

November 23, 2015

Debby Fernandez
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

Subject: City Place Project, Comments on Draft Environmental Impact Report
SCH #2014072078

Dear Ms. Fernandez,

This letter is in response to the Notice of Availability for Public Review of the Draft Environmental Impact Report prepared for the City Place Project (Project) received by the City of San José on October 9, 2015. The project site is located north of Tasman Drive on the west side of the Guadalupe River. The 240-acre site is immediately adjacent to the City of San José limits to the east. The City of San José is a responsible agency for purposes of mitigation measure implementation within City limits. The City of San José has the following comments on the project and DEIR.

Project Description

The project description is clear with regard to the inclusion of a General Plan Amendment for the creation of a new General Plan Land Use designation of Urban Center/Entertainment District that would be applied to the site. It is also clear the development of the site as described is not currently included or planned for in the adopted Santa Clara General Plan. The conclusions of the DEIR raise serious issues with respect to the City of Santa Clara's ability to determine General Plan conformance for this project.

Based on the land use analysis it appears that Santa Clara did not shift development capacity or revise the General Plan and GP environmental review to account for this project. It is not apparent how some of the significant unavoidable impacts of the project can be reconciled with inconsistencies with very fundamental General Plan policies, particularly with regard to increased jobs/housing ratio, VMT, air quality and population/housing. The document is not clear that the environmental impact assessment includes a comprehensive analysis of updating the General Plan to include the additional development from the project.

Land Use and Planning

The conclusions of the Land Use and Planning analysis raise serious concerns for San José's ability to implement its own General Plan and construct desired development in North San José

particularly. The lack of adequate residential development as part of the proposed project results in inadequate housing being made available to support the number of new jobs created, a substantial increase in VMT and congestion, and a corresponding degradation in regional air quality and increase in GHG emissions. The lack of proposed housing by the project or incorporated in the Santa Clara General Plan results in major General Plan policy inconsistencies. This raises the question how the project can be approved without major revisions to the General Plan and additional environmental impact analysis.

The amount of proposed development is unplanned locally and regionally, i.e. not accounted for in any plans. The project results in 24,760 “net” new jobs. Only 13.5% of project employees are estimated to live in Santa Clara. The project will result in the demand for 15,408 residential units to be provided outside of Santa Clara. This equates to a population growth of 40,677 residents to be accommodated regionally. The Santa Clara General Plan projects a population increase of only 34,000 residents between 2015 and 2040. This housing demand and population growth from the project becomes a burden for other jurisdictions -- “...*the likely result of the induced housing demand resulting from Project generated jobs is upward pressure for additional housing units to be built in the City, region and possibly even outside the region.*” (p.3.12-11)

Given the scope of the City Place project and the regional nature of housing, the EIR should provide analysis of the jobs-housing conditions on a broader geographic scale, as the project deficiency in providing housing may adversely affect other nearby jurisdictions. The project as currently proposed will exacerbate the region’s housing crisis as there are no plans to include affordable housing. This will add pressure on neighboring cities, such as San José, to provide housing for all sectors of the workforce.

The impact/burden of induced housing demand and population on San José will result in the need for additional services to be provided by the City (police, fire, parks, etc.). Pushing the induced housing demand and resulting population to other jurisdictions will affect their respective fiscal health. Cities that have significant fiscal challenges, i.e. jobs-poor cities like San José, provide the bulk of public services to our most in need (poor) communities in the South Bay. Jobs-rich cities don’t carry that financial burden. This project will perpetuate the wealth and resource divide between cities and further aggravate disparity in our county.

The Land Use impact analysis should be amended to include an analysis and discussion of the number of housing units required for Santa Clara to maintain the currently projected 2.57 jobs/housing ratio. We estimate the number to be about 9,634 residential units. Footnote No. 15 on page 3.1-13 should be modified to provide clarification that 6,640 additional housing units are not adequate to offset the number of jobs created by the project in order to maintain the current jobs/housing ratio.

