The Future of Coleman Avenue

How central San José’s corridor can achieve its potential

Opportunities for economic development, the public realm, and driving equity

June | 2023
Table of Contents

1. Executive Summary 4
2. Placing the Coleman Corridor 12
3. Envisioning Coleman Corridor 2.0 27
4. Appendix A: Stakeholder Engagement Process 49
5. Appendix B: Land Use and Property Values 57
6. Appendix C: Industry and Businesses 77
7. Appendix D: Policies and Regulations 108
Acknowledgements

This report was commissioned by SPUR and funded by the John S. and James L. Knight Foundation.

Special thanks to SPUR San José Director Fred Buzo and San José Planning Policy Manager Erika Pinto for their guidance, leadership, and support.

The report is written, designed, and produced by JLP+D.

Authors: James F. Lima, Yuxiang Luo, Jaida Nabayan, Olivia Dobbs Schneider, and Aishwarya Mukund

Project support: Fransini Alberto-Vasquez

SPUR and JLP+D would also like to thank the many people who contributed to this study. Your passion and valuable insights helped to inform the analysis and recommendations presented in this report. Organizations and stakeholders engaged are listed below:

AECOM
Aedis Architects
BART
CALA
City Council District 6
City of San José:
  Transportation
  Economic Development
  Parks, Recreation and Neighborhood Services
  Planning, Building & Code Enforcement
College Park Neighborhood
Community Strong Strategies
Delmas Park Neighborhood Association
Gensler
Gibson, Dunn & Crutcher LLP
Guadalupe Friends Group
Guadalupe Gardens Community Garden
Guadalupe River Park Conservancy
Guadalupe-Coyote Resource Conservation District
Hensley Historic Neighborhood Association
Hyde Park Neighborhood Association
Japantown Neighborhood Association
JLL
Kimley-Horn and Associates

Lighthouse Public Affairs
Little Italy Business District Neighborhood Association
LTR Advisory Services, LLC
Norman Y. Mineta San José International Airport
Northside Neighborhood Association
Our City Forest
Perkins & Will
Roosevelt Park Neighborhood Association
Rosemary Gardens Neighborhood Association
Salas O’Brien LLC
San José Chamber of Commerce
San José Downtown Association
San José Downtown Residents Association
San José Parks Foundation
San José State University
Santa Clara Valley Open Space Authority
Santa Clara Valley Transportation Authority
Senior and Disability Action
Shasta-Hanchett Park Neighborhood Association
SOM
Urban Vibrancy
Veggielution
Vendome Neighborhood Association
Willow Glen Business Association
WRT
Executive Summary
SPUR's policy reports on the Future of Downtown San José and Guadalupe River Park have identified the need for further investment and activation of the broader downtown area, and leveraging existing assets in open space and transit investments. A key recommendation for downtown investment and activation is to promote a larger central area of San José, with the current downtown as its core. This approach has been successful in other cities, such as San Francisco, where downtown was expanded from the traditional financial core to nearby areas.

In a similar vein, SPUR has proposed that San José adopt a new geography for the downtown frame, potentially referred to as Central San José. This new geography would have the traditional downtown at its core, and would encompass adjacent neighborhoods and activities that extend west to Santana Row, east to Little Portugal, south to San José State University's South Campus, and north to North 1st Street around the Mineta San José International Airport.

While many of these existing sites in San José, such as Santana Row and Little Portugal, have existing or pending specific or strategic plans, the Coleman Avenue and its surrounding area do not. This corridor is uniquely situated near the downtown core and the airport, with a large concentration of retail and commercial businesses and one of the few remaining areas with industrial use. Moreover, the area is adjacent to Guadalupe River Park and Gardens and has immense potential for redevelopment and growth. More proactive planning would set the intention to further activate the area’s economic, social, and environmental potential.
EXECUTIVE SUMMARY

Located within the greater Downtown and Guadalupe River Park. The Coleman Avenue corridor serves as the city’s gateway to vibrant neighborhoods.

From 2022 to 2023, SPUR partnered with JLP+D to evaluate options and engage stakeholders on the future of Coleman Avenue and the surrounding area. The team conducted a series of stakeholder outreach sessions, supported by quantitative data analysis, document and policy review, and case study research. The findings and community-informed opportunities outlined here aim to inspire coordinated focus by local leadership and stakeholders on the corridor’s future planning, development, and investments, making this critical part of the city a key connector and gateway for Central San José.

Coleman Avenue today:

➤ A corridor of major assets that is susceptible to evolving change
➤ Enjoys a mix of land uses
➤ Location of low-density but diverse palette of industries
➤ Location of multiple job and economic sub-areas
➤ Multiple policy implications and related constraints, including those from the FAA.

The Coleman Corridor of tomorrow:

➤ A destination for local residents and visitors
➤ Designated gateway for the city between destinations in Downtown and SJC airport
➤ Greater economic opportunities for existing and future uses
➤ A better, safer, and more active public realm
➤ Equitable access and mobility options to amenities, services, and goods
Envisioning the future environment along Coleman Avenue as an activated, accessible, and thriving destination for San José.

To achieve its potential, planning efforts and coordination should focus on:

1. Economic Development:
   Community members were interested in more food & beverage options, outdoor venues, small businesses, retail, and reuse for certain vacant/industrial/parking parcels that can activate the space and expand access to economic opportunities.

2. Public Realm and Infrastructure:
   Stakeholders consistently vocalized their concerns related to the access and safety, along with maintenance for Guadalupe River Park. These conversations were turned into action-item plans centered on biking/walking lanes, site maintenance, and public safety more generally.

3. Equitable Planning and Access:
   Many stakeholders advocated for events and engagement opportunities that were geared towards diverse users, creating awareness of the Guadalupe River Park, and low-density activation.
EXECUTIVE SUMMARY

Improvements to the Coleman Avenue corridor are an investment in the civic infrastructure of Guadalupe Gardens.

To deliver a greater experience for residents, businesses, workers, and visitors, Guadalupe Gardens should continue to address the needs of unhoused populations living in the park, and strive for better maintenance, encourage greater park use, and achieve fuller integration with Downtown's growth.

**Airport:**
Consistent with FAA regulations, the City implemented park-types uses (passive uses, low-density, open space). Future development of Airport properties will be subject to FAA regulations and assurances, and all other redevelopment proposals must meet constraints imposed by proximity to the airport.

**Coordination:**
City, county, airport, and private interests guide the land uses in and around the park. This necessitates the need for the City to leverage outside funding sources and partnerships. Effective coordination between governing entities is critical for future plans that will unlock the potential of these spaces for all.

**Integration:**
Guadalupe Gardens faces challenges to its growth within the river park chain, and its health will become even more fundamental to the city's success. Stewards and partners should strive to achieve fuller integration with Downtown's growth.

**Park Uses:**
Renewed support and enhanced stewardship will be needed to increase the park's value, so that this vital public space can become safer, cleaner and better used by all members of the community. Success will also depend on the commitment to high-quality design of park spaces such as Prototype Park.
EXECUTIVE SUMMARY

Taking Action Now: Coleman Corridor as a Place of Choice for All

Increased activation with unique character
+ Outdoor food
+ Retail
+ Farm-to-table
+ Small biz
+ Services
+ Adaptive reuse
+ Delivery & micro-mobility

Safer spaces and increased accessibility
+ Greenway
+ Underpass
+ O&M funding
+ Safety
+ Transit access
+ Park events
+ Community programming
+ Community food
+ Pet-friendly uses

Driving equity
+ Park events
+ Community programming
+ Community food
+ Pet-friendly uses

Conduct parcel-level FAA restrictions analysis to identify suitable sites for active use

Explore land acquisition potentials and/or use agreements to identify project sites

Conduct traffic and infrastructure assessment

Explore partnership strategies (for operations / program delivery, planning, advocacy)

Design and plan improved public realm features

Advocate for and study alternative funding sources and governance models
EXECUTIVE SUMMARY

A strategic plan with land use recommendations can guide coordinated implementation via public-private investments.

Conduct parcel-level FAA restrictions analysis to identify suitable sites for active use

Explore land acquisition potentials and/or use agreements to identify project sites

Explore partnership strategies (for operations / program delivery, planning, advocacy)

Advocate for and study alternative funding sources and governance models

Design and plan improved public realm features

Conduct traffic and infrastructure assessment
The Coleman Avenue corridor has the potential to be a driver of catalytic placemaking in Central San José’s growing geography. To create a more equitable and prosperous region, it is crucial for City and local stakeholders to collaborate and invest in the future of this corridor and gateway.
Placing the Coleman Corridor
The time is now: Coleman Corridor is at the intersection of major assets & upcoming changes

Coleman Avenue and the surrounding area are situated in close proximity to major assets and planning initiatives. Thoughtful planning for the corridor itself will set the intention to balance various community needs in and around the fast-changing Downtown.
PLACING THE COLEMAN CORRIDOR
Coleman’s existing mix of uses are underscored by its proximity to Downtown and the airport.

The land uses along the corridor are diverse yet lacking coordinated planning efforts that will unlock potential for San Jose’s communities. It is imperative that future planning of these uses is coordinated with the County’s Airport Land Use Commission (ALUC) and San Jose International Airport’s Comprehensive Land Use Plan (CLUP).

As shown on the right, parkland is 40% of this report’s Study Area. Vacant land is another 10%. Commercial, industrial, and residential land is split by a 6:5:1 ratio.

<table>
<thead>
<tr>
<th>Land Use Categories</th>
<th>Parcel Acre</th>
<th>% of Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open Space</td>
<td>208</td>
<td>43%</td>
</tr>
<tr>
<td>Commercial</td>
<td>84</td>
<td>17%</td>
</tr>
<tr>
<td>Industrial</td>
<td>66</td>
<td>14%</td>
</tr>
<tr>
<td>Vacant</td>
<td>54</td>
<td>11%</td>
</tr>
<tr>
<td>Residential</td>
<td>14</td>
<td>3%</td>
</tr>
<tr>
<td>Transportation, Communications, and Utilities</td>
<td>5</td>
<td>1%</td>
</tr>
<tr>
<td>Other Urban Non-Vacant (Service Stations)</td>
<td>3</td>
<td>1%</td>
</tr>
<tr>
<td>Land Use Code Not Available</td>
<td>54</td>
<td>11%</td>
</tr>
</tbody>
</table>
PLACING THE COLEMAN CORRIDOR

Guadalupe River Park and Gardens is the focus of efforts for economic and public space revitalization, yet faces challenges that will require action to address its long-term future.

**Current uses:** Low density passive uses (gardens and open fields) are a significant part of the corridor, which is allowed by FAA restrictions.

**Challenges:** Growing unhoused populations in the park have received focus from city leadership and stakeholders to address housing and social service needs.

**Ideas and proposals for the future:**
- Prototype Park activations
- Preservation of natural habitats and ecological benefits

"The futures of Guadalupe River Park and of Downtown San José are intertwined. A revitalized Park in the growing urban center can potentially shape more vibrant, equitable, and resilient places of choice, thereby helping San José to compete for more talent and investment."

SPUR & JLP+D (2021): "A Shared Future in Downtown San José"
PLACING THE COLEMAN CORRIDOR

The Guadalupe Gardens Master Plan presented frameworks for revitalization yet to be realized.

