



**2016 GENERAL PLAN
ANNUAL PERFORMANCE
REVIEW
(for FY2015-16)**

OCTOBER 12, 2016

Department of Planning, Building and Code Enforcement
Planning Division



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INTRODUCTION

When adopted in November 2011, the **Envision San José 2040 General Plan** (General Plan) provided for an annual performance review to enable evaluation of progress on the General Plan’s strategies and implementation actions. Implementation Policy IP-3.1 specifies: “Beginning in 2013, hold one Annual Review hearing for the Planning Commission and the City Council to review and consider privately proposed amendments to the *Envision General Plan* and to evaluate its Performance Measures.”

This annual performance review report fulfills this evaluation requirement. The report describes the status, conditions, and/or progress pertinent to the 12 Major Strategies and related actions contained in the General Plan.

The 12 interrelated and mutually supportive Major Strategies are considered fundamental to achievement of the City’s Vision and together promote the continuing evolution of San José into a great city.



View the complete General Plan at <http://www.sanjoseca.gov/DocumentCenter/Home/View/474>



The skyline of downtown San José has grown with several high-rise residential buildings in recent years. View is northward toward the Bay with the San José Mineta International Airport in the background.

EXECUTIVE SUMMARY

The 12 Major Strategies and related conditions, progress and/or outcomes are highlighted below and detailed in this report. Progress is measured from November 2011 when the City Council adopted the General Plan.

THE 12 MAJOR STRATEGIES

#1 Community Based Planning - The General Plan goes beyond state requirements for community participation in land use and planning activities by implementing the City's Outreach Policy.

Status-Conditions-Outcomes

- In FY2015-16, the Planning Division held 49 community meetings with over 2,100 attendees. Between FY2011-12 and FY2015-16, the average number of community meetings was 41 per year.

#2 Form Based Plan – Form-based planning principles address the form and character, as well as land uses and densities for future development.

Status-Conditions-Outcomes

- City planners apply form-based planning principles when reviewing development proposals and preparing Urban Village Plans.
- Several mixed-use projects approved in FY2015-16 demonstrated the implementation of form-based planning.
- The Architectural Review Committee has fully transitioned to the new, more comprehensive Urban Design Review process.

#3 Focused Growth - Growth is directed and encouraged within the City's Growth Areas so as to preserve and enhance the quality of established neighborhoods, and reduce environmental and fiscal impacts.

Status-Conditions-Outcomes

Since November 2011:

- San José has created 45,000 new jobs and increased its population by 72,000 people.
- 77% of new residences, 60% of commercial space, and 91% of industrial space were built in Growth Areas.
- Building permits were issued for 15,400 housing units, 6.8 million sq. ft. of commercial, and 5.3 million sq. ft. of industrial.

#4 Innovation/Regional Employment Center - San José largely remains a bedroom community, having more employed residents than jobs within the City. The jobs-to-employed-resident (J/ER) ratio is an indicator of a city's fiscal strength: jobs-based development generates city revenue while residential-based development necessitates greater demand for the provision of services.

Status-Conditions-Outcomes

- J/ER in 2010: 0.88
- J/ER in 2014: 0.86
- Although the J/ER ratio has not improved, the City has made strides in becoming a regional employment center as evidenced by several major

View the maps of proposed Growth Areas at <http://www.sanjoseca.gov/documentcenter/view/19328>

development projects now built or coming online, such as the Diridon TOD project located in downtown San José.

#5 Urban Villages - The General Plan identifies 68 Urban Villages within San José that focus on jobs and high density growth to foster vibrant, walkable urban districts. The timing of residential development of the Urban Villages relates to the Horizon timelines expressed in the General Plan. If a development is proposed ahead of the Horizon, it may be considered as a Signature Project subject to requirements established in the General Plan.

Status-Conditions-Outcomes

- 6 Urban Village Plans are approved by the City Council.
- 7 additional Urban Village Plans are under development.
- 1 Signature Project has been approved by City Council and 3 Signature Projects are currently under review by staff.

#6 Streetscapes for People - The General Plan goals and policies promote a transportation network that is safe, efficient, and sustainable.

Status-Conditions-Outcomes

- The City Department of Transportation is currently developing a Complete Streets Design Guidelines manual, targeted for completion in 2016.

#7 Measurable Sustainability/Environmental Stewardship - The General Plan includes measurable standards for the City's Green Vision goals as well as measureable standards for other areas of environmental leadership.

Status-Conditions-Outcomes

- Significant progress on the Green Vision goals is outlined in Appendix A.
- Greenhouse gas emissions have decreased by approximately 2% community-wide since 2008, making the City on track to meet the State's GHG emission reduction target for 2020.

#8 Fiscally Strong City – As discussed in Major Strategy #4, San José's jobs-to-employed-resident ratio reflects a land use pattern that results in an imbalance of revenues and costs. By implementing smart growth principles and allowing for high densities of jobs and housing, the General Plan promotes an improved balance of land uses and higher density development so as to enable the City to deliver high-quality municipal services.

Status-Conditions-Outcomes

- As part of the General Plan Four-Year Review, an update was prepared to the Analysis of San Jose's Fiscal Conditions Report that was completed in 2010. The update found that commercial land uses provide critical positive fiscal impacts for the City and that new residential development at 45 units per acre or greater can be fiscally positive.
- In FY2015-16, 79% of residential entitlements were for projects 45 units per acre or greater.
- San José residents voted to approve Measure B, a sales tax expected to bring an annual revenue of \$40 million to the City's general fund.

#9 Destination Downtown - The General Plan envisions downtown San José as the cultural heart of the city, providing employment, entertainment, and cultural activities more intensely than other areas in the City.

Status-Conditions-Outcomes

- In FY2015-16, development permits for 1,705 new residential units and 1.1 million square feet of commercial and retail space were approved.
- Since adoption of the General Plan, development permits for 3,799 units have been approved in Downtown.
- Commercial vacancies have decreased by 10.8% (23.6% to 12.8%) in Downtown since General Plan adoption.
- In 2015, over 130 outdoor events were held attracting an estimated half million people in total.

#10 Life Amidst Abundant Natural Resources - The General Plan promotes access to the natural environment by building a world-class trail network and adding parks and other recreational amenities. The Capital Improvement Program (CIP) specifies service levels with targets for neighborhood recreational lands (such as tennis courts or soccer fields), parklands, and community centers per 1,000 residents.

Status-Conditions-Outcomes

- The City has 58 miles of trails open for use as of June 30, 2016.
- Neighborhood recreational lands stand at 3.1 acres/1,000 residents, short of the target of 3.5 acres/1,000 residents.
- City and regional parklands stand at 14.9 acres/1,000 residents, exceeding the target of 7.5 acres/1,000 residents.
- Community centers stand at 588.6 square feet/1,000 residents, exceeding the target of 500 square feet/1,000 residents.

#11 Design for a Healthful Community - The General Plan supports the physical health of community members by promoting walking and bicycling as travel options, access to healthful foods, and the provision of health care and safety services. The Land Use and Transportation Chapter includes goals and policies intended to improve multi-modal accessibility to create a city where people rely less on driving to meet their daily needs.

Status-Conditions-Outcomes

- The City is pursuing investments, programs, and collaborations with other agencies that should lead to future transportation mode shifts.
- Bay Area Bike Share is rapidly expanding their infrastructure within San José to 1,000 bikes at 100 parking stations.
- In 2015, the City installed 21 new miles of on-street bikeways bringing the system-wide total to 259 miles.

#12 Plan Horizons and Periodic Major Review – Three horizons function as timelines in the General Plan for phasing in housing development relative to population growth and the City’s fiscal health. The City is currently operating under Horizon I. The City Council determines when to begin the next horizon based on the outcome of the General Plan Four-Year Review.

Status-Conditions-Outcomes

- The Four-Year Review process began in November 2015 and included six Task Force meetings. Staff is currently completing the environmental analysis and is expecting to bring final recommendations to City Council in December 2016.



Learn more about the General Plan Four-Year Review at <http://www.sanjoseca.gov/GeneralPlanReview>

PERFORMANCE ANALYSIS

MAJOR STRATEGY #1 - COMMUNITY BASED PLANNING

The City is committed to open government and community participation in its governance activities. The General Plan includes five goals, 23 policies, and two action items related to community outreach, going far beyond state requirements for providing public outreach and community engagement in land use planning activities.

The City’s Public Outreach Policy, Policy 6-30, establishes a protocol for dissemination of information related to development activity and encourages early and frequent communication between staff, applicants, and the public on specific development applications.

The Planning Division tracks its community outreach meetings on development proposals, ordinance and zoning code updates, and the development of Urban Village plans.

As shown in Figure 1, between FY2011-12 and FY2015-16, the Planning Division held 206 community meetings, an average of 41 meetings per year. In FY2015-16, the number of meetings was higher than the yearly average and attendance was significantly higher than previous years. This indicates that, per Policy 6-30, more large development proposals and projects with significant community interest were submitted for review in FY2015-16 compared to FY 2014-15. Another reason for the increase in meetings and attendance is due to the six Task Force meetings held for the General Plan Four-Year Review.

**Figure 1.
Planning Division
Community Meetings**

Year	Meetings	Total Attendees
15-16	49	2,158
14-15	27	1,246
13-14	50	1,483
12-13	49	1,429
11-12	31	442
Total	206	6,758



Interactive charrettes are a tool used to engage community members in thinking about the placement and intensity of development.

MAJOR STRATEGY #2 – FORM-BASED PLAN

Land use designations that address the form and character of the built environment, as well as appropriate uses and densities, enable the *Envision General Plan* to clearly articulate a vision for San José's future urban form.

The *Envision General Plan* subscribes to form-based planning. Form-based planning principles address the form and character as well as land uses and densities for future development. Additionally, the principles provide for flexibility for economic activity; address neighborhood concerns about compatibility of new development and promote ongoing development of complete, cohesive neighborhoods.

