilities and Programs Policy PR-1.7: Design vibrant urban public spaces and
 parklands that function as community gathering and local focal points, providing opportunities for
 activities such as community events, festivals and/or farmers markets as well as opportunities for
 passive and, where possible, active recreation.
- Contribute to a Healthful Community Policy PR-2.3: Design and construct new parks, trails, and amenities in a manner that promotes their safe utilization and which allows access to each type of recreation experience for people of all abilities to the maximum extent possible.
- Provide and Equitable Park System Policy PR-3.1: Provide equitable access to parks, trails, open space, community centers, dog parks, skate parks, aquatics facilities, sports fields, community gardens, and other amenities to the greatest extent feasible in order to provide a high quality of life for our residents.
- <u>Community Identity Policy PR-4.1</u>: Collaborate with the community in the design, programming, and operation of parks and recreation facilities to ensure that these facilities meet their needs.
- <u>Grand Parks Policy PR-5.5</u>: Connect the Guadalupe River Park & Gardens to other assets in the City via a network of trails and bike paths to encourage connectivity and community and to maximize the park's use and accessibility.
- <u>Interconnected Park System Policy PR-7.4</u>: Meet the parks needs and expand recreational opportunities for residents in dense, urban areas partially by focusing on improving connections (particularly trail, bicycle, and pedestrian networks) to large parks and recreation facilities.
- <u>Fiscal Management of Parks and Recreation Resources Policy PR-8.3</u>: Give priority to the purchase and land banking of properties as they become available for future park and recreation facility developments.
- <u>Trails as Transportation Policy TN-2.8</u>: Coordinate and connect the trail system with the on-street bikeway system, and consider policies from the Circulation and the Parks, Trails, Open Space, and Recreation Amenities/Programs sections of this Plan to create a complete BikeWeb to serve the needs of San José's diverse community.
- Accessible, Safe, and Well-Functioning Trails Policy TN-3.3: Design bridges, under-crossings, and
 other public improvements within the designated Trail Network, including grade separation of
 roadways and trails whenever feasible, to provide safe and secure routes for trails and to minimize
 at-grade intersections with roadways.

Analysis:

Working in concert with the existing planned development and mobility plans for the area, the City envisions a future where residents and visitors arrive to Diridon Station and are greeted with plazas and parks that are vibrant and provide active and passive recreation for residents, workers, and visitors. The park, plaza, trail, and mobility networks, along with public art envisioned in the Plan, provide a hub of activity and transitions to nearby neighborhoods and Downtown. Together, these assets will provide for vibrant public life throughout the Diridon Station Area.

Public spaces in the Diridon Station Area will provide multi-generational opportunities for recreation activities that are intended to meet the needs of the wide variety of users expected in this area. All residents regardless of race, age, gender identity, income, physical ability or culture have the right to health, wellness and access to parks and recreational opportunities, and these spaces will seek to foster respect and integration for all. This is especially important in dense, urban areas, such as the Diridon Station Area, where there is a greater variety in population demographics. In addition, a key planning outcome identified in ActivateSJ to improve equity and access, is to ensure all residents are

within a 10-minute walk of a quality park. The planned location of the parks, plazas, and trail segments described in the Plan will ensure this goal is met.

The Plan promotes access to a large and diverse variety of parks, plazas, trails, and recreational facilities for all residents. The strategic priorities outlined in the Plan will help to carry the City's open space system into the future. It will identify opportunities and guiding decisions that result in more equitable and accessible public spaces and public life.

Diridon Station Area is surrounded by single-family homes to the north, west, and south, and Downtown to the east. Residential development in these neighborhoods and in Downtown have created more opportunities for parkland dedication and funding through the Park Impact Ordinance and Parkland Dedication Ordinance. Existing parks and open spaces adjacent to the Diridon Station Area include the Guadalupe River Park, Guadalupe River Trail, Cahill Park, Del Monte Park, Los Gatos Creek Trail, Discovery Dog Park, and Theodore Lenzen Park. While these open spaces are not part of the Diridon Station Area, their adjacency makes them important assets when considering the future plans for this urbanized area. The City recognizes that the surrounding parkland and trails will see an increase in use with the increase in residents, workers, and transit users anticipated in the Diridon Station Area. To account for this increased use, the City recognizes more funding will need to be allocated to the maintenance and enhancement of these spaces. The City may also target additional parkland in the surrounding area to help mitigate the increased use.

The open space strategy presented in the Plan calls for approximately 10 acres of publicly owned open spaces, including neighborhood parks, trail segments, and plazas dispersed through the existing neighborhoods and future developments. The 10 acres will supplement the existing open space surrounding the Diridon Station Area.