Guadalupe Gardens is a unique area, exposed to aircraft noise and safety impacts and subject to federal aviation regulations.

The Master Plan (2002) called for a phased program that provided for short-term, feasible open space uses in advance of a comprehensive build-out of longer term improvements for the almost 120 acres of mostly vacant land.

Specifically, the Plan included goals for the expansion of pathways south of Taylor Street, closures of Spring Street, installation of parking lots as key access points to the Gardens, and a permanent Garden Center and Greenhouse. The Plan also recommended the acquisition of 25 properties along the Coleman edge in order to allow for a more consistent Gardens perimeter and cohesive implementation of open space uses.

Though relatively dated, the Plan called for a variety of long-term improvements that can revitalize the park and help it become a place of choice. Reimagining the mix of uses and activities along Coleman Avenue would build synergy with the revitalized open spaces.
Economically, the corridor is representative of a low-density but diverse palette of industries.

The Coleman corridor is home to diverse jobs, although the density of jobs in the project’s data capture area (excluding parkland) is 1/4 of that in Downtown. Auto services, retail, F&B, and construction are particularly high in concentration compared to elsewhere in the County.

<table>
<thead>
<tr>
<th>Key industries:</th>
<th>Food services</th>
<th>Retail</th>
<th>Wholesale trade</th>
<th>Construction</th>
<th>Manufacturing</th>
<th>Auto-related services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of Study Area jobs</td>
<td>16%</td>
<td>21%</td>
<td>13%</td>
<td>13%</td>
<td>11%</td>
<td>4%</td>
</tr>
</tbody>
</table>

A location quotient of 2 means the job density of this sector in this place is twice the industry’s average density in the County.

Manufacturing is a policy priority for the City and accounts for 1 in 10 jobs along the corridor. But its density is lower than the regional (county) average.
PLACING THE COLEMAN CORRIDOR

The corridor has a large concentration of retail and commercial businesses and one of the few remaining areas with industrial use.

Opportunities:
- Established shopping and food centers
- Downtown workers and visitors and neighborhood residents driving demand for diverse experiences and choices

Risks:
- Pedestrian safety
- Lack of design features, amenities, and sense of place to attract retailers and restaurateurs
PLACING THE COLEMAN CORRIDOR

The corridor has immense potential for redevelopment and growth.

Opportunities:
- Diverse employment opportunities
- Manufacturing jobs being policy priority

Risks:
- Other competing hubs in the region (SE of Downtown, Airport area)
- For long-term growth, larger parcel assemblages required for advanced industries
PLACING THE COLEMAN CORRIDOR

The wide spread of property values in the gateway to the downtown development hub has implications for gentrification and displacement.

The close proximity to the current downtown core generates potential food traffic to retail and F&B establishments along the corridor. However, as indicated by property value data, a growing downtown also means growing development pressure and real estate speculation. These trends, if unplanned, can induce gentrification and displacement for existing tenants and businesses along Coleman Avenue.
PLACING THE COLEMAN CORRIDOR

The corridor is at the confluence of multiple existing policies.

Being situated between major infrastructure and the downtown core brings different policy opportunities and constraints that can shape the corridor’s future development.
PLACING THE COLEMAN CORRIDOR

The proximity to San José’s Airport poses key constraints on existing uses and future development.

**Airport:** The corridor intersects with the Airport Influence Area (AIA), which imposes restrictions on certain land uses and development potential. Because of those constraints, the opportunities discussed in this report will focus on lower-density uses and open space activation, instead of higher density projects or housing development.

According to the San José International Airport Obstruction Clearance Study, height at which buildings would penetrate flight clearance surfaces in the Coleman Corridor and Guadalupe Gardens area (dark-line boundary) is 50ft to 225 ft.

**Airport’s influences:**

<table>
<thead>
<tr>
<th>Land use and development:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Allowed</strong></td>
</tr>
<tr>
<td>Height: Flight paths shall not be obstructed</td>
</tr>
<tr>
<td>Safety: Certain safety zones present exposure to aircraft accident risks</td>
</tr>
<tr>
<td>Noise: Certain uses are incompatible with the level of noise around airport</td>
</tr>
</tbody>
</table>

For future development, both the Zoning and the Airport Comprehensive Land Use Plan regulate use and density.
PLACING THE COLEMAN CORRIDOR

The corridor’s location is within the city’s growth targets for more walkable and denser places.

**Growth areas:** The area below Coleman Ave and W Taylor St is identified by the Envision San José 2040 Plan as Growth Areas (*Downtown; Downtown Transit Employment Center; and Diridon Station Area Urban Village*).

In these Growth Areas south of Coleman Avenue:

- **Walkable, bicycle-friendly, and transit-oriented development** is desired. This is further recommended in the Diridon Station Area Plan;
- **Downtown Design Standards** apply (especially regarding prominent sites; podium and pedestrian levels; special lighting; and block structure);
- **Major new real estate development** is already taking shape in and around downtown, and **new housing growth** is prioritized. However, FAA constraints new vertical developments along most of the corridor and its surrounding area.

Source: Envision San José 2040
PLACING THE COLEMAN CORRIDOR

The corridor is situated within a nexus of key infrastructure planning and development for better pedestrian, active mobility, and transit networks.

Transportation network:

Community stakeholders voiced their concerns on traffic safety and pedestrian access. Existing City plans have begun to address those concerns. There are greater opportunities to integrate the corridor with other communities, improving the safety and environmental justice of mobility.

Visions for street networks in the City’s Downtown Transportation Plan:

- **Coleman Avenue (1) and Taylor Street (2):** City Connector Streets that serve regional traffic and can benefit from safety and additional walkability improvements.
- **Hedding Street (3):** a Central Bikeway that links Japantown, Downtown San José, and the Guadalupe River Trail.
- **Guadalupe River Trail (4):** Part of the regional pedestrian and open space network.
- **Stockton Avenue (5) and Lenzen Avenue (6):** Main streets with potential improvements on walkability and open space

Source: Downtown Transportation Plan, 2022
PLACING THE COLEMAN CORRIDOR

The corridor shall serve as a gateway that is both **distinctive** with its own identity and **fully integrated** with the city’s growth and development.

Achieving these goals require action, planning, and investments by the community, government agencies, and private stakeholders.
PLACING THE COLEMAN CORRIDOR

With greater activation, the Coleman Corridor has the potential to more fully connect diverse neighborhoods and serve the broader Central San José.

(1) Rose Garden
11min bike
42% non-white
3% below poverty

(2) Japantown
9min bike
67% non-white
2% below poverty

(3) PayPal Park and Coleman Highline
14min bike
79% non-white
12% below poverty

(4) SJSU
12min bike
73% non-white
4% below poverty

(5) Washington - Guadalupe
14min bike
85% non-white
11% below poverty

(6) Downtown
7min bike
78% non-white
9% below poverty

Source: San José GIS Open Data, Census Tract Level (accessed 5/2023)
Envisioning Coleman Corridor 2.0
ENVISIONING COLEMAN CORRIDOR 2.0

The Coleman corridor is at a crossroads, both physically and in the timeline of San José's growth and development.

Coleman Avenue is situated north of San José’s downtown core and bounded by the 87 and 880 freeways and Caltrain / High-Speed Rail heavy rail lines. This area represents a commercial hub for surrounding neighborhoods and many visitors’ introduction to event and travel destinations such as PayPal Park, the SAP Center, and SJC Airport. It also includes industrial parcels, as well as a smaller number of existing residential and multifamily lots. Many long-term businesses and residents live and operate within and around the corridor.

However, as the city continues to develop and experience changes, this critical corridor has not had a specific or strategic plan to coordinate initiatives and efforts.
ENVISIONING COLEMAN CORRIDOR 2.0

This report presents a series of opportunities for the future of Coleman Avenue, based on existing conditions analysis and a series of workshops and sessions with residents, stakeholders, community leaders, and city and county staff.

According to research and engagement findings, there are significant opportunities to further plan for and invest in strategic and aspirational projects that support local businesses and stakeholders, creating a more complete corridor and gateway for San José’s downtown core and surrounding neighborhoods.

This chapter of the report details those recommendations.

Admittedly, the complexities of invigorating a challenged and underbuilt commercial corridor and Guadalupe Gardens park space extend well beyond this report’s initial focus and research boundaries. Ultimately, the success and integration of this critical corridor and gateway into the broader city depend on the fuller enhancement of cultural and physical connections to surrounding residential neighborhoods and the coordination of multiple overlapping plans for Downtown and the Diridon Station Area. Success will also depend on the commitment to high-quality design of park spaces such as Prototype Park (dog park, urban agriculture, disc golf) that will qualitatively improve and dynamically work within the constraints imposed by the FAA. In all, what happens along the Coleman Avenue may serve as a catalyst for the equitable redevelopment and growth of the central San José core.

1. Economic Development: Redesigned and/or activated spaces, such as food destinations, are a low-density, engaging form of space utilization and can generate substantial economic development opportunities for small businesses.

2. Public Realm and Infrastructure: Safety and access are major concerns for stakeholders, with maintenance being crucial to the continued activation and perception of safety around Coleman Corridor and in public spaces.

3. Equitable Planning and Access: Activating the place requires tailoring events to diverse users, along with partnership with community organizations to implement long-term stewardship.
ENVISIONING COLEMAN CORRIDOR 2.0 ECONOMIC DEVELOPMENT

1. Economic development must preserve and activate the unique character of Coleman Corridor.

Why is this important?
As high-value developments are in the pipeline for the broader downtown, social and economic fabric of existing urban communities are facing gentrification risks. Hence small business development and tailored economic development opportunities need to be prioritized along Coleman Ave.

What are existing policies and initiatives to leverage?
The Office of Economic Development and Cultural Affairs initiated “Holiday San José” to expose families to commercial areas for fun activities. This initiative can be leveraged to include the Coleman Corridor and provide substantial business to the region. A small business displacement policy was created after the San José City Council commissioned a study to understand the biggest factors leading to small business displacement, as outlined in a report in 2021.

What are constraints to consider during planning and implementation?
While real estate and economic development is a great opportunity for activation, airport land use restrictions limit the potential for vertical development and high-density uses. Connectivity and pedestrian safety issues are also a concern for community members to come for shopping and entertainment.

Any real estate and economic strategies must be distinct and tailored to Coleman Corridor.

Specifically, small businesses and economic development are crucial to development along Coleman Avenue. Activation of open space and underutilized parcels through small-scale food trucks, gardening, and food hubs are also potential ways to increase the economic vitality of this location.
ENVISIONING COLEMAN CORRIDOR 2.0 ECONOMIC DEVELOPMENT

Community vision (7 ideas):

- Outdoor food destination (potential locations)
- Garden-to-table economy
- Diverse, small-scale retail (bakery, bikeshop)

Other projects recommended by stakeholders:

- Delivery & micro-mobility hub
- Small biz retention/incubation
- Social and community services
- Parking lot and/or industrial space adaptive reuse
Economic development projects can be fun, creative, and contributive to a greater public-realm experience for all.

