Downtown West Overview of Proposed General Plan Amendments

Google's Downtown West Mixed-Use Plan project (Downtown West) proposes to develop approximately 85 acres of property located in Downtown San Jose. The development of Downtown West will require Google to obtain a number of project approvals from the City of San Jose (City), including but not limited to an amendment to the Envision San Jose 2040 General Plan, an amendment to the Diridon Station Area Plan (DSAP), Planned Development Rezoning, a Planned Development Permit, and a Vesting Tentative Map.

This white paper provides a general overview of the categories of General Plan amendments that Google believes will be necessary or will provide useful clarification for the development of Downtown West. As further described below, the categories of General Plan amendments include:

- Re-designation of Downtown West
- Growth Allocation Increase
- Clarification of Role of Diridon Station Area Plan and Relationship to General Plan
- Clarification that DSAP Is Not an Urban Village
- Clarification that Midtown Specific Plan Does Not Apply
- Reconciliation of Inconsistent Goals and Policies (e.g. Conversion of Industrial Lands)
- Street Typology & Alignment
- General Plan Diagrams

The proposed amendments described in this memo are not intended to be exhaustive. Google is in the process of preparing a comprehensive set of General Plan amendments, including proposed amendments to figures, diagrams and appendices, that it intends to submit to the City for review in July 2020.

A. Re-designation of Downtown West to Downtown and Commercial Downtown

The existing General Plan land use designations for the project site include: Transit Employment Center; Public/Quasi-Public; Commercial Downtown; Downtown; and Combined Industrial/Commercial. The existing General Plan land use designations are shown on Exhibit 1.

The General Plan amendments will re-designate the project site to Downtown and Commercial Downtown as shown on Exhibit 2. The re-designation of the project site will require amendments to the Land Use / Transportation Diagram.

B. Growth Allocation Increase for Downtown West

The General Plan would need to be amended to increase the jobs and housing allocation for Downtown West. We understand that the City is in the process of discussing the appropriate scope of the growth allocation amendments for Downtown West.

The General Plan currently provides for a growth capacity of up to 382,000 new jobs and up to 120,000 new dwelling units through 2040. As identified in Appendix 5 of the General Plan, the Downtown Growth Area has a planned capacity job capacity of 58,659 and 15,160 dwelling units. Jobs and housing growth capacity will need to be reallocated from other parts of the City to Downtown West.

Appendix 5 of the General Plan would need to be amended to reflect the additional jobs and housing allocation numbers for Downtown West in the Downtown category and to make corresponding adjustments to other areas of the City.

C. <u>Clarification of Role of DSAP and Its Relationship to the General Plan</u>

The General Plan currently does not provide background information on the DSAP. We recommend including a background section outlining the history of the DSAP and its relationship to the General Plan to clarify the regulatory framework for development within the Diridon Station Area Plan boundaries.

Chapter 1, **Page 54**: We propose including a section providing background information on the DSAP and its relationship to the General Plan.

Diridon Station Area Plan (2014, revised 2020) The City of San Jose adopted the Diridon Station Area Plan in 2014 for the development of the Diridon Station Area, an approximately 250-acre area surrounding the Diridon Station transit center located within the City's Downtown Growth Area. The Diridon Station Area Plan incorporated development proposals for the California High Speed Rail Diridon Station and a new Major League Baseball Stadium. Since the adoption of the Diridon Station Area Plan in 2014, the City elected not to proceed with a new Major League Baseball Stadium. The City has also received proposals for large mixed-use developments within the Diridon Station Area Plan. In 2020, the City adopted amendments to the Diridon Station Area Plan to provide for mixed-use commercial and residential development which promotes and implements the General Plan policies of focusing growth in Downtown San Jose. The Diridon Station Area Plan is one of area plans within the City of San Jose and implements the goals and policies of the General Plan within the Diridon Station Area Plan boundary. While the General Plan defines a set of broad goals and policies for development throughout the City of San Jose, the Diridon Station Area Plan addresses issues that are unique to the development of the Diridon Station Area Plan area.

A corollary section will need to be included in the DSAP to ensure symmetry between the General Plan and DSAP.

D. Clarification that the DSAP Is Not an Urban Village

General Plan text identifies the DSAP as an Urban Village; however, it is not identified as an Urban Village in the Land Use / Transportation Diagram. Similarly, the City's website does not characterize the DSAP as an Urban Village.

