



**2017 GENERAL PLAN
ANNUAL PERFORMANCE
REVIEW
(for FY2016-17)**

OCTOBER 11, 2017

Department of Planning, Building and Code Enforcement
Planning Division



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INTRODUCTION

When adopted in November 2011, the **Envision San José 2040 General Plan** (General Plan) provided for an annual performance review to enable evaluation of progress on the General Plan’s strategies and implementation actions. Implementation Policy IP-3.1 specifies: “Beginning in 2013, hold one Annual Review hearing for the Planning Commission and the City Council to review and consider privately proposed amendments to the *Envision General Plan* and to evaluate its Performance Measures.”

This annual performance review report fulfills this evaluation requirement. The report describes the status, conditions, and/or progress pertinent to the 12 Major Strategies and related actions contained in the General Plan.

The 12 interrelated and mutually supportive Major Strategies are considered fundamental to achievement of the City’s Vision and together promote the continuing evolution of San José into a great city.



The skyline of downtown San José has grown with several high-rise residential buildings in recent years. View is northward toward the Bay with the San José Mineta International Airport in the background.



View the complete General Plan at <http://www.sanjoseca.gov/DocumentCenter/Home/View/474>

EXECUTIVE SUMMARY

The 12 Major Strategies and related conditions, progress and/or outcomes are highlighted below and detailed in this report. Progress is measured from November 2011 when the City Council adopted the General Plan.

THE 12 MAJOR STRATEGIES

1 Community Based Planning - The General Plan goes beyond state requirements for community participation in land use and planning activities by implementing the City's Outreach Policy.

Status-Conditions-Outcomes

- In FY2016-17, the Planning Division held 58 community meetings with over 2,600 attendees. Between FY2011-12 and FY2016-17, the average number of community meetings was 44 per year

2 Form Based Plan – Form-based planning principles address the form and character, as well as land uses and densities for future development.

Status-Conditions-Outcomes

- City planners apply form-based planning principles when reviewing development proposals and preparing Urban Village Plans

3 Focused Growth - New growth is directed and encouraged within the City's Growth Areas so as to preserve and enhance the quality of established neighborhoods, and reduce environmental and fiscal impacts.

Status-Conditions-Outcomes

Since November 2011:

- San José has created 51,500 new jobs and increased its population by 76,000 people
- 79% of new residences, 56% of commercial space, and 91% of industrial space were built in Growth Areas
- Building permits were issued for 18,300 housing units, 9.0 million sq. ft. of commercial, and 8.7 million sq. ft. of industrial

4 Innovation/Regional Employment Center - San José largely remains a bedroom community, having more employed residents than jobs within the City. The jobs-to-employed-resident (J/ER) ratio is an indicator of a city's fiscal strength: jobs-based development generates city revenue while residential-based development necessitates greater demand for the provision of services.

Status-Conditions-Outcomes

- J/ER in 2010: 0.80
- J/ER in 2015: 0.80
- Although the J/ER ratio has not improved, the City has made strides in becoming a regional employment center evidenced by several major development projects now built or coming online

5 Urban Villages - The General Plan identifies 64 Urban Villages within San José that focus on jobs and high density growth to foster vibrant, walkable urban districts. The timing of residential development of the

View the maps of proposed
Growth Areas at
<http://www.sanjoseca.gov/documentcenter/view/19328>

Urban Villages relates to the Horizon timelines expressed in the General Plan. If a residential mixed-use development is proposed ahead of the Horizon, it may be considered as a Signature Project or use the Residential Pool policy subject to requirements established in the General Plan.

Status-Conditions-Outcomes

- 10 Urban Village Plans are approved by the City Council
- Six additional Urban Village Plans are under development
- Three Signature Projects have been approved by City Council and two Signature Projects are currently under review by staff
- Residential projects have utilized 518 units of the 5,000 Residential Pool capacity

6 Streetscapes for People - The General Plan goals and policies promote a transportation network that is safe, efficient, and sustainable.

Status-Conditions-Outcomes

- The City Department of Transportation is currently developing a Complete Streets Design Guidelines manual, targeted for completion in 2017

7 Measurable Sustainability/Environmental Stewardship - The General Plan includes measurable standards for environmental leadership.

Status-Conditions-Outcomes

- The City, led by the Environmental Services Department, is developing an Environmental Sustainability Plan (ESP) that aims to establish San José as a global pioneer in reducing greenhouse gas emissions (GHG) related to energy, mobility (transportation), and water through innovation and community engagement

8 Fiscally Strong City – As discussed in Major Strategy #4, San José’s jobs-to-employed-resident ratio reflects a land use pattern that results in an imbalance of revenues and costs. By implementing smart growth principles and allowing for high densities of jobs and housing, the General Plan promotes an improved balance of land uses and higher density development to enable the City to deliver high-quality municipal services.

Status-Conditions-Outcomes

- In FY2016-17, 91% of residential entitlements were for projects 45 units per acre or greater
- Measure A and B, voter approved in November 2016, approved \$950 million towards affordable housing and \$6-6.5 billion towards transportation infrastructure improvements countywide

9 Destination Downtown - The General Plan envisions downtown San José as the cultural heart of the city, providing employment, entertainment, and cultural activities more intensely than other areas in the City.

Status-Conditions-Outcomes

- In FY2016-17, development permits for 1,962 new residential units and 770,000 square feet of commercial and office space were approved.
- Since adoption of the General Plan, development permits for 5,549 units have been approved in Downtown
- Commercial vacancies have decreased by 12.5% (23.6% to 11.1%) in Downtown since General Plan adoption
- In 2017, over 100 outdoor events were held attracting an estimated 630,000 people in total

10 Life Amidst Abundant Natural Resources - The General Plan promotes access to the natural environment by building a world-class trail network and adding parks and other recreational amenities. The Capital Improvement Program (CIP) specifies service levels with targets for neighborhood recreational lands (such as tennis courts or soccer fields), parklands, and community centers per 1,000 residents.

Status-Conditions-Outcomes

- As of June 2017, the City has 60 miles of trails open for use, 3,503 acres of parkland, 12 City-operated community centers, and 39 partner operated re-use community centers
- PRNS will need to construct approximately eight miles of trails per year to meet the goal of 100 miles of trails by the year 2022

11 Design for a Healthful Community - The General Plan supports the physical health of community members by promoting walking and bicycling as travel options, access to healthful foods, and the provision of health care and safety services. The Land Use and Transportation Chapter includes goals and policies intended to improve multi-modal accessibility to create a city where people rely less on driving to meet their daily needs.

Status-Conditions-Outcomes

- The City is pursuing investments, programs, and collaborations with other agencies that should lead to future transportation mode shifts.
- San José's WalkScore continues to increase, with the current score of "Somewhat Walkable" at 51 out of 100
- In 2016, the City installed 26 new miles of on-street bikeways bringing the system-wide total to 285 miles
- PRNS added a new community garden, Pueblo De Rios, to the inventory of 17 existing community gardens

12 Plan Horizons and Periodic Major Review – Three horizons function as timelines in the General Plan for phasing in housing development relative to population growth and the City's fiscal health. The City is currently operating under Horizon I. The City Council determines when to begin the next horizon based on the outcome of the General Plan Four-Year Review.

Status-Conditions-Outcomes

- For the 2017 General Plan Annual Review cycle, there are seven privately-initiated and five City-initiated General Plan Amendments



Learn more about the General Plan Four-Year Review at <http://www.sanjoseca.gov/GeneralPlanReview>

PERFORMANCE ANALYSIS

MAJOR STRATEGY #1 - COMMUNITY BASED PLANNING

The City is committed to open government and community participation in its governance activities. The General Plan includes five goals, 23 policies, and two action items related to community outreach, going far beyond state requirements for providing public outreach and community engagement in land use planning activities.

The City’s Public Outreach Policy, Policy 6-30, establishes a protocol for distribution of information related to development activity and encourages early and frequent communication between staff, applicants, and the public on specific development applications.

The Planning Division tracks its community outreach meetings on development proposals, ordinance and zoning code updates, and the development of Urban Village plans.

As shown in Figure 1, between FY2011-12 and FY2016-17, the Planning Division held 264 community meetings, an average of 44 meetings per year. In FY2016-17, the number of meetings was higher than the yearly average and attendance was significantly higher than previous years. This indicates that, per Policy 6-30, more large development proposals and proposed policy modifications with significant community interest were submitted for review in FY2016-17.

**Figure 1.
Planning Division
Community Meetings**

Fiscal Year	Meetings	Total Attendees
16-17	58	2,686
15-16	49	2,158
14-15	27	1,246
13-14	50	1,483
12-13	49	1,429
11-12	31	442
Total	264	9,444



Interactive charrettes are a tool used to engage community members in thinking about the placement and intensity of development.

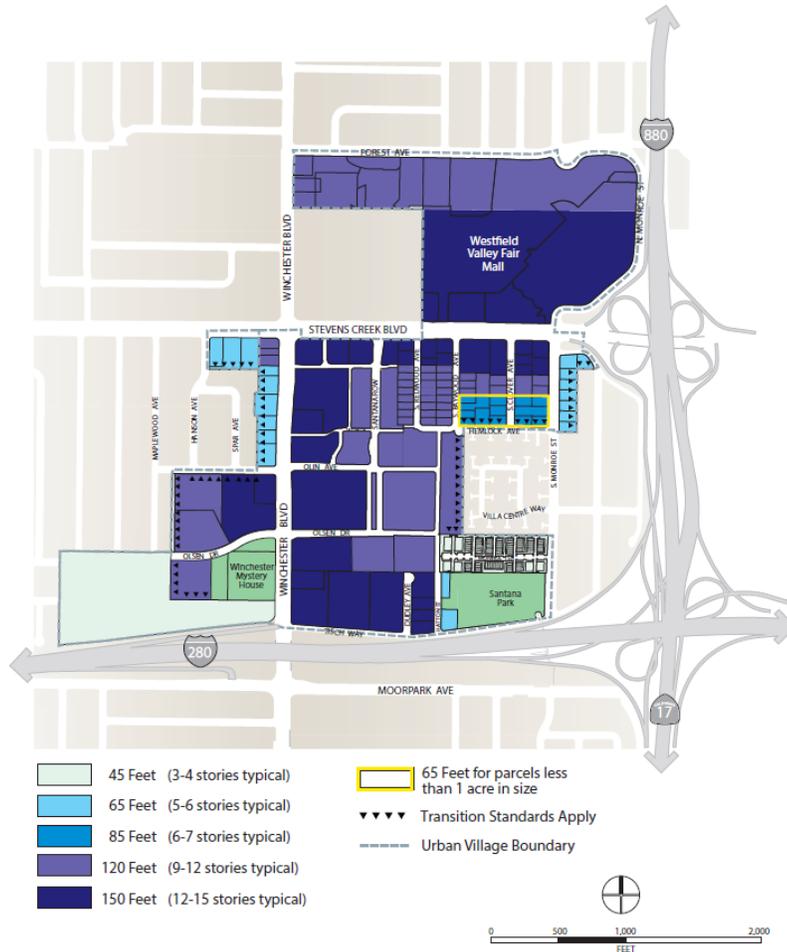
MAJOR STRATEGY #2 – FORM-BASED PLAN

Land use designations that address the form and character of the built environment, as well as appropriate uses and densities, enable the *Envision General Plan* to clearly articulate a vision for San José’s future urban form.