The Planning Division applies form-based principles during the review of development proposals and in the preparation of Urban Village Plans.

Additionally, development applications within the Downtown are being evaluated according to the Downtown Design Guidelines, which provide direction for the design of new development in the downtown area.

Examples of recent projects demonstrating the implementation of form based planning principles include 785 The Alameda (Modera) and Calderon's Tire Shop on Alum Rock Avenue. Modera is a mixed-use development along The Alameda that maintains the unique cohesion of street-fronting buildings along The Alameda, while adding 168 residential units and over 20,000 square feet of commercial space on two floors. Calderon's Tire Shop, located in the Alum Rock Neighborhood Business District and within the City's Main Street (form based) Zoning District, is an example of a traditionally suburban use designed in a pedestrian-friendly manner.

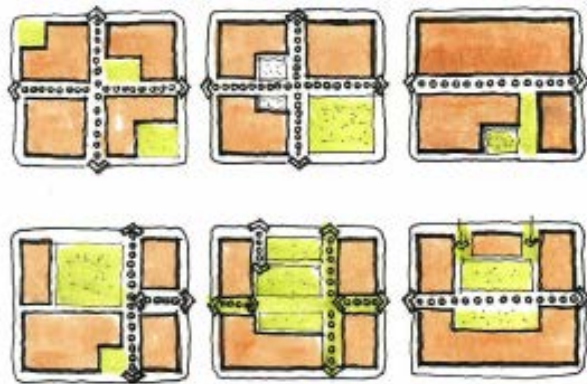


Modera mixed-use project located at 785 The Alameda; 161 DU/acre (Source: Plan set, Zoning File No. PDC15-003).

New Urban Design Review Process

In Spring 2016, the Planning Division began the transition from the Architectural Review Committee (ARC) to an Urban Design Review process. This process involves assistance from Public Works City Facilities Architectural Services staff and private architectural consultants in

providing architectural and design expertise. Projects eligible for the Urban Design Review process include projects within Downtown, Urban Villages and other Growth Areas; sites with historic structures; freeway signs; and any project that needs enhanced design review at the request of staff and/or the applicant.



▲ Mid-block connections and paseos that are
▼ connected to publicly accessible plazas and pocket parks.

Example of form based planning (Source: the draft Alameda (East) Urban Village Plan).

MAJOR STRATEGY #3 – FOCUSED GROWTH

San José is the tenth largest city in the country and the third largest city in the state of California. Since the adoption of the General Plan, San José has continued to experience an increase in population and remains the largest city in Santa Clara County with more than half of the county’s total population.

Figure 2. Population and Growth in San José

Year	# Residents
2011	970,011
2016	1,042,094

- **Population Growth.** As of January 2016, San José had an estimated population of 1,042,094 people, representing an approximate 7 percent increase from 2011 (see Figure 2). This stands as approximately 54 percent of the total population of Santa Clara County (State of California, Department of Finance).
- **Jobs Growth.** As of June 2015, San José has a total of 397,800 jobs, of which approximately 45,000 of these jobs were created since the adoption of the General Plan in November 2011 (California Employment Development Department). On average, this is approximately 9,000 new jobs per year. The General Plan includes a planned job capacity of 470,000 new jobs until the year 2040, equating to approximately 12,000 new jobs per year.

The Focused Growth Major Strategy directs both population and job growth to identified Growth Areas through the intensification and redevelopment of existing infrastructure. Residential development located outside of Growth Areas is limited to neighborhood infill to preserve and enhance the quality of established neighborhoods and reduce environmental and fiscal impacts.

In addition, the City’s adopted Greenhouse Gas Reduction Strategy identifies three quantifiable General Plan Land Use/Transportation Diagram strategies that contribute to the reduction of greenhouse gas emissions in fulfillment of Assembly Bill (AB) 32. These three strategies are:

1. Increase density of development
2. Increase location efficiency
3. Mixed-use development

The metric for these three strategies is the measurement of the “percentage of total new development in Growth Areas.”

New Development in Growth Areas

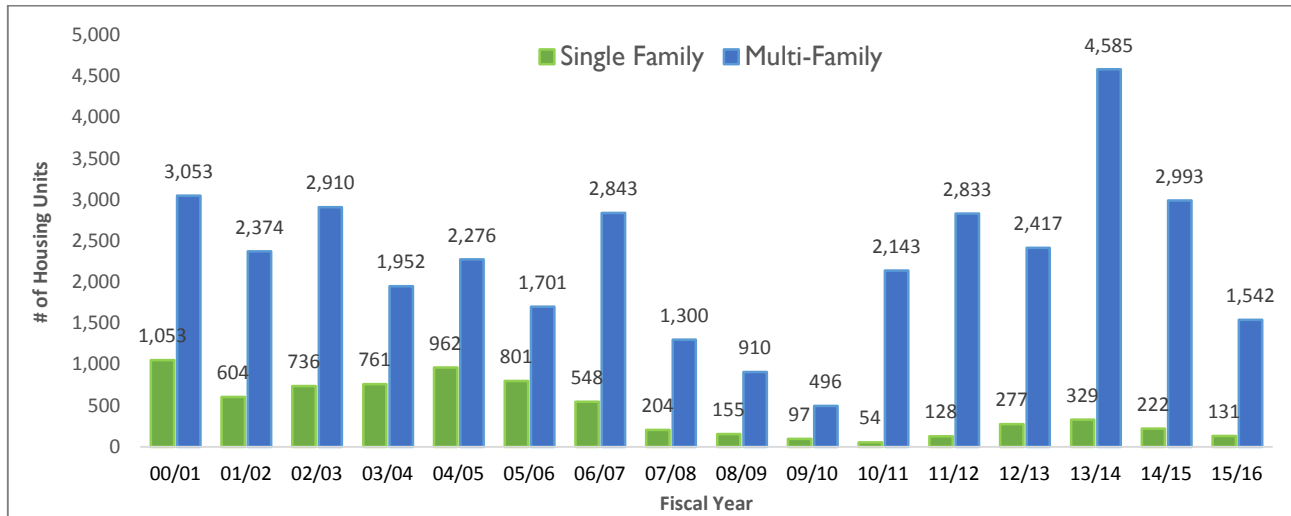
The Planning Division tracks building permits for new residential units and non-residential square footage in a Geographic Information Systems (GIS) database for a range of purposes. The database can be queried to determine the location of permits relative to Growth Areas. Since adoption of the General Plan:

- Approximately of 77 percent of residential development, 60 percent of commercial development, and 91 percent of industrial development have occurred within Growth Areas (these numbers reflect issued building permits from Nov. 2011 to June 2016).

From November 2011 through FY2015-16, the City has issued new construction building permits totaling:

- Approximately 15,400 housing units
- Over 6.8 million square feet of commercial development
- Over 5.3 million square feet of industrial development

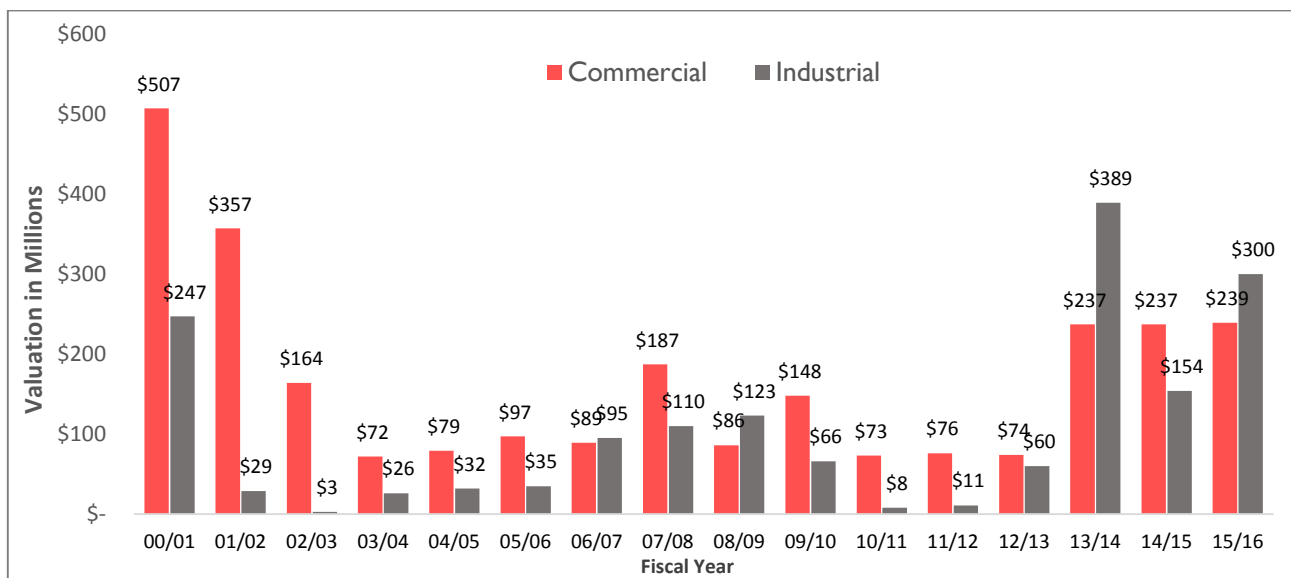
Figure 3. Building Permits Issued for New Residential Units Fiscal Years 2000-2016



Source: Fee and Tax Activity Report, Fiscal Year, PBCE

The City of San José also measures the valuation of permit activity for residential and non-residential (commercial and industrial) new construction. In FY2015-16, the valuation of total non-residential construction was \$539.1 million, an increase in valuation for both commercial and industrial development from the previous fiscal year.

Figure 4. Valuation of New Construction Commercial and Industrial Fiscal Years 2000-2016 (in Millions)



Source: Fee and Tax Activity Report, Fiscal Year, PBCE (not adjusted for inflation)

In addition to building permits, Planning staff also analyzes planning permits to understand development trends. Planning permits include planned development rezoning and site development permit applications. Since 2011, the majority of residential entitlements from planning permits were approved within the Downtown, the Jackson-Taylor Specific Plan area, the Midtown Specific Plan area, North San José, and the Tamien Station Specific Plan area. In FY2015-16, residential entitlements within San José were approved at an average 134 dwelling units per acre, with approximately 78 percent of the entitlements at a density of 45 dwelling units per acre or greater.

