

**NOTICE OF PREPARATION OF A DRAFT SUBSEQUENT
ENVIRONMENTAL IMPACT REPORT FOR THE
COMMUNICATIONS HILL 2 KB HOME
RESIDENTIAL/VILLAGE CENTER COMMERCIAL PROJECT**

As the Lead Agency, the City of San José will prepare a Subsequent Environmental Impact Report (SEIR) for the Communications Hill 2 KB Home Residential/Village Center Commercial Project. The City welcomes your input regarding the scope and content of the environmental information that is relevant to your area of interest, or to your agency's statutory responsibilities in connection with the proposed project. If you are affiliated with a public agency, the SEIR may be used by your agency when considering subsequent approvals related to the project.

The project description, location, and a brief summary of the probable environmental effects that will be analyzed in the SEIR for the project are attached. According to State law, the deadline for your response is 30 days after receipt of this notice; however, we would appreciate an earlier response, if possible.

If you have any comments on this Notice of Preparation or general, non-SEIR related questions or comments, please send your correspondence to:

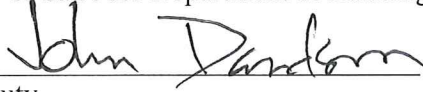
City of San Jose Department of Planning, Building, and Code Enforcement, Attn: Bill Roth, Planner II
200 East Santa Clara Street, Tower 3rd Floor San José, CA 95113-1905
Phone: (408) 535-7837, e-mail: bill.roth@sanjoseca.gov

The Draft SEIR for the Communications Hill 2 KB Home Residential/Village Center Commercial Project is currently being prepared. A separate SEIR Notice of Availability will be circulated when the Draft SEIR becomes available for public review and comments (anticipated to begin in late 2013).

The Planning Division will hold two public scoping meetings to describe the proposed project and the environmental review process, and to obtain your input on the scope of the SEIR so that it addresses all relevant environmental issues. The June 10th meeting will begin with a one-hour community meeting to get input on the project before a one hour meeting focused on the environmental review. The June 17th meeting will focus on the environmental review (held during the day to facilitate attendance by local agency staff).

<u>Community Meeting and SEIR Scoping Meeting</u>	<u>SEIR Scoping Meeting</u>
<u>Monday, June 10, 2013 – 6:30-8:45 PM</u>	<u>Monday, June 17, 2013 – 2:00-3:30 PM</u>
Communications Hill Fire Station 33 2933 Saint Florian Way, San José, CA 95136	San José City Hall – Wing Room 119-120 200 E. Santa Clara Street, San José, CA 95113

Joe Horwedel, Director
City of San José Department of Building, Planning, and Code Enforcement


Deputy

Date: 5/21/2013

Muốn biết tin tức bằng tiếng Việt Nam về tờ thông tin này, xin quý vị liên lạc Kayla Do ở số (408) 535-7721.

Para información en español acerca de esta solicitud, comuníquese con Maria Diaz-Perez al (408) 535-7660.

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May 2013

1.0 INTRODUCTION

The purpose of an Environmental Impact Report (EIR) is to inform decision-makers and the general public of the environmental effects of a proposed project that an agency may implement or approve. The EIR process is intended to provide information sufficient to evaluate a project and its potential for significant impacts on the environment, to examine methods of reducing adverse impacts, and to consider alternatives to the project.

The EIR for the Communications Hill 2 KB HOME Residential/Village Center Commercial Project will be a Subsequent EIR (SEIR) to the previously certified *Communications Hill Specific Plan (CHSP) Environmental Impact Report* (City of San José, 1992). The CHSP serves as the action guide for development activities in the Plan Area, including the project site. The proposed KB Home project is within the boundaries of the approved Communications Hill Specific Plan Area (Plan Area) and would result in the construction of the remaining residential units included in the Specific Plan. Other land uses proposed, consistent with the Specific Plan, are commercial/retail, industrial park, a school, parks, trails, open space, and stormwater filtration/detention facilities. Therefore, the Communications Hill 2 KB Home Project EIR will tier off the *Communications Hill Specific Plan EIR* to the extent possible. Information contained in the recently approved *Envision San José 2040 General Plan*, which anticipates the development of the project site, will also be utilized as it pertains to the project and site characteristics.