The Los Gatos Creek Trail will provide connections to the parks and plazas in the Diridon Station Area, with on-road (and future under rail) connections from the neighborhoods west of Diridon Station to Downtown in the east. In the future, the trail will be located on a flyover that will reduce pedestrian and bike rider conflicts and eliminate the at-grade crossing at Santa Clara Street. Open space will be centered around the Los Gatos Creek to preserve, protect, and celebrate the natural environment.

A balanced distribution of interconnected parks, trail segments, and plazas will complement and enhance the existing parks and trails that surround the Diridon Station Area. The proposed network will provide active and passive recreation, transportation, education, and cultural benefits to residents, workers, and visitors throughout the Diridon Station Area. The neighborhood parks and plazas can respond to the character and needs of the existing neighborhoods while also serving as the catalyst to spur public life that supports local business and encourage new development. The trail segments will allow for recreation and active transportation that connect the Diridon Station Area's open space network and key features to the broader neighborhood and Downtown. Connecting neighborhood parks, plazas and other open spaces to the existing planned street network with a consistent system of signage and public art will create diverse and accessible open spaces.

14. Chapter 4 – Mobility:

- <u>Attractive City Policy CD-1.3</u>: Further the Major Strategies of this Plan to focus growth in appropriate locations; design complete streets for people; promote Grand Boulevards, Main Streets, and Downtown; support transit; and foster a healthful community.
- <u>Community Health, Safety, and Wellness Policy CD-5.1</u>: Design areas to promote pedestrian and bicycle movements, to facilitate interaction between community members, and to strengthen the sense of community.

- <u>Downtown Policy LU-3.5</u>: Balance the need for parking to support a thriving Downtown with the need to minimize the impacts of parking upon a vibrant pedestrian and transit oriented urban environment. Provide for the needs of bicyclists and pedestrians, including adequate bicycle parking areas and design measures to promote bicyclist and pedestrian safety.
- <u>Balanced Transportation System Policy TR-1.1</u>: Accommodate and encourage use of non-automobile transportation modes to achieve San José's mobility goals and reduce vehicle trip generation and vehicle miles traveled (VMT).
- <u>Maximize Use of Public Transit Policy TR-3.4</u>: Maintain and improve access to transit stops and stations for mobility-challenged population groups such as youth, the disabled, and seniors.
- <u>Vehicular Circulation Policy TR-5.1</u>: Develop and maintain a roadway network that categorizes streets according to function and type, considers the surrounding land use context, and incorporates the concepts of "complete streets."
- <u>Parking Strategies Policy TR-8.1</u>: Promote transit-oriented development with reduced parking requirements and promote amenities around appropriate transit hubs and stations to facilitate the use of available transit services.
- Parking Strategies Policy TR-8.2: Balance business viability and land resources by maintaining an adequate supply of parking to serve demand while avoiding excessive parking supply that encourages automobile use.
- <u>Parking Strategies Policy TR-8.3</u>: Support using parking supply limitations and pricing as strategies to encourage use of non-automobile modes.
- <u>Parking Strategies Policy TR-8.5</u>: Promote participation in car share programs to minimize the need for parking spaces in new and existing development.
- <u>Parking Strategies Policy TR-8.6</u>: Allow reduced parking requirements for mixed-use developments and for developments providing shared parking or a comprehensive TDM program, or developments located near major transit hubs or within Urban Villages and other Growth Areas.
- <u>Parking Strategies Policy TR-8.7</u>: Encourage private property owners to share their underutilized parking supplies with the general public and/or other adjacent private developments.
- <u>Parking Strategies Policy TR-8.8</u>: Promote use of unbundled private off-street parking associated with existing or new development, so that the sale or rental of a parking space is separated from the rental or sale price for a residential unit or for non-residential building square footage.
- <u>Parking Strategies Policy TR-8.9</u>: Consider adjacent on-street and City-owned off-street parking spaces in assessing need for additional parking required for a given land use or new development.

Analysis:

The Plan sets forth a transportation network that moves people to, from, and within the Diridon Station Area in ways that are efficient, equitable, and safe, and that also supports the Diridon Station Area as an attractive people-focused place. In addition, the network aims to connect existing neighborhoods – particularly low-income communities of concern east of State Route 87 – to the Diridon Station Area. The Plan prioritizes walking, public transit, and bicycling within the core Diridon Station Area, while locating automobile circulation and parking facilities at the perimeter of the Diridon Station Area. This allows motorists to drive to and park on the perimeter of the Diridon Station Area easily without compromising the pedestrian and transit-oriented quality of the core area.