Affordable Housing Goals and Regional Housing Allocation

Statewide housing needs are calculated by the California Department of Housing and Community Development (HCD) and the California Department of Finance (DOF) based upon regional population forecasts. The Association of Bay Area Governments (ABAG) assigns the region’s housing allocation to each jurisdiction, known as the Regional Housing Needs Allocation or RHNA. San José’s RHNA for the current eight-year cycle and recently concluded cycle are outlined in Figure 5:

Figure 5. Regional Housing Needs Allocation for San José

	2007-2013 RHNA	2014-2023 RHNA
New housing units goal	34,721	35,080
Percentage of units to be affordable	56%	60%
Actual number of built units	16,000	6,480 (through 2015)
Actual percentage built as affordable	15%	9% (through 2015)

In 2015, San José issued building permits for a total of 1,860 multi-family units, of which 71 (approximately 4 percent) were affordable units. This disparity reflects the renewed strength of market-rate housing and the continued challenges in the financing and provision of affordable housing. In addition, while San José’s economic recovery has brought high-wage, high-skill jobs to the city, it has also led to growth in lower-wage jobs in the service and support economy, thus creating additional demand for affordable housing.

To advance affordable housing goals, the Housing Element of the General Plan includes a work plan that outlines new construction, rehabilitation, and preservation of affordable housing units, as well as activities to end homelessness, promote equitable development, and create healthy and sustainable communities and neighborhoods.

As part of the General Plan Four-Year Review, the Task Force has recommended new General Plan policies to facilitate the creation of affordable housing (see Major Strategy #12, page 34, for more information on the General Plan Four-Year Review). For a summary of Task Force recommendations related to affordable housing, see the materials from Meeting #6 on the Four-Year Review Meeting materials web page (<http://www.sanjoseca.gov/index.aspx?nid=4888>).

View the Housing Element webpage and access the full report at <http://www.sanjoseca.gov/index.aspx?nid=1275>

Inclusionary Housing Ordinance and Housing Impact Fee. The City of San José has demonstrated a commitment to ensuring that affordable housing is available to moderate, low, and very-low income households by adopting an Inclusionary Housing Ordinance (IHO) and a Housing Impact Fee (AHIF) resolution (collectively, the Affordable Housing Programs). The City's Inclusionary Housing Ordinance requires that 15 percent of all new market-rate, for-sale developments of 20 or more units be price-restricted and transferred to moderate-income purchasers. Alternatively, the ordinance also allows developers to pay an in-lieu fee or build affordable units off-site. Implementation of the IHO had been delayed by the City pending the resolution of a lawsuit challenging the validity of the ordinance by the California Building Industry Association (CBIA). Following the trial court and appellate court decisions in this case, the California Supreme Court unanimously decided that the ordinance is valid. In February 2016, the U.S. Supreme Court denied CBIA's petition to hear the appeal of the California Supreme Court's decision, thereby upholding the validity of the ordinance. Thus, the ordinance came into effect for all new, for-sale projects on July 1, 2016.

In November 2014, City Council approved the City of San José Housing Impact Fee, which requires that developers of market-rate, rental residential developments pay a fee to the City to help fund affordable housing. The fees collected will be used to increase the supply of affordable housing in the City, including acquisition, financing, construction, and development of housing facilities. The Housing Impact Fee came into effect for rental developments as of July 1, 2016; however, it excludes high-rise residential developments in Downtown until June 30, 2021. The City's Housing Department has begun to work with developers who will be required to comply with the AHIF.

Mobilehome Park Protection. The City Council adopted Ordinance No. 29690 in March 2016 which amends the City's Zoning Code to make City Council the initial decision-making body (with no administrative appeal) for consideration of all proposed mobilehome park conversions to another use. This ordinance also adds provisions to the Zoning Code to require findings of consistency with the General Plan policies for conditional use permits and for planned development permits. The ordinance came into effect April 4, 2016.

Development of Vacant Land

The majority of new development occurs through the reuse of previously developed lands as opposed to development on vacant land. Land is only considered vacant where there are no new improvements, and does not include parking lots. Periodically, the City completes a Vacant Land Inventory that documents its remaining vacant land according to land use designation.

As of July 2015, total vacant land within San José's Urban Service Area/Urban Growth Boundary was approximately 4,700 acres. Since 2011, approximately 200 acres of vacant land was developed.

The Vacant Land Inventory is also incorporated into the General Plan's Housing Element in the Adequate Sites Inventory. The Vacant Land Inventory was last updated in April 2015 and is summarized below:

- 650 acres of residential vacant land, predominantly, with 75% of this in South San José, Evergreen, Berryessa, and Alum Rock planning areas.
- 200 acres of commercial vacant land, with half of this in the Cambrian/Pioneer and Evergreen planning areas.
- 3,000 acres of industrial vacant land, with approximately half located in the North Coyote Valley area, and the remainder largely distributed across Alviso, Edenvale, Evergreen, and North San José planning areas.

The current Vacant Land Inventory is available at <http://www.sanjoseca.gov/index.aspx?NID=2054>.

MAJOR STRATEGY #4 – INNOVATION/REGIONAL EMPLOYMENT CENTER

San José, the Bay Area’s largest city and the nation’s tenth largest city, continues to play a vital role in local, regional, state, and national economies. The Innovation/Regional Employment Center Major Strategy emphasizes economic development to support San José’s growth as a center of innovation and regional employment. The General Plan advances the strategy by:

- Planning for 470,000 new jobs and a jobs-to-employed-resident (J/ER) ratio of 1.3/1;
- Supporting job growth within existing job centers;
- Adding new employment lands; and
- Designating job centers at regional transit stations.

Despite its growth and vibrancy, San José is the only large city (having a population greater than 500,000) in the United States that is largely a bedroom community – meaning more residents leave San José for work than workers from other communities commute into San José. This imbalance has led to significant fiscal, environmental and quality of life impacts for San José. The J/ER ratio is an indicator of a city’s fiscal strength: jobs-based development generates city revenue while residential-based development necessitates the provision of services. The City monitors its J/ER ratio using data from the U.S. Census Bureau’s American Community Survey (ACS). According to the most recent data, the City’s J/ER ratio is 0.86 and has been slowly declining since 2010 (see Figure 6).



Of the nation’s 20 largest cities, only San José has more nighttime residents than daytime workers, reflecting that it has less than a 1:1 jobs-to-employed-residents ratio.

Figure 6. Jobs per Employed Resident for Select Local Cities, 2010-2014

City	2010	2011	2012	2013	2014
San Jose	0.88	0.87	0.87	0.87	0.86
Cupertino	1.34	1.36	1.43	1.46	1.52
Fremont	0.90	0.92	0.92	0.92	0.94
Milpitas	1.33	1.38	1.41	1.44	1.42
Mountain View	1.57	1.63	1.62	1.66	1.72
Palo Alto	2.77	2.82	2.85	2.89	2.85
San Francisco	1.37	1.38	1.38	1.38	1.39
Santa Clara	1.81	1.82	1.81	1.81	1.82
Sunnyvale	1.44	1.43	1.41	1.42	1.45

Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates

An alternative source for job data is the California Employment Development Department (CEDD). The CEDD provides data on a monthly basis for the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (MSA), which is comprised of the combined areas of Santa Clara and San Benito counties. The latest preliminary CEDD data, issued on July 22, 2016, estimated that industry employment in the MSA grew by 40,900 jobs, or 3.9 percent, over the past twelve months (June 2015 to June 2016).

The data reinforces the importance of the General Plan’s “jobs first” approach and the need to maintain employment land for future job growth. Although the J/ER ratio has remained relatively unchanged since adoption of the General Plan, the City has approved projects that are improving employment opportunities within San José. In FY2015-016, these major projects include:

- Boston Properties applied for site development permits to construct a 536,949 square foot new office/R&D building on their current property in North San José (File No. H15-037).
- The North First and Brokaw Corporate Campus was approved to construct an 116,800 square foot office/R&D building (File No. HA13-040-01).
- In Downtown, 1.04 million square feet of office/retail and up to 325 multi-family units were approved on the vacant parcels currently used for parking near Diridon Station (File No. PD15-061).
- Rezoning for Santana Row was approved to increase the commercial square footage by 565,641 square feet (File No. PDC13-050).



Boston Properties rendering in North San José.

Arts and culture also play a contributing role in improving the City’s economic condition. As of January 2015, San José is home to 2,024 arts-related businesses, accounting for 4.3 percent of all businesses located in San José and the employment of 6,579 people (*The Creative Industries in San José, California; 2015*). Arts-related businesses include museums, performing arts centers, visual/photography, film, radio, television, design/publishing, and arts schools/services.

MAJOR STRATEGY #5 - URBAN VILLAGES

The General Plan promotes the development of Urban Villages to provide active, walkable, bicycle-friendly, transit-oriented, mixed-use urban settings for new housing and job growth. Urban Villages are intended to be attractive to an innovative workforce, enhance established neighborhoods, and are consistent with the Plan’s environmental goals. There are 68 designated Urban Villages in the General Plan.

The General Plan establishes an Urban Village planning process that includes ongoing community involvement that enables land use and urban design issues to be addressed at a finer level of detail. Planning Division staff facilitate these community meetings and coordinate the participation of expert subject matter staff from the Department of Transportation; Parks, Recreation, and Neighborhood Services; Housing; Public Works; the Office of Economic Development; and the Office of Cultural Affairs. These departments are integral to the Urban Village planning process.

