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Subject: slides and talking points for ppts
Date: Thursday, November 19, 2020 10:06:46 AM
Attachments: [Housing and CB slides for Partner events.pptx](#)

Hi guys,

Here are slides on Housing and Community Benefits for your use.

The bottom line from my perspective is to clearly define “Community Benefits” as the things that: go above and beyond City requirements, are negotiated through the Downtown West Development Agreement, and focus on the Council-directed priorities (housing, jobs/education, anti-displacement). Nanci’s presentation on Monday includes all the detail.

Please let us know if you have any questions.

Thanks!
Lori

Lori Severino

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Photo : Sergio Ruiz, SPUR

Draft Amended Diridon Station Area Plan



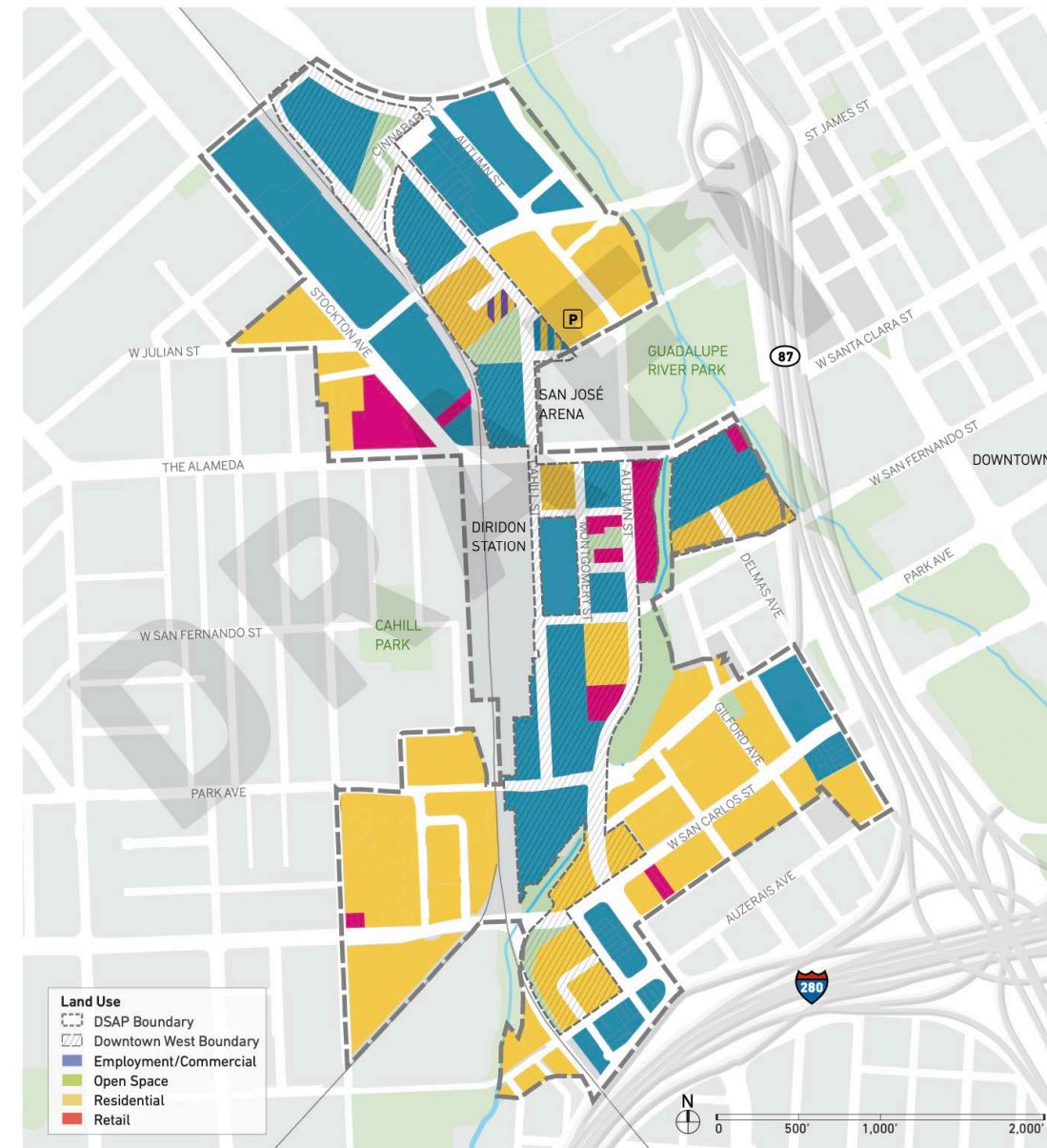
SAN JOSE DIRIDON STATION AREA
COMMUNITY ENGAGEMENT



Major Changes in the Draft Amended DSAP

Land Use Concepts:

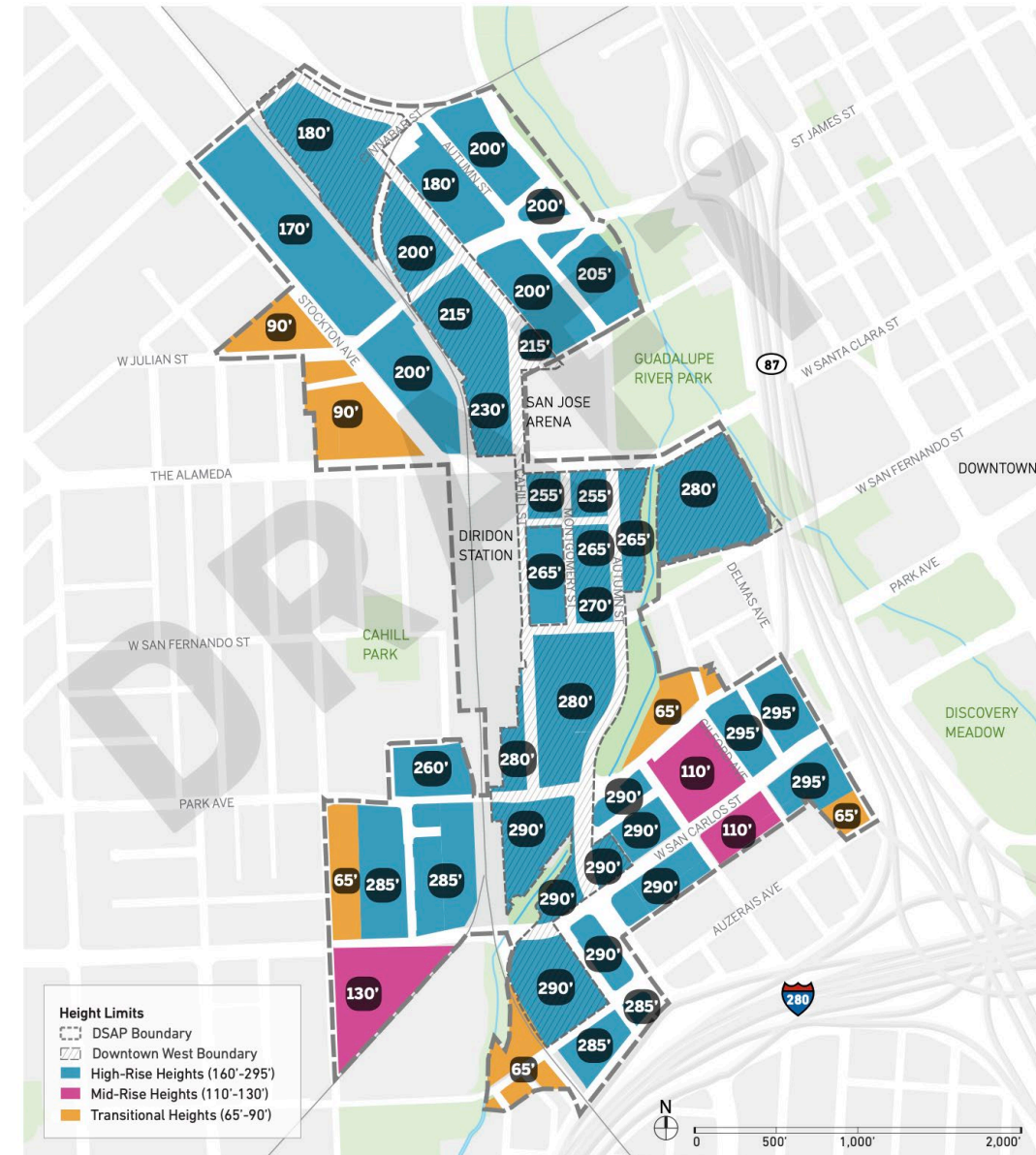
- Reflects Google project proposal
- More mixing than adopted DSAP
- Considered compatibility with airport, freeways, station, and adjacent uses
- Considered City policy on goals for jobs and housing
- Flexibility of use on some sites (office or housing)