There are four key principles to transform the Diridon Station Area into the envisioned dynamic mixeduse urban district. The Diridon Station Area's transportation system must:

- Bring people together, prioritizing walking, transit, and bicycling as modes that move the greatest number of people while using up the least amount of land, and addressing their need for safety, health, dignity, comfort, and enjoyment
- Be environmentally and economically sustainable, emphasizing easy access to transportation options that are affordable and clean, and that allow residents and workers – especially those of lesser means – to access jobs, services, and housing, both within the Diridon Station Area and throughout the city and region
- Foster community development, social interaction among people, and public life, advancing the vision for a vibrant and livable Diridon Station Area with neighborhoods that are complete, unique, and reflective of its diverse history
- Promote social and economic equity, supporting inclusive access to transportation modes that provide the most economic and health benefits for a wide variety of people who live, work, and play in the Diridon Station Area.

The Plan uses Envision San José 2040 General Plan Designations, called Street Typologies. Street Typologies reflect a street's primary function and adjacent land use context. In doing so, street typologies establish the need to accommodate multiple travel modes and promote desired travel speeds. Street typologies provide direction for a Complete Street network that accommodates all people traveling on it.

While the City seeks to prioritize sustainable, affordable, and space-efficient modes in the Diridon Station Area, the area must accommodate all modes. Planning for private vehicles, taxis, ride-hailing vehicles, and service vehicles is critical to creating an accessible and economically vibrant place. Providing different modes with clear priority and separated networks to access the Diridon Station Area not only will improve conditions for pedestrians, cyclists, and transit users, but will also support Diridon Station Area growth in the most space-efficient and sustainable way. The Plan identifies a total of 54 transportation network improvements in the Diridon Station Area. See Section 4.4 of the Plan for further details (Attachment L).

To effectively utilize the parking supply within the Diridon Station Area and achieve the mode shift goals for the area, several parking management strategies are encouraged of all new development in the area. These strategies are also important to maintaining the parking spaces needed for the SAP Center per the City's Arena Management Agreement, and include, but are not limited to, shared parking, unbundled parking, parking supply, priced parking, a residential parking permits program, and parking distribution.

Key to achieving the transportation and mobility goals in the Diridon Station Area is a Transportation Demand Management (TDM) framework- comprised of three components: 1) a Parking and Transportation Management District; 2) a Transportation Management Association; and 3) project-level TDM requirements. See Section 4.5 of the Plan for further details (Attachment L).

15. Chapter 5 – Plan Implementation

• <u>Community Partnerships Policy CE-2.3</u>: Support continuation of existing and formation of new community and neighborhood-based organizations to encourage and facilitate effective public engagement in policy and land use decisions.

Analysis:

Throughout the implementation of the Plan, the City intends to set objectives and measure progress in fulfilling ongoing activities recommended in the Plan, as well as the Diridon Affordable Housing Implementation Plan. Monitoring key indicators of equitable development will help the City respond to changing conditions and advance the Plan's equity goals. Collecting, tracking, and reporting on equity-related data should be part of a broader citywide effort that may be accelerated with the new Office of Racial Equity and incorporated into existing processes, such as the General Plan Four-Year Review process. It will be important to track trends for the city as a whole, as well as different neighborhoods, to understand the full picture.

In addition to monitoring metrics, achieving the Plan's goals and equity objectives will also require continued engagement of the community. The City intends for this to involve using clear, consistent communication to inform people about planning processes and decisions, involving the public in the review of private proposals and development of public projects (consistent with City requirements and policies), and using inclusive strategies for engaging historically marginalized communities. Community members have dedicated a tremendous amount of time and energy contributing to planning decisions affecting the Diridon Station Area, not just in recent years but for decades. Outreach and engagement moving forward should build upon that strong foundation and commitment. For example, future engagement opportunities could include involving community members in monitoring key indicators, completing local needs assessments, and working together on neighborhood-driven projects and programs.

Title 20 of the Municipal Code (Zoning Ordinance)

The City of San José's Zoning Ordinance (Title 20 of the Municipal Code) is intended to promote the public peace, health, safety, and general welfare of residents, while supporting the goals and policies of the 2040 General Plan.

State law (SB 1333, 2019) requires charter cities, such as the City of San José, to have conformance between a City's Zoning Ordinance and the General Plan. When the Plan is adopted, the zoning therefore, needs to be made consistent for properties located within zoning districts where there are inconsistencies between the zoning and General Plan land use designations.

Analysis:

The City-initiated Conforming Rezoning (C20-002) is consistent with Senate Bill (SB) 1333 and will align properties' Zoning Districts with the proposed General Plan land use designation changes in the Diridon Station Area Plan. As shown in Attachment G, certain properties within the Diridon Station Area are proposed to be rezoned to the conventional Zoning Districts that align with the underlying General Plan land use designations of the respective sites. The Conforming Rezoning is a rezoning of existing sites with Zoning Districts that include Combined Industrial/Commercial, Commercial General, Commercial Neighborhood, Commercial Pedestrian, Heavy Industrial, Industrial Park, Light industrial, Two-Family Residential, and Transit Employment Center. These sites will be rezoned to Zoning Districts that include Downtown Primary Commercial, Open Space, and R-M Residence District (Multiple Unit/Lot). Sites with a General Plan designation of Downtown will be zoned Downtown Primary Commercial. Sites with a General Plan designation of Open Space, Parklands, and Habitats will be zoned Open Space, and sites with a General Plan designation of Urban Residential and Transit Residential will be zoned R-M Residence District.