Approved Urban Village Plans and Horizons

City Council has approved six Urban Village Plans including Roosevelt Park, Little Portugal, Alum Rock Avenue, 24th and William Street, Five Wounds, and the Diridon Station Area Plan. There have not been any Urban Village Plans approved since the previous General Plan Annual Review. Additionally, an implementation and financing strategy for each plan is needed in order to move forward with residential development. An implementation and financing strategy for the Roosevelt Park Urban Village is anticipated to be completed and considered by Council in fall 2016.

Figure 7 outlines seven other plans that are in various stages of development. These plans incorporate a form-based planning approach and provide detailed information related to allowable uses, density, and floor area ratio (FAR) that are permitted within each Urban Village.

Figure 7. Urban Village Plans Currently Under Development

Urban Village Plan	Anticipated Completion
<i>Horizon 1</i>	
The Alameda (East)	Fall 2016
West San Carlos	Winter 2017
East Santa Clara	Spring 2017
<i>Horizon 2</i>	
South Bascom	Spring 2017
<i>Horizon 3</i>	
Stevens Creek	Spring 2017
Santana Row/Valley Fair	Spring 2017
Winchester Boulevard	Spring 2017

Three Plan Horizons (timelines) have been established for Urban Villages in order to ensure the amount of new housing and the City’s need to provide services for those new residents are coordinated. Some Urban Village Plans currently under development are not in Horizon 1. Plans are being developed for these later Horizon Villages due to significant market interest in new commercial development in these areas.

Development Activity in Urban Villages

Since the 2011 adoption of the General Plan, planning development permits have been approved for 6,463 housing units and 1.76 million square feet of non-residential uses (commercial and industrial) within Urban Villages. However, it should be noted that the majority of approvals are for projects that had entitlements (zoning approvals) prior to the 2011 adoption of the General Plan.

Signature Projects. The General Plan establishes a Signature Project policy to allow residential, mixed use projects to proceed ahead of preparation of an urban village plan if the projects meet an established set of requirements related to density, design, and the provision of employment space and parks (Policy IP-5.10).

To date, City Council has approved one Signature Project located in the East Santa Clara Street Urban Village:

1. **File No. PD15-044:** Demolition of approximately 6,400 square feet of existing commercial buildings and construction of 86 multi-family residential units and 11,530 square feet of commercial space in a 7-story building; 137 DU/acre (E. Santa Clara Street Urban Village; Horizon 1).



Rendering of the Signature Project proposal for the E. Santa Clara Street Urban Village.

There are also three Signature Project applications on file in which staff is evaluating for consistency with Policy IP-5.10 and other applicable guidelines and regulations. The Signature Project proposals include:

1. **File No. PD15-059 (Volar):** Planned development permit to allow up to 330 residential units and up to 49,234 square feet of commercial and office uses in a 25 story building on a 0.89 gross acre site; 370 DU/acre (350 S. Winchester Boulevard; Valley Fair/Santana Row Urban Village; Horizon 3).
2. **File No. PD16-025 (The Orchard):** Planned development permit to allow up to 493 residential units, 108,000 square feet of

commercial space, and a one-acre park on a 10.6 gross acre site; 47 DU/acre (641 N. Capitol Avenue; N. Capitol Ave/McKee Rd Urban Village; Horizon 2).

3. **File No. PDC16-006:** Planned development rezoning to allow up to 215,000 to 360,000 square feet of office space, up to 871 residential units, a minimum of 15,214 square feet of retail/commercial space, and a 1.5 acre public park; 52 DU/acre (360 Saratoga Avenue; Stevens Creek Blvd (Mid); Horizon 3).

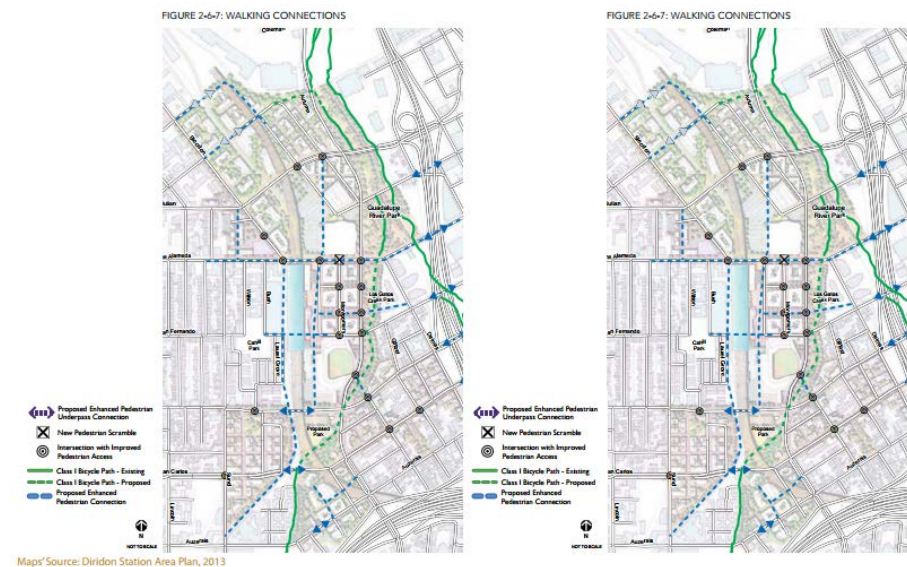
MAJOR STRATEGY #6 - STREETSAPES FOR PEOPLE

The General Plan includes goals and policies that emphasize street design for people, not just cars, and that support a diverse range of urban activities and functions. To further support the Streetscapes for People strategy, the General Plan established Grand Boulevards and Main Streets, which are intended to meet the needs of all users while fostering the positive identity of a community.

Grand Boulevards serve as major transportation corridors that connect City neighborhoods, such as N. 1st Street, Capitol Avenue, and E. Santa Clara Street. Main Streets are roadways that support retail and service activities that serve the local neighborhood residents, such as Blossom Hill Road, Story Road, and S. Bascom Avenue.

Consistent with the General Plan, specifically Action Item CD-4.14, the Department of Transportation is developing a Complete Streets Design Guidelines manual to provide guidance for the design of City streets. The Complete Streets Design Guidelines manual is anticipated to be completed by the end of 2016.

As part of the Urban Village planning process and consistent with Policy IP-5.1, Urban Village Plans should include streetscape and urban design guidelines, recommended streetscape improvements, and pedestrian circulation plans. All of the Urban Village Plans approved thus far contain goals and policies and identified improvements to enhance pedestrian circulation and the streetscape and public right of way.



Example of pedestrian and bicycle connectivity maps (Source: the Alameda (East) Urban Village Plan)

MAJOR STRATEGY #7 - MEASURABLE SUSTAINABILITY/ENVIRONMENTAL STEWARDSHIP

In October 2007, the City Council adopted the Green Vision, a 15-year plan with ten bold goals for economic growth, environmental sustainability, and an enhanced quality of life for San José's residents and businesses. The General Plan incorporates many of the Green Vision goals and extends the City's measurement of its environmental sustainability through 2040.

View the Green Vision webpage and annual reports at: <http://www.sanjoseca.gov/index.aspx?nid=1417>

However, in April 2015, the City Council directed staff to reprioritize and focus on two overarching goals of the Green Vision: 1) ensuring a more sustainable water supply and 2) reducing greenhouse gas emissions. The City Council memo stated that the Green Vision would no longer be reported annually in a standalone report, but that the remaining goals of the Green Vision should remain within their respective department's work plans and be reported through the performance-based budget process. Due to the absence of a standalone report, the Annual Review only includes an update of the Green Vision goals incorporated into the General Plan, as shown in Appendix A.

Greenhouse Gas Reduction

As outlined in Attachments B and C of the City's Greenhouse Gas Reduction Strategy, the Envision 2040 General Plan has numerous goals and policies related to reducing San Jose's greenhouse gas emissions. As part of the General Plan Four-Year Review process, the City hired AECOM to prepare an updated greenhouse gas (GHG) emissions inventory for the City of San Jose that complies with current practice. The analysis, completed in April 2016, allows for a sector-by-sector comparison of GHG emissions in 2008 and in 2014. The key finding was that GHG emissions have decreased by approximately 2% community-wide since 2008, which indicates the City has been able to accommodate residential and employment growth more efficiently, with fewer emissions generated per unit of growth. Based on the City's progress in reducing GHG emissions, the City is on track to meet its GHG emission reduction target for 2020.

Affordable Housing and Sustainable Communities (AHSC) Cap and Trade Program

Several City departments are also coordinating with affordable housing developers on two applications totaling more than \$30 million under the new Affordable Housing and Sustainable Communities (AHSC) Cap and Trade Program. This competitive state program can provide up to \$20 million for capital projects such as affordable housing near transit, transit improvements, bike and pedestrian improvements, green building enhancements, and programs that help reduce greenhouse gas emissions.

More information is available on the California Strategic Growth Council's website: http://sgc.ca.gov/s_ahscprogram.php.

MAJOR STRATEGY #8: FISCALLY STRONG CITY

The General Plan establishes a land use planning framework that promotes fiscal balance of revenue and costs to allow the City to deliver high-quality municipal services. The Fiscally Strong City Major Strategy was created in order to counteract the negative fiscal consequences of the Great Recession and past suburbanization.

Land Use and Fiscal Health

Past land use patterns have resulted in a predominance of low-density, single-family residential uses (43 percent of the City's land area) compared to only approximately 15 percent of job-generating employment land. The remaining land is higher density residential, public, or other uses.

Low-density sprawl results in a disproportionate cost to the City due to high capital investments and ongoing operations and maintenance for infrastructure, serving less people and businesses than the City otherwise could in a higher-density built environment. High concentrations of jobs and housing contribute to place-making and economic development, boosting demand for retail and services, and facilitating transportation alternatives such as walking, bicycling, and public transit.