### Outdoor Food Destination with Unique Character

<table>
<thead>
<tr>
<th>Locations</th>
<th>Policies</th>
<th>Partners</th>
<th>Constraints</th>
</tr>
</thead>
<tbody>
<tr>
<td>I-87 bridge underpass</td>
<td>Biking and transit connectivity needed</td>
<td>SJ Office of Economic Development and Cultural Affairs</td>
<td>Parking is limited in the area – transit is not accessible</td>
</tr>
<tr>
<td>Taylor St.</td>
<td>Small business support needed</td>
<td>Veggielution + Orchard</td>
<td>Permitting + licensing to have these food spots is not currently in place</td>
</tr>
<tr>
<td>Parking lots</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Garden lots</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Additional projects and initiatives based on community input:

- More diverse, small-scale retail options along Coleman (bakeries, bikeshop)
- Urban delivery & micro-mobility hub to help retail and general users
- Programs for small business retention/incubation
- Tailored social and community services
- Open space for economic development, community agriculture, and entrepreneurship: Garden/farm-to-table economy; place-based fresh food economy
- Parking lot and/or industrial space adaptive reuse
2. Creativity, safety, accessibility, and partnerships must be central to ensure quality of life.

The area is characterized by significant open space and infrastructure network. Their future improvement must make residents and communities become more interconnected, enjoy better quality of life, and feel safe.

Through engagement, stakeholders indicated that the Guadalupe River Park trails and major conduits need to improve the pedestrian and cyclist experience. They have also emphasized the importance of maintaining and operating future projects through public and private partnerships.

Why is this important?

Guadalupe Gardens characterizes more than 40% of the land in the Study Area. The place is also interlaced with multiple roads and transportation nodes. Despite multiple plans, these assets can benefit from more targeted investments in capital upgrades and O&M support.

What are existing policies and initiatives to leverage?

San José’s Vision Zero initiative, adopted in 2015, aims to decrease traffic casualties and injuries through community outreach and data analysis, leading to safety improvements on roadways. Better Bike Plan identified sections of Coleman Avenue and intersecting streets for bikeway improvements. Downtown Transportation Plan has also made building Complete Streets Networks a priority.

The Property-Based Improvement District (PBID) can become an important partner for maintenance, safety, beautification, and economic development programming in their jurisdiction.

Many other existing community organizations such as Second Harvest and Catholic Charities, which conduct outreach along the GRP, can be leveraged to support underserved individuals.

What are constraints to consider during planning and implementation?

Public realm and infrastructure are challenging areas for improvement due to FAA restrictions on tree density, significant capital resources needed, and multiple public and private partners that shall be coordinated.
ENVISIONING COLEMAN CORRIDOR 2.0 PUBLIC REALM AND INFRASTRUCTURE

Community vision (4 ideas):

Safe and activated underpass and overpass

Greenway network

Other projects recommended by stakeholders:

- Sustainable public realm O&M funding
- Enhanced pedestrian and public safety
Greater pedestrian and cyclist experience is a top community priority.

### Greenway Network

<table>
<thead>
<tr>
<th>Locations</th>
<th>Policies</th>
<th>Partners</th>
<th>Constraints</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entire Trail along GRP; and surrounding streets and intersections</td>
<td>Separate walking and bike paths; protect bike paths along streets; use signage</td>
<td>Pedestrian: Vision 0, and City Trails Program Trees: CalFire, and Our City Forest</td>
<td>FAA constraints on tree density</td>
</tr>
<tr>
<td>Coleman Avenue</td>
<td>Turns lanes into protected bike lanes</td>
<td>Silicon Valley Bike Coalition</td>
<td>Community or businesses’ opposition to removing vehicular lanes</td>
</tr>
<tr>
<td>Taylor St.</td>
<td>Widen Taylor and reduce vehicular speed to 40MPH</td>
<td>Vision Zero</td>
<td></td>
</tr>
</tbody>
</table>

**Elements of a great pedestrian and cyclist environment, based on community input:**

- Safe, and accessible bike/walk lanes and loops
- More secure bike-parking
- More trees and benches along the Guadalupe River Park trails
- On-demand shuttles
- Potential expansion of Groundwerx work for safety and cleaning purposes
- Safer and more activated highway underpass
Sustainable operations and maintenance funding is key.

<table>
<thead>
<tr>
<th>Locations</th>
<th>Policies</th>
<th>Partners</th>
<th>Constraints</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major commercial corridors</td>
<td>Capture real estate value to fund O&amp;M</td>
<td>City of San José and PBID</td>
<td>Stakeholder consensus to any new PBID functions</td>
</tr>
<tr>
<td>Public open space</td>
<td>Maintain new and/or improved public infrastructure with community partners; Advocate for commercial linkage fee for park maintenance</td>
<td>GRPC; Groundwerx; volunteers</td>
<td>Needs a long-term plan for funding increase and internal capacity building</td>
</tr>
<tr>
<td>Location to-be-decided</td>
<td>Build a Pavilion to host events, and leverage private actors for sponsorship revenue</td>
<td>Private partners (businesses, developers, high-networth individuals)</td>
<td>-</td>
</tr>
</tbody>
</table>
Safe public access and navigation are critical to the experience of the place.

<table>
<thead>
<tr>
<th>Safety Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Locations</strong></td>
</tr>
<tr>
<td>Guadalupe Gardens</td>
</tr>
<tr>
<td>Surrounding neighborhoods</td>
</tr>
</tbody>
</table>

Elements of enhanced safety, based on community input:

- Leverage San José PD (SJPD) to respond to emergencies; and street teams for non-emergencies
- Resurgence of Horse Patrols for perceptions of safety
- Activation of open space, especially the trails along Guadalupe River Park, to ensure physical safety from vehicles; and encourage residents to walk to improve perceptions of safety
ENVISIONING COLEMAN CORRIDOR 2.0 PUBLIC REALM AND INFRASTRUCTURE

Additional recommendations on open space programming, funding, and governance are available in the SPUR/JLP+D Guadalupe River Park report.

 spur.org/sharedfuture
3. **Equity must be central to future development and activation of Coleman Ave.**

To create a vibrant, active, and inclusive Coleman Corridor, all action plans must prioritize equity.

The 30+ stakeholder organizations, including students, community members, City and other agency officials, and businesses, have emphasized the need for **accessibility** for diverse users and a **diverse range of interests** in events and projects.

Specifically, the development of **future transit infrastructure, programming activities, and open space improvements** must prioritize accessibility, as per stakeholder feedback.

**Why is this important?**

Population living in different quarters around the downtown are **ethnically and socioeconomically diverse**. Places **susceptible to rapid change** must prevent displacement and ensure sustainability over time.

**What are existing policies and initiatives to leverage?**

The City of San José is making strides in developing metrics that can inform equitable policy development and implementation. Recently, the City launched the **New Equity through Data and Privacy Program** to collect data on inequities in the city and direct resources to address them. The **Welcoming San José Plan** is focused on creating an equitable, safe, and inclusive city for immigrants.

These initiatives set a precedent for uplifting an equitable lens for action-tem plans that have been outlined by stakeholders as key to the continued success and growth of the City of San José.

**What are constraints to consider during planning and implementation?**

Implementing equitable planning can be challenging due to **existing inaccessible spaces**, a **lack of funding resources**, and **cross-coordination needed between agencies**.
ENVISIONING COLEMAN CORRIDOR 2.0  EQUITABLE PLANNING AND ACCESS

Community vision (5 ideas):

- Community food initiative
- Other projects recommended by stakeholders:
  - Small-scale community programming
  - Pet-friendly uses (Bark in the Park)
- Improving and expanding on transit access
- Active diverse park events
Enhancing equitable planning and access means being expansive about the events and activation that will attract people to the park.

<table>
<thead>
<tr>
<th>Locations</th>
<th>Policies</th>
<th>Partners</th>
<th>Constraints</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highlighting the river along the entire trail</td>
<td>Work with GRPC on permits and applications (vendors, public, community orgs); Gauge interest for specific events;</td>
<td>Valley Water; City of San José; GRPC; Yahoo + Roku</td>
<td>Road network and crossings limit the current pedestrian access to GRP + Trail; FAA rules restrict the density of static congregations</td>
</tr>
<tr>
<td>Rose Garden</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coleman Ave*</td>
<td>Further study FAA restrictions and define restrictions on density of mobile users*</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Explore potentials to implement street closures for special events

Projects and initiatives based on community input:

- Low-Density Community Events
- Equitable Transit Access
- Community Food Gardens
- Pet-friendly uses (Bark in the Park)

*Mobile users are pedestrians or cyclists who are not congregating in a space but still benefit from active events
ENVISIONING COLEMAN CORRIDOR 2.0 CASE STUDY 1

Case Study | San Francisco, California

Parklab Gardens

Activating underutilized spaces with family-fun entertainment, food truck fare, and community connections

Context: Vacant lots throughout San Francisco were underutilized.

Solution: Parklab Gardens, pioneered by Carlos Muela, was created to create a food truck hub, along with a Stagecoach Greens themed mini golf course.

Policy innovation: Muela activated vacant land, and created a hub for community gathering in a densely populated region of Mission Bay, San Francisco. Muela convinced Mission Bay Development Group to lease the lot to Muela, pending further development of the site. This transitional use has activated the space and serves as an example for the city.
Parklab Gardens

**Partnership:** District Development (in charge of Parklabs), Mission Bay Development Group, the Stearns family, and local food truck vendors are critical to the success of Parklab Gardens under the management of Carlos Muela. Carlos Muela partnered with Mission Bay Development Group to sign the leasing agreement for the current location of Parklab Gardens.

**Key Lessons:**

- **Explore flexible leasing structure and temporary use agreements**
- **Study site options, taking into consideration of bike and pedestrian improvements**
- **Integrate food vending with open space activation and other nearby event destinations**
Livernois – McNichols Corridor Plan

Revitalizing streetscapes and commercial corridors in an equitable way

Context: Livernois-Nichols needed investments in the business corridor, along with streetscaping projects to revitalize the historic neighborhood.

Solution: 400 publicly owned vacant land and buildings were transformed into community assets. The Ella Fitzgerald Park was constructed, numerous homes were rehabbed, streetscapes were improved, and Black-led mixed-use developments were approved to build affordable housing.

Policy innovation: Impact Capital, a community development financial institution, helped fund the affordable housing development in the corridor in partnership with a Black-led developer.
Partnership: A mix of public and private entities - Live6 Alliance, Strategic Neighborhood Fund (SNF) - launched by the City of Detroit and Invest Detroit to stabilize 11 neighborhoods, improve quality of life, and increase economic opportunities – the City of Detroit, Impact Capital, and Invest Detroit - partnered to navigate equity planning processes and revitalize the neighborhood with innovative funding.

Funding: $7 million from SNF were used for McNichols streetscape improvements in the neighborhood. Invest Detroit provided $3.5 million in New Market Tax Credit allocation and $2.5 million through the SNF. Capital Impact provided $4.35 million in financing to support the Sawyer Art Apartments.

Key Lessons:
- Explore public-private partnerships and innovative funding sources
- Further study potentials to tap into existing funding pool and potential private sector contributions with strong business and policy cases for investments
ENVISIONING COLEMAN CORRIDOR 2.0 CASE STUDY 3

Case Study | Chicago, Illinois

E.G. Woode

A cooperative model to bolster entrepreneurship and increase economic opportunities

Context: Minority-owned businesses experienced systematic disparities, and the neighborhood declined because of discriminatory lending.

