

**NOTICE OF PREPARATION OF AN
ENVIRONMENTAL IMPACT REPORT FOR THE
SAN JOSÉ FLEA MARKET SOUTHSIDE REZONING PROJECT**

FILE NO: PDC17-051
PROJECT APPLICANT: THE FLEA MARKET, INC.
APN: 254-17-007, 254-17-052, 254-17-053, and 254-17-095

As the Lead Agency, the City of San José will prepare an Environmental Impact Report (EIR) for the project referenced above. 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 EIR 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 EIR for the project are attached.

Community and EIR Public Scoping Meeting: A Community and EIR Public Scoping meeting will be held on Thursday, August 16, 2018 from 6:30 p.m. to 8:00 p.m. at Educational Park Branch Library, 1772 Educational Park Drive San José, CA 95133.

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. Please identify a contact person, and send your written response to:

City of San José
Department of Planning, Building and Code Enforcement
Attn: Kieulan Pham, Environmental Project Manager
200 East Santa Clara Street, 3rd Floor Tower
San José CA 95113-1905
Phone: (408) 535-3844, e-mail: kieulan.pham@sanjoseca.gov

Rosalynn Hughey, Director
Director of Planning, Building and Code Enforcement



Deputy

7/25/18

Date

**NOTICE OF PREPARATION OF AN
ENVIRONMENTAL IMPACT REPORT FOR THE
SAN JOSÉ FLEA MARKET SOUTHSIDE PLANNED DEVELOPMENT
REZONING PROJECT**

August 2018

A. 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 proposed project will be prepared and processed in accordance with the California Environmental Quality Act (CEQA) of 1970, as amended. In accordance with the requirements of CEQA, the EIR will include the following:

- A summary of the project;
- A project description;
- A description of the existing environmental setting, environmental impacts, and mitigation measures for the project;
- 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.

B. PROJECT LOCATION

The project is on the San José Flea Market site, south of Berryessa Road, east of Coyote Creek, west of the Berryessa BART track alignment, and north of Mabury Road in the City of San José. The project site encompasses a total of 63.25 gross acres. Regional, vicinity and aerial maps of the project site are attached as Figures 1, 2 and 3, respectively.

C. DESCRIPTION OF THE PROJECT

The overall 120-acre Flea Market property¹ has a San Jose General Plan land use designation of *Urban Village (UV)* and a *Planned Development (PD) zoning (PDC09-006)* allowing a total of 2,818 dwelling units and 365,622 square feet of commercial uses. The Flea Market property north of

¹ Includes the property both north and south of Berryessa Road.

Berryessa Road is developed with 1,000 dwelling units and 118,580 square feet of commercial uses.² On the property south of Berryessa Road (currently occupied by The Flea Market offices and vendor booths), the existing entitlement includes the remaining capacity consisting of 1,818 residential units and 247,042 square feet of commercial uses. The EIR focuses on the development of the 63-acre area south of Berryessa Road.

Two development scenarios will be evaluated in this EIR; Option 1 is the Applicant’s proposed development project and Option 2 is the City’s preferred development scenario. The proposed project (Option 1) includes up to 3,450 residential units and up to 2.2 million square feet of commercial space. Based on the existing entitlement, the proposed project will result in a net increase of 1,632 residential units and an increase of 1.95 million square feet in commercial space. The City’s preferred development scenario includes up to 3,450 residential units and up to 3.4 million square feet of commercial space, and will result in a net increase of 1,632 residential units and 3.15 million square feet of commercial space. See table below of the two development scenarios.

Table 1: Development Scenarios		
	Option 1 (Proposed Project)	Option 2 (City’s Preferred)
Residential	3,450 units	3,450 units
Commercial	2.2 million square feet	3.4 million square feet

The EIR will evaluate both development scenarios throughout the EIR, providing the decision-makers and the public with a comparable evaluation of the two development scenarios.

Both scenarios are consistent with the General Plan designation and will require a PD rezoning and other related approvals by the City.

The following are components included in both development scenarios. A 17-acre open space buffer is proposed along Upper Penitencia Creek and Coyote Creek. This open space buffer includes creeks, flood control, riparian setbacks, and a proposed public park.

A new vehicle bridge over Upper Penitencia Creek will provide access from Berryessa Road. The bridge will align with Sierra Road and extend through the project site to connect with Mabury Road. The project also includes the proposal of a vehicle connection between the proposed BART station and the proposed the extension of Sierra Road through the project site.

