



Mr. Harry Freitas, Director
Department of Planning, Building and Code
Enforcement
City of San Jose
200 E. Santa Clara St, 3rd Floor Tower
San Jose, CA 95113

May 24, 2017

Re: Stevens Creek Urban Village Plan

Dear Mr. Freitas:

The City of Santa Clara appreciates the opportunity to work collaboratively with the City of San Jose in planning for both long-range and near-term land uses along our cities' borders. We also appreciate the opportunities that you have provided for us to participate in the community outreach process you have conducted for the Stevens Creek Urban Village Plan. However, as San Jose moves forward with the implementation of its Urban Village strategy for the Stevens Creek corridor, it is necessary to establish a higher level of coordination and cooperation between our two cities in order to insure that future land use and development activity are consistent with the goals and policies of both cities. Given that the City of Santa Clara is located directly across Stevens Creek Boulevard from the proposed Urban Village, we are understandably concerned with the greatly increased level of planned development on the Urban Village site and how it will impact Santa Clara's residents, particularly in terms of visual and traffic impacts.

As stated in the Stevens Creek Urban Village Plan, the Urban Village boundary is a long commercial corridor currently characterized by large car dealerships and medium sized commercial buildings interspersed with smaller one- and two-story retail and service shops. The Plan will provide capacity for development of approximately 3,860 new dwelling units and 4,500 new jobs. Currently, there are 1,624 existing dwelling units in the Urban Village area. Thus with the additional units contemplated by the Urban Village Plan, there will be 5,484 units in the Plan area, more than triple the number of existing units. Further, in order to provide capacity for 4,500 new jobs, an additional 1,350,000 square feet of net new commercial space would be required, an approximately 48 percent increase in commercial space square footage over existing square footage in the Urban Village. Given the scale of contemplated development, Santa Clara has grave concerns about the impact this increased intensity of use will have on the already congested transportation system the two cities share.

The Plan further identifies maximum building heights along Stevens Creek Boulevard of up to 150 feet at the intersection of Stevens Creek Boulevard and Saratoga Avenue, with most other buildings along the corridor ranging from 120 to 85 feet tall. This represents a marked contrast with the existing one- and two-story buildings along Stevens Creek Boulevard, and raises concerns about the compatibility of land uses and the need for a coordinated approach to planning both public infrastructure and private land uses across both sides of Stevens Creek Boulevard.

As stated in your Staff Report for tonight's Planning Commission hearing, adoption of the Plan relies on a Consistency Determination with the Program Environmental Impact Report prepared for Envision San Jose 2040 prepared in 2011, and the Envision San Jose 2040 General Plan Supplemental Environmental Impact Report prepared in 2015 for a minor update to the General Plan unrelated to this Urban Village planning process. Santa Clara is concerned that this program-level environmental review from several years ago does not adequately address the impact development under the Urban Village will have on the existing congested transportation system. Indeed, the Plan acknowledges that a detailed traffic analysis was not part of the scope of this Plan, but will be conducted at a later date.

Santa Clara residents have expressed concern over the proposed intensity of uses along the San Jose side of Stevens Creek and the impacts that this development could have within Santa Clara or to Santa Clara residents, similar to the concerns expressed by the City of Cupertino. In particular, we understand that implementation of the Stevens Creek Urban Village Plan will have transportation impacts within Santa Clara that will affect Santa Clara residents. Santa Clara residents are also concerned about the amount of parkland and other recreational amenity space proposed within the Stevens Creek Urban Village and that this lack of amenity space could negatively affect Santa Clara residents. As earlier drafts of the Stevens Creek Urban Village Plan indicated reliance upon streets within Santa Clara as part of the Plan's bicycle network, we in particular are interested in understanding how implementation of the Plan will fund improvements for bicycle and pedestrian infrastructure within Santa Clara.

As part of the environmental review process for upcoming land use actions in this area, the City of San Jose should fully address cumulative traffic impacts of the Stevens Creek Urban Village development, along with development of the other proposed Urban Villages and Santana Row/Valley Fair and Winchester, and identify clear and specific mitigation obligations with identified funding mechanisms to address environmental impacts affecting not only San Jose, but also its neighbors in Santa Clara. We understand that San Jose intends to consider these impacts in the West San Jose Area Development Policy Environmental Impact Report that the Staff Report indicates is currently in process.

As the draft Stevens Creek Urban Village Plan identifies four implementation actions aimed at raising funds for improvements and amenities contemplated under the Plan, including an implementation finance strategy and financing mechanism to fund various improvements, as well as considering additional funding mechanisms that would impose fees on new housing. Any such funding mechanisms will need to undergo environmental review and Santa Clara looks forward to being involved in that process.

The City of Santa Clara is also concerned about the proposed implementation of the City's "Signature Project" policy that would allow planned development zoning and discretionary development permits to be issued in the Urban Village area without requiring conformance with the Urban Village Plan for a period of up to 12 months following its adoption. (Policy LU-1.7.) The Staff Report identifies two such projects that are proceeding without a requirement for conformance with the Urban Plan; Stevens Creek Promenade (including 233,000 square feet of office use with parking

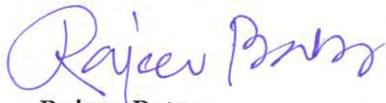
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garage, 10,000 square feet of retail use and up to 499 residential units) and Garden City (including 460,000 square feet of office use with up to 15,000 square feet of retail and 871 residential units). Given the size of these two projects that will not be included in the Urban Village planning process, and thus won't be subject to the financing mechanisms approved as part of that process, the environmental documents currently being prepared for these projects must include a robust analysis of transportation and visual impacts that identifies adequate and specific mitigation obligations.

For the current Planning Commission hearing, we request that San Jose include within the Stevens Creek Urban Village Plan a requirement that implementation of the Plan include an enhanced inter-jurisdictional coordination process. This process should include formal coordination between City of Santa Clara elected officials and staff and the San Jose counterparts to insure that implementation of the Plan aligns with the goals and objectives of both communities. This process should address the proposed preparation of an Area Development Policy and entitlements for any significant development projects within the Stevens Creek Urban Village Plan area.

We appreciate your consideration of our comments and look forward to working with you to implement land uses along the Stevens Creek corridor. We would also ask that San Jose coordinate in a similar fashion to plan land uses along the portion of Winchester Boulevard shared by our two cities. We anticipate that Santa Clara will have additional comments leading up to consideration of the Stevens Creek Urban Village Plan by the San Jose City Council.

Best regards,



Rajeev Batra
City Manager

cc: Mayor and City Council
Director of Community Development
Assistant City Manager