Solution: E.G. Woode was founded by entrepreneurs who through a collective ownership model acquire and rehabilitate real estate to offer a space to entrepreneurs and empowers them through business development and access to financing.

Policy innovation: LISC changed its approach to financing, especially in the case of E.G. Woode as a cooperative, by creating a new program in partnership with the Urban Land Institute to train emerging real estate developers; and LISC also adjusted its interest rate policies.
Policy innovation (cont’d): Chicago allows for L3C laws, which is a hybrid of a Limited Liability Company (LLCs) and nonprofit. This enabled E.G. to have both charitable purpose, and investors to fund their projects - however, E.G. maintains full ownership regardless of whether investors want to evict members.

Partnership: Local Initiative Support Corporation (LISC), Benefit Chicago, Cook County Land Bank Authority, Greater Englewood Chamber of Commerce, City of Chicago, the community, and more.

Funding: To fund the project pictured to the left, E.G. Woode raised $704,000 — $250,000 in city grants, $270,000 from private investors, $180,000 in the form of an LISC loan and $4,700 from crowdfunding.

Key Lessons:

- Establish partnerships among LISC in the Bay Area and CDFIs
- Explore cooperatives as a tool for ownership, entrepreneurship support, and small business retention
Appendix A: Stakeholder Engagement Process
STAKEHOLDER ENGAGEMENT

SPUR and JLP+D conducted four engagement sessions with local community members and representatives from the government.

From 2022 to 2023, the project team engaged stakeholders from more than 30 locally based organizations and more than 9 government agencies and public authorities. Interests represented include businesses, residents, transportation, infrastructure, open space, planning, and economic development.
STAKEHOLDER ENGAGEMENT INITIAL FEEDBACK

The initial sessions invited stakeholders to describe their impressions of the corridor and related opportunities.

- The first session included representatives from local community and business organizations, while the second session included representatives from various government agencies.
- During the sessions, stakeholders provided insights and stories about what they see as positive conditions, negative aspects, and future project potentials for the study area.

Major Assets:

1. Significant public green spaces with additional / new potential for greater park space
2. San José Market Center offering shopping and food opportunities
3. Infill development potential
4. Possible connections to other neighborhoods

Key Challenges:

1. FAA and Airport restrictions on development
2. Inactive uses (such as empty lots, vacant commercial storefronts, and industrial development) that are perceived as “dead” spaces, FAA and Airport restrictions being a major factor
3. Roads and crossings that are unsafe and unwelcoming for pedestrians and bikers
4. Lack of connectivity (physical and programmatic, such as for buying food) for surrounding communities unless driving
5. Encampments that deter more active use and visitation
6. Lack of funding to implement holistic plans
STAKEHOLDER ENGAGEMENT INITIAL FEEDBACK

Specific Vision / New Ideas / Future Planning Priorities:

1. Overall planning goals and process
   a. Aligning with plans within the Airport’s influence and the upcoming Connector project
   b. Defining the unique character and role of this corridor, instead of only fulfilling quantitative goals
   c. Bring diverse voices (including with younger audience) into planning conversations
   d. Developing a vision with the community

2. Public realm and infrastructure
   a. Improved pedestrian safety, walkability, accessibility
   b. On-demand shuttles to enhance connectivity
   c. Making highway underpass safer, activated, and better connected
   d. Activating both outdoor and indoor spaces (in ground floor real estate)
   e. Open space for economic development, community agriculture, and entrepreneurship.
   f. Improving spaces within and around the Gardens and Park (such as urban agriculture)

3. Economic development and real estate
   a. Ongoing FAA discussion regarding opportunity for commercial development on Airport-owned land near Coleman and Walnut
   b. Activating and/or redeveloping parking lots
   c. More diverse and vibrant businesses of all sizes
   d. Integrating major development projects to the Study Area
   e. Ensuring real estate development follow guidelines
The subsequent workshop gave stakeholders an opportunity to brainstorm and co-develop a new vision for the future of Coleman Corridor Study Area.

- A majority of attendees indicated that they were planners from the City or Airport, business association members, or tied to a community organization like GRPC and neighborhood associations. Many of the attendees had been engaged in previous sessions throughout January 2023.
- The workshop used two main activities to determine ideas for activation and priorities of stakeholders. Miro Board, an online tool for collaboration, was used to identify different ideas within three breakout sessions. Menti, a live voting tool, was used to highlight principle themes for activation and ideation, and vote on the top ideas within these breakout sessions to further narrow down ideas for action plans.
- Most stakeholders were extremely interested in the Public Realm and Infrastructure breakout session and Economic Development and Real Estate sessions. Of the 30+ attendees for the workshop, over 75% were in either of these two topic area sessions.
**STAKEHOLDER ENGAGEMENT FURTHER BRAINSTORMING**

### Key ideas from the workshop:

**Economic Development and Real Estate:**
- Outdoor Food Destination with Unique Character
- Diverse Smaller-scale Retail/Shops
- Urban Delivery and Micro Mobility Hub
- Small Business Retention/Incubation
- Social and Community Services
- Garden/Farm Economy

**Equity Planning and Partnerships:**
- Riding/Walking Activities via Guadalupe River Park
- Low-Density Community Events
- Equitable Transit Access
- Community Food Gardens
- Bark in the Park
- Events for Diverse Users

**Public Realm and Infrastructure:**
- Develop Safe and Accessible Bike/Walk Lanes; and Neighborhood Connectivity
- Ownership, Maintenance, and Operation of New/Existing Public Infrastructure
- Public and Site Safety
- Develop Accessible Trails
- Bike Loop/Mobility Hub
STAKEHOLDER ENGAGEMENT ACTION PLANNING

Stakeholders in the final workshop developed more specific project action plans based on findings from previous engagements.

- Most of the attendees at the planning sessions for Coleman Corridor were planners from the City or Airport, members of business associations, or affiliated with community organizations such as GRPC and neighborhood associations. Many had participated in previous sessions in January and March 2023. There were also youth-based organizations and students from San José State University in attendance, adding to the inclusivity of the planning process for the Coleman Corridor.

- Through the use of Miro Board, stakeholders refined action items generated during Workshop #3 held in March 2023. Thematic breakout sessions were organized around equity planning, public realm, and real estate, with Menti used to vote on the top ideas within each session. This allowed for the identification of top priority action plans for the Coleman Corridor.

- Over 90% of attendees for this stakeholder workshop were in the Public Realm or Real Estate breakout sessions. Three ideas for Public Realm, one idea for Real Estate, and one idea for Equity Planning became full action-item plans.
Key ideas from the workshop:

**Economic Development and Real Estate:**
- Specific action item **locations** consumed the conversation, with specific interests in the I-87 underpass and Taylor St.
- **Capital investments** are needed, and ideas like food trucks must need to support funding sources
- Policies should encourage and **connect public transit and biking infrastructure** through the Coleman Corridor

**Equity Planning and Partnerships:**
- Policy definitions for mobile density can expand options for active events
- Locations that **activate and create awareness** of GRP are important to stakeholders
- **Expansive partnership opportunities**, with many iconic orgs bordering GRP, with **GRP as potential authority**

**Public Realm and Infrastructure:**
- Biking and walking path connectivity are paramount, and could be implemented by **vehicular street decommission** efforts
- Funding sources to support maintenance and conversion of streets includes: **BIDs, rental fees, & tax assessments**
- Non-profit organizations could be leveraged to increase safety and security around GRP, specifically on Coleman Ave.

We facilitated the stakeholders to discuss the following aspects of ideas in each category:
Appendix B: Land Use and Property Value Analysis
LAND USE

Main Findings

**Broader Context:** The Study Area sits in between San José’s most significant transportation infrastructure, open space, and real estate development.

**Mix of Uses:** The Study Area is a park-adjacent district with a 6:5:1 split between commercial, industrial, and residential land areas.

**Vacant Land:** Vacant land is concentrated near downtown and also spread sporadically in the rest of the Study Area.

**New Development:** Multiple new real estate developments shape a mixed-use district connecting the Study Area with downtown.
LAND USE BROADER CONTEXT

The Study Area sits in between San José’s most significant transportation infrastructure, open space, and real estate development.

Transportation Infrastructure: The San José International Airport is located to the north of the Study Area. The upcoming Airport Connector project will go through the Study Area. Diridon Station to the south of the Study Area serves as a transit node providing access to Downtown San José. A portion of the Study Area is also covered by the Diridon Station Area Plan (DSAP).

Parks and Open Space: A significant portion of the Study Area is made up of the Guadalupe River Park and Trail and Guadalupe Gardens.

Real Estate Development: The Study Area is adjacent to the Property-based Improvement District (PBID), which is located to the southeast, and it encompasses a portion of the DSAP parcels, which is located to the southwest.
LAND USE MIX OF USES

The Study Area is a park-adjacent district with a mix of uses.

While a predominant portion of the Study Area is designated for parks and open spaces, from a current land use perspective, it is a mixed-use district consisting of a variety of commercial, industrial, and residential land in a 6:5:1 split in terms of land area.

<table>
<thead>
<tr>
<th>Land Use Categories</th>
<th>Parcel Acre</th>
<th>% of Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open Space</td>
<td>208</td>
<td>43%</td>
</tr>
<tr>
<td>Commercial</td>
<td>84</td>
<td>17%</td>
</tr>
<tr>
<td>Industrial</td>
<td>66</td>
<td>14%</td>
</tr>
<tr>
<td>Vacant</td>
<td>54</td>
<td>11%</td>
</tr>
<tr>
<td>Residential</td>
<td>14</td>
<td>3%</td>
</tr>
<tr>
<td>Transportation, Communications, and Utilities</td>
<td>5</td>
<td>1%</td>
</tr>
<tr>
<td>Other Urban Non-Vacant (Service Stations)</td>
<td>3</td>
<td>1%</td>
</tr>
<tr>
<td>Land Use Code Not Available</td>
<td>54</td>
<td>11%</td>
</tr>
</tbody>
</table>

Data: Santa Clara County Assessor’s Office, SJC Airport Inventory Property Maps

Data Source: Santa Clara County County Assessor’s Office
LAND USE MIX OF USES

Guadalupe River Garden

Industrial

Residential

Commercial
Industrial uses mainly stretch along the railroad and have a diverse mix.

40% of the parcels allocated for Industrial uses are categorized as General Industrial, followed by Public Warehouses that account for 22% of the land area. Other building materials, manufacturing and warehousing also take up portions of the industrial land.

<table>
<thead>
<tr>
<th>Industrial Uses</th>
<th>Parcel Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>General industrial</td>
<td>27</td>
</tr>
<tr>
<td>Public Warehousing</td>
<td>15</td>
</tr>
<tr>
<td>Yards for Equipment and Supplies</td>
<td>7</td>
</tr>
<tr>
<td>Fabricated Metal Products</td>
<td>4</td>
</tr>
<tr>
<td>Lumber and Other Building Materials</td>
<td>3</td>
</tr>
<tr>
<td>Stone Clay and Glass Product</td>
<td>3</td>
</tr>
<tr>
<td>Misc. Industrial</td>
<td>3</td>
</tr>
<tr>
<td>Metal and Mineral Wholesalers</td>
<td>2</td>
</tr>
<tr>
<td>Wholesale with Stock</td>
<td>2</td>
</tr>
<tr>
<td>General Manufacturing</td>
<td>1</td>
</tr>
</tbody>
</table>

Data Source: Santa Clara County County Assessor’s Office
LAND USE INDUSTRIAL

General Manufacturing

Public Warehousing

Yards for Equipment and Supplies
Retail uses are mostly concentrated between Coleman Avenue and the railway.