The proposed development includes commercial buildings that range from six to 10 stories in height, residential buildings that range from seven to 14 stories in height, mid-rise buildings with flex-space (mixed-use office and residential), and parking structures that range from four to six stories in height. Retail development is proposed at the ground level in some of the residential buildings and parking structures.

² Portions of this development are currently under construction.

D. ENVIRONMENTAL EFFECTS OF THE PROJECT

The EIR will address the following environmental issues: aesthetics, agricultural and forestry resources, air quality, biological resources, cultural resources, energy, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use, mineral resources, noise and vibration, population and housing, public services, recreation, transportation and traffic, utilities and service systems, cumulative impacts, and alternatives to the project. A brief discussion of the probable environmental impacts is presented below.

1) *Air Quality*

The EIR will describe the existing air quality conditions in the Bay Area and will evaluate the air quality impacts of the project, based on a detailed air quality analysis prepared for the proposed project. Construction and operational air quality impacts will be evaluated. Mitigation and/or avoidance measures will be identified for significant air quality impacts, as appropriate.

2) *Biological Resources*

The project site is located adjacent to the riparian corridors of Coyote Creek and Penitencia Creek. A biological resources report will be prepared for the project describing the existing biological resources on and nearby the site, impacts of project on the existing biological resources, and compliance with the Santa Clara Valley Habitat Plan. Appropriate mitigation and/or avoidance measures will be included in the EIR, as necessary.

3) *Cultural Resources*

The EIR will address any known existing cultural resources on and adjacent to the site. Mitigation and/or avoidance measures will be identified for significant cultural resource impacts, as appropriate.

4) *Hazards and Hazardous Materials*

The EIR will address existing hazards or hazardous material conditions on and in the vicinity of the site, based upon an updated environmental site assessment. Mitigation and/or avoidance measures will be identified for significant hazardous materials impacts, as appropriate.

5) *Hydrology and Water Quality*

The EIR will discuss the potential for drainage and flooding impacts, based upon an updated flooding and drainage evaluation. Mitigation and/or avoidance measures will be identified for any significant hydrology and water quality impacts, as appropriate.

6) *Land Use*

The EIR will evaluate the project's compatibility with nearby land uses, including the existing and approved residential uses to the northwest, Upper Penitencia Creek to the north Coyote Creek to southwest, and the future BART station to the east. Mitigation and/or avoidance measures will be identified for significant land use impacts, as appropriate.

7) *Noise*

A noise analysis will be prepared to determine the existing ambient noise levels on the project site and project noise impacts. The EIR will address the compatibility of the proposed uses with the project site's existing and future noise exposure, offsite impacts resulting from onsite noise sources, project-generated traffic noise impacts to sensitive receptors in the area, and the temporary noise increase during project construction. Although not a CEQA impact, the EIR will disclose the vibration effects from the BART station on the future development on-site. Mitigation and/or avoidance measures will be identified for significant noise impacts, as appropriate.

8) *Transportation and Traffic*

On March 29, 2018, the City of San Jose adopted a new transportation policy (Council Policy 5-1), which established Vehicle Miles Traveled (VMT) as the primary measure of transportation impacts. As a result, the evaluation of impacts on the transportation system will be evaluated based on the new transportation policy (Council Policy 5-1). Mitigation measures will be identified to avoid or reduce significant transportation impacts, as appropriate. The determination of project impacts per CEQA requirements will be based solely on VMT metrics. The new transportation policy also requires a Local Transportation Analysis (LTA) to be completed which will evaluate the operational effects of implementing the proposed project. Peak hour intersection operation analysis will be completed as part of the LTA.

9) *Utilities and Service Systems*

The EIR will address the ability of existing and planned public facilities and service systems to meet demands generated by the project, which is a net increase of up to 1,632 residential units and up to 1.95 million square feet in commercial space under Option 1 and up to 3,450 residential units and up to 3.15 million square feet of commercial space under Option 2. Physical impacts to the environment will be identified, such as the need to construct new facilities.

The EIR will describe the existing water supply that serves the project site and will evaluate the impacts of the project, based upon a water supply assessment. Mitigation measures will be identified to avoid or reduce significant utility and service system impacts, as appropriate.