Mitigation Measure LU-1.1 is inadequate as a mitigation measure and should not be referred to as such. A valid mitigation measure cannot defer to further study during some future General Plan update. It provides no certainty that the significant and unavoidable land use impacts will be avoided, minimized or reduced. It should not be listed as a mitigation measure, unless the city does the necessary General Plan analysis at this time.

If the project site cannot accommodate additional housing units, then the City of Santa Clara should amend its General Plan to plan for additional units in the City first. If it is not possible for Santa Clara to balance the project induced jobs and housing city-wide, then the City should provide assistance for other jurisdictions to accommodate the housing, such as a financial contribution to affordable housing.

Transportation

Detailed comments regarding the transportation analysis, impact conclusions and mitigation measures are attached to this letter. The detailed comments are generally focused on:

- ABAG 2020 vs. San José GP 2040 land use projections for North San José
- Mitigation measures to support multi-modal use
- Fair share calculation methodology
- 19 specific project mitigation measures

The City of San José is requesting additional technical information, including more detailed traffic assumptions, full project definitions for the proposed mitigation measures (i.e. feasibility analysis), the estimated full cost of each mitigation measure (including potential property acquisitions), the methodology for calculating fair-share and timing of mitigation measures and/or payments.

Traffic impacts were identified based on current Level of Service standards of congestion along all the major transportation facilities within North San José. The report also identified unmitigated impacts to the surrounding regional County facilities serving North San José, which resulted in significant project volumes within San Jose and unmitigated traffic impacts. Of the 26 study intersections in San Jose, approximately 12 were significantly impacted and no capacity improvements were provided in North San Jose to mitigate project traffic. Therefore, the report did not demonstrate whether traffic capacity truly exists to support City Place traffic volumes in San Jose.

If it is Santa Clara's intent to not demonstrate or provide transportation capacity because it is assumed that the measurement of traffic impacts will shift to VMT standards, then the analysis is inadequate and conclusions are faulty. The project will realistically have more traffic impacts using VMT thresholds since the proposed project does not reduce project generated traffic by proposing a balanced mixed use project, i.e. jobs to housing units. Whether using LOS or VMT, the implementation of the City Place project will have significant transportation impacts in North San Jose with no immediate solutions to providing traffic capacity. The added traffic to North San Jose will be overwhelming.

Air Quality

As a secondary impact, regional air quality is made worse due to the lack of substantially more residential units being incorporated into the project or Santa Clara's General Plan. The lack of new residential units leads to a dramatic increase in VMT. The project conflicts with the 2010 Clean Air Plan because it is inconsistent with population and employment growth in the 2010

Clean Air Plan. Both Scheme A and B would be Significant Unavoidable, but Scheme A with 1,360 housing units is somewhat better because it provides more housing with the 24,760 net new jobs. The Air Quality analysis should be amended to include a discussion of the potential benefits of decreasing GHG emissions by increasing housing capacity in Santa Clara to offset the increase in employment.

Health Risks from Construction Period Air Quality Impacts

Mitigation Measures AQ-6.1 and AQ-7.1 only apply to construction that occurs after the first occupancy of on-site residences and day care centers. The construction activities on the eastern portion of the site along the Guadalupe River will be closer to sensitive receptors in residences in the City of San Jose than the proposed residences on the site (the distance between the project site and residents across the Guadalupe River is less than 600 feet). We ask that these mitigation measures be required to be implemented for construction along the eastern portion of the site in addition to construction near proposed on-site residences.

Biological Resources

Although the project site is located outside of the Santa Clara Valley Habitat Plan (SCVHP) area, it is immediately adjacent to the border of the covered area, just west of the City of San Jose. The SCVHP is the best regional biology science available, particularly for Burrowing Owls and Nitrogen Deposition. Even though Santa Clara is not in the SCVHP, the DEIR should utilize the SCVHP framework for analytical information and disclosure purposes. It would be prudent for Santa Clara to remember that the original intent of the wildlife agencies was for the SCVHP to be County-wide in coverage.