As the City begins to achieve its goals for a more urban, transit-connected community, it is anticipated that its service and infrastructure cost structure will become more efficient with lower marginal costs and higher marginal benefits per resident. As part of the General Plan Four-Year Review, Applied Development Economics (ADE) prepared an update to the Analysis of San Jose's Fiscal Conditions Report that was prepared for the Envision San Jose 2040 General Plan update in 2010. The ADE analysis affirmed service delivery assumptions by department and included an updated analysis of the fiscal impacts of existing land uses. The results of the analysis showed that non-residential land uses provide critical positive fiscal impacts for the City by creating the tax base needed to balance the funding for services in residential neighborhoods. The City is also modernizing the business tax after many years to bring in additional revenue. While commercial uses provide more fiscal benefit to the City, the analysis also found that new residential developments of 45 units per acre or greater can also be fiscally positive to the City. In FY2015-16, 79 percent of residential entitlements were for projects of 45 units per acre or greater.

Budget Overview

Key measures for determining the City's fiscal strength are the Capital and Operating Budgets, including the Capital Improvement Program (CIP). The CIP relies on special funds, construction taxes, and development impact fees. Development impact fees can only be used to mitigate the impact of new development and cannot contribute to City services or deferred infrastructure maintenance.

In total, the City's 2016-2017 Adopted Capital Budget and 2017-2021 Adopted CIP reflect an 11.9% decrease and a 5.2% decrease, respectively

over the previous fiscal year. Even with strong emphasis placed on rehabilitation and renewal, the City continues to lack the resources required to fully maintain its infrastructure portfolio.

However, as per the “2016-2017 Proposed Budget in Brief” (<http://www.sanjoseca.gov/DocumentCenter/View/56484>), the City’s budget is in fairly stable position. A General Fund Five-Year Forecast was issued in February 2016, and revenues and expenditures are projected to remain in very close alignment over the next five years, with variances of less than one percent annually. This includes a small surplus in the first year followed by shortfalls in the remaining four years.

The City’s highest priorities this year include setting aside resources to ensure fiscal sustainability and investments that address public safety needs; expand opportunities for residents and businesses; better position the City moving forward; support a vibrant community; and support innovation and strategic partnerships as well as increase transparency and community input.

These priorities, among other items, are addressed in the Capital and Operating Budgets available on the Budget Office website: <http://www.sanjoseca.gov/budget>.

Measure B

In June 2016, San José residents voted to approve Measure B, a 15-year, quarter-cent sales tax that is expected to bring an annual revenue of \$40 million to the City’s general fund. While this general tax can be used to provide any city service, the City has promised to use the additional money to restore the City’s police force and repair the deteriorating roads that resulted from years of backlog.

MAJOR STRATEGY #9 - DESTINATION DOWNTOWN

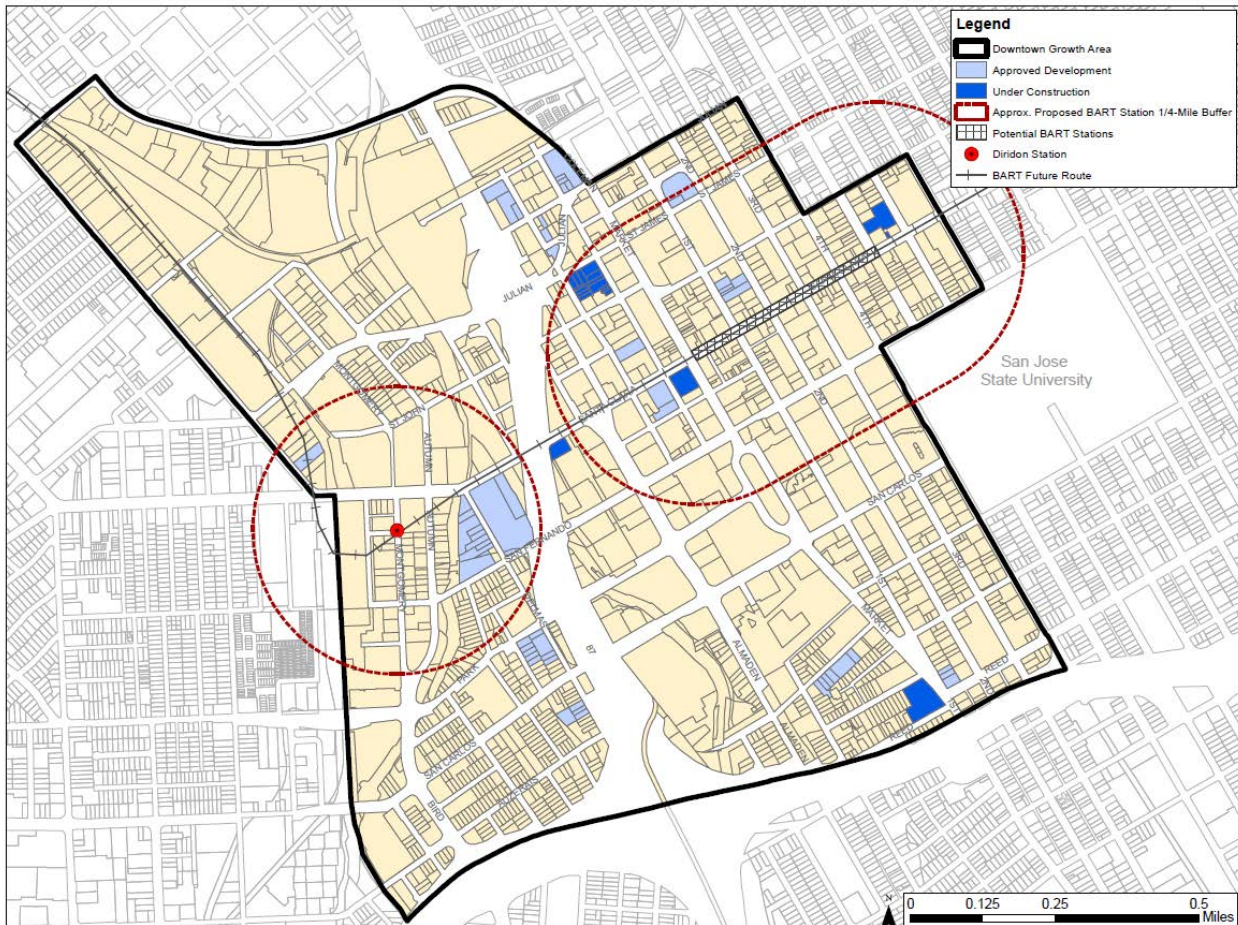
The General Plan envisions downtown San José as the cultural heart of the city and the urban center for all of Silicon Valley, providing employment, entertainment, and cultural activities more intensely than any other area in the City. The General Plan also supports a significant amount of job and housing growth within the downtown: specifically, 48,500 new jobs and 10,360 new dwelling units. San José has continued to work towards these goals by attracting high-density, mixed-use development and by hosting cultural and recreational activities, entertainment, and sporting events.

Downtown Development Activity and Vacancy Rates

Residential activity. Residential activity has been flourishing within the downtown since the end of the recession. Within Fiscal Year 2015-16, planning development permits were approved for approximately 1,705 new residential units and 1.1 million square feet of commercial and retail space.

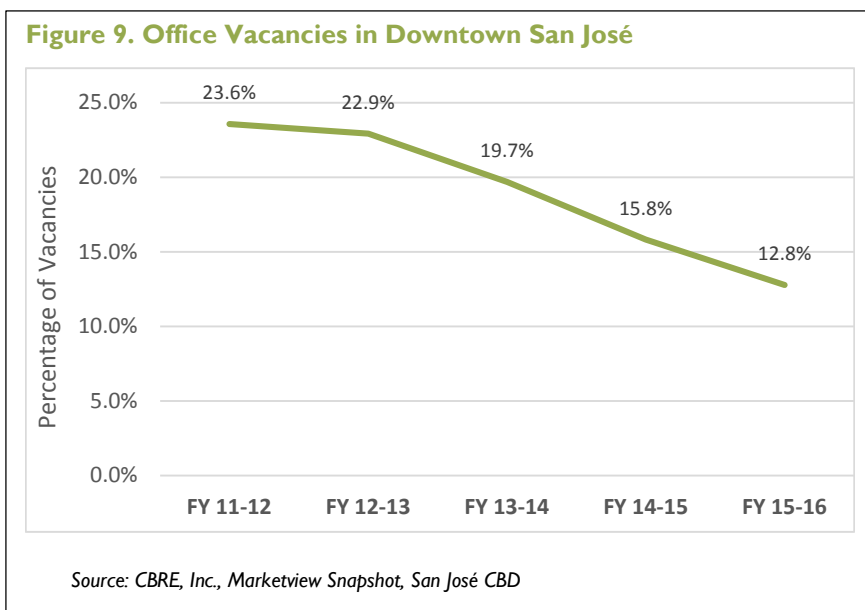
Since adoption of the General Plan, the City has approved development permits for 3,799 residential units and approximately 1.17 million square feet of commercial space in the downtown. Of those approvals, over 2,300 units and 1.16 million square feet were within a quarter-mile of planned BART stations (see Figure 8).

Figure 8. Downtown Map of Approved Development Permits, 2011-2015



Retail and office space activity. San José has recently begun to see interest in development of new office space in various downtown locations. This is in part a result of the limited availability and high cost of land elsewhere in Silicon Valley combined with the desire of many companies and their employees to be located on major transit lines in urban locations. The City Council’s approval of the Diridon transit-oriented development located on Delmas Avenue serves as a prime example of the increased interest in commercial and office development in downtown San José.

Commercial and office vacancies are additional measurements of economic health and have historically been a particular challenge for downtown San José. However, the percentage of office vacancies has been steadily decreasing since 2011. At the time of the General Plan adoption in 2011, the office vacancy rate in the Downtown was 23.6 percent. In FY2015-16, the vacancy rate was 12.8 percent (see Figure 9).



Cultural, Entertainment and Visitor Activity

Downtown San José includes the largest concentration of San José’s civic and cultural amenities, including City Hall, the King Library, the convention center, the San José Arena/SAP Center, multiple museums, numerous theaters, public art and outdoor gathering venues. The San José-Silicon Valley Downtown Association reports that the downtown has over 140 dining options, more than 40 venues for live music, over 1.4 million square feet of retail, and approximately 1,300 businesses.