Retail uses other than community and neighborhood shops make up 63% of the parcels that have been designated for Commercial Uses. Offices buildings comprise 13% of commercial uses within the land area. Additional commercial uses include community shops and neighborhood stores.

<table>
<thead>
<tr>
<th>Commercial Uses</th>
<th>Parcel Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other retail uses (includes strip and individual stores, restaurants, bars</td>
<td>53</td>
</tr>
<tr>
<td>and fast food eateries, hotels, motels, theaters, large discount stores, auto</td>
<td></td>
</tr>
<tr>
<td>sales, rentals and service centers, retail condominiums and parking for existing</td>
<td></td>
</tr>
<tr>
<td>retail buildings)</td>
<td></td>
</tr>
<tr>
<td>Offices, High-rise Office Buildings, Banks and Clinics</td>
<td>11</td>
</tr>
<tr>
<td>Community (Centers containing a Junior Department Store or Large Variety Store)</td>
<td>10</td>
</tr>
<tr>
<td>Neighborhood (Centers containing Supermarkets, such as department and discount</td>
<td>10</td>
</tr>
<tr>
<td>stores, supermarkets, free standing and satellite stores, restaurants and fast</td>
<td></td>
</tr>
<tr>
<td>food eateries, offices, theaters and mixed uses, as well as parking for existing</td>
<td></td>
</tr>
<tr>
<td>shopping centers)</td>
<td></td>
</tr>
</tbody>
</table>

Data Source: Santa Clara County Assessor's Office
LAND USE COMMERCIAL

Retail Uses

Neighborhood Supermarket

Office
Residential parcels cluster in the northwest of the Study Area.

Residential uses are sporadic and represent a small fraction of the overall land use. Within such a category, Single Family households make up nearly 72% of the Study Area’s residential land coverage, with a very small balance comprising of Two, Three and Four, and Five or More Family households.

<table>
<thead>
<tr>
<th>Residential Uses</th>
<th>Parcel Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family</td>
<td>10</td>
</tr>
<tr>
<td>Two Family</td>
<td>1</td>
</tr>
<tr>
<td>Three and Four Family</td>
<td>1</td>
</tr>
<tr>
<td>Five or More Family</td>
<td>2</td>
</tr>
</tbody>
</table>

Data Source: Santa Clara County County Assessor’s Office
LAND USE RESIDENTIAL

Single Family

Five or More Family
LAND USE VACANT LAND

Vacant land is concentrated near downtown and also spread sporadically in the rest of the Study Area.

Parcels classified as vacant urban total 54 acres and represent 11% of the entire Study Area.

Noticeably, an area in the southwest corner of the Study Area has been already acquired by Google for its Downtown West master development. The southwest parcel abutting Guadalupe River Park is also planned for mixed-use development.

Vacant parcels in the middle and northern part of the Study Area have not been planned for new real estate development.

Data Source: Santa Clara County County Assessor’s Office
LAND USE VACANT LAND

Vacant Urban

Vacant Urban/DSAP

Vacant without Building
Multiple new real estate developments shape a mixed-use district connecting the Study Area with the downtown core.

Multiple projects planned by other developers anchor the southern part of the Study Area.

<table>
<thead>
<tr>
<th>Key</th>
<th>Project</th>
<th>Developer</th>
<th>Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Railyard Place</td>
<td>Acuity Realty</td>
<td>600 resi units, 220k SF office</td>
</tr>
<tr>
<td>2</td>
<td>Downtown West</td>
<td>Google</td>
<td>Previously proposed total: 4000 resi units, 7.3M SF office, 600k SF active use and event</td>
</tr>
<tr>
<td>3</td>
<td>Platform 16</td>
<td>Boston Properties</td>
<td>1.1M SF office</td>
</tr>
<tr>
<td>4</td>
<td>Stockton Ave</td>
<td>N/A</td>
<td>350k SF hotel and condo</td>
</tr>
<tr>
<td>5</td>
<td>Hanover Diridon</td>
<td>Hanover</td>
<td>249 units</td>
</tr>
<tr>
<td>6</td>
<td>Hotel</td>
<td>Infinite Investment</td>
<td>80 keys</td>
</tr>
<tr>
<td>7</td>
<td>North San Pedro Studios</td>
<td>First Community Housing</td>
<td>135 units</td>
</tr>
<tr>
<td>8</td>
<td>323 Terraine</td>
<td>Westbank</td>
<td>319 units; 12k SF commercial</td>
</tr>
</tbody>
</table>

Data: JLP+D
LAND USE NEW DEVELOPMENT

Railyard Place by Acuity Realty

Platform 16 by Boston Properties

Stockton Ave

Hanover Diridon
Main Findings

**Public vs Private Ownership:** 41% of the Study Area is taxable privately owned land.

**Building Value:** Cluster of underbuilt parcels exists, indicating significant redevelopment potentials.

**Land Value:** Land is generally valued higher close to downtown. Exceptions point to potential acquisition opportunities.

**Open Space Premium:** 65% of land in the Study Area are open space-adjacent. Improvement to the open space could further capitalize on the value of strategically located real estate.
PROPERTY VALUE PUBLIC VS PRIVATE OWNERSHIP

41% of the Study Area is taxable privately owned land.

The rest is owned by government. 8%, concentrated near the southwest corner and along the railway, is owned by the State. Another half is owned by local government.

<table>
<thead>
<tr>
<th>Acreage by Ownership and Use</th>
<th>Public Local</th>
<th>Public State</th>
<th>Private</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open Space</td>
<td>205</td>
<td>3</td>
<td>0</td>
<td>208</td>
</tr>
<tr>
<td>Commercial</td>
<td>1</td>
<td>0</td>
<td>84</td>
<td>84</td>
</tr>
<tr>
<td>Industrial</td>
<td>3</td>
<td>0</td>
<td>63</td>
<td>66</td>
</tr>
<tr>
<td>Vacant</td>
<td>21</td>
<td>0</td>
<td>33</td>
<td>54</td>
</tr>
<tr>
<td>Residential</td>
<td>0</td>
<td>0</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>Transp., Comm., and Utilities</td>
<td>0</td>
<td>4</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Service Stations</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Land Use Code Not Available</td>
<td>20</td>
<td>31</td>
<td>0</td>
<td>51</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>250</strong></td>
<td><strong>38</strong></td>
<td><strong>197</strong></td>
<td><strong>486</strong></td>
</tr>
<tr>
<td><strong>Share</strong></td>
<td><strong>51%</strong></td>
<td><strong>8%</strong></td>
<td><strong>41%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Data Source: Santa Clara County County Assessor’s Office
PROPERTY VALUE LAND VALUE

Land is generally valued higher close to downtown. Exceptions point to acquisition potentials, subject to feasibility analysis.

The undervalued land in the southeast corner has already been acquired for mixed-use redevelopment. Note other parcels with lower per-acre value than their neighbors in the study area.

Land Value per Acre (Private Parcels Only):
- Average: $1.4M
- Median: $0.9M
- Range: $0 - $27M

<table>
<thead>
<tr>
<th>Land Value per Acre by Current Use</th>
<th>Land Acre</th>
<th>Average Land Value per Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>14</td>
<td>$1.0M</td>
</tr>
<tr>
<td>Industrial</td>
<td>66</td>
<td>$1.1M</td>
</tr>
<tr>
<td>Retail</td>
<td>84</td>
<td>$1.0M</td>
</tr>
<tr>
<td>Vacant and Service Stations</td>
<td>57</td>
<td>$2.1M</td>
</tr>
<tr>
<td>Transp, Comm, Utilities</td>
<td>5</td>
<td>$0.2M</td>
</tr>
</tbody>
</table>

Data Source: Santa Clara County County Assessor’s Office
Cluster of underbuilt parcels exists.

A significant number of parcels exist in the Study Area have lower-than-median building value per land acre, and/or lower value than their neighbors in the same block. Existing industrial and residential buildings are valued lower than existing retail. Parcels with lower building value sit within higher-value adjacent parcels.

Building Value per Land Acre (Private Parcels Only):

- Average: $1.4M
- Median: $0.4M
- Range: $0 - $1.3B (see map for outlier)

<table>
<thead>
<tr>
<th>Building Value per Land Acre by Current Use</th>
<th>Land Acre</th>
<th>Average Building Value per Land Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>14</td>
<td>$0.6M</td>
</tr>
<tr>
<td>Industrial</td>
<td>66</td>
<td>$0.5M</td>
</tr>
<tr>
<td>Retail</td>
<td>84</td>
<td>$1.3M</td>
</tr>
<tr>
<td>Vacant and Service Stations</td>
<td>57</td>
<td>$0.1M</td>
</tr>
<tr>
<td>Outlier: Transp, Comm, Utilities</td>
<td>5</td>
<td>$29.5M</td>
</tr>
</tbody>
</table>

Data Source: Santa Clara County County Assessor’s Office
65% of non-open space land in the Study Area are adjacent to park space. Improvement to the open space could further capitalize on the value of strategically located real estate.

$638M of existing assessed value can potentially be enhanced, were the open space to be better designed and maintained. Additional value creation could occur on park-adjacent redevelopment sites.

<table>
<thead>
<tr>
<th>Park-adjacent Real Estate</th>
<th>Total Land Acre</th>
<th>Total Assessed Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within 600 ft from park</td>
<td>83</td>
<td>$400M</td>
</tr>
<tr>
<td>Between 600 ft and 1200 ft</td>
<td>98</td>
<td>$238M</td>
</tr>
<tr>
<td>Total</td>
<td>181</td>
<td>$638M</td>
</tr>
</tbody>
</table>

Data Source: Santa Clara County County Assessor’s Office
Appendix C:
Industry and Business
Main Findings

**Economic Density:** The Study Area’s economic density is much lower than the adjacent downtown.

**Industry Diversity:** High degree of sectoral diversity exists in the Study Area. The 10 largest employers in the area represent 5 different industry sectors.

**Food Services:** Restaurants are heavily impacted by COVID-19. The proximity to downtown presents both competition and opportunity for market diversification.

**Wholesale Trade:** Wholesale Trade has strong sales and employment for the area, but is concentrated within just a few establishments.

**Construction:** Tied to downtown real estate expansion, this industry grew sharply in the county and is heavily represented in the Study Area.

**Retail:** Also impacted by COVID-19, retail in the Study Area face additional competition from other nearby shopping centers and developments.

**Manufacturing:** Manufacturing employment is a policy priority for the City, yet the Study Area is less manufacturing jobs-rich than the County is as a whole.

**Auto Services:** A large presence of automobile services is found here compared to elsewhere in the county.
INDUSTRY AND BUSINESS ECONOMIC DENSITY

The Study Area’s economic density is much lower than the adjacent downtown in terms of establishments, employees, and annual sales per acre.

According to the latest available ESRI Business Summary, the Study Area contains 235 business establishments, nearly 3,000 employees, and over $760 million is annual sales.