Burrowing Owl

The EIR analysis does not adequately address the potential impacts due to the loss of 100 acres of burrowing owl habitat. The project site is located in an area of the Santa Clara Valley that has been documented as prime burrowing owl habitat. The project site is located within the Extended Study Area for Burrowing Owl Conservation designated by the SCVHP- areas where burrowing owl conservation areas are expected to occur between 2013 and 2063. The north San José area is designated as a Burrowing Owl Fee Zone. The project will reduce nesting and foraging of the habitat that could affect populations in North San Jose.

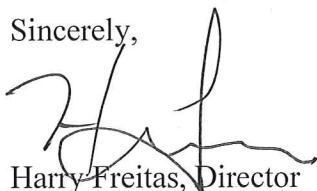
The burrowing owl mitigation measures are inadequate to reduce the impacts to a less than significant level. Mitigation is proposed by simply allowing SCVHP Agency biologists access to portions of the site for annual surveying. This mitigation approach does not meet what is considered best practice/science. Mitigation does not provide any mechanism for proactively replenishing the habitat lost through this project. There are no proposed burrowing owl habitat surveys to be conducted through the phases of the project. Active pre-construction surveys specific to Burrowing Owl habitat is not proposed and does not meet the best science/practice of the SCVHP (Condition 15). The City of Santa Clara has not contributed to conservation efforts for this species since the noted 58.8 acres in 1999. The knowledge base for burrowing owls has advanced significantly since 1999 and should be reflected in the DEIR.

Nitrogen Deposition/Bay Checkerspot Butterfly

The proposed 39% voluntary contribution does not account for a fair share contribution given the site proximity to the SCVHP boundaries. This project will contribute to a significant number of new vehicle trips and will have impacts equal to a project proposed within the same general area covered by the SCVHP. The project is likely to result in a significant unavoidable impact on air quality, but concludes a less than full nitrogen deposition contribution. It does not seem reasonable that this can mitigate nitrogen deposition to less than significant based on project size.

Thank you for the opportunity to comment on the City Place DEIR. If you have any questions, please contact Steve McHarris, Planning Official at (408) 535-7819, or steve.mcharris@sanjoseca.gov. We can make ourselves available to meet with the City of Santa Clara at your earliest convenience to discuss our comments and concerns in more detail. The City looks forward to partnering with the City of Santa Clara to support future development, particularly in North San José.

Sincerely,



Harry Freitas, Director
Department of Planning, Building & Code Enforcement
City of San José

Enclosure: Transportation Comments Attachment

cc: City Manager
City Attorney
Mayor's Office

ATTACHMENT 1

TRANSPORTATION COMMENTS

November 10, 2015

The City of San Jose (“San Jose”) has completed the review of the transportation chapter of the Draft Environmental Impact Report (“DEIR”) for the City Place Project (“Project”) located in the City of Santa Clara. This attachment provides a detailed summary of our technical comments. Overall, we believe that the DEIR inadequately addresses the transportation impacts of the development of the Project on San Jose, which is immediately adjacent to the Project site. The DEIR also inadequately addresses the s proposed for the Project impacts within San Jose. The assumptions used in developing Project-generated trips, mode split and future growth were generally sound. San Jose provides the following comments consistent with the City’s mobility goals to provide an efficient, safe, and attractive transportation system for pedestrians, bicyclists, and transit riders.

San Jose has the following comments after review of the DEIR:

Page 3.3-48 San Jose Land Use Projections under Background Conditions

The North San Jose Area Development Policy and Final Environmental Impact Report approved 26.7 million square feet of industrial space, 1.7 million square feet of commercial space, and 32,000 residential units in the North San Jose area. The approved North San Jose development is much larger than the ABAG 2020 land use projections in the area. Given that North San Jose is immediate proximity to the City Place site, please explain the use of ABAG 2020 land use projections for San Jose instead of the full North San Jose and San Jose General Plan 2040 land use assumptions.

