



Agenda Report

20-744

Agenda Date: 11/17/2020

REPORT TO COUNCIL

SUBJECT

Public Hearing: Actions on Amendments to the Tasman East Specific Plan (TESP) to replace a proposed street extension for Calle Del Sol with a pedestrian and bicycle paseo, allow for alternate methods of trip reduction, and correct a clerical error in the Plan regarding the affordable housing requirement; to amend the Transit Neighborhood Zoning District to allow certain non-residential uses within the first three floors of mixed use buildings and to correct an error regarding permissible density ranges; and to override an Airport Land Use Commission (ALUC) determination of inconsistency with the SJC Airport Comprehensive Land Use Plan (CLUP)

COUNCIL PILLAR

Promote and Enhance Economic, Housing and Transportation Development

BACKGROUND

On November 13, 2018, the City Council adopted the Tasman East Specific Plan (TESP) to guide the transition of an underutilized 45-acre industrial neighborhood immediately adjacent to the Santa Clara Valley Transportation Authority (VTA) Lick Mill Light Rail Station into a pedestrian-friendly and transit-oriented development with the addition of 4,500 new residential units near transit and jobs. The Specific Plan incorporates approximately 100,000 square feet of neighborhood-oriented and convenience retail and 10 acres of open space including various outdoor recreational facilities and landscape features, a public plaza, pocket parks and paseos.

There has been strong development interest within the Specific Plan since its adoption and the City is currently processing permit applications for a total of 4,484 residential units out of the 4,500 unit capacity established within the TESP. These applications currently include four projects in the architectural review process and six projects that have completed the architectural review process and submitted building permit applications.

Working closely with the Tasman East developers to implement the TESP, staff has identified potential improvements relating to implementation of certain aspects of the Specific Plan, including modification of the TESP street plan. On August 20, 2019, City Council approved a contract amendment with Perkins + Will to act as the City's planning and environmental consultant for Tasman East to analyze the replacement of the Calle de Sol public street extension with a pedestrian and bicycle paseo in order to retain the existing Primavera sanitary sewer pump station at its current location. At the meeting, staff presented the recommended pedestrian and bicycle paseo alternative; including conceptual paseo sections, early design options for the pump station enclosure; and potential paseo programming activities. The City Council feedback was supportive of the presented pedestrian and bicycle paseo alternative to the Calle Del Sol street extension.

Additionally, developers have indicated more flexibility is needed to determine other Transportation

Demand Measure (TDM) options in lieu of some identified within the Specific Plan. Co-working and daycare activities are uses that have been raised as desirable and developers are interested in locating these uses on second or third stories of their multistory buildings yet the current Transit Neighborhood Zoning District limits these uses to the ground floor.

This agenda item includes proposed amendments to the Specific Plan (Specific Plan Amendment #1) and Transit Neighborhood Zoning District to address the issues raised. The proposed amendment would also correct some clerical errors in the TESP document.

The August 26, 2020 Planning Commission staff report (Attachment #1) includes a description and analysis of the proposed Amendments to the Specific Plan and the Transit Neighborhood Zoning District.

Because one of the proposed actions is the amendment of the Specific Plan, and the Tasman East Specific Plan area is within the land use referral area for the San Jose Mineta International Airport (SJC), the project was referred to the County Airport Land Use Commission (ALUC) on September 10, 2020 (Attachment 10). At the September 23, 2020 ALUC hearing, the ALUC evaluated the project and made a determination of inconsistency with the SJC adopted Comprehensive Land Use Plan (CLUP) (Attachment 11). At the September 29, 2020 City Council hearing, the City Council continued the scheduled hearing of the TESP Amendments to the November 17, 2020 City Council hearing and gave direction to staff to prepare a Resolution for the City Council to override the ALUC determination. Council action to override the determination requires a 2/3 vote of the Council, as well as a 45-day notification to the ALUC in advance of the Council hearing on the potential override action. Following the City Council direction, staff provided notification to the ALUC on October 1, 2020 of the City's intent to consider an override of their determination at the November 17, 2020 City Council meeting.

DISCUSSION

At the August 26, 2020 Planning Commission meeting, following the staff presentation, the Commission asked clarifying questions. Several of the Commissioners expressed support for the paseo configuration and the outreach process to receive and incorporate community feedback into the paseo and pump station enclosure design. The Commission discussed an aspect of the Specific Plan Amendment which would provide greater flexibility for site-wide TDM measures. Currently in the Specific Plan, there is a requirement for developments to provide VTA SmartPasses for all residents. This requirement is triggered once 3,000 residents occupy the Tasman East area. The proposed Specific Plan Amendment would allow for alternative site-wide TDM measures to be provided, in-lieu of the SmartPasses. Developers in Tasman East expressed interest in other site-wide TDM measures such as a community shuttle serving Tasman East or rent reductions for tenants who use alternative modes of transportation.