The *Envision General Plan* subscribes to form-based planning. Form-based planning principles address the form and character as well as land uses and densities for future development. Additionally, the principles provide for flexibility for economic activity, address neighborhood concerns about compatibility of new development, and promote ongoing development of complete, cohesive neighborhoods.

The Planning Division applies form-based principles during the review of development proposals and in the preparation of Urban Village plans. Additionally, development applications within the Downtown are evaluated according to the Downtown Design Guidelines, which provide direction for the design of new development in the Downtown area.

For example, the newly adopted Santana Row/Valley Fair Urban Village Plan incorporates form-based planning, as it sets a vision for the area and provides appropriate uses, densities, heights, and setbacks for all properties within its boundaries.



Santana Row/Valley Fair Urban Village Plan Height Diagram

MAJOR STRATEGY #3 – FOCUSED GROWTH

San José is the tenth largest city in the country and the third largest city in the state of California. Since the adoption of the General Plan, San José has continued to experience an increase in population and remains the largest city in Santa Clara County with more than half of the county’s total population.

- **Population Growth.** As of January 2017, San José had an estimated population of 1,046,079 people, representing an approximate 8% increase from 2011 (see Figure 2). This stands as approximately 54 percent of the total population of Santa Clara County (State of California, Department of Finance)
- **Job Growth.** As of June 2016, San José has a total of 393,500 payroll jobs, of which approximately 51,500 of these jobs were created since the adoption of the General Plan in November 2011 and represents a 15% increase from 2011 (California Employment Development Department). On average, this is approximately 8,500 new payroll jobs per year. The General Plan includes a planned job capacity of 382,000 new jobs until the year 2040, equating to approximately 13,000 new jobs per year

Figure 2. Population and Growth in San José

Year	# Residents
2011	970,011
2017	1,046,079

The Focused Growth Major Strategy directs both population and job growth to identified Growth Areas through the intensification and redevelopment of existing properties. Residential development located outside of Growth Areas is limited to neighborhood infill to preserve and enhance the quality of established neighborhoods and reduce environmental and fiscal impacts.

New Development in Growth Areas

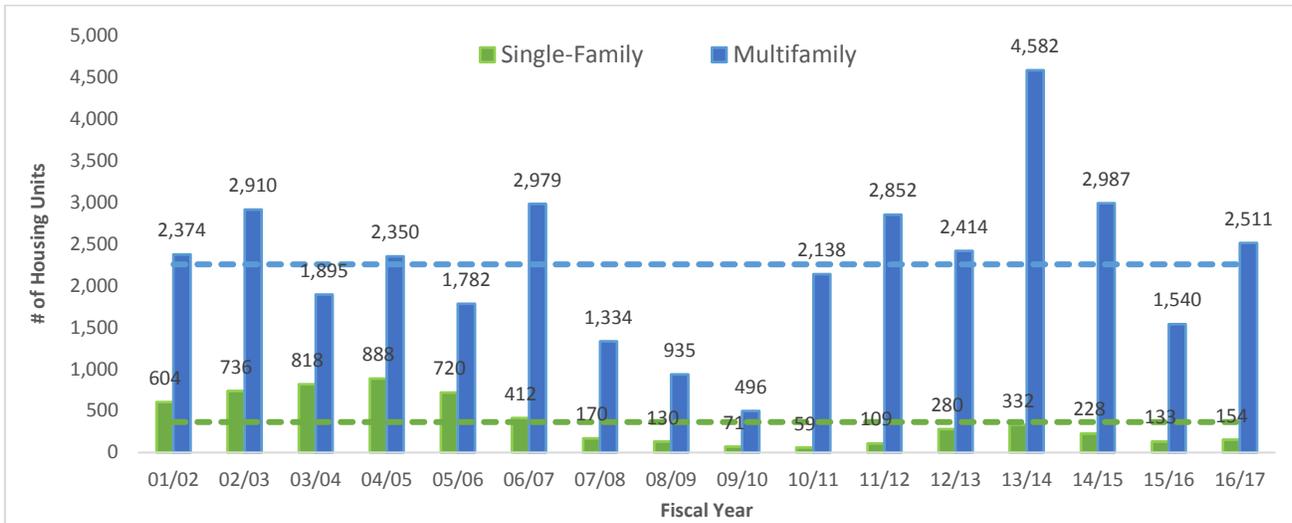
The Planning Division tracks building permits for new residential units and non-residential square footage in a Geographic Information Systems (GIS) database for a range of purposes. The database can be queried to determine the location of permits relative to Growth Areas.

- Since adoption of the General Plan, approximately of 79% of residential development, 56% of commercial development, and 91% of industrial development have occurred within Growth Areas (these numbers reflect issued building permits from Nov. 2011 to June 2017)
- For FY2016-17, 74% of residential development, 44% of commercial development, and 90% of industrial development occurred within Growth Areas

From November 2011 through FY2016-17, the City has issued new construction building permits totaling:

- Approximately 18,300 housing units
- Over 9.0 million square feet of commercial development
- Over 8.7 million square feet of industrial development

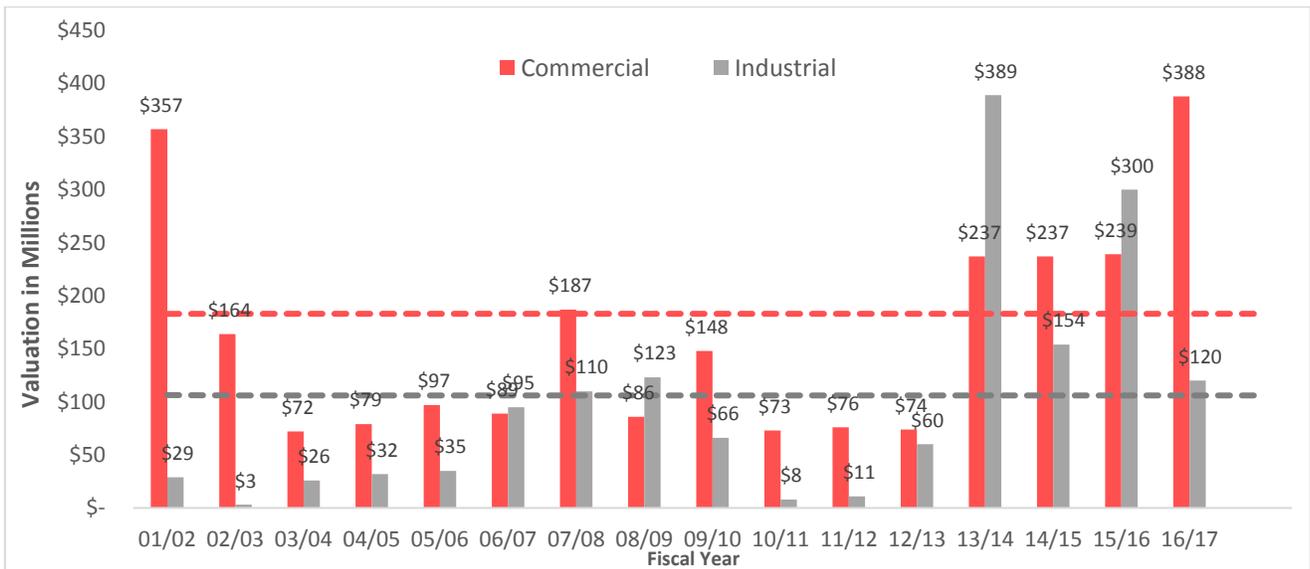
**Figure 3. Building Permits Issued for New Residential Units
Fiscal Years 2000-2017**



Source: Fee and Tax Activity Report, Fiscal Year, PBCE

The City of San José also measures the valuation of permit activity for residential and non-residential (commercial and industrial) new construction. In FY2016-17, the valuation of total non-residential construction was \$508.9 million, a decrease in valuation for industrial development and an increase in valuation for commercial development from the previous fiscal year.

**Figure 4. Valuation of New Construction Commercial and Industrial
Fiscal Years 2000-2017 (in Millions)**



Source: Fee and Tax Activity Report, Fiscal Year, PBCE (not adjusted for inflation)

In addition to building permits, Planning staff also analyzes planning permits to understand development trends. Planning permits include planned development rezoning and site development permit applications. Since 2011, the majority of residential entitlements from planning permits have

been approved within Downtown, the Jackson-Taylor Specific Plan area, the Midtown Specific Plan area, North San José, and the Tamien Station Specific Plan area. In FY2016-17, residential entitlements within San José were approved at an average of 177 dwelling units per acre. Approximately 91% of the entitlements were for projects at a density of 45 dwelling units per acre or greater, which can be fiscally positive to the City.

