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TRANSMITTED VIA EMAIL

January 11, 2021

Rosalynn Hughey Director Planning Department City of San Jose

Re: Comments on proposed DSAP amendments

Director Hughey.

On behalf of Silicon Valley at Home we write today to provide comments on the draft amendments to the Diridon Station Area Plan. We submitted initial comments on November 15th, 2020, ahead of a study session at the City Council. These comments are attached here, and while our general position has not changed, we appreciate this opportunity to comment directly to the staff of the Planning Department and to address a number of specific recommendations we have regarding the current draft of the proposed DSAP amendments.

SV@Home is a member of Station Area Advisory Group, and has been deeply engaged through this body and throughout the long period of engagement in the Diridon Station planning process. From the very beginning we have advocated for a vibrant, mixed-use city center that is connected to the largest transit hub in the region and accessible to people of all incomes, backgrounds, and abilities. There is broad, and sustained, recognition that fully integrating housing, and affordable housing, into the area will be essential to addressing the housing needs generated by new jobs and will enhance commercial and cultural vibrancy. We believe that realizing the full potential of the Station Area requires a bold vision supported by a planning framework that enables rather than constrains this potential.

While we have some recommendations outlined below, we believe that the city has done tremendous work towards this end in the following ways:

- Significantly expanding the height limitations posed by the area's proximity to the airport by enacting policies that address the core issues of OEI regulations.
- Overcoming initial skepticism to develop a housing-rich Station Area Plan that, along with the Downtown West project, includes the potential for at least 13,000 new homes, which adds to the roughly 2,000 units recently constructed or entitled to reach the goal of up to 15,000 homes, at least 25% of them affordable.
- Working closely with local neighborhood organizations to find balanced solutions to their concerns about the planned development's interface with existing residential uses, while acknowledging that the Station Area is an extension of downtown and must serve the shared interests of the entire city.
- Doing the nuanced work of analyzing the costs, and potential benefits, of making adjustments to the earlier drafts of the land-use plan that looked at ways to optimize specific opportunity sites while being accommodating of neighborhood concerns.

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We understand that there are outstanding issues that have the potential to undermine this work to date, and significantly constrain the opportunities to realize the shared vision for the station area. The first is the ongoing efforts to impose additional height and design constraints that have the potential to further reduce the area's capacity for new homes by hundreds and perhaps thousands of units. While these efforts appear focused on small portions of the plan area, our analysis shows a potentially quite significant impact on the actual residential "opportunity sites." Changes made to the plan in response to the neighbors' concerns between March and November of last year were substantial. The plan must not be adjusted beyond the accommodations that have already been made.

The second is the action by the ALUC to find both the Downtown West Plan and the DSAP updates out of compliance with the County's CLUP. While it isn't clear to us why these issues were not resolved as part of the process to the address the OEI regulations, they must not be allowed to derail the long term potential of the Station Area. We urge city staff to ensure that the full housing potential of the current plan be maintained as this conflict is resolved, and that the City Council provide their full support should this become necessary.

While we believe that the current proposed amendments to the DSAP are both bold and responsive to many community concerns, we recommend consideration of the following specific adjustments as plan is finalized.

We believe a more creative approach should be considered for the area between Park Avenue on the south and Los Gatos Creek and the Lakehouse Historic District on the north (Area D in discussion versions of the land use map). In order to provide a better interface with the Lakehouse neighborhood, the allowable heights for the area have been significantly reduced from from 285' to 65'. While it is understandable to be conscious of neighborhood transitions, most of the area (some 1.6 acres) front only the Creek and the significant planned buffer along the bank. The proposed reduction in height would reduce the carrying capacity of this sub-Area by over 1,225 units. At 65' even the midrise, 5 over two, residential development type which is standard with today's construction technology would be non-conforming. Developing transition guidelines to the full allowable heights, would resolve multiple constraints and increase flexibility and potential. Optimizing capacity in this zone is particularly important because it is one of the limited number of housing opportunity sites that scores well for competitive affordable housing programs due to its proximity to the rail station.

Similarly, in the area between Stockton Avenue and the western boundary of the Station Area (Area A in discussion versions of the land use map) height limits have been reduced since March from 195′, 180′ and 90′, to a maximum of 90′ for the full area. In fact, our analysis shows that the only properties left in this area with real redevelopment potential are some 1.5 acres between West Julian Street where the original height limit proposal was 195′. Reducing the limit to 90′ would mean the reduction in carrying capacity of this site by about 590 units. Optimizing capacity in this zone is particularly important because it is one of the limited number of housing opportunity sites that scores well for competitive affordable housing programs due to its location in a relatively low-poverty area.

Finally, we are concerned that the VTA parcel in front of the Station has not been explicitly planned in the DSAP amendments as residential at maximum heights. We believe strongly that this site, along

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with the adjacent Cal Train parcels originally zoned commercial, will be critical to both ensuring housing goals are attainable, and anchoring the mixed use nature of the station area. Clearly defining this expectation for residential development should be included in the DSAP amendments. Optimizing capacity in this zone is particularly important because it is one of the limited number of housing opportunity sites that scores well for competitive affordable housing programs due to its proximity to the rail station.

Area plans like the DSAP do not determine exactly what gets built, where, and when. They do however define the environment within which development decisions are made in the future, and they must balance operationalizing the realities of today with the potential of the future. Long term success for the area will necessarily require that the City plan for flexibility and potential, while maintaining flexibility in converting commercial parcels or shifting designations in ways that maintain the broader goals and capacity targets, but that are responsive to the market and the Station Area as it is built out.

We appreciate the work done to date and look forward to continued engagement as the proposed amendment is finalized and the DSAP moves to council for approval.

Sincerely,

Mathew Reed Policy Manager