Page 3.3-61 Project Trip Distribution and Assignment

The DEIR indicates that the application of the VTA Travel Demand Forecasting model in the Project trip generation stage is to develop Project traffic assignments. Please provide both trip distribution and trip assignment that show the distribution of City Place-generated traffic and the proportion of trips traveling through San Jose.

Mitigation Measures to Support Multimodal Use

In proposing full, partial, or off-setting mitigation measures to Project impacts, the DEIR proposes modifications to intersection geometries or operations but does not adequately address improvements to bicycle, pedestrian, and transit facilities. With the goal to shift travelers from automobiles to bicycling, walking, and transit uses, San Jose supports mitigation measures that pursue the following improvements in addition to LOS improvements:

- Provide multiple points of access and safer, more effective routes to the Guadalupe River Trail
- Complete the Coyote Creek Trail and safer and more effective access to the trail
- Install or improve pedestrian and bicycle facilities along Montague Expressway
- Improve light rail including operations, speed, frequency, and connectivity of stations

- Support the establishment of a transportation management association to effectively manage auto traffic demand
- Support the upgrades of traffic signals and ITS to manage traffic generated by the Project
- To offset traffic impacts and minimize effects of Project traffic, support or construct innovative bicycle treatments that enhance visibility and safety for bicyclists and pedestrians, such as two-stage left-turns or bike boxes particularly where a second or third left-turn lane is proposed, bicycle or pedestrian detectors, pedestrian bulbouts, and separated bikeways.

Calculations of Fair-Share Contribution

The Project's fair share contribution, financing, scheduling, implementation responsibilities and lead agency monitoring should be fully discussed between San Jose and City of Santa Clara for all proposed mitigation measures. One generally adopted methodology is the percent increase in average vehicular delay caused by the Project at each impacted intersection. Please submit calculations of fair share for review by San Jose.

San Jose would like to work with the City of Santa Clara fully address the following specific comments to the DEIR:

Page 3.3-193 Renaissance Drive/ Tasman Drive, Off-setting Mitigation

San Jose supports that the Project Developer pays a fair-share contribution toward implementation of off-setting mitigation measures to this Cumulative impact, which could include the proposed light-rail operations capital improvements.

Page 3.3-94 and 3.3-194 Rio Robles/ Tasman Drive, Partial Mitigation

San Jose supports that the Project Developer pays a fair-share contribution toward the construction of partial mitigation measures to this impact. The mitigation measure at this intersection is to widen the southbound approach to include one left-turn lane, one through lane, and one right-turn lane. Given the high pedestrian volume at this intersection during commute periods, the mitigation measures shall include crosswalk treatments that enhance visibility and pedestrian safety, and traffic surveillance cameras at the intersection.

Page 3.3-95 and 3.3-194 North First Street/ Tasman Drive, Off-setting Mitigation

San Jose supports that the Project Developer pays a fair-share contribution toward the construction of off-setting mitigation measures to this impact. Besides the proposed off-setting mitigation measure, San Jose supports the inclusion of upgrades at the Tasman Light Rail Station and crosswalks to enhance pedestrian and bicycle access to and from the light rail station.

Page 3.3-194 Zanker Road/ Tasman Drive, Off-setting Mitigation

San Jose supports that the Project Developer pays a fair-share contribution toward constructing or implementation of off-setting mitigation measures to this Cumulative impact, which could include the proposed light-rail operations capital improvements.

Page 3.3-96 and 3.3-195 North First Street/ Montague Expressway, Off-setting Mitigation

San Jose supports that the Project Developer pays a fair-share contribution toward the construction of a full-grade separation of the light rail. A full-grade separation will improve light rail speed, signal operations, and access to the light rail station, consistent with San Jose's multimodal vision.

Page 3.3-96 and 3.3-195 Zanker Road/ Montague Expressway, Partial Mitigation

San Jose supports that the Project Developer pays a fair-share contribution toward the construction of Zanker Road Widening project that includes separated bike lanes on both sides of the street, crosswalk treatments, and other improvements consistent with San Jose's multimodal mobility goals. San Jose also supports the inclusion of a second northbound left-turn lane and a second southbound left-turn lane as part of the Zanker Widening project identified in the current North San Jose Area Development Policy.