Senate Bill (SB) 330

Governor Gavin Newsom signed Senate Bill 330, the Housing Crisis Act of 2019, on October 9, 2019 to catalyze housing that would offset the high rents and home ownership costs leading to increasing homelessness. The bill is intended to speed up housing construction in California by decreasing the time it

takes to obtain building permits and limiting fee increases on housing applications. The bill limits local agencies from reducing the number of residential units that can be built on properties that allow housing by changing general or specific plan land use designations and/or zoning in a manner that would result in a reduction of housing capacity without taking action to replace that housing capacity elsewhere in the agency's jurisdiction. The local agency is required to amend its general plan land use designations or zoning elsewhere to ensure no net loss in residential capacity within the jurisdiction whenever it implements land use controls that reduce residential capacity.

Analysis:

The Plan and the associated General Plan Amendment (GP20-007) would not reduce the intensity of residential uses, because its implementation would result in increased residential development. Additionally, the Plan establishes higher maximum residential densities within the Plan area than in the General Plan for the Transit Residential, and Urban Residential land use designations.

The proposed Conforming Rezoning (C20-002) does not reduce the intensity of residential uses. The Conforming Rezoning would increase the residential capacity because the existing Heavy Industrial, Industrial Park, and Light industrial Zoning Districts do not allow residential development, while the proposed Downtown Primary Commercial and R-M Residence District (Multiple Unit/Lot) zoning districts allow residential uses. Therefore, the proposed General Plan Amendment and Conforming Rezoning are in compliance with SB330.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

In compliance with the California Environmental Quality Act (CEQA), the City prepared an Initial Study/Addendum to the Downtown Strategy 2040 Final Environmental Impact Report (Resolution no. 78942) to address the environmental impacts of the project.

The Diridon Station Area Plan Amendment (DSAP Amendment), and as described in the Initial Study/Addendum, does not create any of the conditions described in Section 15162 of the CEQA Guidelines that call for the preparation of a subsequent EIR. No new significant impacts would occur, and no previously examined significant effects would be substantially more severe than those identified in the Downtown Strategy 2040 Final Environmental Impact Report. Thus, an Addendum to the adopted FEIR is the appropriate environmental documentation to analyze the potential environmental impact.

As an Addendum to a previously adopted EIR, public circulation is not required under CEQA. However, as part of the public outreach and engagement process for the DSAP Amendment, the City posted the Initial Study/Addendum on the City's website for a period of 30 days and solicited public comments from March 1, 2021 through April 1, 2021. The City received 17 comment letters, which have been posted to the project's website for the Initial Study/Addendum.

The Initial Study/Addendum, public comment letters, and the City's responses to those comments, are posted to the City's website at: https://www.sanjoseca.gov/your-government/planning-division/environmental-planning-building-code-enforcement/planning-division/environmental-planning/environmental-review/active-eirs/downtown-strategy-2040.

PUBLIC OUTREACH

2014 Diridon Station Area Plan

The Diridon Station Area planning process that culminated in the 2014 Plan was initiated in June 2009. Throughout the study, extensive efforts were made to engage members of the business and development community, as well as residents within the immediate area and surrounding long-established neighborhoods. The surrounding areas have neighborhood associations with a history of active participation in both City and private development proposals and activities. Many of these associations have been supportive of improving transit and pedestrian access and circulation but remain focused on ensuring that new future development within their neighborhoods will enhance the area's amenities and will not detract from current residents' quality of life.

In 2009, the City Council and Redevelopment Agency Board established the Diridon Station Area Good Neighbor Committee (GNC) to provide a forum for neighbors to work collaboratively in solving problems in the neighborhood arising from development in the Diridon Station Area. The GNC discussed potential impacts of existing and planned development and collaborated to recommend reasonable implementation priorities. The 31-member committee met 22 times over a 14-month period and achieved its purpose through the creation and unanimous adoption of the Diridon Station Framework for Implementation (Framework) in 2011.⁷ The Framework focused on six interest areas: land use, neighborhood quality of life, parking and traffic, parks and trails, pedestrian and bicycle connections and connectivity, and public transportation systems. For each of the GNC's interest areas, the Framework identified the top three objectives to guide future implementation. In addition, three public community workshops and a considerable number of community events by related groups contributed to the creation of the 2014 Plan.

