June 7, 2019

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 Jones, and Councilmembers Arenas, Carrasco, Davis, Diep, Carrasco, Esparza, Foley, Khamis, and Peralez,

The 2019 General Plan Four-Year Review is an important opportunity to reflect on the City’s broad planning goals in the context of a shifting economic and development environment. Promoting housing affordability is a central goal of the General Plan, and affordable housing is an enumerated component of each Four-Year Review. We look forward to bringing our experience and expertise to this year’s Task Force and review process.

The Four-Year review provides the opportunity to assess the General Plan’s implementation in the context of the changes in the planning environment and progress towards its goals, and to propose mid-course corrections where appropriate. It was in this light that the first Four-Year Review, approved in December of 2016, confronted the growing housing crisis in the region, and adopted responsive measures to remove some barriers to residential growth and create additional opportunities for the development of critically needed affordable housing.

Since the last review we see two substantial changes to the City’s development and planning environment that warrant study and policy adjustments.

- First, the housing crisis has since become a full blown emergency, which is destabilizing communities, significantly increasing the commuting distances of the local workforce, and threatening the economic and cultural diversity of the City. San Jose continues to lack the tools to meet its affordable housing goals.
- Second, in contrast to the period of the last Four-Year Review, nonresidential construction now accounts for the vast majority of construction in the City by value, and there is a development pipeline from pre-proposal to projects under-construction that could produce over 90,000 new jobs, including over 50,000 in the Downtown area – this figure does not include the planned Google campus or related development in the Diridon Station Area.
The Four-Year Review, as the established mechanism to respond to these challenges and prepare for these changes, should consider significantly more proactive measures to respond to the housing affordability emergency we face, and to get ahead of the significant increase in housing demand that will be created by projected job growth.

We recommend the following additions to the work plan proposed by staff:

- Explore structural policies similar to those proposed by Senate Bill 50 to “Open Up” San Jose for future middle-housing growth, including:
  - allowing 2, 3, and 4 units in areas restrictively zoned for single family residences
  - further increasing allowable residential density in proximity to transit corridors
  - establishing parking maximums rather than minimums.
- Promote critically needed affordable housing by:
  - eliminating commercial requirements for affordable developments
  - expanding to 2 acres, the current 1.5 acre rule for housing on underutilized commercial land
  - adding affordable housing back to Urban Village infrastructure amenity list as an option for mitigating infrastructure fees
- Further respond to the need for housing in planned mixed-use, high-growth areas by adding significant additional residential capacity Downtown and in the Diridon Station Area
- Reassess the current employment and housing land use framework to look at how higher concentration of jobs and higher density of uses may create new opportunities for housing throughout the city

Some of these proposals will require a sense of vision and urgency. Others, such as the additional housing capacity for the Downtown and Station Areas, have already been identified by council as critical steps to respond to anticipated need. This is a moment of great urgency and opportunity for San Jose, having the necessary land use frameworks and planning tools in place will be critical.

In closing, we respectfully ask that, as the Council appoints members to the GP Task Force, that you keep the housing crisis in mind and ensure that the Task Force includes a significant number of voices that can speak to affordable housing needs. On the 2016 Task Force, out of 43 members, only one affordable housing representative and two market-rate developers were included.

We look forward to the opportunity to provide our expertise and ideas to this important process.

Sincerely,

Leslye Corsiglia
Executive Director