COUNCIL AGENDA: 12/7/10
ITEM: 10.4 & 11.2

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Councilmember Rose Herrera

SUBJECT: Mirassou Winery Development

DATE: December 7, 2010

Approved

Date 12/07/10

SUBJECT: PDC 10-001/GP09-08-05/GPT 09-08-05

1) Text Amendment on the south side of Aborn Road between Allessandro Drive and Ruby Avenue, (3000 Aborn Road) and
2) Rezoning Real Property located on the south side Aborn Road.

RECOMMENDATION

Approve the staff's recommendation with the following additions:

1) Density should be no more than 107 residential units.

2) Traffic: The Evergreen Area Development Policy gives flexibility regarding the location and scheduling of the planned improvements and mitigations. As part of the traffic impact fee contributions for this project, staff should make all reasonable efforts and work with the developer to ensure all proposed transportation improvements by this project are near the project or along one of the main routes to the site and constructed as part of the development by the developer and concurrent with the project.

3) Toxics: Toxic clean-up for in-use development is a top concern and priority for the City of San Jose, especially for residential projects. The applicant shall work closely with the Environmental Services Department to rigorously clean-up all toxics found on the site.

4) Retail: In addition to the retail located on the Southwest corner of Aborn Road and Ruby Avenue, the applicant has included a pad for approximately 2,500 square feet of retail uses which is located on Ruby Avenue adjacent to the main pedestrian access to the Lake and directly across from the Evergreen Village Square.

5) Joint marketing agreement: Shapell and Summerhill Homes shall enter into a joint marketing agreement to coordinate the placemaking elements including signage, landscaping, and lighting.

a. At the PD Permit stage, this agreement shall be finalized and City staff should pay particular attention to these elements to ensure the developer is providing adequate investment in the elements required to achieve this goal.
b. At the PD Permit stage, this joint marketing agreement must also be in place before the signage on Aborn Rd. is advanced by the City.
c. The placemaking elements shall implemented before the first phase of housing construction begins.

The joint marketing is in addition to their own individual marketing plans. The intent is for the larger community to see this as one unified destination rather than two competing retail centers. Creating a vibrant destination in this community requires creating a unified sense of place that will be achieved through lighting, signage, landscaping, and other elements of "urban furniture" along Aborn Rd. and Ruby Ave.

7) Signage: Joint signage for the Square and the Mirassou Development is critically important. Summerhill Homes and Shapell shall provide adequate signage to advertise, promote, and brand the collective Evergreen Village Square and Mirassou Development.

8) Historic Buildings on Site: The historic Mirassou buildings are important to the history of Evergreen and the history of the valley. The applicant shall begin restoring the historic buildings in the first phase of construction keeping in mind these buildings are complimentary to the overall development and add to the vibrancy of this location. These buildings shall be restored with the forward planning that the city is not in the position to manage them. We should be flexible in its future use with the ideal situation being open and accessible by the public.

9) Pedestrian access: The applicant shall work with staff to identify additional pedestrian access opportunities to and from the site as well as providing a specific pedestrian connection to the existing lake area.

BACKGROUND

Throughout San Jose, we strive to plan for livable neighborhoods that promote infill development while preserving the character and qualities that make the existing area unique. The Mirassou Winery Development has been envisioned as a complimentary development to Evergreen Village Square and the surrounding existing residential communities. The emphasis for this development is how it will look and feel at full build-out.

As a destination, the larger community will not see two separate developments. Instead, shoppers will have one unified experience extending from Aborn Rd. down Ruby and into Evergreen Village Square. The residential units along Ruby Ave. will have an urban edge to create

continuity. Visitors will have a short, pedestrian-friendly, walk down Ruby between the retail on the corner of Aborn and into Evergreen Village Square. The Mirassou Winery Development has reached this point in the development process because the design and intent of the applicant is to create this continuity to support Evergreen Village Square.

Since 1854, the Mirassou family was producing distinctive California wines in the Evergreen area. Considered America's oldest winemaking family, the Mirassou family holds a special place in the minds and hearts of the Evergreen community. I, along with thousands of others, recall many events hosted by the Mirassou family including 4th of July fireworks, the annual Christmas gathering, barbecues, the Grap Run - a foot race through the vineyards, and many more. The entire community looks forward to the complete restoration of the buildings on site and fulfilling their rightful place in history. As we plan for the completion of the buildings, the City does not have the funding resources to support their maintenance and operations yet saving these buildings will add to the vibrancy of the area. Therefore, we should remain flexible in how the buildings will be used in the future. Our hope is that its reuse will incorporate the history of the Mirassou winemaking tradition.

The vibrancy of the combined Mirassou Winery Development and Evergreen Village Square will be achieved through the placemaking and marketing for both areas as one unified destination. The larger community will come to either site and feel like they are all one. The applicant, Summerhill Homes, has agreed to add unique lighting, signage, and "urban furniture" along Ruby Ave. The homes along Ruby will be designed to create an urban feel with minimal setbacks. When Shapell and Summerhill Homes work together on joint marketing and signage, the vision for the Square will be realized and it will be well-positioned for success as the economy rebounds.

These ideas for placemaking, joint marketing, and site design were achieved through focus group meetings I convened and through community outreach. I felt that a site with such historic significance and one that serves as a gateway to Evergreen Village Square should have a thorough discussion of all the projects issues. It was also a recurring issue for the business owners and community members. The focus group discussion included experts in historic preservation, retail attraction, community gathering, and land planning. City staff was also active in the conversation. I brought these experts together to vet all the options, challenge assumptions, and ultimately develop the best project for Evergreen.

Most importantly, the community gave insightful and helpful input about the historic buildings, location of retail, and connectivity to Evergreen Village Square. Community outreach included the District 8 Community Roundtable, Evergreen Village Square Business Owners Association, neighbors within 1,000 feet and all interested parties. The project evolved because of the input from these stakeholders. The project being seen now is a better project than when it was first proposed because of the involvement of the community and the responsiveness of Summerhill Homes to meet the needs of the community.

One of the ongoing needs of the community is traffic relief. In Evergreen, residents respect the growth limits envisioned by the adoption of the Evergreen-East Hills Development Policy. These

growth limits protect the future of Evergreen as the community is already predominantly built out with little opportunity for major traffic relief. As part of the traffic impact fee contributions for this project, staff should make all reasonable efforts to work with the developer to ensure all proposed transportation improvements by this project are near the project or along one of the main routes to the site and constructed as part of the development by the developer and concurrent with the project.

Another ongoing concern for this part of Evergreen is that, with any new development, there will be a negative impact to the schools with the addition of new students. Unfortunately, cities have not been giving authorization by the State of California to require the dedication of fees to schools in order to mitigate the impacts of development projects upon those schools for quite some time. The subject matter was taken over by the state and the state generally has authorized school districts to impose those fees. Nevertheless, developers sometimes want to enhance their support of local schools above and beyond whatever is required by the school district. Summerhill Homes has voluntarily offered to contribute additional funds but the City cannot play a role in asking the applicant to provide funds in excess of what state law would allow. Summerhill Homes has committed to building two permanent classrooms for the Evergreen Elementary School. For Evergreen Valley High School, the applicant has agreed to pay $150,520.00 plus an additional $60,000 over the amount required by state statute.

In conclusion, the Mirassou Winery Development will be an important addition to the Evergreen community and the City of San Jose. The unique qualities of the site itself and the connectivity to Evergreen Village Square embodies the village concept being brought forward as part of the Envision 2040 Task Force. The unified sense of place, the walkable community, the vibrant retail, and the historic preservation combined compliment the existing neighborhoods and the viability of Evergreen Village Square.