General Plan Policy IP-5.3 provides that [i]n lieu of preparation of an Urban Village Plan, maintain for the Downtown, North San Jose and Specific Plan Areas, which have plans and strategies previously developed through a community planning process." Moreover, the General Plan specifically states that "[t]he preparation of Urban Village Plans is not necessary for the Downtown, North San Jose and Specific Plan Areas which have already been developed through a neighborhood planning process." (General Plan, Chapter 1, page 74.) The DSAP, Downtown Design Guidelines (DDG), the Downtown West PD Zone, General Development Plan, Planned Development Permit and associated Downtown West Standards and Guidelines will establish the necessary planning requirements and process for the development of Downtown West. Therefore, we propose the following amendment to clarify that the DSAP is not an Urban Village.

Chapter 1, Page 26:

Downtown

The Envision San José 2040 General Plan reinforces the importance of San José's Downtown as the physical and symbolic center of the City. Planned growth capacity and the General Plan policies are intended to further support the growth and maturation of the Downtown as a great place to live, work or visit.

The boundaries for the Downtown Growth Area are defined on the Planned Growth Area Diagram. The Downtown Growth Area is bounded by Julian Street, North 4th Street, East St. John Street, 7th Street, East San Fernando Street, South 4th Street, Interstate 280, the Union Pacific Railroad line, Stockton Avenue, Taylor Street, and Coleman Avenue. As shown on the Planned Growth Areas Diagram, the Downtown Growth Area includes most of the Diridon Station Area Plan area Urban Village.

Ambitious job and housing growth capacity is planned for the Downtown. This growth capacity is important to achieve multiple City goals, including support for regional transit systems and for the development of Downtown as a regional job center. It also helps to advance all elements of the General Plan Vision.

Chapter 1, Page 50. The following amendment clarifies that the DSAP is not an Urban Village and that the Midtown Specific Plan does not apply to the DSAP area.

Midtown Specific Plan (1992)

Like Jackson-Taylor, the *Midtown Specific Plan* directs the conversion of an aging industrial area to a vibrant mixed use community oriented to transit and designed for the pedestrian. Located just west of Downtown and south of the San José Arena, this 210-acre area is planned for close to 3,000 high density housing units, parks, employment opportunities, neighborhood-serving commercial uses, some industrial activities, and close community connections with the San José

Diridon Caltrain/Amtrak station and planned light rail stations. Since its adoption, the portion of Midtown directly west of the Diridon Station has been largely built out, as planned, with new high-density housing, mixed-use development, and a public park. With adoption of the Diridon Station Area Plan, the eastern boundary of the Midtown Specific Plan between San Carlos and Santa Clara Streets was shifted west to the railroad tracks to eliminate the overlap between the Midtown Specific Plan area and the Diridon Station Area Plan area. The area previously within the Midtown Specific Plan became integrated into the adopted Diridon Station Area Plan Urban Village. The Midtown Specific Plan now primarily provides direction for development south of West San Carlos Street, which is planned for industrial and commercial uses, as well as high-density transit residential uses on identified properties.

Appendix 5. Appendix 5 of the General Plan also references the Diridon Station Area Urban Village, which should be amended as follows:

Downtown (including Diridon Station Area Plan Urban Village) (v)

Planned Growth Area Diagram. Revise the diagram to remove the Urban Village color coding from the DSAP boundary.

Housing Growth Areas by Horizon Diagram. Revise the diagram to remove the Urban Village / Horizon 1 color coding from the DSAP boundary and replace with the Downtown color coding.

E. Inconsistent Goals and Policies

A project is consistent with the General Plan if, considering all of its aspects, it will further the objectives of and policies of the General Plan and will not obstruct their attainment. Perfect conformity with every policy set forth in the General Plan is not required; rather, it is sufficient that the project will be compatible with the objectives, policies, general land uses and programs specified in the General Plan. At the same time, a project should not conflict with any General Plan policy that is fundamental, mandatory, and clear.

In our review of the General Plan goals and policies, we identified several policies that appear to be mandatory and clear and that are not consistent with Downtown West development as envisioned. Therefore, we request the following amendments.

Chapter 6, Page 11:

Goal LU-6 – Industrial Preservation. Preserve and protect industrial uses to sustain and develop the city's economy and fiscal sustainability.