The SEIR will be prepared and processed in accordance with the California Environmental Quality Act (CEQA) of 1970, as amended and the City of San José's requirements. In accordance with the requirements of CEQA, the SEIR will include the following:

- A summary of the project;
- A project description;
- A description of the existing environmental setting, probable environmental impacts, and mitigation measures;
- Alternatives to the project as proposed; and
- Environmental consequences, including (a) any significant environmental effects which cannot be avoided if the project is implemented; (b) any significant irreversible and irretrievable commitments of resources; (c) the growth-inducing impacts of the proposed project; and (d) cumulative impacts.

This EIR evaluates the impacts of such a project according to the requirements of the City of San José and CEQA. The Communications Hill Specific Plan and Envision San José General Plan 2040 are available for review at <http://www.sanjoseca.gov/DocumentCenter/Home/View/456> and <http://www.sanjoseca.gov/index.aspx?nid=1737>, respectively.

2.0 PROJECT BACKGROUND

In the San José Horizon 2000 General Plan adopted in 1984, Communications Hill was recognized as a suitable location for development of a high-density urban community, due to its proximity to major transportation facilities and employment centers. In 1992, the City of San José adopted the Communications Hill Specific Plan, which established the framework for development of a mixed-use, high density, pedestrian-oriented, urban neighborhood with supporting public facilities and infrastructure. A program-level EIR was prepared for the Specific Plan in 1991. Since then, several amendments to the Specific Plan have been adopted and residential projects have been constructed.

Residential projects constructed thus far within the CHSP Area include the 733-unit, 130-acre Kaufman and Broad Residential Project (“Tuscany Hills”), for which a supplemental EIR was prepared in 2000. Other residential projects constructed within the Plan Area include the Dairy Hill, Helzer Ranch, Lancaster Gate, and Goble Lane projects. All of these projects have resulted in the construction of approximately 2,500 residential units and infrastructure within the Plan Area. The Specific Plan includes a Village Center neighborhood commercial area and supporting public facilities, including parks and a school. Areas along Monterey Road have been designated in the Specific Plan for Heavy Industrial, Light Industrial, Combined Industrial/Commercial and Industrial Park and High Density Residential (25-50 DU/AC) uses.

The City’s Envision San José 2040 continues to recognize the Communications Hill Specific Plan vision of a very urban, high density, pedestrian-oriented community with approximately 4,700 total dwelling units and community facilities on the top and lower sides of Communications Hill leaving substantial swaths of the grassy hillsides as open space. The proposed project is the construction of the remaining 2,200 residential units and the Village Center commercial area generally consistent with the scale of development described in the Specific Plan. Program- and project-level environmental review will also be provided for the industrial park uses anticipated for the eastern portion of the site as shown on Figure 3.

3.0 PROJECT LOCATION

The entire Communications Hill Specific Plan area comprises approximately 900 acres of hilly land located approximately four miles south of downtown San José. The Plan Area is bounded by Curtner Avenue to the north, Monterey Road to the east, Capitol Expressway, Snell Avenue, and Hillsdale Avenue to the south, and Guadalupe Freeway (SR 87) to the west. The Oak Hill Cemetery is located adjacent to the northeastern boundary of the Plan area.

The proposed project site is within the Specific Plan Area near the top of the hill adjacent to the existing KB Home Tuscany Hills development. The site is generally bounded by the Caltrain/Union Pacific railroad tracks on the north, Old Hillsdale Avenue to the east, the Tuscany Hills development to the south, and the Millpond and Dairy Hill neighborhoods to the west. The gross acreage of the project site is approximately 312 acres, with a net acreage of approximately 250 acres (subtracting out public parks dedication and public right of way). The site is vacant and comprised primarily of grassland. The residential/commercial portion of the site is approximately 79 gross acres, while the industrial property is approximately 55 gross acres.

The regional project location is shown on Figure 1, the project vicinity is shown on Figure 2, and the conceptual land use plan is shown on Figure 3.

4.0 DESCRIPTION OF THE PROJECT

The proposed project is the build-out of the remaining approximately 2,200 residential units allowed within the Specific Plan Area, which is anticipated to occur over a 12-15 year timeframe. It also includes construction of up to 67,500 square feet of commercial/retail uses, parks, open space, trails, streets, stormwater facilities, and other associated supporting infrastructure. The SEIR will also provide program-level environmental review for the development of an elementary school, centrally located on approximately 4.2 acres, as shown on Figure 3. This development was included in the Specific Plan. Subsequent environmental review will be required prior to development of the school.