Affordable Housing Goals and Regional Housing Allocation

Statewide housing needs are calculated by the California Department of Housing and Community Development (HCD) and the California Department of Finance (DOF) based upon regional population forecasts. The Association of Bay Area Governments (ABAG) assigns the region’s housing allocation to each jurisdiction, known as the Regional Housing Needs Allocation or RHNA. San José’s RHNA for the current eight-year cycle and recently concluded cycle are outlined in Figure 5:

Figure 5. Regional Housing Needs Allocation for San José

	2007-2013 RHNA	2014-2023 RHNA
New housing units goal	34,721	35,080
% affordable goal	56%	60%
% market rate goal	64%	40%
Actual number of built units	16,000	8,569 (through 2016)
Percentage built as affordable	18%	10% (through 2016)
Percentage built as market rate	82%	90% (through 2016)

As shown above, the vast majority of new residential development has been market rate projects. Additionally, in Fiscal Year 2016-17, San José issued building permits for a total of 2,511 multifamily units, of which 265 (approximately 11%) were affordable units. This disparity reflects continued challenges in the financing and provision of affordable housing. In addition, while San José’s economic recovery has brought high-wage, high-skill jobs to the city, it has also led to growth in lower-wage jobs in the service and support economy, thus creating additional demand for affordable housing.

To advance affordable housing goals, the Housing Element of the General Plan includes a work plan that outlines actions to promote new construction, rehabilitation, and preservation of affordable housing units, as well as activities to end homelessness, promote equitable development, and create healthy and sustainable communities and neighborhoods.

View the Housing Element webpage and access the full report at <http://www.sanjoseca.gov/index.aspx?nid=1275>

In 2016, the City relaxed zoning regulations to encourage development of secondary dwelling units, and partnered on two winning applications to the State Affordable Housing and Sustainable Communities Program (AHSC), securing \$27.9 M to help fund 300 new affordable apartments. Additionally, as part of the General Plan Four-Year Review, the City amended the General Plan to allow 100% affordable housing to be developed on commercially designated vacant or underutilized sites ≤ 1.5

acres outside of Growth Areas, and within Urban Villages ahead of a Growth Horizon or approved Village Plan.

Ellis Act Ordinance Update. On April 18, 2017, the City Council approved the Ellis Act Ordinance. This ordinance applies to all apartments four units or more covered by the Apartment Rent Ordinance and provides requirements for landlords removing these apartments from the rental housing market. This ordinance was adopted to help protect the City's existing affordable housing stock and the residents who live within those units. Residents living within units subject to the Ellis Act will now receive a an eviction notice at least 120 days prior to eviction if the landlord wishes to recover possession of the rental unit. Residents are entitled to relocation assistance, and have the right to return to the unit if the building is demolished and rebuilt for residential purposes.

Mobilehome Park Protection. The City of San José has 59 mobilehome parks with approximately 10,836 mobilehomes housing, roughly 35,000 residents, which is the largest number of mobilehomes and households in any city in California. Since 2015, the City Council approved Title 20 (Zoning Code) changes to the Municipal Code, General Plan text amendments, and adopted a new City Council Policy 6-33 "Conversion of Mobilehome Parks to Other Uses" to preserve San José's mobilehome parks and to protect their residents.

CEQA Transition to Vehicle Miles Traveled

In 2013, the State of California passed [Senate Bill 743](#) (SB 743), which mandates that jurisdictions can no longer use automobile delay – commonly measured by "level of service" – when doing transportation analysis under CEQA. Rather, the State has issued guidelines suggesting using a more holistic metric that can better support smart growth – called "vehicle miles traveled." The City is in the process of implementing this change over two phases. The first phase will amend the General Plan and change the City's CEQA metric from LOS to VMT, establishing thresholds in line with State guidance and General Plan policies. The second phase, modifications to the City's transportation policies would be developed to fully implement General Plan goals and streamline the transportation analysis and investment/traffic impact fee process for development projects. Staff began analyzing these potential changes necessitated by SB743 in 2016, undertaking a review of early practices and experiences, soliciting initial input from stakeholders, and conceptualizing policies based on State guidance, the General Plan, and initial input received. Staff anticipates City Council consideration of the first phase of the transition to VMT in the fall of 2017.

MAJOR STRATEGY #4 – INNOVATION/REGIONAL EMPLOYMENT CENTER

San José, the Bay Area’s largest city and the nation’s tenth largest city, continues to play a vital role in local, regional, state, and national economies. The Innovation/Regional Employment Center Major Strategy emphasizes economic development to support San José’s growth as a center of innovation and regional employment. The General Plan advances the strategy by:

- Planning for 382,000 new jobs and a jobs-to-employed-resident (J/ER) ratio of 1.1/1;
- Supporting job growth within existing job centers;
- Adding new employment lands; and
- Designating job centers at regional transit stations

To achieve the General Plan’s goal of becoming a regional employment center, San José needs to generate and attract approximately 13,000 new jobs per year. Since 2011, San José has attained roughly 11,000 new jobs and 13,000 employed residents annually, showing that the city’s number of employed residents is outpacing the growth in the number of jobs. This disparity is further emphasized by the J/ER ratio.

Jobs-to-Employed-Resident (J/ER) Ratio

Despite its growth and vibrancy, San José is the only large city (having a population greater than 500,000) in the United States that is largely a bedroom community, meaning more residents leave San José for work than workers from other communities commute into San José. This imbalance has led to significant negative fiscal, environmental and quality of life impacts for San José. The J/ER ratio is an indicator of a city’s fiscal strength: in general, employment-based development generates city revenue while residential-based development necessitates the provision of services. The City monitors its J/ER ratio using a combination of data from the U.S. Census Bureau’s American Community Survey (ACS) and payroll data from the California Employment Development Department (CEDD). According to the most recent data, the City’s J/ER ratio is 0.80, meaning there are 0.80 jobs per every employed resident in San José (see Figure 6). While San José has seen employment growth since 2011, the drop in ratio in 2014 is attributed to the significant increase in San José’s employed residents.

City staff updated the methodology used to determine the J/ER ratio in September 2017 to more accurately reflect the current and previous job numbers. The prior methodology used resident and jobs data solely from the ACS 5-Year Estimates, which surveys 7.5% of San José households and averages the data over a series of five years, which provides a high level of statistical accuracy but results in less current data. In order to more accurately reflect the City’s current number of jobs and employed residents, staff updated the J/ER methodology to include data from both the ACS and CEDD. The CEDD data is more accurate than ACS data as the numbers are not averaged over a five-year period and the number of jobs is determined from reported payroll data instead of from a survey.



Of the nation’s 20 largest cities, only San José has more nighttime residents than daytime workers, reflecting that it has less than a 1:1 jobs-to-employed-resident ratio.

However, the updated methodology results in a J/ER ratio that fluctuates much more than the previously reported numbers.

Figure 6. Jobs per Employed Resident for Select Local Cities, 2010-2015

City	2010	2011	2012	2013	2014	2015
San Jose	0.80	0.86	0.86	0.87	0.79	0.80
Cupertino	1.12	1.23	1.20	1.33	1.47	1.64
Fremont	0.84	0.85	0.86	0.86	0.90	0.96
Milpitas	0.99	1.17	1.17	1.19	1.18	1.18
Mountain View	1.60	1.77	1.83	2.59	1.85	1.92
Palo Alto	3.00	3.14	3.27	3.20	3.13	3.29
San Francisco	1.02	1.16	1.17	1.24	1.26	1.29
Santa Clara	1.75	1.95	2.02	2.02	1.77	1.79
Sunnyvale	1.18	1.18	1.16	1.13	1.06	1.06

Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates (employed residents and self-employed jobs); California Employment Development Department (jobs)

The CEDD also provides data on a monthly basis for the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (MSA), which is comprised of the combined areas of Santa Clara and San Benito counties. The latest preliminary CEDD data, issued on September 15, 2017, estimated that industry employment in the MSA is at 1,021,200 jobs, remaining flat year-over-year, over the past twelve months (August 2016 to August 2017)

The data reinforces the importance of the General Plan’s “jobs first” approach and the need to maintain employment land for future job growth. Although the J/ER ratio has remained relatively unchanged since adoption of the General Plan, the City has approved projects that are improving employment opportunities within San José. In FY2016-017, these major projects included the following:

- The River Corporate Center in downtown is expanding into a new 6-story, 191,397 commercial office building (File No. H16-013)
- A new 18-story, 1.5 million sq. ft. office tower on West San Fernando Street (File No. H16-018)
- Topgolf applied for a PD Permit to construct an approximately 72,000 sq. ft. indoor/outdoor entertainment facility, with future phases to include 110,000 sq. ft. of commercial/retail and a 200-room hotel (File No. PD16-034)
- Santana Row Lot 9 was approved for an 8-story office/commercial building with 290,000 sq. ft. of office and 30,000 sq. ft. of retail (File No. PD16-017)

MAJOR STRATEGY #5 - URBAN VILLAGES

The General Plan promotes the development of Urban Villages to provide active, walkable, bicycle-friendly, transit-oriented, mixed-use urban settings for new housing and job growth. Urban Villages are intended to be attractive to an innovative workforce, enhance established neighborhoods, and are consistent with the Plan’s environmental goals. There are 64 designated Urban Villages in the General Plan.

The General Plan establishes an Urban Village planning process that includes ongoing community involvement that enables land use and urban design issues to be addressed at a finer level of detail. Planning Division staff facilitate these community meetings and coordinate the participation of staff from the Department of Transportation; Parks, Recreation, and Neighborhood Services; Housing; Public Works; the Office of Economic Development; and the Office of Cultural Affairs. These departments are integral to the Urban Village planning process.

Approved Urban Village Plans and Horizons

City Council has approved 10 Urban Village plans since adoption of *Envision San José 2040*. Within the last year, the Stevens Creek, Winchester, and Valley Fair/Santana Row Urban Village plans, known as the “Tri-Village,” were approved. Development of the Tri-Village plans involved the creation of stakeholder advisory groups in addition to traditional community workshops. All approved Urban Village plans are posted on the City’s website: <http://www.sanjoseca.gov/index.aspx?nid=1738>

Figure 7 outlines six other plans that are in various stages of development. These plans incorporate a form-based planning approach and provide detailed information related to allowable uses, density, and floor area ratio (FAR) that are permitted within each Urban Village.