In April 2011, the City Council accepted the plan that defined the maximum development potential for the area and the project description and directed the consultant team to begin the environmental analysis. In June 2014, City Council approved the Final Plan and certified the Environmental Impact Report.

2021 Diridon Station Area Plan (the Plan)

In 2018, the City launched a community engagement process to ask people about their vision for the Diridon Station Area given Google's interest in a development at the core of the Diridon Station Area. As part of this process, the City Council appointed 38 organizations to a new Diridon Station Area Advisory Group (SAAG). The City also set up a new website (www.diridonsj.org) and held a variety of events and activities to engage the general public. The 2018 process generated a list of desired outcomes related to Housing and Anti-Displacement; Jobs and Education; Land Use and Design; Transportation and Parking; Parks and Public Space; and Environmental Sustainability. Key findings from the process were that the community's overall vision for the area had not changed and that social equity should be a top consideration.

In 2019, the focus of the City's community engagement was on the Diridon Integrated Station Concept Plan (DISC), a collaboration between the City and transit agency partners. It generated feedback on the future station's design, layout, access, and effects on and integration with surrounding neighborhoods. The community input informed a Concept Layout for Diridon Station and informed the development of the Plan.

In fall 2019, the City officially launched the process of amending the 2014 Plan – along with reviewing Google's Downtown West Mixed-Use Plan development proposal and completing areawide studies to comprehensively plan for the Diridon Station Area. The process included three rounds of public outreach and engagement in fall 2019, spring 2020, and fall 2020. As part of the fall 2019 round, staff shared initial thinking about the scope of changes under consideration and the intended process for analyzing and proposing the amendments to the 2014 Plan. In spring 2020, staff shared draft concepts related to land

use, heights, design, mobility, parks, open space, and trails. In fall 2020, staff released the Draft Amended Plan and Draft Affordable Housing Implementation Plan for the Diridon Station Area for public review.

The 2019-21 engagement process evolved from the original plan due to the COVID-19 crisis. The City had to extend the process and switch to digital tools for the 2020 rounds. Throughout the process, the goal was to hear from all segments of the San José community, such as residents living in the area, Downtown businesses, developers, transit riders, and affordable housing, labor, and environmental advocates. To help reach populations that are typically under-represented in planning processes, the City established a small grant program and partnered with seven community-based organizations to assist with 2020-21 outreach and engagement. The City also offered many of the meetings and materials in Spanish and Vietnamese. For in-person community meetings, the City typically offered refreshments and supervised activities for children.

From early 2018 through Spring 2021, City-led community engagement related to the Diridon Station Area included:

- 19 Station Area Advisory Group (SAAG) meetings
- 14 SAAG small group discussions
- Over 20 community meetings hosted by the City or its partners
- 3 online surveys with over 2,000 responses
- Over 200 online feedback forms submitted
- Over 75,000 page views and 36,000+ unique visitors on diridonsj.org
- 9 pop-ups at community events
- 5 virtual office hours
- Many meetings with community groups

In addition to these efforts, Google and the City's transit partners conducted their own outreach to guide their projects.

Community Feedback Summary

The feedback from the public is summarized below according to major topics of concern. They include boundary expansion, building height limits and office/commercial uses and space, parks and open space and community services/facilities, and transportation. A summary of the feedback received for each of these topics is discussed below.

- 1. <u>Boundary Expansion</u>: In June 2020, City staff proposed an updated boundary that included two eastern expansions to include a residential area and commercial area that abuts the Guadalupe River Park and a portion of Google's Downtown West Mixed-Use Plan east of Delmas Avenue.
 - Most of the feedback received in regard to boundary expansion focused on the impact that future development would have on adjacent neighborhoods, and a concern that this impact would not be analyzed in the environmental impact report because the neighborhoods were outside the DSAP boundary.

The following are community feedback on boundary expansion heard throughout the engagement process:

- Expand Southern boundary down to Interstate 280: This would include the approximately 8 blocks including residential and commercial uses that are currently in between the Plan boundary and Interstate 280.
- Expand Eastern boundary to State Route 87: This would include the approximately 7 blocks including residential and commercial uses, Arena Green, and portions of the Guadalupe River Park that are in between the Plan's boundary and State Route 87.

Examples of some changes in the Plan, following community feedback, include:

- Incorporation of the area bounded by Autumn Street, St John Street, the Guadalupe River, and West Julian Street
- Incorporation of the old San José Water Company site bounded by West Santa Clara Street, Los Gatos Creek, West San Fernando Street, and the Guadalupe River, which would place all Google's Downtown West Mixed-Use Plan within the Plan's boundary
- Incorporation of undeveloped areas along Los Gatos Creek between West Santa Clara Street and Park Avenue to allow for potential park and trail development
- 2. <u>Building Height Limits</u>: The topic of maximum allowable building heights was one of the most discussed topics during the community engagement effort for the Plan.
 - In June 2020, City staff proposed a preliminary concept heights map, showing areas where height limits were proposed to be increased up to the FAA limits; increased to an intermediate height; or kept the same as in the 2014 Plan. Given that this was a major topic of interest for some members of the public, City staff held a series of additional meetings and focused conversations with the Diridon Area Neighborhood Group (DANG) and other organizations discussing building height limits, with the intention of developing an approach that would address community concerns and meet City goals.