The proposed project also includes the future development of approximately 55 acres of industrial park uses in the eastern portion of the site near the base of Communications Hill adjacent to Old Hillsdale Avenue (refer to Figure 3). Details for this development have not yet been determined, although it is anticipated that it would have a Floor Area Ratio (FAR) of approximately 0.6. This would allow approximately 1.44 million square feet of industrial park development, consistent with the Specific Plan and the City's Zoning Ordinance. The SEIR will provide program- and project-level environmental review for the industrial park uses. Subsequent environmental review will be required prior to development of the industrial park uses. Proposed land uses are shown in Table 1, below.

Table 1: Proposed Land Uses	
<u>Land Use</u>	<u>Area in Acres</u>
Residential (as shown in Table 2)	79.1
Mixed Use Commercial/Village Center*	3.1
Public Right-of-Way Dedication	43
Public Park	16
School	4.2
Future Industrial Park	55
Public/Private Open Space/Water Quality Facilities	111.5
Existing Right-of-Way	3.3
<i>Total</i>	312.1
*The 3.1 acres in the Village Center are included in the 79.1 acres of residential lands.	

While the proposed project is generally consistent with the overall goals and intent of the Specific Plan, General Plan amendments will be required. The existing CHSP land use designations of the site will be changed to be consistent with the City's recently updated Envision San José 2040 General Plan. General Plan amendments would also be required to modify some components of the Specific Plan, including changes related to infrastructure improvements as described in greater detail below.

Pre-zoning, annexation, and rezoning of the site would also be required. Potential discretionary actions associated with the proposed project include:

- Approval of Assessment Districts and/or Capital Improvement Programs to determine funding arrangements for infrastructure;
- Approval of a development Phasing Plan;
- Approval of new and/or revisions to existing Development Agreements;
- Development Permits and Subdivision Maps;

- Public right-of-way dedication;
- NPDES Permits;
- U.S. Army Corps of Engineers and Regional Water Quality Control Board Permits;
- Tentative Maps;
- Tree Removal Permits; and
- Grading Permits.

Components of the proposed project are described below.

Residential Development

The project proposes the development of up to 2,200 residential units consisting of townhomes/flats, detached alley townhomes, detached row townhomes, podium condominiums, and apartments in the Village Center. The overall density of the residential development would be approximately 27.8 dwelling units per acre per block. An approximate breakdown of residential units to be developed is shown in Table 2, below.

Table 2: Proposed Residential Unit Mix and Densities			
Unit Type	Number	Acreage	Approx. Average Density in du/ac
Attached Townhomes/Flats	900	39	23
Detached Alley Townhomes	375	15	25
Detached Row Townhomes	300	16	19
Podium Condominiums	460	6	77
Apartments in Village Center*	165	3	55
Total	2,200	79	27.8
*These structures also include commercial/retail uses.			

The attached multi-family townhomes would be approximately three stories with between four and nine units per building, while the detached units would range from two to three stories (up to 45 feet in height for both unit types). Four podium condominium buildings are proposed as part of the project. These structures would have seven levels over two levels of parking (up to 150 feet). Two of these buildings would be located northwest of the Village Center and two would be located on the eastern side of the hill. The three Village Center apartment/retail buildings would be approximately four stories in height (up to 75 feet).

The project proposes to construct four tall buildings on the project site as shown on Figure 3, consistent with the Specific Plan. The 10 large-lot single-family residential units originally planned near Carol Drive would not be constructed as part of the project.

Commercial/Retail/Office Development

The Communications Hill Specific Plan includes the construction of between 50,000 and 80,000 square feet of commercial/retail development in the “Village Center.” The project proposes up to approximately 67,500 square feet of mixed use commercial/retail uses, consistent with the amount and type of development allowed by the CHSP. Uses include restaurants, shops, entertainment, and small office consistent with the Specific Plan. Building heights would be up to 75 feet.

Parks, Trails, and Open Space

The Specific Plan identifies 22.8 acres of parks, including five acres of school playfields. Approximately 7.8 acres of parks have been constructed thus far, and the balance (approximately 16 acres) will be constructed as part of the proposed project.

The proposed project includes 112 acres of open space, predominately consisting of hillside slopes. Trails, staircases, and water quality facilities are proposed in the open space areas, consistent with the Specific Plan.

School

The Specific Plan designates a 5.2-acre centrally located parcel for use as a school site, as shown on Figure 3. As previously described, approximately five acres of playfields would be constructed adjacent to the school for public and school use. The Specific Plan anticipated that the school would be an elementary school serving the Franklin-McKinley School District; however, this has not yet been determined.