Figure 7. Urban Village Plans Currently Under Development

Urban Village Plan	Anticipated Completion
<i>Horizon 1</i>	
West San Carlos St.	Fall 2017
East Santa Clara St. (W. of 17 th St.)	Spring 2018
Berryessa BART	Fall 2019
<i>Horizon 2</i>	
South Bascom Ave. (North)	Fall 2017
N. 1 st St.	Fall 2019
<i>Horizon 3</i>	
Alum Rock Ave. (E. of 680)	Fall 2021

Three Plan Horizons (timelines) have been established for Urban Villages in order to ensure the amount of new housing and the City’s need to provide services for those new residents are coordinated. Some Urban Village plans currently under development are not in Horizon 1. Plans are being developed for these later Horizon Villages due to significant market interest in new commercial development in these areas.

Development Activity in Urban Villages

Since the 2011 adoption of the General Plan, planning development permits have been approved for 7,871 housing units and 5.4 million square feet of non-residential uses (commercial and industrial) within Urban Villages. In FY2016-17, approximately 1,700 housing units and 3.6 million square feet of non-residential units were approved. However, it should be noted that over half of the approved permits are for projects that had entitlements (zoning approvals) prior to the 2011 adoption of the General Plan.

Residential development is currently limited to Urban Villages that are in Horizon 1. However, there are two tools that allow residential development to occur within later Horizons: Signature Projects and the Residential Pool Policy.

Signature Projects. The General Plan establishes a Signature Project policy to allow residential, mixed-use projects to proceed ahead of preparation of an Urban Village plan if the projects meet an established set of requirements related to density, design, and the provision of employment space and parks (Policy IP-5.10).

To date, City Council has approved three Signature Projects, described below:



Rendering of the Sparta Student Housing Signature Project approved in 2016

1. **File No. PD15-044 (Sparta Student Housing):** Demolition of approximately 6,400 square feet of existing commercial buildings and construction of 86 multifamily residential units and 11,530 square feet of commercial space in a 7-story building; 137 DU/acre (E. Santa Clara Street Urban Village; Horizon 1).
2. **File No. PD15-059 (Volar):** Planned development permit to allow up to 307 residential units and up to 52,167 square feet of commercial and office uses in a 18 story building on a 0.89 gross acre site; 345 DU/acre (350 S. Winchester Boulevard; Valley Fair/Santana Row Urban Village; Horizon 3).
3. **File No. PD16-025 (The Orchard):** Planned development permit to allow up to 188 residential units, 108,000 square feet of commercial space, and a one-acre park on a 10.6 gross acre site; 47 DU/acre (641 N. Capitol Avenue; N. Capitol Ave/McKee Rd Urban Village; Horizon 2).

There are also two Signature Project applications on file in which staff is evaluating for consistency with Policy IP-5.10 and other applicable guidelines and regulations. The Signature Project proposals are described below.

- **File No. PDC16-006 (Garden City):** Planned development rezoning to allow up to 458,000 square feet of office space, up to 871 residential units, a minimum of 15,214 square feet of retail/commercial space, and a 1.5 acre public park; 52 DU/acre (360 Saratoga Avenue; Stevens Creek Blvd (Mid); Horizon 3).
- **File No. PDC16-036 (Stevens Creek Promenade):** Planned Development Rezoning from CG Commercial General to A(PD)

Planned Development Zoning District to allow for the construction of up to 252,000 square feet of office space, up to 500 multifamily residential units, up to 11,500 square feet of ground floor retail, and a public pedestrian access promenade on a 10.0 gross acre site (4300-4600 Stevens Creek Boulevard; Stevens Creek (Mid); Horizon 3)

Staff is expecting a Signature Project submittal in late September 2017 for the Cambrian Park Plaza site. A Preliminary Review application for the proposed project was submitted in 2016 (File No. PRE16-196).

Residential Pool Policy. General Plan Policy IP-2.11 establishes a Residential Pool which allocates 5,000 housing units to be used within Urban Villages that have approved plans, but are not within the current Horizon. Projects using the Pool policy must conform to the corresponding Urban Village Plan, the site’s General Plan land use designation, and may not exceed the planned housing yield of the corresponding Urban Village Plan. If depleted, the 5,000 units may be replenished as part of the General Plan Four-Year Review per City Council direction. The projects listed in Figure 8 below have utilized the Pool capacity; please note that Signature Projects within Horizon 2 and 3 Urban Villages are subject to the Pool policy.

Figure 8. Residential Pool Policy Capacity

<i>Project (File No.)</i>	<i>Units</i>
Volar (File No. PD15-059)	330
The Orchard (File No. PD16-025)	188
TOTAL	518
REMAINING CAPACITY	4,482

While only two projects have utilized the Pool policy thus far, staff is expecting an increase in requests as there are several newly adopted Urban Village Plans that fall within later Horizons.

Implementation Strategy

Staff are in the process of developing a proposed Urban Village Implementation Framework that will result in investment, by new development, in amenities that will help transform Urban Villages into great places. Additionally, this framework will provide a clear, transparent, and predictable entitlement process for development that is consistent with the General Plan and a given Urban Village Plan. Staff is expected to present the proposed framework for Council input in November of 2017.

MAJOR STRATEGY #6 - STREETSCAPES FOR PEOPLE

The General Plan includes goals and policies that emphasize street design for people, not just cars, and that support a diverse range of urban activities and functions. To further support the Streetscapes for People strategy, the General Plan established Grand Boulevard and Main Street roadway designations, which are intended to meet the needs of all users while fostering a positive identity of a community.

Grand Boulevards serve as major transportation corridors that connect City neighborhoods, such as N. 1st Street, Capitol Avenue, and E. Santa Clara Street. Main Streets are roadways that support retail and service activities that serve the local neighborhood residents, such as Blossom Hill Road, Story Road, and S. Bascom Avenue.

Consistent with the General Plan, specifically Action Item CD-4.14, the Department of Transportation is developing a Complete Streets Design Guidelines manual to provide guidance for the design of city streets. The Complete Streets Design Guidelines manual is anticipated to be completed for approval by City Council by the end of 2017.

As part of the Urban Village planning process and consistent with Policy IP-5.1, Urban Village Plans should include streetscape and urban design guidelines, recommended streetscape improvements, and pedestrian circulation plans. All of the Urban Village Plans approved thus far contain goals and policies and identified improvements to enhance pedestrian circulation and the streetscape and public right of way.

For more information related to trail and bikeway improvements, check out the 2016-17 Trail Annual Report: <http://www.sanjoseca.gov/DocumentCenter/View/70000>

Bike Plan 2020. In November 2009, the City Council approved Bike Plan 2020, the City's 10-year plan for being among the best cities in the country for bike riding. The General Plan and Bike Plan 2020 include ambitious goals for increasing bicycle trips, reducing automobile independence, and completing a 500 mile citywide bikeway network. The envisioned bikeway network includes 400 miles of on-street bikeways and 100 miles of off-street trails. As of March 2017, the City has a total of 342 miles of bikeways: 285 miles of on-street bikeways, with 26 miles built in 2016, and 57 miles of off-street trails. In Fall 2011, the City had 206 miles of on-street bikeways and 39 miles of off-street trails.



A bicyclist using the Guadalupe River Creek Trail system

MAJOR STRATEGY #7 - MEASURABLE SUSTAINABILITY/ENVIRONMENTAL STEWARDSHIP

In October 2007, the City Council adopted the Green Vision, a 15-year plan with ten bold goals for economic growth, environmental sustainability, and an enhanced quality of life for San José's residents and businesses. The General Plan incorporates many of the Green Vision goals and extends the City's measurement of its environmental sustainability through 2040.

View the Green Vision webpage and annual reports at: <http://www.sanjoseca.gov/index.aspx?nid=1417>

However, in April 2015, the City Council directed staff to reprioritize and focus on two overarching goals of the Green Vision: 1) ensuring a more sustainable water supply and 2) reducing greenhouse gas emissions. The City Council memo stated that the Green Vision would no longer be reported annually in a standalone report, but that the remaining goals of the Green Vision should remain within their respective department's work plans and be reported through the performance-based budget process. Due to the absence of a standalone report, the General Plan Annual Review only includes an update of the Green Vision goals incorporated into the General Plan, as shown in Appendix A. Appendix A also includes an update on the City's achievement of these goals.

Environmental Sustainability Plan (The Good Life 2.0)

Action Item IP-17.3 of the General Plan calls for the City to participate in the development of a Sustainable Community Strategy that are consistent with San José's goals for Environmental Leadership as well as the economic, fiscal and other goals and policies contained within the *Envision General Plan*. The City, led by the Environmental Services Department, is currently developing an Environmental Sustainability Plan that builds upon the General Plan to establish strategies and actions to reduce Greenhouse Gas emissions by 80% of 1990 levels, consistent with State AB32 and SB32 targets. The ESP is anticipated to be considered by Council for adoption in the fall of 2017.

Climate and Agricultural Protection Plan (CAPP)

The Santa Clara Valley Climate and Agricultural Protection Plan (CAPP) is a regional effort led by Santa Clara County and the Santa Clara Valley Open Space Authority to protect southern Santa Clara County's important farmland and reduce future effects of climate change. The CAPP began in April 2016 and is an 18-month effort between multiple stakeholders and municipalities to sustain agricultural lands and the County's farming industry. The City has been actively involved in the plan's development, which is expected to be considered for adoption by the Santa Clara County Board of Supervisors and the Santa Clara Valley Open Space Authority Board in the fall of 2017.

For more information about the CAPP, visit: <https://www.sccgov.org/sites/dpd/PlansOrdinances/Studies/Pages/CAPP.aspx>

MAJOR STRATEGY #8: FISCALLY STRONG CITY

The General Plan establishes a land use planning framework that promotes fiscal balance of revenue and costs to allow the City to deliver high-quality municipal services. The Fiscally Strong City Major Strategy was created in part to counteract the negative fiscal consequences of past land use patterns.

Land Use and Fiscal Health

Past land use patterns have resulted in a predominance of low-density, single-family residential uses (43 percent of the City's land area) compared to only approximately 15 percent of job-generating employment land. The remaining land is higher density residential, public, or other uses.