10) *Cumulative Impacts*

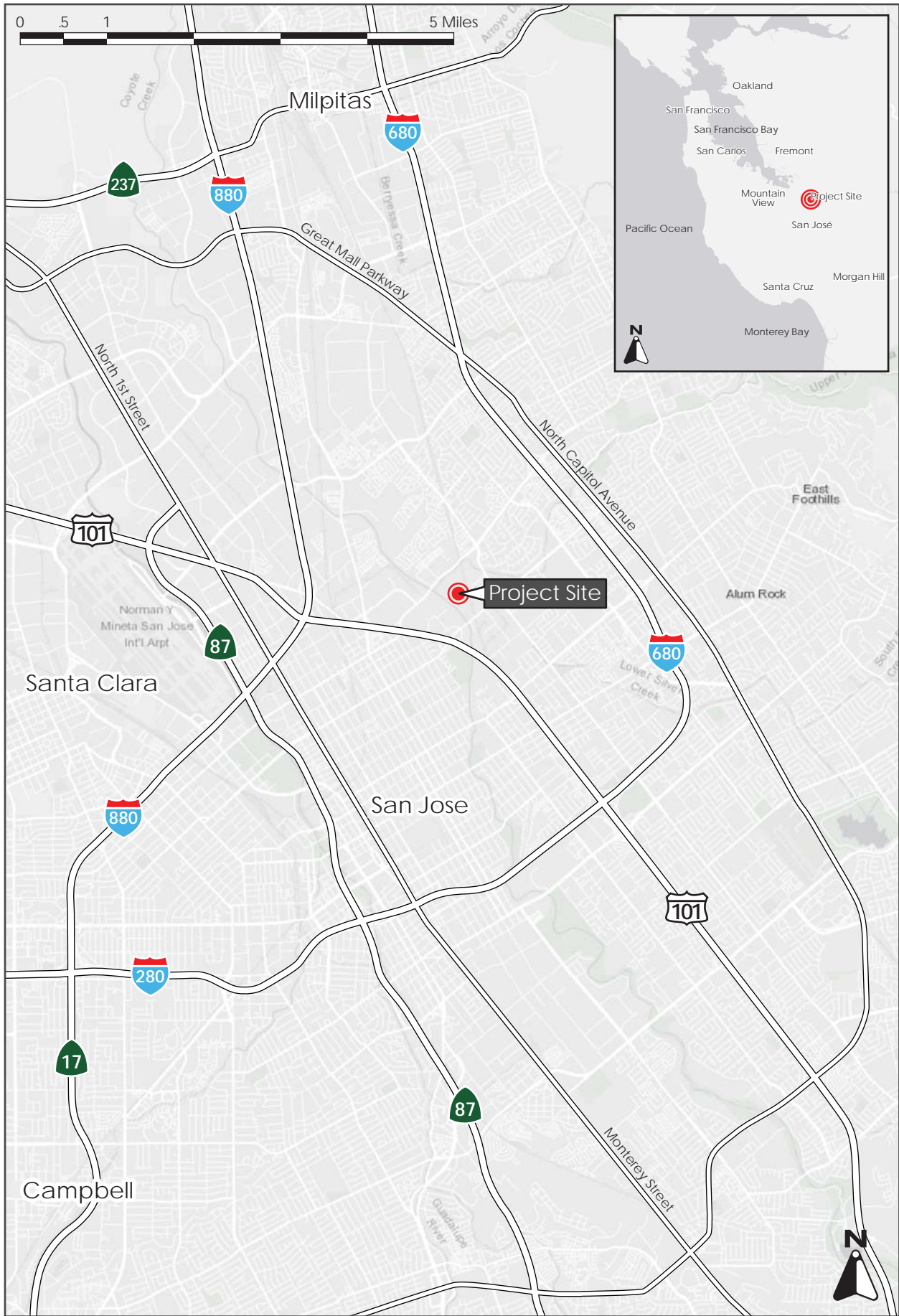
In conformance with CEQA, this section will address the impacts of implementing the project in combination with other past, pending, and reasonably foreseeable future projects, including BART. Mitigation and avoidance measures will be identified for significant cumulative impacts, as appropriate.

11) *Alternatives to the Project*

Alternatives to the proposed project will be evaluated, including a “No Project” alternative. Other alternatives analyzed will be selected based on their ability to avoid or lessen one or more significant impacts while still meeting most of the basic objectives of the proposed project.