Downtown is home to numerous museums and cultural organizations that are regional destinations. Within downtown is the site of the South First Area (SoFA) cultural district, home to multidisciplinary art organizations of all sizes and commercial arts-based businesses. Grantees of programs offered by the Office of Cultural Affairs report that 2.5 million people experience their programs. Many cultural events and festivals continue adding to the vibrancy of the downtown, such as Christmas in the Park, the San José Jazz Summerfest, and the annual Silicon Valley Turkey Trot.

According to the Office of Cultural Affairs’ 2016 Event Calendar, San José hosted over 130 outdoor events, predominately in the downtown, attracting an estimated half million people in total.

Downtown San José is Vibrant with Numerous Museums, Performance Venues, and Events

- Tech Museum of Innovation
- Children’s Discovery Museum
- San José Museum of Art
- Symphony Silicon Valley
- Opera San José
- Silicon Valley Ballet
- San José Stage Company
- City Lights Theatre
- Children’s Musical Theatre
- Theatre on San Pedro Square
- SoFA cultural district
- San José Jazz Festival
- South First Fridays
- Christmas in the Park
- Downtown Farmer’s Market
- Silicon Valley Turkey Trot
- San José Convention Center
- Summer in St. James Park
- Viva CalleSJ

Team San José 2015 Annual Report. Team San José is an agency seeking to promote San José as a destination to stimulate economic development, particularly at the City’s hotels, restaurants, and arts venues. Team San José releases an annual report discussing performance measures set by the City. The Team San José 2015 Annual Report is summarized in Figure 10.

Figure 10. Team San José 2015 Annual Report

Performance Measure	2014	2015
San José Convention and Cultural Facilities generated revenue (<i>millions</i>)	\$28.5	\$39.1
San José Convention and Cultural Facilities gross operating profit (<i>millions</i>)	\$6.50	\$9.90
# of attendees that visited San José Convention and Cultural Facilities (<i>millions</i>)	1.2	1.49
Total local taxes generated from attendees (<i>millions</i>)	\$12	\$11.20
Total spent by attendees at San José hotels, restaurants, and attractions (<i>millions</i>)	\$91.10	\$134.90
Direct spending returned for every tax dollar invested into San Jose Convention and Cultural Facilities	\$2.45	\$2.89
Total performances booked by Team San José's theater and events team	355	611
Hotel room nights sold	255,466	213,806



Crowd gathering at San José Jazz Summerfest, one of San José’s signature events (Source: San José Jazz instagram)

MAJOR STRATEGY #10 - LIFE AMIDST ABUNDANT NATURAL RESOURCES

The General Plan promotes access to the natural environment by, among other things, building a world-class trail network and adding parks and other recreational amenities. Service level objectives for parks and recreational facilities were updated in the 2017-2021 Adopted Capital Improvement Program (CIP), and are summarized in Figure 11.

Figure 11. Parks and Recreation Facilities Service Level Objectives

Service Level Objectives	Actual Service Level as of 06/30/15	Estimated Service Level 2016-17*	Estimated Service Level 2017-2021*
3.5 acres of neighborhood and community recreational lands per 1,000 population**	3.1	3.1	2.9 (acres)
7.5 acres of regional/city parklands per 1,000 population (valley floor)***	14.9	14.5	13.5 (acres)
500 square feet of community center floor area per 1,000 population****	588.6	565.4	528.0 (sq. ft.)

*For footnotes please see following link: <http://www.sanjoseca.gov/DocumentCenter/View/60630>

The 2016-2017 targets for recreational lands and regional/city-wide parklands are estimated to decrease marginally compared to the 6/30/2015 actuals due to an increase in population, even as a handful of new parks are expected to come online. As San José’s population continues to grow, it will become increasingly difficult to maintain current service levels with limited property available for recreational development. To achieve the objective of 3.5 acres per 1,000 residents by 2020, PRNS would need to develop approximately 94 acres of neighborhood and community serving recreational lands annually. The update of the *Greenprint*, discussed below, is expected to address this issue.

Figure 12. Parks and Community Facilities Infrastructure

Parks and Community Facilities Infrastructure	
Park Sites	200
Park Acreage	3,487
Developed Acreage	2,046
Open Space	1,064
Undeveloped Land	377
Trail Mileage	58
City Operated Community Centers	12
Partner Operated Re-Use Sites	39

The City’s trail network includes over 20 existing systems along river, creek, and overland alignments, with 58 miles of trails open to the public. To meet the City’s goal to expand the City’s trail network to 100 miles by the year 2022, PRNS will need to build over six miles of trails per year, with an estimated cost of \$3 million per mile. A review of trail

View the City's Trail Program
Strategic Plan here:
<http://www.sanjoseca.gov/DocumentCenter/View/57511>

development over the past 10 years does not indicate this pace of development. A Strategic Plan has been prepared to assess and document the current status of the network and to identify alternative development strategies, funding opportunities, staffing needs, and other factors that can support the delivery of the 100-mile interconnected trail network. The Plan was presented to the City Council Committees and Parks and Recreation Commission. The plan provides data on how San José compares to other well-regarded bike/trail cities and provides a series of recommendations to advance trail development. Budget proposals will be made to the City Council as part of the annual budget process to advance some or all of the recommendations.

The 2017-2021 Adopted CIP provides funding of \$316.3 million for the Parks and Community Facilities Infrastructure CIP, of which \$179.6 million is allocated in 2016-2017.

In addition, PRNS is currently working on updating the *Greenprint*, a long-term strategic plan that guides the future expansion of San José's parks, trails, recreation facilities, and community services. Work on the updated *Greenprint*, which will involve extensive public engagement, began in 2015-2016 and is expected to be completed in 2018-2019.

Another notable activity with respect to natural resources includes the City's implementation of the Riparian Corridor Policy Study, particularly as it relates to setbacks for new development adjacent to waterways. In August 2016, City Council approved amendments to the Zoning Code, and adoption of a new City Council Policy to implement the policies of the General Plan related to protection of riparian corridors and bird-safe design (<http://www.sanjoseca.gov/index.aspx?NID=17511>).

MAJOR STRATEGY #11 - DESIGN FOR A HEALTHFUL COMMUNITY

Walking and Bicycling

The General Plan supports the physical health of community members by promoting walking and bicycling as travel options, encouraging access to healthful foods, and supporting the provision of health care and safety services. Specifically, the Land Use and Transportation Chapter includes a set of balanced, long-range, multi-modal transportation goals and policies that provide for a transportation network that is safe, efficient, and sustainable. One such policy includes reducing the automobile commute mode share by 40 percent by 2040, with goals to increase various other modes accordingly (see Figure 13).

Figure 13. Commute Mode Split Targets for 2040

Table TR-1: Commute Mode Split Targets for 2040

COMMUTE TRIPS TO AND FROM SAN JOSÉ		
MODE	2008	2040 GOAL
Drive alone	77.8%	No more than 40%
Carpool	9.2%	At least 10%
Transit	4.1%	At least 20%
Bicycle	1.2%	At least 15%
Walk	1.8%	At least 15%
Other means (including work at home)	5.8%	See Note 1

Source: 2008 data from American Community Survey (2008).

Note 1: Working at home is not included in the transportation model, so the 2040 Goal shows percentages for only those modes currently included in the model.

In order to measure the proportion of commute travel using modes other than the single-occupant vehicle, data was collected from the American Community Survey (ACS) for the most recent available data (years 2010 through 2014) for San José. As shown in Figure 14, there has not been a meaningful change in commute mode shares within the past five years. Out of the five targets set for commute modes, only the Carpool Target has been met. It should also be noted that 11.1% of San José residents work outside of Santa Clara County.

Figure 14. San José Commute Modes, Workers 16+ Years, 2010-2015

Mode	Year				
	2006-10	2007-11	2008-12	2009-13	2010-14
Drove alone	77.6%	78.0%	77.8%	77.5%	77.7%
Carpooled	11.0%	10.6%	10.8%	11.3%	11.1%
Public transit (excluding taxicab)	3.5%	3.4%	3.5%	3.5%	3.7%
Walked	1.9%	2.0%	1.8%	1.7%	1.6%
Bicycle	0.8%	0.9%	0.9%	0.9%	0.9%
Other means	1.6%	1.4%	1.3%	1.3%	1.2%
Worked at home	3.8%	3.7%	4.0%	3.9%	3.9%
Work outside Santa Clara County	11.2%	11.2%	11.2%	11.1%	11.1%

Source: United States Census Bureau, American Community Survey, 5-year Estimates, Table S0801

Reflective of development patterns and access to public transit, residents living in Downtown San José use a higher percentage of alternative transportation modes compared to citywide statistics, as shown by the table below.

Figure 15. Commute Modes for Downtown Block Groups, Workers 16+ Years

Means of Transportation	2009-2013	2010-2014
Drove alone	61.7%	60.6%
Carpooled	5.4%	5.7%
Public transportation (excluding taxicab)	15.7%	13.4%
Walked	7.5%	9.2%
Bicycle	2.1%	2.7%
Taxicab	0.5%	0.5%
Worked at home	4.6%	4.8%
Other means	2.2%	3.2%

Source: American Community Survey, 5-Year Estimates, B08301



Other measures of determining whether San José is achieving a balanced transportation network include WalkScore, BikeScore, and TransitScore. These annual online assessments measure a geographical area’s walkability, bikeability, and access to public transit. According to this year’s analysis, San José has a WalkScore of 50 out of 100 (somewhat walkable), a BikeScore of 57 out of 100 (bikeable – some bike infrastructure), and a TransitScore of 41 out of 100 (some transit). The City’s WalkScore increased by two points from last year’s rating of 48 (car-dependent city), while the BikeScore and TransitScore stayed the same.