Low-density sprawl results in a disproportionate cost to the City due to high capital investments and ongoing operations and maintenance for infrastructure, serving less people and businesses than the City otherwise could in a higher-density built environment. High concentrations of jobs and housing contribute to place-making and economic development, boosting demand for retail and services, and facilitating transportation alternatives such as walking, bicycling, and public transit.

As the City begins to achieve its goals for a more urban, transit-connected community, it is anticipated that its service and infrastructure cost structure will become more efficient with lower marginal costs and higher marginal benefits per resident. Through voter approval of Measure G in November 2016, the City also modernized the business tax after many years to bring in additional revenue. The adopted tax added \$12 million in additional revenue by the following: increasing the business tax incrementally for larger businesses; annually adjusting for inflation; and expanding exemptions for small businesses.

Budget Overview

Key measures for determining the City's fiscal strength are the Capital and Operating Budgets, including the Capital Improvement Program (CIP). The CIP relies on special funds, construction taxes, and development impact fees. Development impacts fees can only be used to mitigate the impact of new development and cannot contribute to City services or deferred infrastructure maintenance.

In total, the City's 2017-2018 Adopted Capital Budget and 2018-2022 Adopted CIP reflect a 14% increase and a 35.3% increase, respectively over the previous fiscal year. Even with strong emphasis placed on rehabilitation and renewal, however, the City continues to lack the resources required to fully maintain its infrastructure portfolio and maintain the desired service-level standards for City services to residents and businesses.

As per the "2018-2022 Five Year Forecast" (<http://www.sanjoseca.gov/DocumentCenter/View/67059>), a shortfall of \$12.4 million is projected for FY2017-18. In the remaining years, General Fund shortfalls are projected to range from \$11 to \$35 million annually.

The General Fund position is worse when compared to the 2017-2021 Forecast. Even though there are increased revenues, these are more than offset by increased expenditures.

The City's highest budget priorities this year include public safety and disaster preparedness; flood recovery; investments that produce long-term savings and revenues; investments leveraging external sources of funding, community energy, and volunteerism; and saving and improving fiscal resiliency.

These priorities, among other items, are addressed in the Capital and Operating Budgets available on the Budget Office website:

<http://www.sanjoseca.gov/budget>.

Measure A

In November 2016, Santa Clara County voters approved the issuance of general obligation bonds up to \$950 million to use towards acquiring or improving real property to provide affordable housing. People eligible to receive this housing would include veterans, seniors, people with disabilities, low- and moderate-income individuals, current and former foster youth, victims of abuse, homeless people, and people with mental illness or substance abuse-related illnesses.

Measure B

In November 2016, Santa Clara County voters approved a 30-year, half-cent countywide sales tax to enhance transit, highways, expressways and active transportation improvements focused on bicycles, pedestrians, and complete streets. This sales tax measure is anticipated to generate between \$6 - \$6.5 billion in 2017 dollars towards such improvements.

Improvements in San José funded by Measure B include the following:

- BART Phase II expansion into Downtown San José
- Pavement maintenance projects
- Bicycle and pedestrian education and encouragement programs

Measure B also has a number of competitive programs. The City of San José is eligible to compete for funds for:

- Bicycle and pedestrian planning efforts and capital projects
- Highway interchanges
- Caltrain capacity improvement projects
- Expressway improvements
- Innovative transit solutions

MAJOR STRATEGY #9 - DESTINATION DOWNTOWN

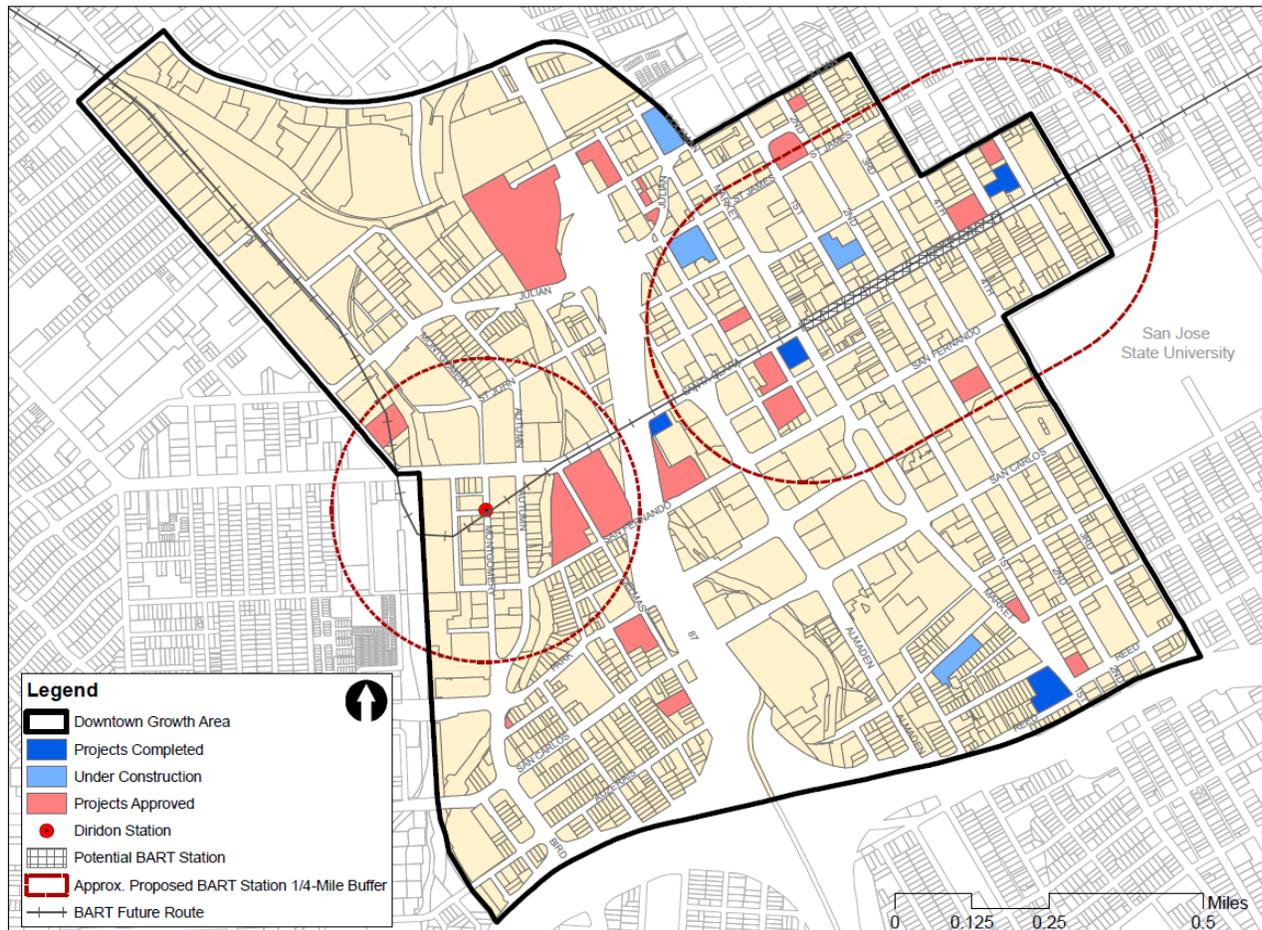
The General Plan envisions downtown San José as the cultural heart of the city and the urban center for all of Silicon Valley, providing employment, entertainment, and cultural activities more intensely than any other area in the City. The General Plan also supports a significant amount of job and housing growth within the downtown: specifically, 48,500 new jobs and 10,360 new dwelling units. San José has continued to work towards these goals by attracting high-density, mixed-use development and by hosting cultural and recreational activities, entertainment, and sporting events.

Downtown Development Activity and Vacancy Rates

Residential activity. Residential activity has been flourishing within the downtown since the end of the recession. Within Fiscal Year 2016-17, planning development permits were approved for approximately 1,962 new residential units and 770,000 square feet of commercial and office space.

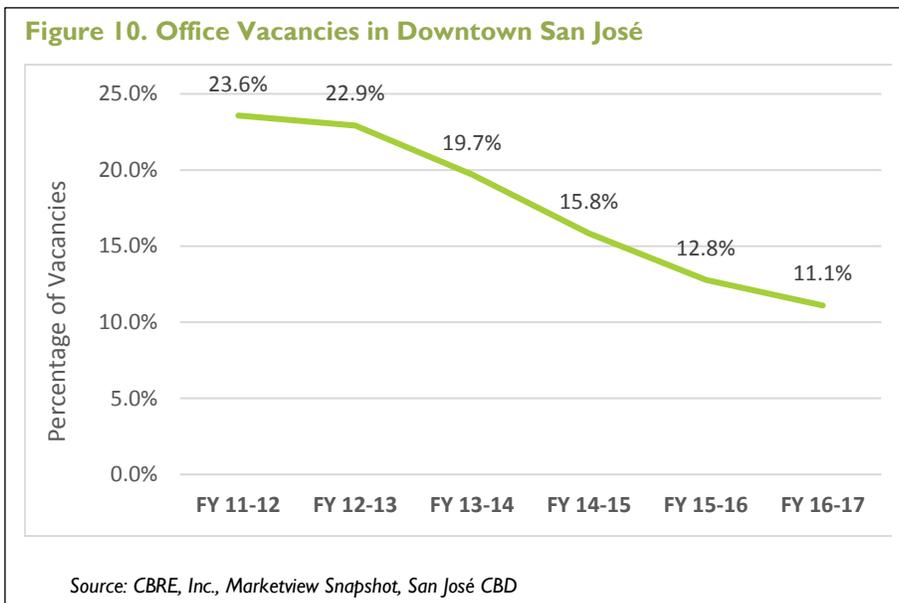
Since adoption of the General Plan, the City has approved development permits for 5,761 residential units and approximately 1.97 million square feet of commercial/office space in the downtown. Of those approvals, over 4,131 units and 1.22 million square feet were within a quarter-mile of planned BART stations (see Figure 9).

Figure 9. Map of Approved Development Permits, FY2011-2017



Retail and office space activity. San José has continued to see interest in development of new office space in various downtown locations. This is in part a result of the limited availability and high cost of land elsewhere in Silicon Valley combined with the desire of many companies and their employees to be located on major transit lines in urban locations. Significant new interest in retail and office has also arisen since the announcement in June 2017 that Google is interested in developing approximately 8 million square feet of office near Diridon Station.