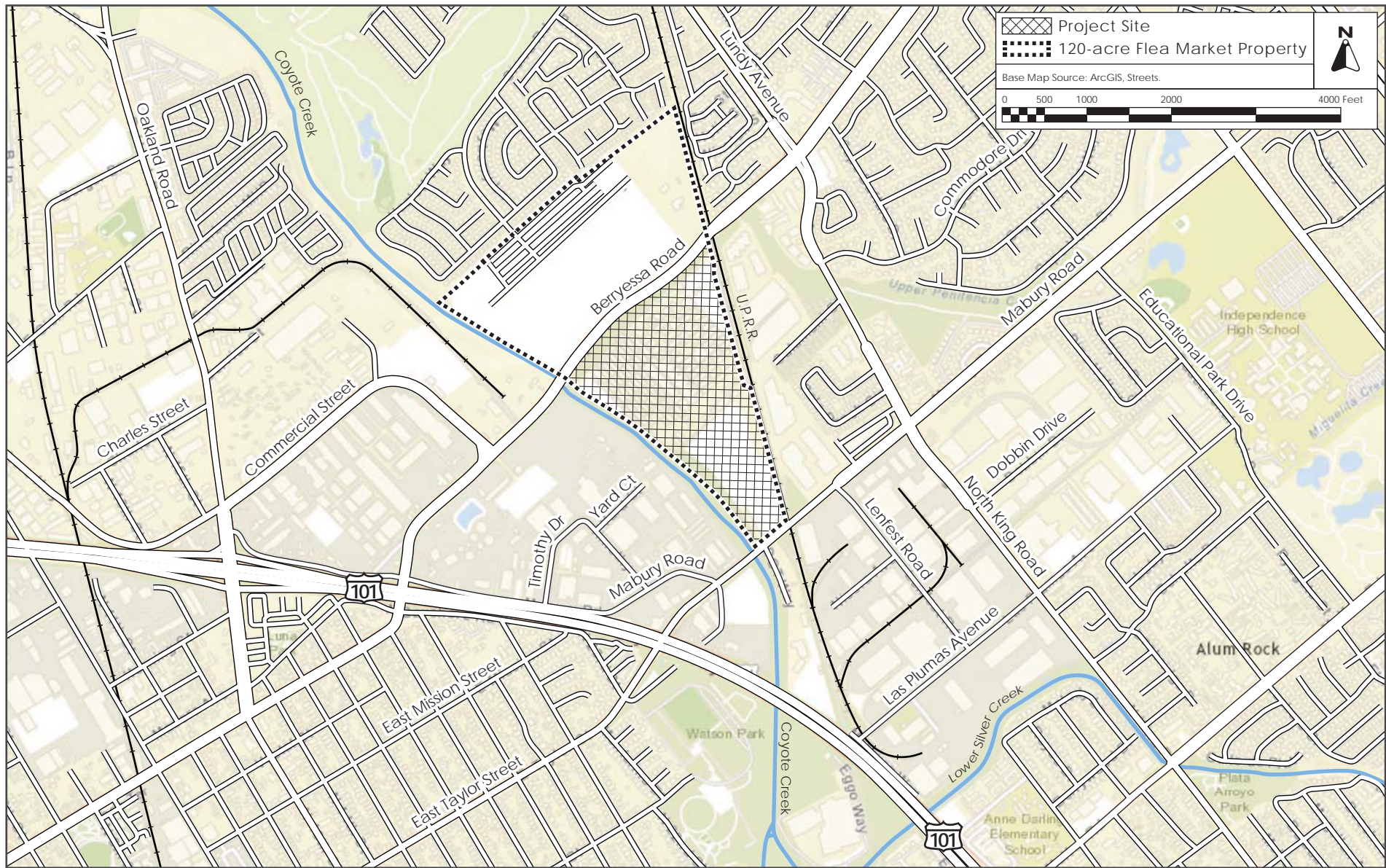
12) *Other CEQA Sections*

The EIR will include other sections required by CEQA, including Growth Inducing Impacts, Significant Unavoidable Impacts, Authors and Consultants, References, and Technical Appendices.



REGIONAL MAP

FIGURE 1



VICINITY MAP

FIGURE 2



AERIAL PHOTOGRAPH AND SURROUNDING LAND USES

FIGURE 3