Commissioner Jain expressed interest in supporting the Amendment to provide alternatives, in-lieu of the SmartPasses, only if one of the site-wide alternative TDMs included the formation of a Transportation Management Association (TMA) in Tasman East. Chair Saleme and Commissioner Ikezi then asked additional questions about the request for alternative TDM measures.

Two public speakers addressed the Commission during the public hearing. Both speakers supported the proposal to create the paseo. One speaker also expressed concern that the bicycle path in the paseo could cause conflicts with pedestrians and suggested that bicyclists not ride through the paseo

but walk bicycles through. Another speaker stated that there should not be a cap on the number of placemaking events. Staff clarified that there is a requirement for a minimum of eight placemaking events to be marketed and open to the public annually. These events are required to be fully funded and programmed by property owners participating in the Tasman East Property Owner Association. The eight placemaking events is a minimum requirement, not a cap, and more placemaking events could occur.

Through separate actions, the Planning Commission voted unanimously in favor of recommending the Council adopt the Addendum to the Environmental Impact Report and the proposed amendments to the Transit Neighborhood Zoning District (6-0-0). For the Specific Plan Amendment, Commissioner Jain proposed a friendly amendment which was accepted to add the listing of the formation of a TMA as a required site-wide TDM alternative should the SmartPasses not be provided. The Planning Commission voted unanimously in favor the Tasman East Specific Plan Amendment with the friendly amendment (6-0-0) to add the formation of a TMA as a site-wide TDM requirement should SmartPasses not be provided.

Transportation Management Association (TMA) vs. Tasman East Transportation Coordination Group (TETCG)

Staff researched the Planning Commission's recommendation requiring the formation of a TMA in the event SmartPasses are not provided as a site-wide TDM.

The adopted TESP already includes the requirement for the formation of the Tasman East Transportation Coordination Group (TETCG), which is comprised of private property owners that will implement Specific Plan-wide support, publicity, and incentives to increase non-motorized modes and/or personal transportation planning assistance. As such, the TETCG would be able to provide implementation at a Specific Plan scale of site-wide TDMs. Hexagon Transportation Consultants provided a memorandum explaining that the TETCG and a TMA are functionally similar (Attachment 9). The residential property owners in the TESP area have already submitted to the City their signed Memorandum of Agreement which requires participation in the TETCG (Attachment 8). In light of the existence of the TETCG, it would be redundant to implement a TMA.

The adopted Tasman East Specific Plan also already includes a requirement that the residential property owners of Tasman East participate in an TMA should one be established to provide TDM support services on a larger scale than the TESP area (Attachment 4, page 102). It is possible that a TMA may be established as part of long-range planning work underway with the developments of the Patrick Henry Specific Plan and/or Freedom Circle Focus Area, to serve the larger northern Santa Clara area.

Airport Land Use Commission Determination

The ALUC determination was based upon potential noise impacts to a potential school included within the TESP as an allowed land use. The ALUC did not raise this issue when the City adopted the original TESP in 2018. City staff in attendance at the September 23, 2020 ALUC hearing emphasized to the ALUC that the current Amendment was for items unrelated to the potential school site, and that the ALUC had previously reviewed the TESP, including the potential school, and not found it to be inconsistent with the CLUP. Nevertheless, following the guidance from ALUC staff that the item was a "de novo" hearing, the ALUC considered the entirety of the TESP and made their determination of inconsistency related to the potential impacts related to a school.

As a consequence of the ALUC determination, it would be necessary for the City to either further

revise the TESP to address the ALUC's new noise concerns, or for the City Council to override the inconsistency determination. The override requires a 2/3 vote by the City Council (a minimum of five Council members based on the current Council composition).

Staff recommends that the City Council adopt an override of the ALUC determination. The City has made significant progress toward implementation of the TESP based on the initial ALUC determination of no conflict. While the Santa Clara Unified School District has not indicated at this time an intent to develop a school within the TESP area, land continues to be available that could support a future school development. Other schools are located in proximity to the TESP area and closer to the Airport (e.g., Kathryn Hughes, Don Callejon and Montague) and are able to operate compatible with airport activity. Potential impacts would be addressed through the future design and environmental review process for a school should a school be developed.

Per the procedure described above, staff provided notice to the ALUC of the proposed override of their determination. The ALUC considered this notice at their meeting on October 28, 2020 and made no further comment.

ENVIRONMENTAL REVIEW

The Tasman East Specific Plan was analyzed under an Environmental Impact Report (EIR) adopted and certified by the City Council on November 13, 2018. An Addendum to the EIR has been prepared which analyzes the proposed changes with this agenda item. Traffic flows have been analyzed to review the replacement of the Calle Del Sol extension with the pedestrian and bicycle paseo and determined that traffic circulation will not be adversely affected. The Addendum can be viewed as Attachment 2 of this report.