Commercial and office vacancies are measurements of economic health and have historically been a particular challenge for downtown San José. However, the percentage of office vacancies has been steadily decreasing since 2011. At the time of the General Plan adoption in 2011, the office vacancy rate in the downtown was 23.6 percent. In FY2016-17, the vacancy rate was 11.1 percent (see Figure 10).



Cultural, Entertainment and Visitor Activity

Downtown San José includes the largest concentration of San José’s civic and cultural amenities, including City Hall, the Martin Luther King Jr. Library, the convention center, the San José Arena/SAP Center, multiple museums, numerous theaters, public art and outdoor gathering venues.

Within downtown is the site of the South First Area (SoFA) cultural district, home to multidisciplinary art organizations of all sizes and commercial arts-based businesses. Grantees of programs offered by the Office of Cultural Affairs report that 2.5 million people experience their programs. Many cultural events and festivals continue adding to the vibrancy of the downtown, such as Christmas in the Park, the San José Jazz Summerfest, and the annual Silicon Valley Turkey Trot. According to the Office of Cultural Affairs’ 2017 Event Calendar, San José hosted over 100 outdoor events in the downtown attracting an estimated 630,000 people in total, similar to previous years.

Downtown San José is Vibrant with Numerous Museums, Performance Venues, and Events

- Tech Museum of Innovation
- Children’s Discovery Museum
- San José Museum of Art
- Symphony Silicon Valley
- Opera San José
- Silicon Valley Ballet
- San José Stage Company
- City Lights Theatre
- Children’s Musical Theatre
- Theatre on San Pedro Square
- SoFA cultural district
- San José Jazz Festival
- South First Fridays/SubZERO
- Christmas in the Park
- Downtown Farmer’s Market
- Silicon Valley Turkey Trot
- San José Convention Center
- Summer in St. James Park
- Viva CalleSJ
- Fountain Blues Festival
- Music in the Park

Team San José 2016 Annual Report. Team San José is an agency seeking to promote San José as a destination to stimulate economic development, particularly at the City’s hotels, restaurants, and arts venues. Team San José releases an annual report discussing performance measures set by the City. The Team San José 2016 Annual Report is summarized in Figure 11.

Figure 11. Team San José 2016 Annual Report

Performance Measure	2014	2015	2016
San José Convention and Cultural Facilities generated revenue (<i>millions</i>)	\$28.5	\$39.1	\$47.5
San José Convention and Cultural Facilities gross operating profit (<i>millions</i>)	\$6.5	\$9.9	\$13.7
# of attendees that visited San José Convention and Cultural Facilities (<i>millions</i>)	1.2	1.49	1.48
Total local taxes generated from attendees (<i>millions</i>)	\$12	\$11.2	\$11.8
Total spent by attendees at San José hotels, restaurants, and attractions (<i>millions</i>)	\$91.1	\$134.9	\$158
Direct spending returned for every tax dollar invested into San Jose Convention and Cultural Facilities	\$2.45	\$2.89	\$2.38
Total performances booked by Team San José’s theater and events team	355	611	436
Hotel room nights sold	255,466	213,806	220,000



Crowd gathering at San José Jazz Summerfest, one of San José’s signature events (Source: San José Jazz instagram)

MAJOR STRATEGY #10 - LIFE AMIDST ABUNDANT NATURAL RESOURCES

The General Plan promotes access to the natural environment by, among other things, building a world-class trail network and adding parks and other recreational amenities. Service level objectives for parks and recreational facilities were updated in the 2018-2022 Adopted Capital Improvement Program (CIP), and are summarized in Figure 12.

Figure 12. Parks and Recreation Facilities Service Level Objectives

Service Level Objectives	Actual Service Level as of 06/30/16	Estimated Service Level 2017-18*	Estimated Service Level 2018-2022*
3.5 acres of neighborhood and community recreational lands per 1,000 population**	3.1	3.0	2.9 (acres)
7.5 acres of regional/city parklands per 1,000 population (valley floor)***	14.3	14.1	13.5 (acres)
500 square feet of community center floor area per 1,000 population****	540.6	533.1	503.7 (sq. ft.)

*For footnotes please see following link: <http://www.sanjoseca.gov/DocumentCenter/View/71797>

The 2017-2018 targets for neighborhood and community recreational lands and regional/city-wide parklands are estimated to decrease marginally compared to the 6/30/2016 actuals due to an increase in population, even as a handful of new parks are expected to come online. As San José’s population continues to grow, it will become increasingly difficult to maintain current service levels with limited property available for recreational development. To achieve the objective of 3.5 acres per 1,000 residents by 2021, PRNS would need to develop approximately 104 acres of neighborhood and community serving recreational lands annually. The update of the *Greenprint*, discussed below, is expected to address this issue.

Figure 13. Parks and Community Facilities Infrastructure

Parks and Community Facilities Infrastructure	
Park Sites	200
Park Acreage	3,503
Developed Acreage	2,087
Open Space	1,064
Undeveloped Land	352
Trail Mileage	60
City Operated Community Centers	12
Partner Operated Re-Use Sites	39

The City’s trail network includes 32 trail systems under development along river, creek, and overland alignments, with 60 miles of trails open to the public. To meet the City’s goal to expand the City’s trail network to 100 miles by the year 2022, PRNS will need to build eight miles of trails per

year. A review of trail development over the past 10 years does not indicate this pace of development.

The 2018-2022 Adopted CIP provides funding of \$304.9 million for the Parks and Community Facilities Infrastructure CIP, of which \$168.3 million is allocated in 2017-2018.

In addition, PRNS is currently working on updating the *Greenprint*, a long-term strategic plan that guides the future expansion of San Jose's parks, trails, recreation facilities, and community services. Work on the updated *Greenprint*, which involves extensive public engagement, began in 2015-2016 and is expected to be completed in 2018-2019.

MAJOR STRATEGY #11 - DESIGN FOR A HEALTHFUL COMMUNITY

The General Plan supports the physical health of community members by promoting walking and bicycling as travel options, encouraging access to healthful foods, and supporting the provision of health care and safety services. Specifically, the Land Use and Transportation Chapter includes a set of balanced, long-range, multi-modal transportation goals and policies that provide for a transportation network that is safe, efficient, and sustainable. One such policy includes reducing the automobile commute mode share to no more than 40 percent by 2040, with goals to increase various other modes accordingly (see Figure 14).

Figure 14. Commute Mode Split Targets for 2040

COMMUTE TRIPS TO AND FROM SAN JOSÉ		
MODE	2008	2040 GOAL
Drive alone	77.8%	No more than 40%
Carpool	9.2%	At least 10%
Transit	4.1%	At least 20%
Bicycle	1.2%	At least 15%
Walk	1.8%	At least 15%
Other means (including work at home)	5.8%	See Note 1

Source: 2008 data from American Community Survey (2008).

Note 1: Working at home is not included in the transportation model, so the 2040 Goal shows percentages for only those modes currently included in the model.

In order to measure the proportion of commute travel using modes other than the single-occupant vehicle, data was collected from the American Community Survey (ACS) for the most recent available data (years 2010 through 2015) for San José. As shown in Figure 15, there has not been a meaningful change in commute mode shares within the past six years. Out of the five targets set for commute modes, only the Carpool Target has been met. It should also be noted that 11.3% of San José residents work outside of Santa Clara County.

Figure 15. San José Commute Modes, Workers 16+ Years, 2010-2015

Mode	Year					
	2006-10	2007-11	2008-12	2009-13	2010-14	2011-15
Drove alone	77.6%	78.0%	77.8%	77.5%	77.7%	77.1%
Carpooled	11.0%	10.6%	10.8%	11.3%	11.1%	11.3%
Public transit (excluding taxicab)	3.5%	3.4%	3.5%	3.5%	3.7%	3.9%
Walked	1.9%	2.0%	1.8%	1.7%	1.6%	1.6%
Bicycle	0.8%	0.9%	0.9%	0.9%	0.9%	1.0%
Other means	1.6%	1.4%	1.3%	1.3%	1.2%	1.2%
Worked at home	3.8%	3.7%	4.0%	3.9%	3.9%	3.9%
Work outside Santa Clara County	11.2%	11.2%	11.2%	11.1%	11.1%	11.3%

Source: United States Census Bureau, American Community Survey, 5-year Estimates, Table S0801

Reflective of development patterns and access to public transit, residents living in Downtown San José use a higher percentage of alternative transportation modes compared to citywide statistics, as shown by the table below.

Figure 16. Commute Modes for Downtown Block Groups, Workers 16+ Years

Means of Transportation	2009-2013	2010-2014	2011-2015
Drove alone	61.7%	60.6%	63.3%
Carpooled	5.4%	5.7%	3.9%
Public transportation (excluding taxicab)	15.7%	13.4%	14.8%
Walked	7.5%	9.2%	7.3%
Bicycle	2.1%	2.7%	2.9%
Taxicab	0.5%	0.5%	0.7%
Worked at home	4.6%	4.8%	5.0%
Other means	2.2%	3.2%	2.0%

Source: American Community Survey, 5-Year Estimates, B08301



Other measures of determining whether San José is achieving a balanced transportation network include WalkScore, BikeScore, and TransitScore. These annual online assessments measure a geographical area’s walkability, bikeability, and access to public transit. According to this year’s analysis, San José has a WalkScore of 51 out of 100 (somewhat walkable), a BikeScore of 57 out of 100 (bikeable – some bike infrastructure), and a TransitScore of 41 out of 100 (some transit). The City’s WalkScore increased by one point, and the BikeScore and TransitScore stayed the same from the previous year.

Transit ridership is expected to increase along major corridors as the Valley Transportation Authority (VTA) completes the Santa Clara – Alum Rock and Stevens Creek Bus Rapid Transit projects in 2017, followed by the beginning of passenger service for the Bay Area Rapid Transit (BART) system expansion into the Berryessa neighborhood in 2018 (with plans starting for extension into downtown San José by 2025), and the concurrent system-wide service upgrade plans known as Next Network. Additionally, California High Speed Rail is scheduled to reach Diridon Station by 2025.