Page 3.3-97 and 3.3-195 Montague Expressway/Plumeria Drive-River Oaks Parkway, Partial Mitigation

Please explain the proposed mitigation measure to limit northbound (Montague Expressway) U-turns. Appendix 3.3E shows that under the Existing condition, the northbound left is a critical movement with 666 vehicles and 118 vehicles during the AM and PM peak hour, respectively, and the Project will contribute a minimal amount of vehicles to this movement during these periods. Is there a significant amount of northbound U-turn activities that prohibiting these U-turns is expected to reduce the average delay at the intersection?

San Jose supports signal modifications, which could include an overlap phase on the eastbound right movement, that improve access to existing sites and driveways without compensating pedestrian crossing.

Page 3.3-97 and 3.3-195 Trimble Road/ Montague Expressway, Partial Mitigation

San Jose supports that the Project Developer pays a fair-share contribution toward the construction of the Montague-Trimble fly-over.

Page 3.3-97 and 3.3-195 McCarthy Boulevard-O'Toole Avenue/ Montague Expressway, Partial Mitigation

San Jose supports that the Project Developer pays a fair-share contribution toward the construction of the square-loop interchange along with the interchange modifications at I-800/ Montague Expressway as a bundled project identified in the County Expressway Plan 2040.

Page 3.3-97 and 3.3-196 De La Cruz Boulevard/ Trimble Road, Partial Mitigation

Appendix 3.3E shows that under the Background condition, the Project would contribute 510 vehicles to the southbound left movement during the PM peak hour, causing the V/C ratio to from 0.83 to 1.12 and a significant increase in average delay at this movement and the intersection as a whole. However, during the AM peak hour, zero Project trips are added to the westbound right movement that operates below capacity. This is counter-intuitive; if Trimble Road is used by Project trips as an alternative route to bypass congestion on Montague Expressway, it would make more sense that a comparable amount of Project trips in the PM peak hour would be contributed to the counter, westbound right movement in the AM peak hour. The same issue applies to the 560 eastbound left Project trips in the AM peak hour but zero

southbound right Project trips in the PM peak hour. Please explain the origin of these Project trips and how trip assignment is assumed for these trips.

Page 3.3-98 and 3.3-196 North First Street/ Trimble Road, Partial Mitigation

San Jose supports that the Project Developer pays a fair-share contribution toward the construction of mitigation measures that include a second eastbound left-turn lanes, a second northbound left-turn lane, a second southbound left-turn lane, and the construction of adequate treatments at the intersection to facilitate safe and comfortable bicycle left-turns and pedestrian crossing, such as bike boxes/ two-stage left-turn boxes, pedestrian refuges/bulbouts, and signal jump detectors, etc.

Page 3.3-196 Zanker Road/ Trimble Road, Off-setting Mitigation

San Jose proposes to alter the proposed off-setting mitigation measure to this Cumulative impact that the Project Developer pays a fair-share contribution toward the construction of Zanker Road Widening project that should include separated bike lanes on both sides of the street, crosswalk treatments, and other improvements consistent with San Jose's multimodal goals.

Page 3.3-98 and 3.3-196 North First Street/ Brokaw Road, Partial Mitigation

The mitigation measure to address the impact at this intersection is the connection of Zanker Road from Old Bayshore Highway to Skyport Drive, along with a partial US-101 interchange for the connection. The Zanker Road-Skyport Drive connection diverts vehicular traffic away from North First Street, and is part of the North San Jose Grid Street System project identified in the current North San Jose Area Development Policy. The Project Developer shall contribute fair-share toward this mitigation measure.

Page 3.3-196 Zanker Road/ Brokaw Road, Partial Mitigation

San Jose supports that the Project Developer pays a fair-share contribution toward the construction of Zanker Road Widening project that includes a second eastbound left-turn lane, a second northbound left-turn lane, and a second southbound left-turn lane as an off-setting mitigation measure to this Cumulative impact.