Major Changes in the Draft Amended DSAP

Maximum Building Height Concept:

- High-Rise (up to FAA limits) on some sites near station, rail line, freeways, and Guadalupe River Park
- Mid-Rise (130 feet max) in McEvoy/W. San Carlos area
- Transitional (65-90 feet max) near single-family areas



Development Capacity

Table 2-1-1: Diridon Station Area Theoretical Maximum Build-out used in Environmental Analysis

	Google's Downtown West Mixed Use Plan (DTW)		Diridon Station Area Out-side DTW		Complete Diridon Station Area	
Land Use	Total	Unit	Total	Units	Total	Units
Residential	Up to 5,900	Units	Up to 7,619	Units	Up to 13,519	Units
Office	Up to 7,300,000	SF	7,144,154	SF	Up to 14,444,154	SF
Active Use/Retail	Up to 500,000	SF	Up to 536,000	SF	Up to 1,036,000	SF
Hotel	Up to 300	Rooms	–	–	Up to 300	Rooms

* Google's Downtown West Mixed Use Plan also contemplated other uses, such as Limited-term Corporate Accommodations, event center(s), Central Utilities, Plant(s), and logistics/warehouse use



Photo : Sergio Ruiz, SPUR

Draft Diridon Affordable Housing Implementation Plan



SAN JOSE DIRIDON STATION AREA
COMMUNITY ENGAGEMENT



Draft Diridon Affordable Housing Implementation Plan

- Available at: www.diridonsj.org/fall2020-housing
 - Includes an online feedback form
- Many opportunities to provide feedback at Fall 2020 engagement events, including a Community Meeting on December 3 (<https://www.diridonsj.org/fall2020>)
- Comments by January 8, 2021
- Target for City Council Consideration in Spring 2021



3Ps Approach

PRODUCTION

Construct new affordable units with public subsidies and private sector contributions



PRESERVATION

Preserve existing housing as permanently affordable to low- and moderate-income households