The following are specific themes heard throughout the engagement process:

- Impacts to residential areas, open space, and historic buildings: Many had concerns on impacts of
 overshadowing, lack of privacy, loss of mountain views, and temperature changes to adjacent
 existing residential areas (Del Monte, Delmas Park, Lake House, and Rhodes Court), open space
 (Los Gatos Creek), and historic buildings (Stations Depot and Former San José Water Company and
 Trammel Crow Site).
- <u>Use FAA Maximum Heights</u>: Some felt that the proposed heights were too low and needed to utilize maximum Federal Aviation Administration (FAA) height limits to provide more housing or commercial space throughout the whole area.
- <u>Taller buildings near transit</u>: Some felt that there was an opportunity to provide taller buildings near transit such as housing, office, or a mix of both.
- Pandemic and overcrowding concerns: Others felt that the heights were too high because the pandemic has led to physical distancing that has driven down the use of office space and will further decrease the use of apartment and condo style buildings. Their concern is that these tall buildings would be vacant and a waste of money.
- <u>Impacts to airport flight paths</u>: Some shared concern that heights would reduce the number of flights going to the airport, causing the airport to eventually shut down.
- More Affordable Housing: Many wanted to see an increase in height to make affordable housing in the area more economically feasible.

• <u>Staff recommended heights are "About Right":</u> A majority of Spring 2020 survey respondents felt that the staff recommended heights were about right.

Examples of some changes in the Plan, following community feedback, include:

- Increasing the maximum height in the area around the Diridon Station to a maximum of 295 feet.
- Creating a transitional building height limit between 65 and 90 feet adjacent to lower density residential areas along Stockton Avenue, West Julian Street, The Alameda, Park Avenue, Auzerais Avenue, and Sunol Street.
- Implementing stepback plane standards to ensure gradual increases in building heights for development adjacent to historic districts, and lower height context.
- Maintaining unobstructed views of buildings and corridors down The Alameda and east of Diridon Station.
- 3. Office/Commercial Uses and Space: In June 2020, City staff proposed expanding the development program based on the preliminary concept heights and land use structure. The development program included 12.9 million square feet of office/commercial uses and 12,900 residential units for the entire Diridon Station Area, including the 7.3 million square feet of office/commercial uses and 5,900 residential units proposed in Google's Downtown West Mixed-Use Plan.

The following are specific themes heard throughout the engagement process:

- More office and commercial and less housing: There was a direct connection to housing on this
 topic. Community members who wanted more commercial and office in the Diridon Station Area
 were more likely to want less housing in the area.
- <u>Variation between uses</u>: Many also wanted to see a variation between the many nonresidential uses that could include office, retail, restaurant, and entertainment.
- <u>Including existing and new small businesses</u>: Some wanted to make sure that existing and new small businesses were not forgotten and had affordable and accessible spaces within the area.
- <u>Providing essential amenities in the area</u>: Many expressed that the area needed essential amenities such as grocery stores, schools, parks, farmers markets, and mental health services.
- <u>Pandemic and overcrowding concerns</u>: Some thought the square footage was too high because of existing and future vacancies related to the pandemic, in addition to business displacement from all of the redevelopment in the area.
- <u>Less office and commercial to make room for more housing</u>: Others wanted less commercial space in the area to provide more square footage for housing.
- Staff recommended square footage is "About Right": A majority of survey respondents liked the development capacity for the most part. They thought there was a good balance between commercial and housing in the area.

Examples of some changes in the Plan, following community feedback, include:

- Revised land use and heights that would potentially increase the maximum commercial, including Google's Downtown West Mixed-Use Plan, to 13.7 million square feet.*
- Revised land use and heights, and urban design street designations that would potentially increase
 the maximum Active Use/Retail to 1 million square feet. * Most streets in the Diridon Station Area
 will include some active ground floor with retail for a lively downtown. This includes Stockton Ave,
 West Julian Street, The Alameda/West Santa Clara Street, Cahill Street, North/South Montgomery

Street, Park Avenue, West San Fernando, West San Carlos Street, Delmas Avenue, and Barack Obama Boulevard (portions of South Autumn Street, South Montgomery Street, and Bird Avenue).

*The square foot values are an estimate based on identified potential development sites outside of Google's Downtown West Mixed-Use Plan, and Google's Downtown West Mixed-Use Plan development program.