The economic density of the Study Area is higher than the overall city average, but much less than the PBID, a proxy for the downtown core, even when park area is excluded from the analysis.

<table>
<thead>
<tr>
<th>Per land acre</th>
<th>Study Area</th>
<th>Study Area (Non-Park)</th>
<th>PBID</th>
<th>City</th>
</tr>
</thead>
<tbody>
<tr>
<td>488 acres</td>
<td></td>
<td>280 acres</td>
<td>637 acres</td>
<td>116k acres</td>
</tr>
<tr>
<td>Establishment</td>
<td>0.5</td>
<td>0.8</td>
<td>3.4</td>
<td>0.3</td>
</tr>
<tr>
<td>Employees</td>
<td>6</td>
<td>11</td>
<td>42</td>
<td>4</td>
</tr>
<tr>
<td>Annual sales</td>
<td>$1.6M</td>
<td>$2.7M</td>
<td>$6M</td>
<td>$0.7M</td>
</tr>
</tbody>
</table>

*Value is approximated from surrounding census blocks, weighted by share of land area within the PBID boundary.

INDUSTRY AND BUSINESS INDUSTRY DIVERSITY

The Study Area has no single dominant business type. Businesses from 17 broad industry sectors operate in the area.

The chart to the right demonstrates the diversity of industries present in the Study Area. Using North American Industry Classification System (NAICS) codes, businesses in the area are shown at right in 17 sectors.

The chart also shows that several industries have similar shares of the business makeup in the area by count of establishments; no single industry occupies a large portion of the landscape. See a more detailed version of the chart to the right on the following page.

Source: ESRI Business Analyst, Data Axle, Inc. 2022. All rights reserved.
INDUSTRY AND BUSINESS INDUSTRY DIVERSITY

Business Establishment by Sector

Transportation and Warehousing: 5.1%
Real Estate and Rental and Leasing: 3.8%
Finance and Insurance: 4.3%
Professional, Scientific, and Technical Services: 4.3%
Other Services (except Public Administration): 13.2%
Administrative and Support and Waste: 3.8%
Accommodation and Food Services: 14.5%
Wholesale Trade: 3.4%
Retail Trade: 15.7%
Manufacturing: 10.2%
Construction: 14.0%

Source: Copyright 2022 Data Axle, Inc. All rights reserved.
Similarly, in terms of employment, the 5 top sectors represent over 70% of the employment in the Study Area, but no one industry dominates over the others.

Retail Trade is the largest employer, and has 3% more employment than the Accommodation and Food Services industry, which is largely represented by restaurants in this area. Manufacturing and Construction have nearly equal employment, and are relatively similar in number of establishments and total sales. Overall, however, manufacturing is more productive: compared to the construction industry in the area, fewer manufacturing companies produce higher annual sales.

Wholesale Trade holds 3% of the businesses (8 businesses) but is a large employer, with an average of 50 employees per business. Other large employers include Westside Concrete Materials, Pitco Foods, and Target.

Source: ESRI Business Analyst, Data Axle, Inc. 2022. All rights reserved.
INDUSTRY AND BUSINESS INDUSTRY DIVERSITY

Employment by Sector

- Public Administration: 2.2%
- Transportation and Warehousing: 3.4%
- Professional, Scientific, and Technical Services: 2.6%
- Other Services (except Public Administration): 5.3%
- Administrative and Support and Waste: 5.8%
- Accommodation and Food Services: 16.0%
- Construction: 13.2%
- Wholesale Trade: 13.4%
- Retail Trade: 21.3%
- Manufacturing: 10.7%

Source: Copyright 2022 Data Axle, Inc. All rights reserved.
INDUSTRY AND BUSINESS INDUSTRY DIVERSITY

In terms of economic output, measured by annual sales volume, wholesale trade accounts for 36% in the Study Area.

Wholesale Trade generally has large annual sales. Retail, Manufacturing, and Construction sales are all significant parts of the Study Area's economy as well. Annual Sales data is modeled for all companies in a geographic area for private companies, and the source data comes from annual reports, newspapers, and the US Department of Commerce.

Annual Sales by Sector

- Wholesale Trade: $272M
- Retail: $177M
- Manufacturing: $90M
- Construction: $81M
- Accommodation and Food Services: $29M

Total Sales: $762M

Source: ESRI Business Analyst, Data Axle, Inc. 2022. All rights reserved.
INDUSTRY AND BUSINESS DIVERSITY

Annual Sales by Sector

- Wholesale Trade: 35.7%
- Retail Trade: 23.2%
- Manufacturing: 11.8%
- Construction: 10.7%
- Accommodation and Food Services: 3.8%
- Administrative and Support and Waste: 2.9%
- Other Services (except Public Administration): 2.0%
- Professional, Scientific, and Technical Services: 2.0%

Source: Copyright 2022 Data Axle, Inc. All rights reserved.
INDUSTRY AND BUSINESS MAIN SECTORS

Taking into account all metrics, the analysis identified five main sectors in the Study Area for more detailed research.

- Wholesale Trade
- Retail Trade
- Accommodations and Food Services
- Manufacturing
- Construction
- Auto services*

*Automobile-related businesses deserve a closer look within the Study Area. Auto services (repair, maintenance, specialty work) are particularly concentrated in the Study Area, with approximately $15M in annual sales, and the auto-related Retail sub sector brings an additional $3M in economic activity. Although this subsector does not rank at the top compared to other major sectors, local experts characterize this area by the auto-related establishments due to their high visibility as customer-facing businesses.

<table>
<thead>
<tr>
<th>Top 3 Ranked</th>
<th>Industry</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishments</td>
<td>Retail Trade</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>Accommodation and Food Services</td>
<td>34</td>
</tr>
<tr>
<td></td>
<td>Construction</td>
<td>33</td>
</tr>
<tr>
<td>Total Sales* (annually)</td>
<td>Wholesale Trade</td>
<td>$271M</td>
</tr>
<tr>
<td></td>
<td>Retail Trade</td>
<td>$166M</td>
</tr>
<tr>
<td></td>
<td>Manufacturing</td>
<td>$100M</td>
</tr>
<tr>
<td>Employees</td>
<td>Retail Trade</td>
<td>565</td>
</tr>
<tr>
<td></td>
<td>Accommodation/Food Service</td>
<td>477</td>
</tr>
<tr>
<td></td>
<td>Wholesale Trade</td>
<td>398</td>
</tr>
</tbody>
</table>

Source: City of San José Business Type Summary, from ESRI 2017 Business Summary sourced from Infogroup. *Value is approximated from total sales of surrounding Census block. The study area occupies 82% of the Census block area; the value here is 82% of total sales.
INDUSTRY AND BUSINESS MAIN SECTORS

Food Services
INDUSTRY AND BUSINESS FOOD SERVICES

Distribution in the Study Area

Accommodation and Food Services are concentrated near commercial centers. In the Study Area, restaurants are located along Coleman Ave, in the southern portion. BJ’s Restaurant & Brewhouse and Chili’s are two of the largest employers in the study area, but this industry also has 32 other establishments with over 300 employees.

Countywide Industry Trends

In the last decade, food service establishments have increased significantly, and jobs have followed. However, food service and accommodation workers were hit especially hard by COVID-19, and 2020 employment in the Study Area was reduced to 2010 levels. Projections for early 2022 show steady increases again, though automation may impact headcounts at quick-service establishments.

Study Area vs County

The Study Area has a higher concentration of Accommodation and Food Service employment than Santa Clara county overall. With a location quotient of 2.25, it has double the employment share of food services in the county as a whole.

<table>
<thead>
<tr>
<th>Countywide Industry Trend</th>
<th>2010</th>
<th>2020</th>
<th>10-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishment</td>
<td>3,712</td>
<td>4,725</td>
<td>27%</td>
</tr>
<tr>
<td>Employees</td>
<td>61,927</td>
<td>62,304</td>
<td>1%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Locational Quotient</th>
<th>Sector Employment</th>
<th>Total Employment</th>
<th>Sector Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study Area</td>
<td>477</td>
<td>2,978</td>
<td>16.0%</td>
</tr>
<tr>
<td>Countywide</td>
<td>68,783</td>
<td>967,925</td>
<td>7.1%</td>
</tr>
<tr>
<td>Location Quotient</td>
<td>2.3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A Location Quotient > 1 means that the industry is more represented in the Study Area compared to its representation in the entire County

Source: City of San José Business Type Summary, sourced from ESRI 2017 Business Summary with business locations from Infogroup.
INDUSTRY AND BUSINESS FOOD SERVICES

Comps and Competitions

Downtown:
Food services in the Study Area are primarily quick service restaurants which concentrate near retail and areas that have a high daytime population. The Study Area has a higher ratio of workers to residents than San José overall, but it competes with downtown areas east of Guadalupe River that also have high daytime populations.

Key Opportunities and Challenges

Opportunities: Overall the food services industry can continue to increase its growth. The Study Area has regular traffic passing through it, and experts of the area expect more residential growth in adjacent neighborhoods. Additionally the area is anchored by a strong commercial shopping center, and it is divided into small parcels, which benefit food service establishments.

Challenges: The mixed industrial and commercial use could be an ongoing challenge for attracting higher price point food establishments.

Above: BJ's Brewhouse and Restaurant located on Coleman Ave. BJ's is the largest employer among food services establishments in the Study Area. (Image from Google Maps)
DEVELOPMENT CONSIDERATIONS  ZONING AND LAND USE

Opportunities:

- Envision San José 2040 General Plan allows a high degree of flexibility for job growth to occur at appropriate locations throughout the City, including areas south of Coleman Ave. in the Study Area.
- Envision San José 2040 General Plan directs new housing growth to occur in a high-density, mixed-use format in clearly identified Growth Areas, which includes parts of the Study Area south of Coleman Avenue.
- The Google-purchased parcel in the Study Area is part of Envision San José 2040 General Plan’s Urban Village concept, in which future growth within San José will be used to build high-quality, urban neighborhoods attractive to a wide variety of future employers and residents, including: young, creative workers; a population increasingly made of older, smaller households; and residents seeking a place to live less reliant on automobile travel as a primary means of personal mobility.

Constraints:

- Downtown Design Standards apply to parts of the Study Area below Coleman Ave and W Taylor Street. The Standards identified unique urban design constraints. These include:
  - A low airport flight path that limits building height
  - A high groundwater table that favors placement of parking and other basement utilities above ground.
  - Nearby highways that provide access also limit and divide the area.
INDUSTRY AND BUSINESS MAIN SECTORS

Retail

San José Market Center shopping center in the study area. (Image from Google Maps)
INDUSTRY AND BUSINESS RETAIL

Distribution in the Study Area

The commercial center anchored by Target along Coleman Avenue collocates many of the larger retail establishments in the study area. Smaller retail stores are mixed with other more industrial uses northwest along Coleman Ave.

Countywide Industry Trend

The Retail Industry has declined slightly across Santa Clara County in recent years, albeit the number of establishments having been relatively stable, averaging 4,400 establishments. Employment was generally steady between 2012-2018, but dropped 3% in 2019 and then sharply in 2020.