The proposed project includes the remediation of hazardous materials on the school site and the capping of the site in accordance with all federal, state, and local regulations. While the proposed project does not include the actual construction of the school on a 4.2-acre site, it does include the construction of the adjacent playfields.

Existing Mercury Mine/Former Quarry

There is an existing abandoned mercury mine and a former rock quarry within the boundary of the proposed project site. The project proposes to close these existing uses according to all local, state, and federal laws. An aggregate recycling center is currently using the quarry property. It is anticipated that the recycling center will continue to operate until its Use Permit expires in approximately 10 years.

Infrastructure

As previously described, some residential uses, infrastructure, and roadways have been constructed within the Specific Plan Area, including the 733-unit Tuscan Hills development at the top of the hill adjacent to the proposed project site. A portion of Communications Hill Boulevard was constructed to provide access to the existing and proposed residential units. Infrastructure components including streets, water and sewer lines, and utilities (gas, electricity, cable, and telephone) constructed thus far were sized to accommodate the proposed project. An existing PG&E distribution/transmission line runs east/west through the Specific Plan Area.

The proposed project includes additional infrastructure components to serve the proposed development, as well as changes to some elements currently identified in the Specific Plan. Major infrastructure elements are described below:

1. The proposed project will require the construction of new internal streets to serve the development, as well as the connection of Communications Hill Boulevard through the development to Curtner Avenue, as shown on Figure 3. The proposed streets will be constructed consistent with the Design Standards for streets in the Specific Plan and will be appropriately phased with development.
2. Additional infrastructure including water, sewer, and utilities will be extended to serve the project site, as needed.

3. The Specific Plan includes the extension of Pullman Way from Communications Hill Boulevard to Monterey Road. The extension of Pullman Way was realigned as part of the Specific Plan amendments approved in 2002. The environmental analysis will include scenarios that analyze the conditions with and without the Pullman Way extension and possible alignments/designs for this roadway.
4. A vehicle bridge over the Caltrain/UPRR tracks will be constructed as part of Communications Hill Boulevard, as shown on Figure 3, consistent with the Specific Plan.
5. The proposed project will require stormwater filtration/detention basins to be located on the site. One basin will be located in the northern portion, while the other would be constructed in the southwestern portion of the site near the existing basin, as shown on Figure 3. The existing basin may require modifications/expansion to accommodate run-off from the site. These basins would provide water quality benefits as well as detain water on-site during rain events prior to outfall to the City's stormwater system, consistent with the Specific Plan.
6. The site will be re-graded to repair the grading alterations that were done as part of the former quarry operations. The grading will be designed to more closely follow the previous pre-quarry and natural topography. This will generally result in streets and blocks with slopes similar to development on the south/southwestern facing slopes of the hill.

5.0 Environmental Effects of the Project

A program-level EIR was previously adopted for the CHSP project. As development within the Specific Plan area was proposed, subsequent project-level EIRs and Initial Studies were prepared. This Subsequent EIR will be a project-specific environmental review document for the residential and commercial development of approximately 250 acres at the top of Communications Hill. The SEIR will also provide program- and project-level environmental review for approximately 55 acres of industrial park development. Subsequent environmental review will most likely be required for the future development of the industrial property and construction of the school.

The SEIR will identify the significant environmental effects anticipated to result from development of the project as proposed. The SEIR will include at least the following specific environmental categories related to the proposed development:

Land Use

The SEIR will describe existing land uses in the vicinity of the project site and the project's consistency with plans and policies including the current General Plan Land Use/Transportation Diagram and San José Zoning Ordinance. The SEIR will describe the changes in land uses proposed by the project and identify land use compatibility impacts, as necessary. Mitigation measures will be described for any significant land use impacts.

Transportation

The SEIR will describe existing traffic conditions in the project area and compare them to project traffic conditions based on a Traffic Impact Analysis (TIA) to be completed according to the requirements of the City and the Valley Transportation Authority (VTA). An evaluation of the traffic impacts for the future industrial development will be included as part of the overall analysis. Impacts from implementation of the proposed project on freeways, interchanges, and signalized and unsignalized intersections will be determined for the AM and PM peak hours for project conditions. Feasible mitigation measures for significant impacts will be identified as appropriate. Additionally, policy changes related to transportation level of service impacts may be identified for this project, and if necessary, will be analyzed in the SEIR.

