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John W. Baty  
City of San Jose  
Planning, Building & Code Enforcement  
Planning Services Division  
200 East Santa Clara Street  
San Jose, CA. 95113-1905

*Re: Alternatives for the Evergreen Valley College Site*

Dear Mr. Baty:

I am writing on behalf of Canyon Creek Plaza, LP, the owner of Canyon Creek Plaza, and Shappell Industries of Northern California, the owner of the Evergreen Village Center to request that alternative land uses for the Evergreen Valley College (EVC) site be considered as part of the Evergreen-East Hills Vision Strategy.

As you are aware, we are urgently requesting that the Evergreen Task Force foster, rather than adversely impact, existing shopping centers such as Canyon Creek on Silvercreek Road and Evergreen Village by denying the Evergreen Community College District's request for approval of a major supermarket at the Evergreen Valley College site on San Felipe Road. Eleven supermarkets occupying over 434,000 square feet of building space already currently exist within 3.5 miles of the EVC site. The market demand for yet another major grocery store in the area does not exist and the success of such a store at the EVC site will necessarily be at the expense of a substantial share of sales from existing markets.

Indeed in the past, the Planning Staff has consistently recommended against retail over-saturation of the area. In 1994, 1995 and again in 1996, Planning Staff noted that approving a large retail center, including a major grocery store, in this area would be contrary to the General Plan, and would undermine the commercial strategy of the Evergreen Specific Plan.

In recommending against a 1996 College District proposal that included a major grocery store, in its General Plan Annual Review Staff Report, Planning Staff found that the addition of commercial square footage at the amounts proposed "*could weaken existing centers as well as the planned commercial uses in the Evergreen Village*

*Center by oversupplying the retail market. Future commercial needs for the entire Evergreen area were addressed during the planning stages for the residential development. The Village Commercial Center is the planned neighborhood business district intended to be the retail activity and visual hub of the area...."* Staff further noted that a new commercial center would *"severely impact the planned commercial Village Center," "would dilute consumer markets for all existing commercial centers within a three-mile radius...."*

Even the College District recognized these concerns when it removed a major grocery store from its original proposal for the site. In an October 23, 1996 letter regarding the revision to its request for a General Plan amendment, Michael Hill, then the District's Vice Chancellor, wrote: *"Very importantly, by excluding a full service grocery operation, the revised amendment is intended to complement and not adversely impact the commercial Village Center in the Evergreen planned residential community."*

The College District's retail plans for the site today are not appreciably different than they were previously. The same compelling reasons against developing a major grocery store at the site still exist.

It is axiomatic that land use decisions should be based on the community interest, not merely the interest of the property owner in maximizing the land use value. However, currently no substantive alternatives are being considered for the EVC site, other than alternate locations for a library on the site. A number of other opportunities exist for the use of this land irrespective of whether the library is located at Yerba Buena Road or San Felipe Road.

Below are uses which need to be analyzed from an objective land use perspective, rather than merely deferring to the District's preference. If public use of the site is not being considered, each of these alternatives represent a productive and viable land use that will benefit the community without unnecessarily harming neighboring retail centers, such as Canyon Creek Plaza and Evergreen Village. We urge the Task Force to consider the following alternative uses:

1. Health Club. A large health club designed from about 40,000 to 70,000 square feet could be located at the site to serve as many as 4,500 members with an average attendance which can reach 1,000-1,200 persons daily. Given the demographics of the area, the health club business should prosper. There is no over-saturation of health clubs in the vicinity, and they tend to attract a variety of compatible shops and services (e.g. Starbucks, Peet's Coffee, Jamba Juice, Supercuts, Coldstone Creamery, etc.). There needs to be substantial parking for such a use, but shared parking with office space works well.

2. Additional Office Space. More office space is needed in the area, and could be developed *in lieu* of expanded retail so as to not to draw business away from nearby retail sites.

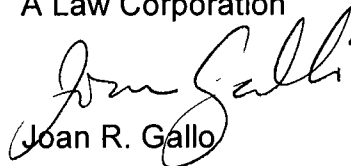
3. Non-Grocery Retail Anchors. Many non-grocery retail anchors could succeed at this location and would not detrimentally effect anchor stores at Canyon Creek Plaza and Evergreen Village. Such potential anchors include the following types: family clothing (e.g., Old Navy), discount variety store, bedding & housewares (e.g., Crate & Barrell, Williams-Sonoma, Bed, Bath & Beyond), home furnishings (e.g., Pier 1), sporting goods store (e.g. Big 5, REI), bookstores (e.g., Barnes & Noble, Borders), office supply store (Staples, Office Max), and specialty retail stores (e.g., Michael's, Petco) to name a few.

4. Mixed Use Housing. The EVC site also could be developed as a mixed-use site by including apartments or condominiums above some of the retail or office uses just described and/or above other neighborhood serving retail space. These could be market rate or affordable housing units.

These four alternatives should be considered by the Evergreen Task Force as each represents uses that are more consistent with past planning efforts and would enhance and serve the community without the detriment to neighboring retail centers. Again, we ask that the land use decision be made based on the long-term best interest of the community, and not merely the desire of the College District.

Sincerely,

HOPKINS & CARLEY  
A Law Corporation



Joan R. Gallo

JRG/bm

Cc: Ed Abelite  
Kelly Erardi