4. Parks, Open Space, Community Services and Facilities: In April 2020, City staff shared a preliminary capacity analysis that showed a cumulative parkland goal of 62 acres, or equivalent recreation amenities. Given that this was a significant issue for some members of the public, City staff held a series of additional meetings and focused conversations with DANG and other organizations discussing parks, open space, and community centers, with the goal of developing an approach that would address community concerns and meet City goals.

The following are specific themes heard throughout the engagement process:

- More safe parks and open space: People want to see large parks with diverse programming including basketball courts, skate parks, bicycling, dog parks, and community gardens.
- Connecting the Los Gatos Creek Trail to Guadalupe River Trail: Executing the Los Gatos Creek Trail Master Plan is a high priority of the community. This includes providing an off-street trail alignment from the Auzerais Avenue to Arena Green.
- <u>Flexible meeting spaces for a variety of community needs (ranging from small rooms to an auditorium):</u> These spaces would be used by afterschool programs, non-profits, cultural organizations, and for community performances.
- Edible Community Gardens and Public Kitchen Facilities: Many shared an interest in having community gardens with edible food and public kitchens to provide food, resources, and a community gathering space for the most vulnerable residents of San José.
- <u>Funding existing Community Centers in neighborhoods such as Gardner</u>: There was concern raised in building a new community center in the Diridon Station Area, when the adjacent Gardner Neighborhood Community Center is underutilized due to limited general fund resources.
- A new Diridon Community Center: People were excited by the idea of having a community center dedicated to the Diridon Station Area.

Examples of some changes in the Plan, following community feedback, include:

- Calling for approximately 10 acres of publicly owned open spaces, including neighborhood parks, trail segments, and plazas dispersed through the existing neighborhoods and future developments. The 10 acres will supplement the existing open space surrounding the Diridon Station Area.
- Completing the final sections of the Los Gatos Creek Trail from Auzerais Avenue to Park Avenue,
 Park Avenue to West San Fernando Street, and West San Fernando Street to West Santa Clara
 Street; and completing the section of Guadalupe River Trail on the west bank from West St. John
 Street to West Julian Street. Building upon previously approved master plans, the design of these
 trail system improvements will use the Trail Program Planning and Design Toolkit to ensure design
 conformance with the rest of the City's trail network.
- Planning for a new regional community center with a minimum of 13,000 square foot space, with
 the subsequent design and programming determined through additional community outreach and
 engagement. The City is exploring new funding mechanisms to solve the operation and
 maintenance funding issue, including a potential ballot measure targeted for 2022. The City will

not proceed with the planning or development of a community center in the Diridon Station Area until this operation and maintenance funding issue is resolved.

- 5. <u>Transportation</u>: Getting to, through, and around the Diridon Station Area was a much-discussed topic by all, regardless of the preferred form of travel (walk, bike, take transit, drive, or a combination). To meet these needs, the city began the Draft Downtown Transportation Plan in 2020. The Downtown Transportation Plan will:
 - Improve circulation, whether by foot, bike, car, or transit
 - Improve transportation equity and access to places for everyone
 - Improve the comfort and enjoyment of streets, public plazas, paseos, and parks
 - Support and complement the identity of Downtown

These goals are important for the Diridon Station Area and also guided the development of the mobility chapter for the Plan. In June 2020, City staff shared some initial information on the Downtown Transportation Plan within the Diridon Station Area that included potentially enhancing bike corridors, improving the Barack Obama Boulevard (Bird Avenue)/Interstate 280 interchange to make it safer for pedestrians, closing the State Route 87 off-ramp to West Santa Clara Street, improving the State Route 87/West Julian Street interchange to keep vehicular traffic moving, and additional public service lanes on West Santa Clara Street for buses and emergency vehicles. This was a major topic of discussion that was a near-even split between people who prioritized individual vehicles and those who were firm advocates for active transportation.

The following are specific themes heard throughout the engagement process:

- More frequent and affordable public transportation: Many wanted more frequent public transportation, with shuttles, bus lanes, and stops particularly in South San José. Some in South San José shared that it is currently difficult and time intensive to access the station via transit.
- Maintain car infrastructure (roads and parking) throughout the area: Like the concerns shared
 above from the survey, many wanted to make sure that the downtown would still be accessible by
 individual vehicles and that any bicycle, pedestrian or transit improvement would not cause traffic
 and delay their commutes to work or a Sharks game. Many shared that if parking was reduced in
 the area, they would never return to a Sharks game or visit the downtown.
- <u>Bike and pedestrian infrastructure throughout the area</u>: Many wanted to see bike lanes (separated, with planters, and contiguous), bike parking, pedestrian signage, wider sidewalks, pedestrian boulevards, more lighting for pedestrians, and upgrading pedestrian infrastructure to continue meeting Americans with Disability Act (ADA) standards. Many saw bike and pedestrian improvements as integrated efforts that would benefit each other and make the area safer for those who walk, bike, and take transit.
- <u>Development will cause traffic</u>: There was some concern shared about how the development of the area with Google and other businesses would impact traffic for neighbors trying to get to work or downtown.
- Concerns regarding the State Route 87 off-ramp closure/Improvement to the State Route 87/Julian street interchange: Many respondents were concerned that closing off-ramps to vehicles would cause more congestion and make it harder for people to attend Sharks games or visit the Downtown area.
- <u>Concerns about the addition of public service lanes on Santa Clara Street</u>: People were concerned about the congestion that would be brought on by having lanes only for buses and emergency