Air Quality

The SEIR will describe existing local and regional air quality and the air quality impacts of the proposed project in accordance with the Bay Area Air Quality Management District (BAAQMD) CEQA Guidelines. The impact of the proposed project on local emissions and regional air quality plans will be analyzed. Impacts to the project from toxic air contaminants and diesel particulate matter will also be analyzed, based on a phasing plan. Mitigation measures will be identified, as appropriate.

Noise/Vibration

The SEIR will describe the existing noise environment and noise impacts to and from the proposed project. Noise impacts will be identified for: (1) proposed land use changes that will expose new sensitive receptors to noise or vibration levels exceeding those considered normally acceptable based on the City's policies; and (2) changes in the noise environment resulting from the proposed project. Mitigation measures will be identified, as appropriate.

Biological Resources

The SEIR will describe and quantify the existing habitats in and around Communications Hill, and will identify sensitive habitats that could be impacted (directly or indirectly) by the proposed development. The EIR will describe the existing habitat with respect to Burrowing Owl, California Tiger Salamander, Bay Checkerspot Butterfly, serpentine plants, and other species. Impacts from the proposed project will be described and mitigation measures will be identified, as appropriate. It is intended that mitigation for biological impacts would be provided by participation in the Draft Santa Clara Valley Habitat Conservation Plan process, which is anticipated to be operative in October 2013.

Cultural Resources

The SEIR will describe existing cultural resources within the project area based upon a cultural resources report. The potential for cultural or historic resources to be affected by the project will be assessed. Mitigation measures will be identified for significant cultural resource impacts, as appropriate, in conformance with the standards and guidelines identified in CEQA and the City's General Plan.

Geology and Soils

The EIR will discuss the geologic hazards and soils conditions on the project site, based on a site-specific geotechnical report. The status of the quarry and mine will be described. Mitigation will be identified as appropriate, including conformance with design-specific geotechnical reports and the Uniform Building Code.

Mineral Resources

The potential to affect mineral resources will also be discussed in the SEIR. Communications Hill has been identified as containing mineral deposits of regional significance and a former quarry is located within the Specific Plan Area. An abandoned mercury mine is also located on the site. Mitigation measures will be identified for any potential impacts to mineral resources, as necessary.

Hydrology and Water Quality

The SEIR will describe existing hydrologic conditions on the site and evaluate flooding, drainage, and water quality impacts that would result from or impact the proposed project. The analyses in this section of the EIR will address the C3 and Hydromodification Management Plan (HMP) requirements of the Santa Clara County NPDES permit. The SEIR will identify mitigation measures, as appropriate.

Hazards and Hazardous Materials

The SEIR will describe existing conditions and impacts resulting from hazardous materials contamination from current or former uses on the project site. Naturally occurring asbestos is located on some portions of the site. Mitigation measures, including conformance with laws and regulations, buffers, and restrictions on hazardous materials usage will be discussed as appropriate.

Population and Housing

The SEIR will describe anticipated changes in projected population, jobs, and housing as a result of the proposed project. Population and housing impacts will be addressed and mitigation measures identified, as appropriate.

Utilities and Service Systems

The SEIR will describe the anticipated demand for utilities and services, including water, sanitary sewer, storm sewer, and solid waste resulting from the proposed project. The SEIR will evaluate whether the existing and planned utilities and service systems have the capacity to serve the proposed project. Mitigation measures for utility and service impacts will be identified, as appropriate.

Energy

In conformance with Appendix F of the CEQA Guidelines, the SEIR will identify the potential for the project to result in significant energy impacts. Mitigation measures for energy impacts will be identified, as appropriate.

Aesthetic/Visual Resources

Communications Hill is a visually prominent feature in the Santa Clara Valley. The SEIR will describe the existing visual character of the project area and evaluate the aesthetic changes that will result from implementation of the proposed project. Photo simulations will be used to illustrate future visual conditions. Mitigation measures for aesthetic and visual resource impacts will be identified, as appropriate.

Availability of Public Facilities and Services

Increases in demand for public services resulting from the project will be estimated in the SEIR based upon a qualitative estimate of demand for school, police, fire, and medical services and estimates of per capita demand for parks and libraries. Likely impacts to the physical environment that could result from these increased demands will be identified. Mitigation measures, such as in-lieu fees and other programs and funding mechanisms for new facilities will be identified, as appropriate.

Recreation

The proposed project has been designed to include parks and recreational facilities to accommodate the future residents of Communications Hill. Therefore, it is not anticipated that the proposed project would result in an increase in the use of existing facilities in the project area. However, should impacts to existing facilities be anticipated, mitigation measures will be identified in the SEIR.