LU-6.1 Prohibit conversion of lands designated for light and heavy industrial uses to non-industrial uses. Prohibit lands designated for industrial uses and mixed industrial-commercial uses to be converted to non-employment uses. <u>Lands</u> <u>located within the Diridon Station Area Plan area may be converted from industrial uses and mixed industrial-commercial uses to non-industrial</u>

employment uses and non-employment uses that support the economic, fiscal, environmental, cultural, transportation, social, or other objectives of the Downtown Growth Area. Lands that have been acquired by the City for public parks, public trails, or public open space may be re-designated from industrial or mixed-industrial lands to non-employment uses. Within the Five Wounds BART Station and 24th Street Neighborhood Urban Village areas, phased land use changes, tied to the completion of the planned BART station, may include the conversion of lands designated for Light Industrial, Heavy Industrial or other employment uses to non-employment use provided that the Urban Village areas maintain capacity for the overall total number of existing and planned jobs.

LU-6.7 Encourage supportive and compatible commercial and office uses in industrial areas designated for those uses. In areas reserved for light and heavy industrial uses, only limited auxiliary and incidental commercial uses, such as small eating establishments, may be permitted when such uses are of a scale and design providing support only to the needs of businesses and their employees in the immediate industrial area. This Policy shall not apply to lands located within the Diridon Station Area Plan area.

LU-6.8. Except where redevelopment of industrial lands to other employment uses is encouraged by other Growth Area policies, specifically within the Diridon Station Area Plan, reserve industrial areas for industrial and compatible support uses, while recognizing that industrial uses come in a variety of types and forms. Allow nonindustrial uses which are only incidental to and totally compatible with primary industrial uses in exclusively industrial areas. Consider allowing supportive, non-industrial activities, such as retail sales of materials manufactured or stored on site.

Chapter 6, Page 5:

Goal LU-1 – General Land Use. Establish a land use pattern that fosters a more fiscally and environmentally sustainable, safe, and livable city.

LU-1.9 Preserve existing Public / Quasi-Public lands or include parks and open space improvements in redevelopment projects in order to maintain an inventory of sites suitable for Private Community Gathering Facilities, particularly within the Residential Neighborhoods, Urban Villages and commercial areas, and to reduce the potential conversion of employment lands to non-employment use.

In addition to the policies identified above, we recommend revising certain text in Chapter 1 of the General Plan to better align the General Plan's Major Strategies with its Goals and Policies.

Chapter 1, Pages 16-17. Industrial Uses. Revise text to clarify that the City's goal of retaining industrial lands does not apply to the Downtown Growth Area.

Because the City is largely built-out within its city limits and the General Plan does not support the conversion of industrial areas to residential use <u>outside of designated Growth Areas</u> or the urbanization of the Mid-Coyote Valley or South Almaden Valley Urban Reserves or lands outside of San José's Urban Growth Boundary, most new housing development will be achieved through higher density redevelopment within existing urbanized areas.

Chapter 1, Page 28.

Employment Lands

Significant job growth is planned through intensification of each of the City's Employment Land areas, including the Monterey Corridor, Edenvale, Berryessa/International Business Park, Mabury, East Gish and Senter Road, and North Coyote Valley as well as North San José. These Employment Lands are planned to accommodate a wide variety of industry types and development forms, including high-rise and mid-rise office or research and development uses, heavy and light industrial uses and supporting commercial uses to respond to the projected demand for each type of industrial land. Three areas are designated as Employment Centers because of their proximity to regional transportation infrastructure. These include the North San José Core Area along North First Street, the portion of the Berryessa/International Business Park in close proximity to the planned Milpitas BART station and existing Capitol Avenue Light Rail stations, and the Old Edenvale area, which because of its access to light rail, is also planned for additional job growth. The Envision General Plan generally does not support conversion of industrial lands to residential use, nor does it include housing growth capacity for these areas except within certain identified Growth Areas such as the Diridon Station Area Plan area.

F. <u>Street Typology & Alignment</u>

Downtown West will include the re-designation of a street from a Grand Boulevard to Main Street (S. Montgomery Street) and the vacation of certain streets (a portion of North Montgomery Street just north of SAP Center; Delmas Avenue between West Santa Clara Street and West San Fernando Street; South Montgomery Street between West San Fernando and Park Avenue).

These changes will require amendments to the Transportation Network Diagram to illustrate the re-designation of the street typology and alignment (and potential conforming amendments to other figures and diagrams in the General Plan).

G. General Plan Diagrams

As discussed above, the following General Plan Diagrams that will need to be amended:

- Planned Growth Area Diagram: Remove Urban Village designation from DSAP area; ensure DSAP area corresponds with expanded DSAP boundaries; update street typologies
- Transportation Network Diagram: Update street typologies and alignment
- Land Use / Transportation Diagram: Update General Plan land use designations for Downtown West
- Housing Growth Areas by Horizon Diagram: Revise the diagram to remove the Urban Village / Horizon 1 color coding from the DSAP boundary and replace with the Downtown color coding.