Page 3.3-101 and 3.3-198 Great America Parkway/ SR 237 NB Off-Ramp, Full Mitigation

The DEIR incorrectly indicates that the interchange of Great America Parkway/ SR 237 northbound off-ramp is a CMP-designated intersection within the City of Santa Clara; the interchange is a CMP intersection located within San Jose, and should be under the jurisdiction of both San Jose and County of Santa Clara.

The Highway 237 Bikeway that extends in parallel to SR-237 has an on-street connection between Lafayette Street and Great America Parkway. From the connectivity standpoint, this segment is one of the missing pieces of what would otherwise be a complete, off-street trail network direct linkage between the Bay Trail, San Tomas Aquino Creek Trail, Guadalupe River Trail, and Coyote Creek Trail. Currently, bicyclists and pedestrians need to cross the Great American Parkway/ SR-237 NB Off-Ramp interchange and Gold Street/ Gold Street Connector intersection to complete the connection. The proposed full mitigation measure to add a third westbound left-turn lane and a second westbound right-turn lane require right-of-way acquisition

that could affect the alignment of this on-street connection and make bicycle and pedestrian travel even less encouraging.

San Jose supports that the Project Developer is fully responsible for geometry changes at the intersection that include the alignment of the bikeway connection. In addition, San Jose supports the inclusion of high-quality, safe and convenient bicycle and pedestrian facilities along Great American Parkway to improve visibility and access to and from the Great America Station that hosts Amtrak's Capitol Corridor trains and Altamont Corridor Express trains.

Page 3.3-106 and 3.3-201 Gold Street/ Gold Street Connector, Partial Mitigation

San Jose supports the partial mitigation measure to add a second northbound left-turn lane, add a second eastbound right-turn lane, and crosswalk relocation that improves connection to the trail. The required right-of-way acquisition on Gold Street Connector will affect the alignment of the on-street, Highway 237 Bikeway connection.

As an off-setting mitigation measure, San Jose proposes to install new traffic surveillance cameras and high quality, safe and convenient bicycle and pedestrian facilities at the intersection. San Jose also supports for improved connections between Coyote Creek Trail and Highway 237 Bikeway, such as upgrading the existing bicycle facilities or extending the Highway 237 Bikeway from North First Street to Zanker Road. The cost and construction of these mitigation measures is the full responsibility of the Project Developer.

Page 3.3-108 and 3.3-202 Great America Parkway/ Gold Street Connector, Full Mitigation

San Jose supports that the Project Developer is fully responsible for the cost and construction of the proposed second northbound right-turn lane as a receiving lane and a bundled project to the associated second westbound right-turn lane proposed at the Great America Parkway/ SR 237 northbound off-ramp intersection.

Page 3.3-109 and 3.3-202 San Tomas Expressway/ Stevens Creek Boulevard, Partial Mitigation

San Jose supports that the Project Developer pays fair-share contribution toward construction of the widening of San Tomas Expressway, which should also include components consistent with San Jose's multimodal vision, including but not limited to the removal of pork chops and free northbound right-turns, improved access to transit, more human-scale pedestrian crossing, and traffic calming treatments, etc.

Page 3.3-113 Liberty Street/ North Taylor Street, Proposed Mitigation

Appendix 3.3E shows that under the Background condition, the Project is expected to contribute 600 vehicles to the eastbound through movement during the PM peak hour, causing the V/C ratio to rise from 0.17 to 1.21 and the signal warrant to be met at this all-way-stop intersection. However, zero project trips are assigned to the counter, westbound through movement in the AM peak hour. Please explain the general destination of these trips and how trip assignment is assumed for these trips during the two periods.

San Jose is concerned about the effect of Project-generated vehicles on local streets within the Alviso neighborhood. In lieu of installing a traffic signal, construct traffic control devices at the intersection and/or other locations along Gold Street and North First Street to divert Project traffic from intruding the Alviso neighborhood. The Project Developer shall contribute fair-share toward the construction of traffic control devices.