FISCAL IMPACT

There is no fiscal impact to the City other than administrative staff time and expense processing the Specific Plan Amendment #1 and associated actions.

An Infrastructure Impact Fee for the Tasman East Specific Plan is proposed in a separate report (RTC 20-787) and should the Council vote to adopt the fee, it will be applied on development in the Specific Plan boundaries that will fund the construction cost of the pedestrian and bicycle paseo and custom-designed enclosure for the Primavera Lift Station including design and construction for upgrades required to the Primavera sanitary sewer pump station. Long-term maintenance of the paseo and lift station enclosure are to be addressed with private property owner funding through a Property Owners Association or Community Facilities District.

COORDINATION

This report was coordinated with the Water and Sewer Utilities Department, Public Works Department, and City Attorney's Office.

PUBLIC CONTACT

A virtual community meeting was held on August 10, 2020 and approximately 30 members of the public attended. Comments were provided regarding the proposed dimensions of the sidewalks in the paseo as being too narrow. Also, several commenters wanted more retail within the paseo itself. Staff conducted a follow-up virtual meeting on Monday, August 17, 2020 and shared how community input was incorporated into revised plans for the paseo and the land use plan. The conceptual design options for the pump station enclosure were also shared which includes

potential art elements. Participants made requests to add art pads or other areas of interest along the paseo and to ensure a safe environment to avoid conflict between bicycles and pedestrians.

Hearing notices were mailed on November 6, 2020, 2020 to properties within the Tasman East Specific Plan and within 300 feet from the Specific Plan boundaries. A notice of the hearing was also published in the Weekly on November 4, 2020.

Public contact was made by posting the City Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov.

ALTERNATIVES

1. Adopt a resolution to adopt the Addendum to the 2018 Final Environmental Impact Report Tasman East Specific Plan.
2. Adopt a resolution to override the Airport Land Use Commission's determination of inconsistency to the San Jose Mineta International Airport's Comprehensive Land Use Plan for the Tasman East Specific Plan Amendment #1.
3. Adopt a resolution to amend the Tasman East Specific Plan (Amendment #1) to replace a proposed street extension for Calle Del Sol with a multimodal paseo, allow for alternate methods of trip reduction, and correct a clerical error in the Plan regarding the affordable housing requirements.
4. Amend the Tasman East Specific Plan Amendment # 1, as recommended by the Planning Commission, to replace a proposed street extension for Calle Del Sol with a multimodal paseo, allow for alternate methods of trip reduction, require that a Transportation Management Association to be formed should SmartPasses not be provided, and correct a clerical error in the Plan regarding the affordable housing requirements, and direct staff to bring back a resolution reflecting this direction.
5. Introduce an ordinance to amend the Transit Neighborhood Zoning District to allow certain non-residential uses within the first three floors of a mixed-use building and correct an error regarding permissible density ranges.
6. Deny the amendments to the Adopted Tasman East Specific Plan (Amendment #1).
7. Deny the amendments to the Transit Neighborhood Zoning District.

RECOMMENDATION

Alternatives 1, 2, 3 & 5:

1. Adopt a resolution to adopt the Addendum to the 2018 Final Environmental Impact Report Tasman East Specific Plan;
2. Adopt a resolution to override the Airport Land Use Commission's determination of inconsistency to the San Jose Mineta International Airport's Comprehensive Land Use Plan for the Tasman East Specific Plan Amendment #1;

3. Adopt a resolution to amend the Tasman East Specific Plan (Amendment #1) to replace a proposed street extension for Calle Del Sol with a multimodal paseo, allow for alternate methods of trip reduction, and correct a clerical error in the Plan regarding the affordable housing requirements; and
5. Introduce an ordinance to amend the Transit Neighborhood Zoning District to allow certain non-residential uses within the first three floors of a mixed-use building and to correct an error regarding permissible density ranges.

Reviewed by: Andrew Crabtree, Director of Community Development

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. August 26, 2020 Planning Commission Staff Report
2. Addendum to the Final EIR for the Tasman East Specific Plan
3. Addendum to the Final EIR for the Tasman East Specific Plan Resolution
4. Tasman East Specific Plan Amendment #1
5. Tasman East Specific Plan Amendment #1 Resolution
6. Transit Neighborhood Zoning District Amendment Ordinance
7. Conceptual renderings of Paseo and Primavera pump station enclosure
8. Memorandum of Agreement and CC&Rs
9. Hexagon Transportation Consultants Memorandum
10. City of Santa Clara Referral to the ALUC
11. ALUC Determination of Inconsistency
12. ALUC Determination Override Resolution
13. Minutes from the September 23, 2020 ALUC Meeting
14. Comments from the Caltrans Division of Aeronautics