<table>
<thead>
<tr>
<th>Locational Quotient</th>
<th>Sector Employment</th>
<th>Total Employment</th>
<th>Sector Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study Area</td>
<td>635</td>
<td>2,978</td>
<td>21.3%</td>
</tr>
<tr>
<td>Countywide</td>
<td>104,365</td>
<td>967,925</td>
<td>10.9%</td>
</tr>
<tr>
<td>Location Quotient</td>
<td></td>
<td></td>
<td>2.0</td>
</tr>
</tbody>
</table>

A Location Quotient > 1 means that the industry is more represented in the Study Area compared to its representation in the entire County.

Study Area vs County

Retail is concentrated in the study more so than in Santa Clara County as a whole, with a location quotient of 2.0, but there are several competing commercial shopping centers in San José.

Source: City of San José Business Type Summary, sourced from ESRI 2017 Business Summary with business locations from Infogroup.
INDUSTRY AND BUSINESS RETAIL

Comps and Competitions

Coleman Highline:
Just north of the Study Area boundary and highway 880, a comparable commercial area was recently developed in tandem with office space, a soccer stadium, and mixed use residential/retail.

Key Opportunities and Challenges

Opportunities: The Retail Industry in the Study Area also includes auto supply stores, stores that supply construction companies and other light industrial establishments. This sub sector of retail has an opportunity to grow if the construction manufacturing businesses in the area grow.

Challenges: Retail in shopping centers competes against areas that have high customer traffic. Ex.) A Lowes-anchored commercial area just north of Highway 880 in a mixed use development. Countywide, it is expensive for retail development in the current economic climate.

Above: Large scale stores in strip malls occupy the southern portion of the Study Area, west of Coleman Avenue. Below: Classic Glass Inc, is a retail store located near automotive businesses. (Images from Google Maps)
INDUSTRY AND BUSINESS RETAIL

Everyday retail, such as Target which anchors San José Marketcenter, is concentrated in the southern portion of the Study Area.

Specialty retail, such as Sonoma Graphic Products or Foundation Building Materials, is less clustered, and located near related service-based business establishments towards the north and west of the Study Area.
INDUSTRY AND BUSINESS MAIN SECTORS

Wholesale Trade

Above: Westside Concrete Materials is the largest employer in the Study Area. (Images from Google Maps)
INDUSTRY AND BUSINESS WHOLESALe TRADE

Distribution in the Study Area

Wholesale Trade in this area is dominated by Westside Concrete Materials and Pitco Foods. Both are located near industrial uses, though not near each other.

Countywide Industry Trend

Wholesale Trade declined in Santa Clara County over the last decade, largely by reducing employees. Unlike other industries affected by COVID-19 in 2020, the decline in wholesale employment has been gradual since 2016.

Study Area vs County

The Study Area has a much greater share of wholesale trade employment than Santa Clara County as a whole. The location quotient is 4.8, the highest of all industries in the Study Area that were compared against Santa Clara County.

Source: City of San José Business Type Summary, sourced from ESRI 2017 Business Summary with business locations from Infogroup.
INDUSTRY AND BUSINESS WHOLESALE TRADE

Comps and Competitions

SE of Downtown San José:
A similarly industrial area along Monterrey Highway has low density and light industrial uses.

Near County Airport:
This area may also have zoning constraints similar to the Study Area. These constraints support light industrial use like wholesale trade.

Key Opportunities and Challenges

Opportunities: The Study Area is well positioned for the wholesale trade industry. Roads and Highways are easily accessible, and rail and air freight options are available as well. Countywide, this district is well suited for uses that need large amounts of space and limited vertical rise.

Challenges: Wholesale Trade is vulnerable to several factors, both global and local. The biggest is that the area is close to downtown with competing pressure for higher value uses, and state policy to increase housing.

Above: Pitco Foods is the second largest wholesale trade establishment and employer in the Study Area. (Images from Google Maps)
Westside Concrete Materials is a large employer located towards the north end of the Study Area.

Pitco Foods, another large employer, is bounded by rail lines near the train depot in the southern portion of the Study Area.
INDUSTRY AND BUSINESS MAIN SECTORS

Construction

Above: Ciarra Construction (left) and Best Electrical Co. (right) are two Construction establishments in the Study Area. (Images from Google Maps)
INDUSTRY AND BUSINESS CONSTRUCTION

Distribution in the Study Area

Construction companies are spread out relatively evenly along the south side of Stockton Ave. and the nearby streets. These establishments vary in terms of parcel size, indicating that growth in this industry does not necessarily require connecting large parcels together to begin development.

Countywide Industry Trend

The construction industry grew significantly in the last decade. In 2010, the industry was recovering from the 2008 crisis, and by 2011 it has shown steady growth in Santa Clara County.

Study Area vs County

The Construction industry is proportionately higher in the Study Area than it is in the county overall. Its location quotient is 3.1, second highest of the industries in the study area.

<table>
<thead>
<tr>
<th>Location Quotient</th>
<th>Sector Employment</th>
<th>Total Employment</th>
<th>Sector Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study Area</td>
<td>393</td>
<td>2978</td>
<td>13.2%</td>
</tr>
<tr>
<td>Countywide</td>
<td>40,606</td>
<td>967,925</td>
<td>4.2%</td>
</tr>
<tr>
<td>Location Quotient</td>
<td></td>
<td></td>
<td>3.1</td>
</tr>
</tbody>
</table>

A Location Quotient > 1 means that the industry is more represented in the Study Area compared to its representation in the entire County

Source: City of San José Business Type Summary, sourced from ESRI 2017 Business Summary with business locations from Infogroup.
Comps and Competitions

SE of Downtown San José
The area along Monterey Highway has established businesses of low density and light industrial uses, according to local experts. This area similarly supports construction establishments.

Key Opportunities and Challenges

Opportunities: This industry supports other industries, including wholesale and retail trades, meaning that growth here can increase growth in other industries in the Study Area as well. With the City’s goals of maintaining manufacturing uses, and the State’s goals of building housing, this industry could benefit from both.

Challenges: Both labor and land come at a premium in this downtown area; economic pressure may encourage businesses to the outskirts of San José.
INDUSTRY AND BUSINESS MAIN SECTORS

Manufacturing
INDUSTRY AND BUSINESS MANUFACTURING

Distribution in the Study Area

The area is characterized by light manufacturing, mainly south and west of Coleman Ave. and Stockton Ave.

Countywide Industry Trend

Positive though moderate growth over the last decade in both establishments and employees was diminished only slightly by a 3% drop from the 2018 peak in recent years.

Study Area vs County

The Study Area location quotient is 0.7, putting it below Santa Clara County overall for manufacturing employment. San José has decreased in manufacturing jobs in recent years while the County has increased.

<table>
<thead>
<tr>
<th>Countywide Industry Trend</th>
<th>2010</th>
<th>2020</th>
<th>10-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishment</td>
<td>2,545</td>
<td>2,636</td>
<td>4%</td>
</tr>
<tr>
<td>Employees</td>
<td>150,370</td>
<td>165,318</td>
<td>10%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Locational Quotient</th>
<th>Sector Employment</th>
<th>Total Employment</th>
<th>Sector Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study Area</td>
<td>320</td>
<td>2978</td>
<td>10.7%</td>
</tr>
<tr>
<td>Countywide</td>
<td>158,418</td>
<td>967,925</td>
<td>16.4%</td>
</tr>
<tr>
<td>Location Quotient</td>
<td>0.7</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A Location Quotient < 1 means that the industry is less represented in the Study Area compared to its representation in the entire County.

Source: City of San José Business Type Summary, sourced from ESRI 2017 Business Summary with business locations from Infogroup.
Comps and Competitions

SE of Downtown San José:
A similarly industrial area east of downtown and along Monterrey Highway has low density and a concentration of manufacturing companies focused on machining and metal work, in addition to several construction establishments.

Key Opps and Challenges

Opportunities: 1 in 6 jobs in San José are currently in manufacturing, which the City aims to maintain or increase. Local policy efforts could support growth of this industry near downtown in the study area.

Challenges: New manufacturing development often requires large or grouped parcels, and parcels in the Study Area are scattered. The Study Area's proximity to downtown also provides pressure for higher density uses.
INDUSTRY AND BUSINESS MAIN SECTORS

Auto-related Services
INDUSTRY AND BUSINESS AUTO-RELATED SERVICES

Businesses classified as “Other Services” in the Study Area are almost entirely automobile service establishments.

Though the NAICS sector “Other Services” can include a variety of businesses (non-profits, dog training, nail salons, etc.), the Study Area is uniquely characterized by a concentration of auto service establishments. Of the 31 businesses classified as Other Services, 26 are automobile services (84%).

Distribution in the Study Area

Automobile service establishments are spread throughout the northwestern portion of the Study Area, from Taylor Avenue north to I-880, and largely west of Coleman Avenue.

Study Area vs County

The Study Area has a larger concentration of automobile service employment than the county as a whole. With a location quotient of 5.5, this sub sector is strongly represented here.

<table>
<thead>
<tr>
<th>Locational Quotient</th>
<th>Sector Employment</th>
<th>Total Employment</th>
<th>Sector Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study Area</td>
<td>123</td>
<td>2,978</td>
<td>4.1%</td>
</tr>
<tr>
<td>Countywide</td>
<td>7,317</td>
<td>967,925</td>
<td>0.8%</td>
</tr>
<tr>
<td>Location Quotient</td>
<td>5.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A Location Quotient < 1 means that the industry is less represented in the Study Area compared to its representation in the entire County.

Source: City of San José Business Type Summary, sourced from ESRI 2017 Business Summary with business locations from Infogroup.
INDUSTRY AND BUSINESS AUTO-RELATED SERVICES

Comps and Competitions

Comparable Area:
SE of Downtown along Monterey Highway there is also a visible collection of auto-service establishments, though not to the same extent as the study area.

Key Opps and Challenges

Opportunities: The concentration of auto services is supported by automobile-related retail as well. Being a well-connected area via proximity to downtown and nearby travel corridors, and also with recent developments such as Coleman Highline encouraging traffic through the area, this sub sector is well placed to recover from COVID-related setbacks and continue to grow.

Challenges: As mentioned above, service-based industries suffer from economic volatility and increasing land costs, meaning businesses may locate to lower-cost areas. Competition for housing may strain rents. Additionally, the auto repair industry faces additional changes from more reliable cars that need less maintenance, and a growing preference for repairs at dealerships.

Above: Acura & Honda Repair, located south of I-880 on Stockton Ave. (Image from Google Maps)
Appendix D: Zoning, Regulatory, and Environmental Conditions
**Main Findings**

**Zoning and Land Use:** The Study Area is comprised of a mix of zoning districts, including single and two-family residential; light and heavy industrial and industrial park; commercial; and agricultural districts with planned development.

**Special Areas:** Designated Urban Village Areas and Growth Areas in the General Plan within the Study Area make for opportunities to implement the principles as stated in the Design Standards.

**Airport:** Designated restriction areas related to noise, height, safety, and overflight limit the development potential of the Study Area. The CLUP is the primary policy document that must be considered to induce development in the Study Area.

**Environmental:** The Study Area’s proximity to riparian corridors require significant environmental considerations that need to be taken into account for future development.