Bay Area Bike Share. In 2013, Bay Area Bike Share was introduced as a pilot program for the region. In December 2015, City Council unanimously approved plans to expand San José’s bike share program to 1,000 bicycles with 100 parking stations over the next two years. In 2017, Motivate, the bike share operator, reinvented their bike share system with FordGo Bike and replaced existing equipment with new stations and bicycles. San José currently has 280 bicycles with 25 stations, with plans for approximately 80 total stations in 2018. The City will continue their public-private partnership with Motivate for a 10-year term.

Vision Zero San José. A key to transportation mode shift is ensuring that streets are safe for all users: children, elderly, bicyclists, and pedestrians, among others. To improve traffic safety, the City launched Vision Zero San José in April 2015. Vision Zero San José seeks to create a community culture that prioritizes traffic safety and ensures that incidents on the City's roadways do not result in severe injury or death. Vision Zero San José also identifies Safety Priority Streets, or street segments that have the greatest need for roadway safety improvements, as they have the highest frequency of fatal and severe injuries. In 2017, the Department of Transportation (DOT) expanded the scope of this program from the original 14 Safety Priority Streets; two of the original corridors were extended and three new corridors were added to the program based on the extensive collision and conditions data analysis.



Transportation Safety. The Department of Transportation and the Police Department are actively involved in improving the safety and mobility of the City's residents. These departments have oversight over a variety of programs, many of which are funded through grants. Over the past five years, DOT has received approximately \$30 million through various grants, including over \$16 million from the One Bay Area Grant (OBAG), to implement projects and programs that focus on improving traffic safety and enhancing pedestrian and bicyclist mobility. The following programs focus on improving safety and mobility in San José (*Annual Transportation System Safety Report, 2017*):

View the Annual Transportation System Safety Report at: http://sanjose.granicus.com/MetaViewer.php?meta_id=630640

- **Priority Safety Corridor Audits:** DOT conducted field safety assessments along the 14 Priority Safety Corridors.
- **Walk 'n Roll San José:** the City is currently working with 60 elementary and middle schools to encourage walking and bicycling – increasing the number of children who walk or bike to school by at least 26%.
- **Traffic Safety Education:** in 2016, over 38,000 school children received traffic safety education via assemblies, special events, and bicycle safety-training.
- **Adult School Crossing Guards:** The Police Department employed 271 part-time crossing guards that staff 121 intersections in San José.
- Efforts related to traffic calming, crosswalk enhancements, traffic signal installations/modifications, and radar speed display signs.
- LED "Smart" Streetlights: to date, approximately over 25,000 of San José's streetlights have been retrofitted with a "smart" LED streetlight monitoring and control system.

Viva CalleSJ. PRNS hosted the second Viva CalleSJ event on Sunday, September 18, 2016. Six miles of city streets were opened exclusively for cyclists, skaters and walkers of all ages and abilities. An estimated 100,000 people left their cars behind and explored the route through Japantown, Willow Glen, and the West San Carlos business district. Viva CalleSJ was coordinated in partnership with other city departments including DOT, Police, Fire, and Environmental Services, as well as multiple community partners.

Viva Parks. With the second year of the ¡Viva Parks! free summer series, engaged residents had a little extra fun added to summer evening in their neighborhood parks. Every Tuesday and Thursday from June to September, the 12 week series featured a variety of events, including healthy food demonstrations, resources tables, cultural dance performances, bounce houses, group games and classes, free movie nights, and special activities like a climbing wall, skate competitions and hay rides.

Urban Agriculture Incentive Zone. Planning assisted in the development of an Urban Agriculture Incentive Zone (UAIZ) Ordinance which was adopted by City Council in the fall of 2016. The ordinance created a UAIZ program which allows owners with qualified parcels between 0.1 and 1 acres to apply for a UAIZ contract with the City. Under the UAIZ Program, property owners are required to develop and maintain urban agricultural activities on the parcel. In exchange, the County Assessor is able to reduce the assessed value of the property to the value of irrigated cropland, which can result in significant tax savings. This program helps to carry out General Plan policies related to the promotion of urban agriculture and the City Council policy to increase access to healthful foods (particularly in low-income or nutritionally-deficient areas), the availability of local/regionally grown foods, and urban food production. Two UAIZ contracts were approved in 2016 and are in operation.

MAJOR STRATEGY #12 - PLAN HORIZONS AND PERIODIC MAJOR REVIEW

The General Plan contains Plan Horizons to phase implementation of housing development over time and to allow the City Council to evaluate the timing of additional housing growth relative to the City's overall economic and fiscal health.

The City Council determines when to begin the next Plan Horizon based on analysis from the General Plan's Four-Year Review process. The Four-Year Review process requires the reassembly of a community stakeholder task force in order to evaluate changes in the planning context and achievement of goals, as well as provide recommendations to City Council. The City's first Four-Year Review process began in November 2015 and included six task force meetings. In December 2016, City Council approved the task force recommendations, with minor modifications, which have since been incorporated into the General Plan.

View the 4-Year Review Task Force recommendations online at: <http://www.sanjoseca.gov/DocumentCenter/View/55489>

General Plan amendments recommended by the Task Force and approved by the City Council included:

- Adjust the General Plan's J/ER goal from 1.3 to 1.1, and correspondingly reduce the planned job capacity from 470,000 new jobs to 382,000 new jobs.
- As part of the preparation of an Urban Village Plan, establish a goal that, with full build out of the planned housing capacity of the given Urban Village, 25% or more of the units built would be deed restricted affordable housing.
- Allow residential projects that are 100% affordable to extremely low income, very low, and low income households to proceed within an Urban Village ahead of a Growth Horizon, or in an Urban Village in a current Horizon that does not have a Council approved Plan, if the project meets the defined criteria.
- Allow 100% deed restricted affordable housing developments on sites 1.5 acres or less, outside of existing Growth Areas, on properties with a Mixed Use Commercial or Neighborhood/Community Commercial land use designation if the development meets defined criteria.
- Move the Berryessa BART Urban Village from Horizon 2 to Horizon 1.
- Prioritize planning efforts on Horizon 2 Light Rail Urban Villages.

2017 General Plan Land Use/Transportation Diagram Amendments

Eight privately-initiated General Plan Land Use/Transportation Diagram Amendment requests are included in the 2017 General Plan Annual Review hearing cycle. The following are the proposed General Plan land use designation changes:

1. **GPI6-011** (1202 Oakland Road): Heavy Industrial to Combined Industrial/Commercial

2. **GP16-012** (2720 Booksin Avenue): Public/Quasi-Public to Residential Neighborhood
3. **GP16-013** (120 N. 4th Street): Residential Neighborhood and Transit Residential to Downtown, and expansion of the Downtown Growth Area boundary
4. **GP17-001** (100 S. Capitol Avenue): Neighborhood/Community Commercial to Residential Neighborhood
5. **GP17-002** (2323 Moorpark Avenue): Residential Neighborhood to Mixed Use Neighborhood
6. **GP17-006/GPT17-008** (715 W. Julian Street): Mixed Use Commercial to Urban Village and Text Amendment to the Diridon Station Area Plan to shift 305 residential units from the Southern Zone to the Northern Zone.
7. **GP17-007** (370 W. Trimble Road): Industrial Park to Combined Industrial/Commercial

There are also five City-initiated General Plan Amendment requests in this year's cycle that address mapping errors throughout the city:

1. **GP17-014** (various locations): General Plan amendments to address Land Use Transportation Diagram mapping errors at locations within Rincon South, Japantown, Martha Gardens, and Evergreen Village.
2. **GPT17-003**: Text Amendment to make minor revisions to the General Plan, including updates to Appendix 5.
3. **GPT17-004**: Text Amendment to clarify the General Plan land use designation for properties associated with the vacation or sale of City right-of-way and State freeways and transportation corridors.
4. **GPT17-005/GP17-011**: General Plan Amendment to add text from the adopted Diridon Station Area Plan Final Program Environmental Impact Report (PEIR) to the General Plan, and to reinstate the Downtown Core and modify the boundaries of the Midtown Specific Plan and the Downtown Growth Area to address the overlap between the Growth Area boundaries.
5. **GPT17-006**: Text Amendment to modify the Signature Project Policy IP-5.10 to clarify that the commercial component of a Signature Project must be constructed before or concurrently with the residential component.

Consistent with Policy IP-3.6, which requires all General Plan Amendment proposals to analyze their projects effects on transportation, each General Plan Amendment request has completed an environmental analysis through the California Environmental Quality Act (CEQA). More information on the General Plan Amendment requests is available in the project staff reports and CEQA documents.

Policy IP-3.4 requires the City to maintain the total planned housing growth capacity as a cumulative result of any Amendments approved during a single Annual Review. The City's total job and housing capacity will not change as a result of the proposed General Plan Land Use/Transportation Diagram amendments.

If General Plan Amendments GPI6-012 and GPI7-002 are approved by City Council and subsequent development permits are filed, the sites would need to pull residential capacity from surrounding Urban Village's planned housing yield. The following is a list of the Urban Villages that would be affected should residential development move forward:

- **GPI6-012:** Foxworthy Ave/Meridian Ave Urban Village
- **GPI7-002:** S. Bascom Ave (North) Urban Village

CONCLUSION

The City of San José has made notable progress towards achieving the Major Strategies of the Envision San José 2040 General Plan. This progress is evident in the new dense, mixed-use development experienced in the General Plan's Growth Areas, decrease in office vacancies in the Downtown, adoption of several Urban Village Plans, the creation of urban agricultural lands and access to healthful foods, implementation of multi-modal Capital Improvement projects, and implementation of sustainability goals and policies.

While the City has advanced many of the General Plan's goals, some performance measures remain relatively inconclusive or unchanged at this time. This is to be expected as many of the goals set forth in the General Plan are long term. Some of the primary General Plan implementation challenges include raising the City's jobs to employed residents ratio, meeting desired service-level standards for City services, increasing the percentage of affordable housing, and evening out the distribution of commute mode shares.