Global Climate Change

The SEIR will describe the regulatory context surrounding the issue of global climate change and will evaluate the greenhouse gas emissions and contribution to global climate change resulting from the project. The SEIR will also discuss impacts to the project area resulting from the effects of global climate change, consistent with the General Plan and the City's Greenhouse Gas Reduction Strategy. Mitigation measures will be identified, as appropriate.

Cumulative Impacts

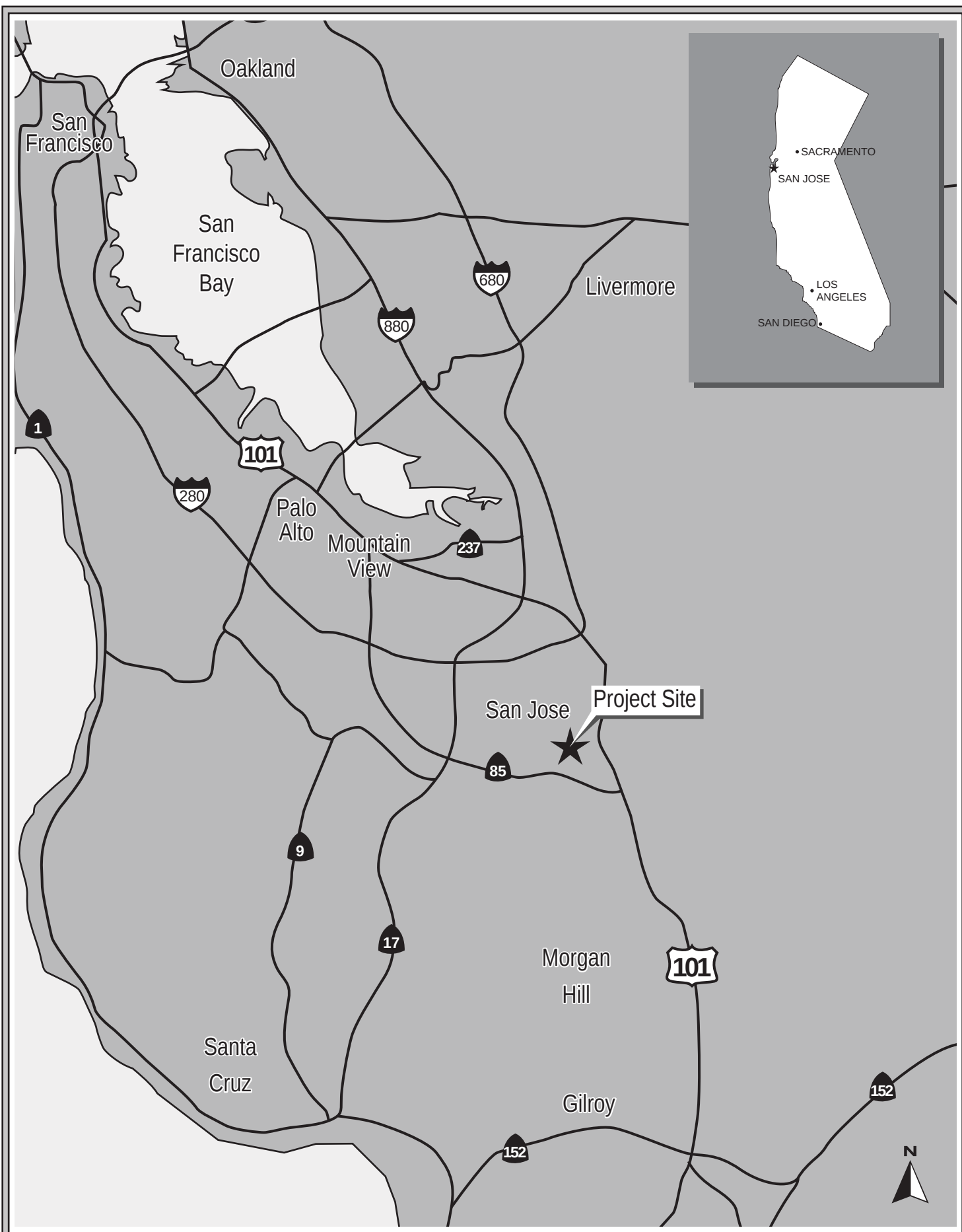
The SEIR will discuss the cumulative impacts of the project in combination with other past, present, or reasonably foreseeable programmatic projects. Mitigation measures will be identified to reduce and/or avoid significant impacts, as appropriate.