**Other:** Climate smart technologies provide new opportunities and constraints to existing industries.

**Other Transportation:** Some of the barriers identified applicable in the Study Area are highways, exclusionary zoning, accessibility, and investments that prioritize driving. New plans envision greater bike and pedestrian connection in downtown and Study Area.
DEVELOPMENT CONSIDERATIONS  ZONING AND LAND USE

<table>
<thead>
<tr>
<th>Zone</th>
<th>Permitted Uses</th>
</tr>
</thead>
</table>
| R-2      | ● Two-Family Residence District.  
           ● Allowable density range: 8 to 16 dwelling units/acre                                                                                   |
| R1-8     | ● Single-Family Residence District.  
           ● Allowable density range: 1 to 8 dwelling units/acre                                                                                        |
| LI       | ● Wide variety of industrial uses and excludes uses with unmitigated hazardous or nuisance effects.  
           ● Less stringent than IP zoning district.  
           ● May also contain service establishments that serve only employees of businesses located in the industrial areas. |
| IP       | ● Exclusive designation for a wide variety of industrial users such as research and development, manufacturing, assembly, testing, and offices |
| CO       | ● District in or near residential areas or between residential and commercial areas.  
           ● Low-intensity office zone that allows for a scale of offices in or adjacent to residential neighborhoods.                          |
| CP       | ● Support pedestrian-oriented retail activity at a scale compatible with surrounding residential neighborhoods  
           ● Mixed residential/commercial development where appropriate, and designed to support the commercial goals and policies of the general plan in relation to Urban Villages |
| A (PD)   | ● Districts zoned as agricultural with planned development.  
           ● This district’s regulations provide for a variety of agricultural uses and fulfill the General Plan’s goals and principles.  
           ● The Planned Development Permit covers the site planning, building design, landscaping, circulation, signs, and other development aspects |
| HI       | ● Uses with nuisance or hazardous characteristics which for reasons of health, safety, environmental effects, or general welfare are best segregated from other uses.  
           ● Retail sales and service outlets supplying adjacent firms and their employees may be appropriate if they do not restrict or prevent the use of surrounding heavy industrial property and do not rely on consumers from outside typical walking distance. |

Sources: City of San José Zoning Map, Zoning Code - Municipal Title 20
The southern portion of the Study Area (below Coleman Ave and W Taylor St) is identified by the Envision San José 2040 Plan as three types of Growth Areas, subject to different planning goals and policies.

- Downtown
- Downtown Transit Employment Center
- Diridon Station Area Urban Village
DEVELOPMENT CONSIDERATIONS ZONING AND LAND USE

- While the Citywide Design Standards do not apply to the Study Area, the Downtown Design Standards includes Framework Plans that identify several different characteristics of Downtown that create guidance for a development project.
- Directly relevant to the Study Area are the four framework plans on the right (constraints on historic sites, civic icon buildings, and view corridors are not directly applicable to the Study Area).

Source: San José Downtown Design Guidelines and Standards
DEVELOPMENT CONSIDERATIONS AIRPORT

Constraints:

- The Mineta San José International Airport (SJC) Airport Comprehensive Land Use Plan (CLUP, 2016) prevents certain uses (such as educational, institutional, stadiums or places with large concentrations of people, hotels) depending on which Airport Safety Zones they are located in within the Airport Influence Area (AIA). The AIA encompasses the entirety of the Study Area.
- Airport noise, among many other factors, has the potential to impact many communities around the Airport. The CLUP designates permittable land uses within each safety zone which impacts the development potential of the Study Area (Airport Comprehensive Land Use Plan 2016).
- No civilian or military body has produced laws or legislation that specify a single technique for minimizing airport-environment incompatibilities, nor have they sufficiently characterized them (Airport Comprehensive Land Use Plan 2016).
DEVELOPMENT CONSIDERATIONS AIRPORT

Opportunities:

- The Airport Department reviews all projects in the vicinity of SJC for noise, height and safety. The City’s General Plan states that City Development should be consistent with the SJC CLUP.
- The Santa Clara County Airport Land Use Commission (ALUC) is enabled to coordinate state, regional, and local planning to properly grow air transportation while safeguarding public health, safety, and welfare (Airport Comprehensive Land Use Plan 2016).
- Section 4.2.1 of the CLUP lays out the roles of the ALUC which include, but not limited to, reviewing the plans, regulations and other actions where there is a conflict with ALUC plans and policies.
- Commercial and industrial uses are suitable and compatible in areas where aircraft noise is louder (i.e. closer to the Airport), whereas for residential development, there are strict noise standards (California Building code).

Constraints:

- Properties in and around Guadalupe Gardens (including formerly residential and educational uses) were acquired by the Airport in the 1970s to comply with airport-related noise and safety regulations. Consistent with FAA regulations, the City implemented park-types uses (passive uses, low-density, open space) were recommended and implemented. Future development of Airport properties will be subject to FAA regulations and assurances.
- FAA regulations limit the type of development and use of Airport revenue on Airport property only. This necessitates the need for the City to leverage outside funding sources and partnerships.
DEVELOPMENT CONSIDERATIONS AIRPORT

**Height Restriction Areas**

**Safety Restriction Areas**

**Noise Restriction Areas**

Developments within the Study Area are subject to Federal Aviation Regulations (FAR) Part 77 Airspace Safety Review and, upon successful FAA issuance of “Determination of No Hazard”, will comply with the CLUP and the City's Downtown Building Height Limits.

Source: Comprehensive Land Use Plan Santa Clara County

The Study Area lies within the Inner Safety Zone (ISZ), Outer Safety Zone and Turning Safety Zone. The ISZ represents the approach and departure corridors that have the second highest level of exposure to potential aircraft accidents.

At and above the 60 dB CNEL level, the California Building Code requires an acoustical analysis of proposed residential structures, other than detached single-family dwellings, to achieve an indoor noise level of 45 dB CNEL.
Opportunities:

- Envision San José 2040 General Plan gives priority to planning for new growth in the Downtown, connecting transit corridors (Santa Clara, San Carlos, Alum Rock, Stevens Creek and The Alameda), BART station areas and North San José.

- In recent years, the City of San José has sponsored numerous initiatives to create safer streets and more bikeable neighborhoods (San José Better Bike Plan 2025).

- The City has also created Urban Village Growth Areas that specify walkable, bicycle-friendly, and transit-oriented development. Areas south of Coleman in the Study Area are included in the Growth Areas (San José Better Bike Plan 2025).

Constraints:

- The Vision Zero Action Plan (2020) notes that traffic-related fatalities due to vehicle speed are trending upward in San José City, with the largest segment being people hit by walking followed by vehicle occupants. While the population only grew by 10% between 2009 and 2018, the fatalities grew by 37%. Collisions are mostly taking place around Coleman Avenue for all forms of mobility San José Downtown Transportation Plan (2022).

- Downtown’s heavy reliance on cars leads to congestion, pollution, and unsafe conditions for people walking, biking, scootering, taking transit, and those with disabilities San José Downtown Transportation Plan (2022).

- 17 major streets have been identified and established as Priority Safety Corridors (PSCs). However, PSCs do not overlap with Study Area (Vision Zero Action Plan, 2020).

- The Emerging Mobility Action Plan (2022) identified barriers that are applicable in the Study Area, such as highways, exclusionary zoning, accessibility being the keys to access, and investments that prioritize driving.
DEVELOPMENT CONSIDERATIONS OTHER TRANSPORTATION

Opportunities:

- According to the San José Downtown Transportation Plan (2022), Coleman Avenue south of Taylor Street will become a **City Connector Street** serving regional traffic from I-880 interchange. And focus will be on improving safety for all users, especially bikers and pedestrians up and down the curved street next to high volume of traffic. The corridor will have two traffic lanes in each direction, protected bike lanes, widened sidewalks, pedestrian lighting, and landscaping.

*San José Downtown Transportation Plan* (2022)
Opportunities:

- The Downtown Transportation Plan (2022) recommends specific **Main Streets** which will be designed with new or improved pedestrian and open space features.
- In the same plan, **Designated Walk-friendly Streets** (along Coleman Ave.) and pedestrian and bike-only streets cut through the Southeast and Southwest sections of the Study Area.

*San José Downtown Transportation Plan (2022)*
DEVELOPMENT CONSIDERATIONS OTHER TRANSPORTATION

Opportunities:

- The Downtown Transportation Plan (2022) additionally categorises Coleman Avenue and Taylor Street in the Study Area as **City Connector Streets**, serving regional traffic, with opportunities to improve walkability and safety.

*San José Downtown Transportation Plan (2022)*
Opportunities:

- The Central Bikeway Plan (2022) designates Hedding Street as the connective tissue that links Japantown, Downtown San José, and the Guadalupe River Trail.
- Characterized by numerous connections to local bikeways, the Central Bikeway along Hedding Street features bicycle-priority signal timing and frequent protected intersections to create a quick and connected corridor.
- The vision set forth for the Central Bikeway will require about $200 million to design and construct. Because of the large scope and scale of this multi-jurisdictional project, full implementation may take years due to the number of steps required to get to construction.
DEVELOPMENT CONSIDERATIONS ENVIRONMENTAL

Riparian Corridors

Riparian Development Area

Riparian Setback Areas for Development

Sources: Council Policy Text, Riparian Corridor Policy Study, Santa Clara County Planning Office Land Cover Dataset
Constraints:

- The Council Policy states that incompatible operations and activities are discouraged within and adjacent to riparian setback areas.
  - These land uses include those that typically generate littering and/or dumping, off-road vehicle use, removal of native vegetation, and those that create noxious odors, or use, store of store toxic materials (include agricultural fertilizers, herbicides and pesticides), or generate high volumes of vehicular traffic.
- Buildings and uses are subject to **100ft or 200ft setback** from the riparian, according to the table on the right.

<table>
<thead>
<tr>
<th>Uses</th>
<th>Min Setback from Riparian</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Buildings in Existing Fill Area</td>
<td>100ft</td>
</tr>
<tr>
<td>New Residential Buildings</td>
<td></td>
</tr>
<tr>
<td>Commercial / Institutional Buildings</td>
<td></td>
</tr>
<tr>
<td>Parking Facilities</td>
<td></td>
</tr>
<tr>
<td>Roads</td>
<td></td>
</tr>
<tr>
<td>Active Recreational Areas</td>
<td></td>
</tr>
<tr>
<td>Golf Courses</td>
<td></td>
</tr>
<tr>
<td>Hazardous Material, herbicide, pesticide, fertilizer use and storage</td>
<td></td>
</tr>
<tr>
<td>Active Recreational Uses (Lighting and mechanical noise generating sources)</td>
<td>200ft</td>
</tr>
</tbody>
</table>
Opportunities:

- The Climate Smart San José Plan (2018) encourages private sector and resident investment in the Good Life 2.0 and climate smart measures for economic efficiency.
- This means using the behavioral economics and lifestyles of residents to encourage the adoption of climate smart technologies and practices.
- With climate action comes the economic benefits of energy independence, fossil fuel avoidance, and improved efficiency, resulting in a savings of 2.4% of SJ’s GDP.
- Industrial and manufacturing uses which are predominant in the Study Area will be encouraged to adopt climate smart technologies and practices (Climate Smart San José Plan, 2018).

Constraints:

- The Guadalupe Gardens Masterplan (2002) identified that private development along Coleman/Spring, Coleman/Hedding and northeast portion of the Gardens are configured in a way that present designs and compatibility issues for adjacent open space improvements due to its irregular shape.