Appendix A Measurable Sustainability and Green Vision Goals Status Table

Policy IP-3.8: Consistent with the City's Green Vision, evaluate achievement of the following goals for environmental sustainability as part of each General Plan annual review process:

	<i>Goal</i>	<i>Status</i>
1	Reduce per capita energy consumption by at least 50% compared to 2008 levels by 2022, and maintain or reduce net aggregate energy consumption levels equivalent to the 2022 (Green Vision) level through 2040. (Reduce Consumption and Increase Efficiency Goal MS-14)	Since the City's Green Vision was adopted in 2007, per capita energy use has reduced 11% (10,796 kWh in 2007 to 9,640 kWh in 2015).
2	Replace 100% of the City's traffic signals and streetlights with smart, zero emission lighting by 2022. (Reduce Consumption and Increase Efficiency Action MS-14.6)	As of 2017, the City has retrofitted over 25,000 smart LED streetlights since the adoption of the City's Green Vision (39% of total goal).
3	Measure annually the shares of the City's total Carbon Footprint resulting from energy use in the built environment, transportation, and waste management. (Reduce Consumption and Increase Efficiency Action MS-14.7)	San José's 2014 community inventory totals 7.47 million metric tons of carbon dioxide equivalent (MMT CO ₂ e). More than half of the emissions come from vehicle use and another one-third come from community-wide energy use. For more information, please see the Community-wide Emissions Inventory Memorandum as part of the General Plan 4-Year Review. (http://www.sanjoseca.gov/DocumentCenter/View/62224)
4	Receive 100% of electrical power from clean renewable sources (e.g., solar, wind, hydropower) by 2022 and to the greatest degree feasible increase generation of clean, renewable energy within the City to meet its energy consumption needs. (Renewable Energy Goal MS-15)	In 2015, the City received approximately 33% of electrical power from clean renewable sources, an increase of 20% from 2007 levels.
5	Facilitate the installation of at least 100,000 solar roofs in San José by 2022 and at least 200,000 solar roofs by 2040. (Renewable Energy Policy MS-15.3)	The City's solar energy capacity has increased from 5 MW in 2007, when the City's Green Vision was adopted, to 124 MW in 2016.
6	Document green building new construction and retrofits as a means to show progress towards the Green Vision Goal of 50 million square feet of green buildings in San José by 2022 and 100 million square feet by 2040. (Green Building Policy Leadership Action MS-1.8)	As of 2015, total certified green building space in San José totals 9.3 million square feet, meeting 18.6% of the City's Green Vision Goal for 2022.
7	Divert 100% of waste from landfills by 2022 and maintain 100% diversion through 2040. (Waste Diversion Goal MS-5)	An estimated 68.5% of trash was diverted from landfills in 2016.
8	Work with stakeholders to establish additional landfill gas-to-energy systems and waste heat recovery by 2012 and prepare an ordinance requiring such action by 2022 for Council consideration. (Environmental Leadership and Innovation Action MS-7.12)	In progress.

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9	<p>Develop a schedule to discontinue the use of disposable, toxic or nonrenewable products as outlined in the United Nations Urban Environmental Accords. City use of at least one such item shall be discontinued each year throughout the planning period. In the near-term, staff will monitor the regulation of single-use carryout bags to ensure that their use in the City is reduced by at least 50%, or shall propose enhanced regulation or an alternate product. In the mid-term, staff will evaluate all such products for regulation or for use in energy recovery processes and shall recommend such regulations as are necessary to eliminate landfilling such products in the long-term (2022-2040). (Environmental Leadership and Innovation Action MS-7.13)</p>	<p>In June 2007, the City began prohibiting the use of City funds for the purchase of single-serving water bottles. In May 2010, the City began prohibiting the use of EPS food service ware at events held on City property, including large events such as the Annual San José Jazz Festival. In January 2012, the City adopted the Bring Your Own Bag Ordinance expanding beyond City operations to prohibit retailers within the City from distributing single-use plastic bags and require a fee be charged for alternative paper bags. In April 2012, the City began prohibiting the use of City funds for the purchase of EPS food service ware. In September 2013, the City adopted the Foam Food Container Ordinance. The initial phase of the EPS ordinance took effect on January 1, 2014 for all multi-state restaurants in San José, and the final phase of the ordinance took effect on January 1, 2015 for all other restaurants, including mobile and street vendors. All food establishments in San José, including small businesses, street vendors, and food trucks are prohibited from using expanded polystyrene foam food containers.</p>
10	<p>Prepare for City Council consideration by 2012 an ordinance that would enact regional landfill bans during the near- and mid-terms for organic material such as food waste and yard trimmings that contribute to methane generation in landfills. (Environmental Stewardship Action MS-8.8)</p>	<p>Complete. As of April 1, 2016, all local jurisdictions are required to comply with Mandatory Commercial Organics Recycling (AB 1826). Each jurisdiction is required to implement an organics recycling program to divert organics from the businesses subject to this act, thereby imposing a state-mandated local program. Staff is assessing the implementation of AB 1826 to ensure any future ordinance to enact regional landfill bans for organic material is consistent with state legislation. All applicable City customers are in compliance with AB 1826 due to the structure of the City's waste management systems.</p> <p>In 2017, SB 1383 was passed to reduce short lived climate pollutants (such as methane) through organic waste diversion and food waste recovery. The State is in the process of developing a guide to implement SB 1383 and City staff are monitoring its progress.</p>
11	<p>Continue to increase the City's alternative fuel vehicle fleet with the cobenefit of reducing local air emissions and continue to implement the City's environmentally Preferable Procurement Policy (Council Policy 4-6) and Pollution Prevention Policy (Council Policy 4-5) in a manner that reduces air emissions from municipal operations. Continue to support policies that reduce vehicle use by City employees. (Air Pollutant Emission Reduction Action MS-10.12)</p>	<p>44% of City vehicles are alternative fuel vehicles, an increase of 8% from the number of alternative vehicles in 2007. The City also provides an employee bike fleet for staff to use while traveling and installed 64 vehicle charging stations in San José downtown area.</p>

	Goal	Status
12	Quantitatively track the City's education program on the public use of water. Adjust the program as needed to meet Envision General Plan goals. (Responsible Management of Water Supply MS-17.6)	With the Governor's Executive Order to "Make Conservation a Way of Life" and the considerable effort that was put in to educating the public about water supply and efficient water use, the City remains committed to conservation programs and messaging. Staff continued to participate in public outreach events such as attending a San Jose Earthquakes game, conducting messaging at Christmas in the park, and hosting three workshops in the City service area. Additional outreach was conducted through print and social media such as radio ads, magazine advertisements, LED signage, web ads and through the ESD website. Outreach was conducted providing water-savings tips in multiple languages and reached an audience of approximately 200,000. San Jose residents continue to receive bi-monthly reports comparing their water use to similarly-sized households and receive customized tips on how to continue to increase their water savings.
13	Continuously improve water conservation efforts in order to achieve best in class performance. Double the City's annual water conservation savings by 2040 and achieve half of the Water District's goal for Santa Clara County on an annual basis. (Water Conservation Goal MS-18)	The City, along with such partners as the Santa Clara Valley Water District (District), continues to identify, pilot, and implement new conservation strategies and technologies. For instance, the City conducted a full-service landscape replacement pilot for economically disadvantaged residents, which was later rolled-out Countywide by the District. San Jose retailers now provide water use reports to residents that encourage more conserving behaviors, a strategy with estimated savings potential of ~4%. To reduce demand for potable water, efforts continue to identify ways to utilize non-potable water sources such as graywater and stormwater for landscape and other non-potable needs. Preparations have also been made to start an Automated Meter Infrastructure (AMI) pilot which would allow San Jose residents to see their usage in real time, receive leak alerts immediately and receive more customized recommendations on how to efficiently manage their water use.
14	Reduce residential per capita water consumption by 25% by 2040. (Water Conservation Policy MS-18.4)	Comparing data from 2015 to baseline data, the City has met this goal. Some of this reduction may be due to the community's drought response of recent years. The City will continue to monitor demand and to offer programs and outreach designed to reduce water use going forward.
15	Achieve by 2040, 50 Million gallons per day of water conservation savings in San José, by reducing water use and increasing water efficiency. (Water Conservation Policy MS-18.6) Use the 2008 Water Conservation Plan as the data source to determine the City's baseline water conservation savings level. (Water Conservation Policy MS-18.7)	The City of San José is currently on track to achieve this water conservation target. San Jose is estimated to make up 54% of the County's population and is saving approximately 32 million gallons per day.

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16	Recycle or beneficially reuse 100% of the City's wastewater supply, including the indirect use of recycled water as part of the potable water supply. (Water Recycling Goal MS-19)	For calendar year 2016, the City of San José had an average daily use of 11.1 million gallons per day of recycled water, an 8.8% increase from 2007 but a decrease from 2015's level of 12.2 million gallons per day. Overall flows have continued to drop due to water conservation efforts and mandated water use restrictions during part of the year. Winter demand was also low due to a wetter rainy season in late 2016.
17	Develop performance measures for tree planting and canopy coverage which measure the City's success in achieving the Community Forest goals. These performance measures should inform tree planting goals for the years between 2022 (the horizon year for the Green Vision) and 2040. (Community Forest Action MS-21.16)	The City's Green Vision states that the City shall plant 100,000 new trees throughout San José by 2022. At present, 12,630 new trees have been planted on public property (12.6% of the City's Green Vision Goal).
18	Track progress towards achieving at least 25,000 new Clean Technology jobs by 2022. Track progress towards achieving at least 70,000 new clean tech jobs by the year 2040 or achieving 10% of the City's total jobs in Clean Technology by the year 2040. (Clean Technology Action IE-7.9)	As of 2016, there are 15,757 new Clean Technology jobs within the City of San José (63% of the 2022 City's Green Vision Goal). This is a 162% increase from the number of Clean Technology jobs in 2007.
19	Develop a trail network that extends a minimum of 100 miles. (Trail Network Measure TN-2.12)	The City of San José currently has 58.8 miles of trails, a 50% increase from the number of trail miles in 2007 (39.1 miles).
20	Provide all residents with access to trails within 3 miles of their homes. (Trail Network Measure TN-2.13)	Complete.