Transit ridership should increase as the Valley Transportation Authority (VTA) completes the Santa Clara – Alum Rock and Stevens Creek Bus Rapid Transit projects in 2017, followed by the beginning of passenger service for the Bay Area Rapid Transit (BART) system expansion into the Berryessa neighborhood in 2018 (with plans starting for extension into downtown San José by 2025). Additionally, California High Speed Rail is scheduled to reach Diridon Station by 2025.

VTA is also leading a project to redesign their transit network to make public transit faster, more frequent, and more useful for Santa Clara County riders. This project is titled the Next Network project and seeks to better connect VTA transit with the Milpitas and Berryessa BART stations, improve overall system ridership, and improve VTA’s farebox recovery rate. These improvements will go into effect with the next two-year transit service plan in July 2017.

Bike Plan 2020. In November 2009, the City Council approved Bike Plan 2020, the City’s 10-year plan for being among the best cities in the country for bike riding. The General Plan and Bike Plan 2020 include ambitious goals for increasing bicycle trips, reducing automobile independence, and completing a 500 mile citywide bikeway network. The envisioned bikeway network includes 400 miles of on-street bikeways and 100 miles of off-street trails. As of January 2016, the City has a total of 259 on-street

View more information regarding VTA’s Next Network project at: <http://www.vta.org/projects-and-programs/transit/next-network>

bikeways, with 21 new miles built in 2015, and a total of 58 miles of off-street trails. In Fall 2011, the City had 206 miles of on-street bikeways and 39 miles of off-street trails.

Bay Area Bike Share. In December 2015, City Council unanimously approved plans to expand San José’s bike share program to 1,000 bicycles with 100 parking stations over the next two years. The City currently has 130 bicycles with 16 stations. The City will continue their public-private partnership with Motivate for a 10-year term.

Vision Zero San José. A key to transportation mode shift is ensuring that streets are safe for all users: children, elderly, bicyclists, and pedestrians, among others. To improve traffic safety, the City launched Vision Zero San José in April 2015. Vision Zero San José seeks to create a community culture that prioritizes traffic safety and ensures that incidents on the City’s roadways do not result in severe injury or death. Vision Zero San José also identifies Safety Priority Streets, or street segments that have the greatest need for roadway safety improvements, as they have the highest frequency of fatal and severe injuries. The Department of Transportation (DOT) is currently finalizing recommendations for each of the 14 Safety Priority Streets; once the recommendations are finalized, DOT will begin the process of prioritizing the implementation of various projects.



Transportation Safety. The Department of Transportation and the Police Department are actively involved in improving the safety and mobility of the City’s residents. These departments have oversight over a variety of programs, many of which are funded through grant funds. Over the past five years, DOT has received approximately \$30 million through various grants, including over \$16 million from the One Bay Area Grant (OBAG), to implement projects and programs that focus on improving traffic safety and enhancing pedestrian and bicyclist mobility. The following programs focus on improving safety and mobility in San José (*Annual Transportation System Safety Report, 2016*):

- Walk ‘n Roll San José: the City is currently working with 53 elementary and middle schools to encourage walking and bicycling – increasing the number of children who walk or bike to school by at least 20 percent.
- Traffic Safety Education: in 2015, nearly 41,000 school children received traffic safety education via assemblies, special events, and bicycle safety-training.
- Adult School Crossing Guard: The Police Department employed 271 part-time crossing guards that staff 121 intersections in San José.
- Traffic calming, crosswalk enhancements, traffic signal installations/modifications, and radar speed display signs.
- LED “Smart” Streetlights: to date, approximately 23,500 of San José’s streetlights have been retrofitted with a “smart” LED streetlight monitoring and control system.
- Update of the City’s Stop Sign Policy.

View the Annual Transportation System Safety Report at: <http://www.sanjoseca.gov/DocumentCenter/View/56183>

Viva CalleSJ. Villa CalleSJ was a free inaugural event hosted on October 11, 2015 that transformed six miles of city streets into vehicle-free, paved open space accessible to people of all ages and abilities. The one-day event

was a catalyst for communities connecting, neighbors interacting, businesses attracting new customers, and families spending time together. Over 35,000 people filled the streets to walk, bike, skate, and play while enjoying community resources and entertainment. The power of collaboration with the Silicon Valley Bicycle Coalition, Knight Foundation, 250+ volunteers, 60+ businesses and community organizations, and multiple City departments (PRNS, Police, Fire, DOT, Cultural Affairs) transformed Viva CalleSJ from a vision to a reality and paved the way forward for Viva CalleSJ 2016.

Viva Parks. VIVA PARKS! is a PRNS program that brought families together to enjoy summertime activities focusing on health and wellness, physical exercise, and community engagement. The events ran June-September 2016 and used the City's park system to cultivate and celebrate healthy communities. With the support of the Santa Clara County Public Health Department, 23 evening events were offered across a total of seven different parks with about 6,000 participants.

Access to Healthful Foods

In September 2015, Santa Clara County passed a resolution that allows unincorporated parcels in the urban service areas of cities in Santa Clara County to be eligible for Urban Agriculture Incentives. In November 2015, the City adopted a resolution in support that would allow certain sites that meet State-defined criteria within unincorporated County areas that are also in the City of San José's Urban Growth Boundary and Urban Service Area to be eligible for property tax reductions if the site is actively used for urban agriculture. The City of San José is also proposing to allow sites listed in San José's Adequate Sites inventory in the City's Housing Element in unincorporated County areas that are also in the City of San José's Urban Growth Boundary and Urban Service Area to be eligible for inclusion in the County's Urban Agriculture Incentive Zone. The proposed resolution is on the City Council's agenda for a public hearing schedule for September 2016.

MAJOR STRATEGY #12 - PLAN HORIZONS AND PERIODIC MAJOR REVIEW

The General Plan contains Plan Horizons to phase implementation of housing development over time and to allow the City Council to evaluate the timing of additional housing growth relative to the City's overall economic and fiscal health.

The City Council determines when to begin the next Plan Horizon based on analysis from the General Plan's Four-Year Review process. The Four-Year Review process requires the reassembly of a community stakeholder Task Force in order to evaluate changes in the planning context and achievement of goals, as well as provide recommendations to City Council.

The City's first Four-Year Review process began in November 2015 and included six Task Force meetings. The meetings concluded in April 2016 with a set of recommendations to City Council regarding changes to General Plan policies. Staff is currently completing the environmental analysis of the Task Force recommendations and is expecting to bring the final recommendations to City Council in December 2016.

View the 4-Year Review Task Force recommendations online at: <http://www.sanjoseca.gov/DocumentCenter/View/55489>

2016 General Plan Land Use/Transportation Diagram Amendments

Five General Plan Land Use/Transportation Diagram Amendment requests are included in the 2016 General Plan Annual Review hearing cycle. Four General Plan Amendment requests are privately-initiated and one is City-initiated. The following are the proposed General Plan land use designation changes:

1. GPI5-014 (2577 Samaritan Drive): Neighborhood/Community Commercial to Regional Commercial
2. GPI6-002 (18590 Almaden Road): Rural Residential to Residential Neighborhood
3. GPI6-003 (6100 Winfield Boulevard): Open Space, Parklands, and Habitat to Residential Neighborhood
4. GPI6-007 (north side of Yerba Buena Road east of San Felipe Road): Public/Quasi-Public to Neighborhood/Community Commercial
5. GPI6-008 (City-initiated) (west side of S. 31st Street between Alum Rock Avenue and E. San Antonio Street): no designation to Open Space, Parklands and Habitat

There are also seven General Plan Text Amendments included in the 2016 General Plan Annual Review hearing cycle for Council's consideration, which may or may not be recommended by Planning staff for approval:

1. GPT15-007: Privately-initiated Text Amendment to amend the Roosevelt Park Urban Village Plan to reduce the minimum

commercial FAR from 0.50 to 0.25 and increase maximum height across the entire site to 85 feet.

2. GPT16-001: Privately-initiated Text Amendment to amend the Alviso Specific Plan to change the height restrictions for "Lands Outside of the Village Area" from 45 feet to 65 feet for buildings.
3. GPT16-004: City-initiated Text Amendment to make minor revisions to the *Envision San José 2040 General Plan*.
4. GPT16-005: City-initiated Text Amendment to include text clarifying how an adopted Urban Village Plan's text, goals and policies can be amended.
5. GPT16-006: City-initiated Text Amendment to update the Growth Areas Planned Capacity by Horizon table in Appendix 5.
6. GPT16-007: City-initiated Text Amendment to revise Urban Villages Design Policy CD-7.9 to allow more flexibility in height step down adjacent to single-family residential sites.
7. GPT16-008: City-initiated Text Amendment to amend the Mixed Use Commercial land use designation to have a Floor Area Ratio (FAR) of 0.5 to 4.5 FAR for mixed-use projects and a 0.25 to 4.5 FAR for stand-alone commercial projects.

Consistent with Policy IP-3.6, which requires all General Plan Amendment proposals to analyze their projects effects on transportation, each General Plan Amendment request has completed an environmental analysis through the California Environmental Quality Act (CEQA). More information on the General Plan Amendment requests is available in the project staff reports and CEQA documents.

Policy IP-3.4 requires the City to maintain the total planned housing growth capacity as a cumulative result of any Amendments approved during a single Annual Review. The City's total job and housing capacity will not change as a result of the proposed General Plan Land Use/Transportation Diagram amendments.

CONCLUSION

The City of San José has made notable progress towards achieving the Major Strategies of the Envision San José 2040 General Plan. This progress is evident by the new dense, mixed-use development experienced in the General Plan's Growth Areas; decrease in office vacancies in the Downtown; implementation of multi-modal Capital Improvement projects; access to healthful foods; minimal conversion of industrial and employment lands to non-employment uses; and implementation of sustainability goals and policies.

While the City has advanced many of the General Plan's goals, some performance measures remain relatively inconclusive or unchanged at this time. This is to be expected as many of the goals set forth in the General Plan are long term. Some of the primary General Plan implementation challenges include raising the City's jobs to employed residents ratio, increasing the percentage of affordable housing, evening out the distribution of commute mode shares, and maintaining current service levels for parkland and community centers.

