TRANSMITTED VIA EMAIL

November 30, 2018

Honorable Mayor Sam Liccardo and Members of the City Council
City of San Jose
200 East Santa Clara Street, 18th Floor
San Jose, CA 95113

Dear Mayor Liccardo, Vice Mayor Carrasco, and Councilmembers Arenas, Davis, Diep, Jimenez, Jones, Khamis, Nguyen, Peralez and Rocha,

Re: Item 4.1-- Actions Related to the Agreement with Google for the Diridon Station Area

We are pleased to provide the following comments on the Memorandum of Understanding (MOU) for the sale of City-owned property to Google. We have followed these discussions closely, and have been active participants in the Station Area Advisory Group (SAAG) over these past months.

SV@Home is excited about the opportunity a vibrant, mixed-use Diridon Station neighborhood presents to the community. All agree that Google’s interest in developing a major campus in San Jose promises to be transformative, not just for the Downtown and station area, but to the future of the city. It is our belief that a bold vision, paired with careful planning and robust public engagement, will generate a plan that recognizes this promise by balancing the new jobs with new housing.

While we recognize that the MOU is only an initial statement of shared vision and goals that will help inform the development agreement, we are pleased to see that it addresses our core concerns and reflects much of the important work done by the SAAG.

Creating a balanced development, which optimizes density and integrates a mix of uses-- We believe that creating a vibrant urban community around the Google complex and Diridon station will require careful attention to the integration of complementary commercial and residential uses. The SAAG discussions often circled around a shared desire for a neighborhood that was active all day and into the evening, that created opportunities for public spaces -- places to live, work, and play. Making sure that housing is thoughtfully interspersed throughout the area will be critical to realizing this vision.

Including a significant amount of housing, with 25% affordable housing, integrated into the Station Area-- We know that housing is a critical component of the Station Area Plan, and that a significant number of new homes must be a key feature. The potential scope and scale of future development in the area must acknowledge that new jobs further our need for new housing and that the current Diridon Station Plan housing goals are simply too low.
This was a central aspect of the SAAG process, and is reflected in the MOU’s acknowledgement that “growing” new housing would be critical to helping to address rising housing costs and displacement. By requiring a 25% affordability goal in the Station Area, with some integrated into market-rate developments and some in stand-alone affordable projects, we can ensure that these new homes provide opportunity for San Jose residents of all incomes and abilities.

The pursuit of equitable development, and significant efforts to preserve affordable housing and address displacement-- We are in agreement with SAAG discussion and the MOU as each seeks to acknowledge the challenge of preserving existing housing resources and responding to needs of those displaced by the new development. This process will require ongoing commitment from both Google and the City to work towards continued expansion of housing opportunities, and compensation and relocation assistance for those displaced by the development.

Significant revision of the City’s General Plan 2040, and the Diridon Station Area Plan (2014)-- Making the Google development fit with the broader Station Area and the Downtown is going to require planning documents that reflect the scope, scale, and potential of this new development to be both transformative and responsive to the balanced needs of the City. As noted in the MOU, and consistently raised in the SAAG process, the current planning tools no longer reflect reasonable expectations for the area. Currently the Diridon Station Area Plan limits housing capacity to only 2,710 units.

The City is in the process of approving a Downtown General Plan update, which will limit the additional capacity for housing in the entire Downtown and Station Areas to 7,190 homes between today and 2040. Neither of these plans will accommodate the magnitude of housing necessary to begin to mitigate the effect of new jobs on our housing market, nor do they reflect the amount of housing that should reasonably be accommodated within the Station Area itself. While we are currently focused on land for Google’s project, there is significant commercial real estate investment and jobs development occurring Downtown right now - new development and jobs we expect to continue beyond Google’s investment. Planning for housing needs to be central to the revisions of the planning tools that will help guide the development of the Downtown and the Station Area for years to come.

We look forward to continuing our engagement in this process, and expect to provide additional feedback and input as the City moves forward with a Development Agreement and specific housing plan. We look forward to building on the partnership we have forged with Google to make affordable housing a priority elsewhere in the County, and are eager to work together with them, the City of San Jose, and the community to go above and beyond to build a housing-rich, mixed-income neighborhood.

In that spirit, we support Council moving forward with the MOU and PSA.

Sincerely,

Leslye Corsiglia
Executive Director