Alternatives

The SEIR will evaluate possible alternatives to the project, based on the results of the environmental analysis. The alternatives discussion will focus on those alternatives that could feasibly accomplish most of the objectives of the project and be consistent with the City of San José General Plan, while avoiding or substantially reducing one or more of the significant environmental effects (CEQA Guidelines Section 15126.6). The environmentally superior alternative(s) will be identified based on the number and degree of associated environmental impacts.

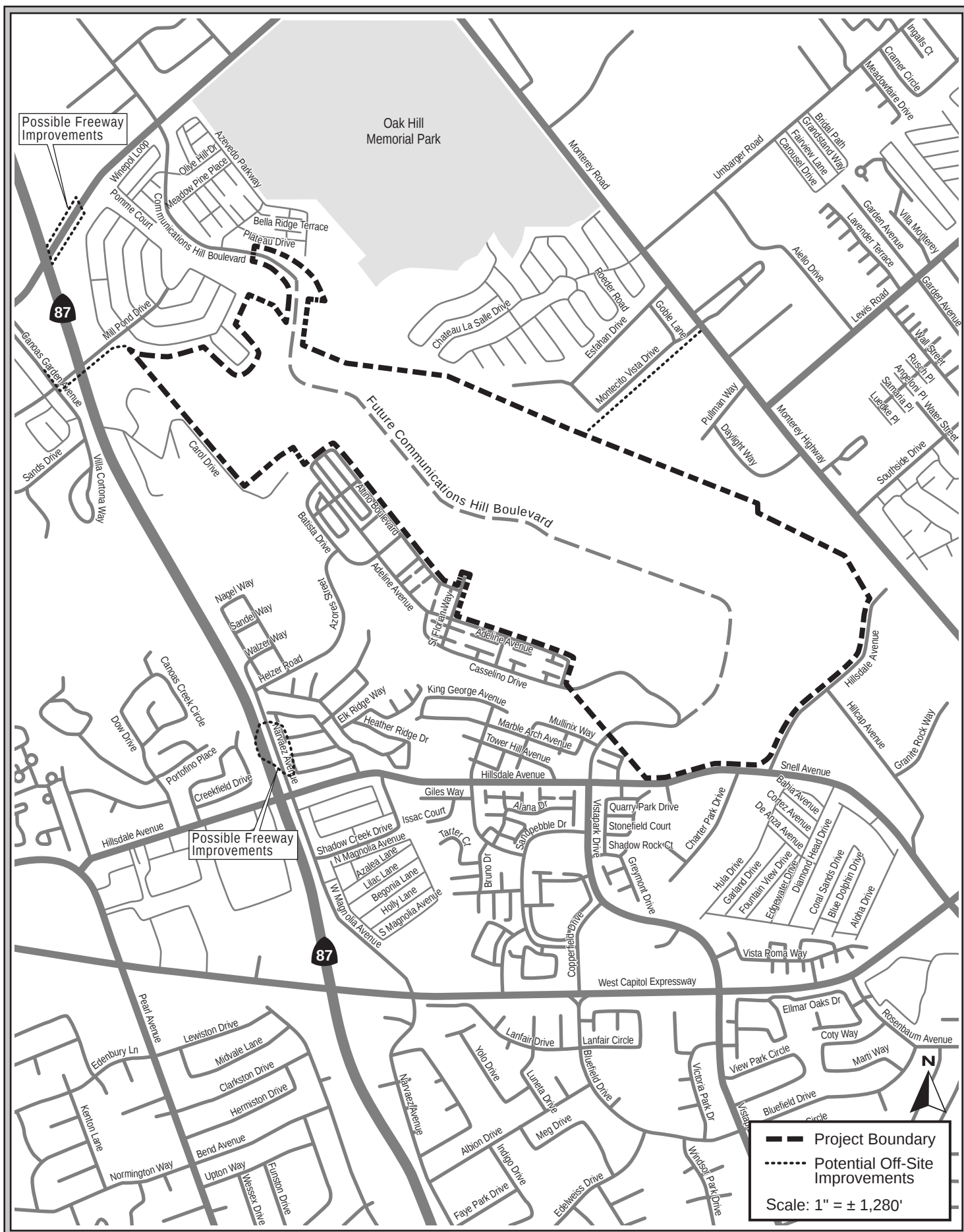
Other Sections

The SEIR will also address all other topics required under the CEQA Guidelines, including: 1) Growth Inducing Impacts; 2) Significant Unavoidable Impacts; 3) Significant Irreversible Environmental Changes; 4) Consistency with Plans and Policies; 5) References; and 6) EIR Authors. Relevant technical reports will be provided as appendices.