Appendix A Measurable Sustainability and Green Vision Goals Status Table

Policy IP-3.8: Consistent with the City's Green Vision, evaluate achievement of the following goals for environmental sustainability as part of each General Plan annual review process:

	<i>Goal</i>	<i>Status</i>
1	Reduce per capita energy consumption by at least 50% compared to 2008 levels by 2022, and maintain or reduce net aggregate energy consumption levels equivalent to the 2022 (Green Vision) level through 2040. (Reduce Consumption and Increase Efficiency Goal MS-14)	Since the City's Green Vision was adopted in 2007, per capita energy use has reduced 11% (10,796 kWh in 2007 to 9,595 kWh in 2014).
2	Replace 100% of the City's traffic signals and streetlights with smart, zero emission lighting by 2022. (Reduce Consumption and Increase Efficiency Action MS-14.6)	As of 2015, the City has installed 5,530 smart streetlights since the adoption of the City's Green Vision (8.9% of total goal).
3	Measure annually the shares of the City's total Carbon Footprint resulting from energy use in the built environment, transportation, and waste management. (Reduce Consumption and Increase Efficiency Action MS-14.7)	San José's 2014 community inventory totals 7.47 million metric tons of carbon dioxide equivalent (MMT CO ₂ e). More than half of the emissions come from vehicle use and another one-third come from community-wide energy use. For more information, please see the Community-wide Emissions Inventory Memorandum as part of the General Plan 4-Year Review.
4	Receive 100% of electrical power from clean renewable sources (e.g., solar, wind, hydrogen) by 2022 and to the greatest degree feasible increase generation of clean, renewable energy within the City to meet its energy consumption needs. (Renewable Energy Goal MS-15)	In 2014, the City received approximately 29% of electrical power from clean renewable sources, an increase of 16% from 2007 levels.
5	Facilitate the installation of at least 100,000 solar roofs in San José by 2022 and at least 200,000 solar roofs by 2040. (Renewable Energy Policy MS-15.3)	The City's solar energy capacity has increased from 5 MW in 2007, when the City's Green Vision was adopted, to 97 MW in 2015.
6	Document green building new construction and retrofits as a means to show progress towards the Green Vision Goal of 50 million square feet of green buildings in San José by 2022 and 100 million square feet by 2040. (Green Building Policy Leadership Action MS-1.8)	As of 2015, total certified green building space in San José totals 9.3 million square feet, meeting 18.6% of the City's Green Vision Goal for 2022.
7	Divert 100% of waste from landfills by 2022 and maintain 100% diversion through 2040. (Waste Diversion Goal MS-5)	An estimated 71% of trash was diverted from landfills in 2015, a 10% increase from the percentage of trash diverted in 2006.
8	Work with stakeholders to establish additional landfill gas-to-energy systems and waste heat recovery by 2012 and prepare an ordinance requiring such action by 2022 for Council consideration. (Environmental Leadership and Innovation Action MS-7.12)	In progress.

	Goal	Status
9	<p>Develop a schedule to discontinue the use of disposable, toxic or nonrenewable products as outlined in the United Nations Urban Environmental Accords. City use of at least one such item shall be discontinued each year throughout the planning period. In the near-term, staff will monitor the regulation of single-use carryout bags to ensure that their use in the City is reduced by at least 50%, or shall propose enhanced regulation or an alternate product. In the mid-term, staff will evaluate all such products for regulation or for use in energy recovery processes and shall recommend such regulations as are necessary to eliminate landfilling such products in the long-term (2022-2040). (Environmental Leadership and Innovation Action MS-7.13)</p>	<p>In June 2007, the City began prohibiting the use of City funds for the purchase of single-serving water bottles. In May 2010, the City began prohibiting the use of EPS food service ware at events held on City property, including large events such as the Annual San José Jazz Festival. In January 2012, the City adopted the Bring Your Own Bag Ordinance expanding beyond City operations to prohibit retailers within the City from distributing single-use plastic bags and require a fee be charged for alternative paper bags. In April 2012, the City began prohibiting the use of City funds for the purchase of EPS food service ware. In January 2014, the City adopted the Foam Food Container Ordinance. The initial phase of the EPS ordinance took effect on for all multi-state restaurants in San José, and the final phase of the ordinance took effect on January 1, 2015. All food establishments in San José, including small businesses, street vendors, and food trucks are prohibited from using expanded polystyrene foam food containers.</p>
10	<p>Prepare for City Council consideration by 2012 an ordinance that would enact regional landfill bans during the near- and mid-terms for organic material such as food waste and yard trimmings that contribute to methane generation in landfills. (Environmental Stewardship Action MS-8.8)</p>	<p>As of April 1, 2016, all local jurisdictions are required to comply with Mandatory Commercial Organics Recycling (AB 1826). Each jurisdiction is required to implement an organics recycling program to divert organics from the businesses subject to this act, thereby imposing a state-mandated local program. Staff is assessing the implementation of AB 1826 to ensure any future ordinance to enact regional landfill bans for organic material is consistent with state legislation. All applicable City customers are in compliance with AB 1826 due to the structure of the City's waste management systems.</p>
11	<p>Continue to increase the City's alternative fuel vehicle fleet with the cobenefit of reducing local air emissions and continue to implement the City's environmentally Preferable Procurement Policy (Council Policy 4-6) and Pollution Prevention Policy (Council Policy 4-5) in a manner that reduces air emissions from municipal operations. Continue to support policies that reduce vehicle use by City employees. (Air Pollutant Emission Reduction Action MS-10.12)</p>	<p>41% of City vehicles are alternative fuel vehicles, an increase of 5% from the number of alternative vehicles in 2007. The City also provides an employee bike fleet for staff to use while traveling and installed 43 vehicle charging stations in San José downtown area.</p>
12	<p>Quantitatively track the City's education program on the public use of water. Adjust the program as needed to meet Envision General Plan goals. (Responsible Management of Water Supply MS-17.6)</p>	<p>With the State entering its fourth year of drought in FY 15-16, considerable effort was put in to educating the public about the water shortage, water supplies, and ways to conserve. Staff did public outreach at 14 single-day and multi-day events such as San José Earthquakes games, the Jazz Festival, and Christmas in the Park, with cumulative audiences over 600,000. Additionally, two outreach pieces were created: a flyer (5,500) and a bookmark (10,000) providing</p>

	Goal	Status
		water-saving tips in multiple languages. The City also did advertising in both print and social media. For instance, San Jose’s digital advertising with the Mercury News is estimated to have reached over 180,000 subscribers. As discussed below, San Jose residents now receive bi-monthly reports comparing their water use to similarly-sized households.
13	Continuously improve water conservation efforts in order to achieve best in class performance. Double the City’s annual water conservation savings by 2040 and achieve half of the Water District’s goal for Santa Clara County on an annual basis. (Water Conservation Goal MS-18)	The City, along with such partners as the Santa Clara Valley Water District, continues to identify, pilot, and implement new conservation strategies and technologies. For instance, the City conducted a full-service landscape replacement pilot for economically disadvantaged residents, which was later rolled-out Countywide by the District. San Jose retailers now provide water use reports to residents that encourage more conserving behaviors, a strategy with estimated savings potential of ~4%. To reduce demand for potable water, efforts continue to identify ways to utilize non-potable water sources such as graywater and stormwater for landscape and other non-potable needs.
14	Reduce residential per capita water consumption by 25% by 2040. (Water Conservation Policy MS-18.4)	Comparing data from 2015 to baseline data, the City has met this goal. Some of this reduction may be due to the community’s drought response of recent years. The City will continue to monitor demand and to offer programs and outreach designed to reduce water use going forward.
15	Achieve by 2040, 50 Million gallons per day of water conservation savings in San José, by reducing water use and increasing water efficiency. (Water Conservation Policy MS-18.6) Use the 2008 Water Conservation Plan as the data source to determine the City’s baseline water conservation savings level. (Water Conservation Policy MS-18.7)	The City of San José is currently on track to achieve this water conservation target. San Jose is estimated to make up 54% of the County’s population and is saving approximately 32 million gallons per day, up from 28 million gallons per day during last fiscal year.
16	Recycle or beneficially reuse 100% of the City’s wastewater supply, including the indirect use of recycled water as part of the potable water supply. (Water Recycling Goal MS-19)	For calendar year 2015, the City of San José had an average daily use of 12.2 million gallons per day of recycled water, a 19.6% increase from 2007. However, this is a decrease from 2014’s levels of 14.1 million gallons per day. Overall flows were much lower, probably influenced by the mandated water use restrictions and overall outreach for water conservation.
17	Develop performance measures for tree planting and canopy coverage which measure the City’s success in achieving the Community Forest goals. These performance measures should inform tree planting goals for the years between 2022 (the horizon year for the Green Vision) and 2040. (Community Forest Action MS-21.16)	The City’s Green Vision states that the City shall plant 100,000 new trees throughout San José by 2022. At present, 12,516 new trees have been planted on public property (12.5% of the City’s Green Vision Goal).

	<i>Goal</i>	<i>Status</i>
18	Track progress towards achieving at least 25,000 new Clean Technology jobs by 2022. Track progress towards achieving at least 70,000 new clean tech jobs by the year 2040 or achieving 10% of the City's total jobs in Clean Technology by the year 2040. (Clean Technology Action IE-7.9)	As of 2015, there are 12,008 Clean Technology jobs within the City of San José (48% of the 2022 City's Green Vision Goal). This is a 24% increase from the number of Clean Technology jobs in 2007.
19	Develop a trail network that extends a minimum of 100 miles. (Trail Network Measure TN-2.12)	The City of San José currently has 58 miles of trails, a 48% increase from the number of trail miles in 2007 (39.1 miles).
20	Provide all residents with access to trails within 3 miles of their homes. (Trail Network Measure TN-2.13)	Complete.