vehicles. Many shared that they did not use public transportation and did not see the need for its efficiency.

- Excitement about improvement to the light rail system: Many shared that they were excited to see the Diridon Integrated Station Concept Plan be implemented and have a more efficient commute around the Bay Area.
- Excitement about enhancing bike corridors between Downtown and Diridon Station: Many were
 excited about making the Downtown area safer for bicyclists and further connecting the existing
 bikeway network for more efficient commutes across the bay thanks to the Diridon Station Area.
- Excitement about the improvement to the Barack Obama Boulevard (Bird Ave)/Interstate 280 interchange: Many were excited about this improvement to make the interchange safer and more comfortable for those who walk and bike in the area.
- <u>Connection to the airport</u>: Some shared that the station should have a direct connection to the airport. This would make travel even more efficient across the bay and around the world.

Examples of some changes in the Plan, following community feedback, include:

- Updated land use putting homes, offices and recreational uses closer together in more areas to promote an increase in walking, biking, and other low-impact ways of travel.
- Updated street network that moves people to and within the Diridon Station Area in ways that are efficient, equitable, and safe, and that also supports the Diridon Station Area as an attractive people-focused place.
- Updated transportation improvement projects to ensure an expansive and equitable network.
 Fifty-four (54) transportation network improvements are grouped by the type of access they provide to the Diridon Station Area:
 - Statewide transit access
 - Regional and citywide access
 - Local and neighborhood access
 - Placemaking and new connections at and near the station
- Incorporating several parking management strategies that include shared parking, unbundled parking, parking supply, priced parking, residential parking permit program, and parking distribution.
- Establishing a Transportation Demand Management framework that includes a Parking and Transportation Management District, a Transportation Management Association, and project-level transportation demand management requirements.

Community input has been central to the development of the Plan. For example, based on community input, the Plan emphasize equity as a primary objective, significantly adds development capacity, includes design standards for providing transition between new mid- and high-rise buildings and existing low-rise residences, proposes a wider mix of uses across the area, identifies new ways to improve the pedestrian environment, revises the open space plan to ensure better access to recreational, nature-based, and community amenities, and updates the mobility network to prioritize walking, public transit, and bicycling within the core Diridon Station Area, while locating automobile circulation and parking facilities at the perimeter of the Diridon Station Area. These changes and others balance the range of aspirations and concerns expressed by community members throughout the engagement process.

A notice of the public hearing was distributed to the owners and tenants of all properties located within 1,000 feet of the Plan boundary and posted on the City website.

The staff report is posted on the City's website. Staff has been available to respond to questions from the public.

Project Manager: Jose Ruano

Approved by: /s/ , Deputy Director for Chu Chang, Acting Director

Attachments:
Attachment A: Vicinity Map
Attachment B: General Plan Land Use Designations
Attachment C: Building height Limits
Attachment D: Transportation Street Typology Designations
Attachment E: Open Space Network
Attachment F: Stepback Plane Locations
Attachment G: Zoning Districts
Attachment H: Planned Job Capacity and Housing Growth Areas by Horizon
Attachment I : General Plan Amendment Draft Resolution
Attachment J: ALUC Override Draft Resolution
Attachment K: Conforming Rezoning Draft Resolution
Attachment L: Diridon Station Area Plan
Attachment M: Diridon Station Area Plan Addendum to the Downtown Strategy 2040 Environmental Impact Report
Attachment N: EIR Addendum Resolution
Attachment O: Comments on Initial Study/ Addendum to DSAP Amendment
Attachment P: Public Comments as of 04/20/2020

Attachment Q: Letter from Caltrans Division of Aeronautics

GP20-007 & C20-002 List of Attachments

Attachment A: Vicinity Map

Attachment B: General Plan Land Use Designations

Attachment C: Building height Limits

Attachment D: Transportation Street Typology Designations

Attachment E: Open Space Network

Attachment F: Stepback Plane Locations

Attachment G: **Zoning Districts**

Attachment H: Planned Job Capacity and Housing Growth Areas by Horizon

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Impact Report

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Correspondence Received After April 21, 2021