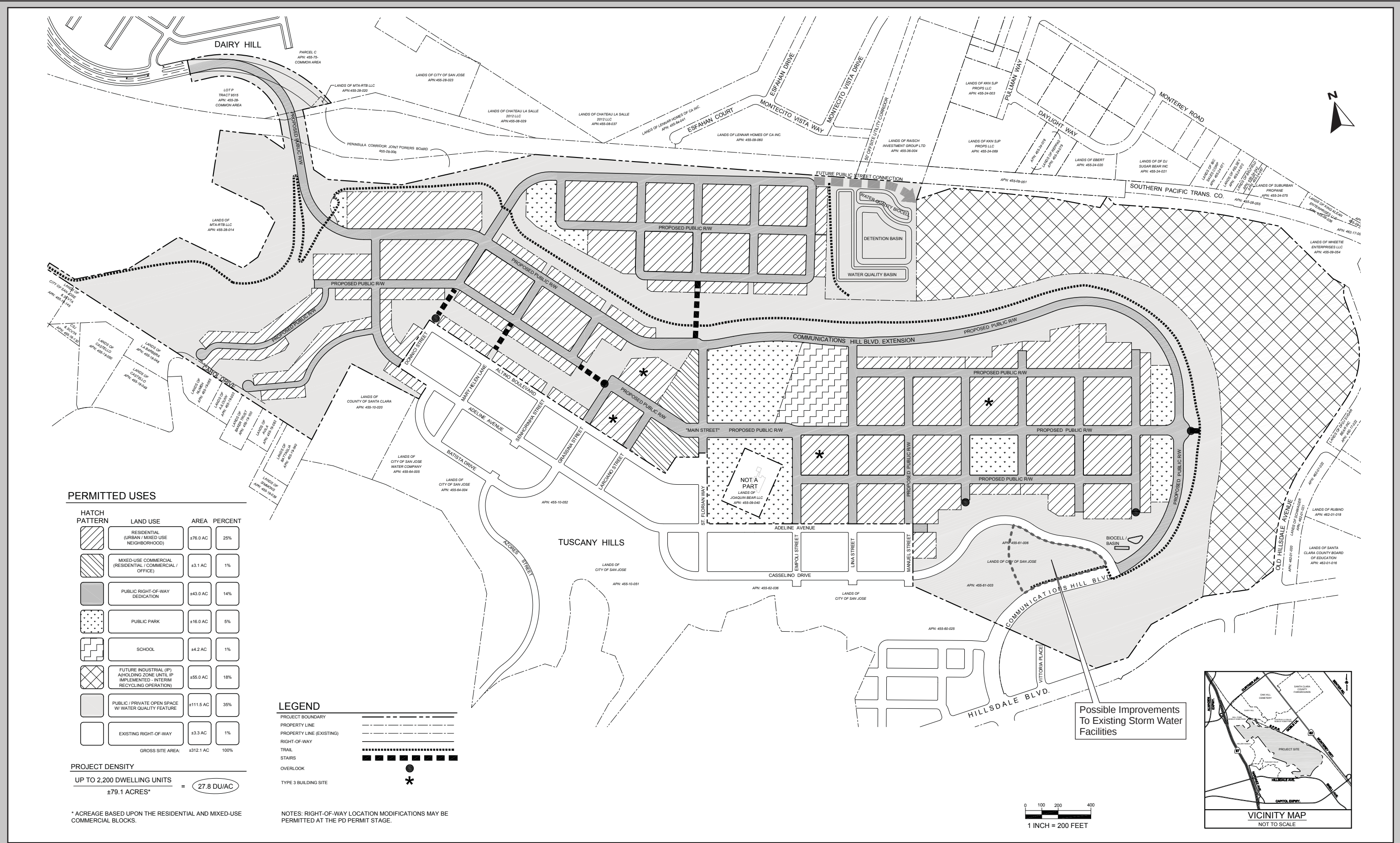
REGIONAL MAP

FIGURE 1



VICINITY MAP

FIGURE 2



CONCEPTUAL LAND USE PLAN

FIGURE 3