PROTECTION

Enact policies & run programs to protect vulnerable households from displacement



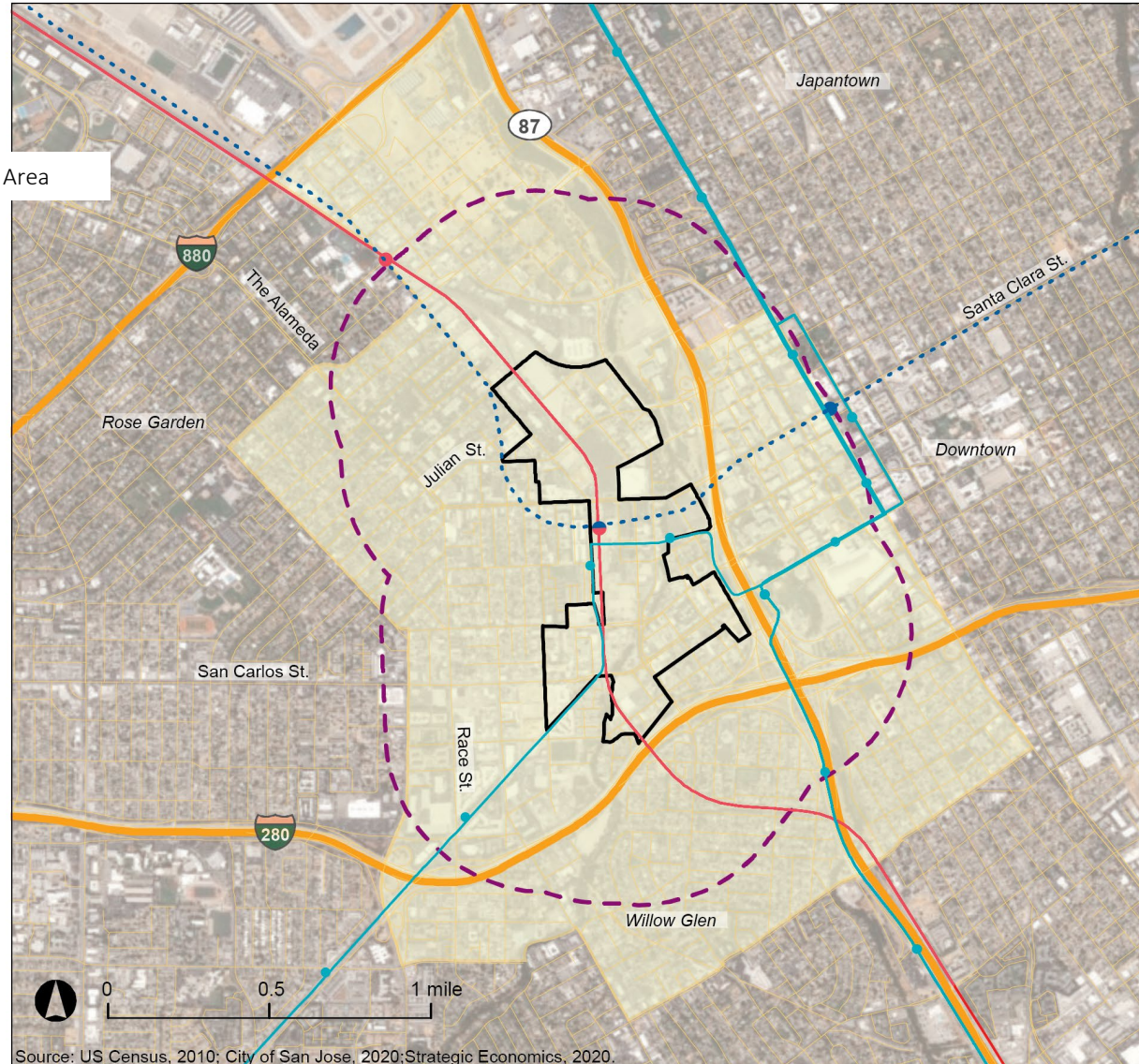
Focus Areas for 3Ps Approach

Study Area Boundaries

- Census Study Area*
- Diridon Station Area
- Neighborhood Stabilization Study Area
- BART Extension Phase II
- Caltrain
- VTA Light Rail

*The Census Study Area comprises Census Tracts 5003, 5006, 5008, 5017, 5018, and 5019 within Santa Clara County.

**The Preservation Study Area is a half-mile buffer area from the Diridon Station Area Boundary



Draft AHIP Goals and Metrics

Diridon Station Area:

- 25% of all housing at buildout of the Draft Amended DSAP will be restricted affordable housing for extremely low-income to moderate-income households

Neighborhood Stabilization Study Area:

- No net loss in the number of low-income renter households
- Decrease in percentage of severely cost-burdened renter households
- No net loss in the number of deed-restricted units beyond 2040
- Establish a Preservation Pilot Program to acquire and rehabilitate existing multifamily units and convert to restricted affordable housing

Racial Equity:

- Number of Hispanic/Latinx and Black residents in the Study Area over time



Development Review of the Proposed Google Downtown West Mixed-Use Project

Project Site

- ~ 80 acres
- Within the DSAP boundaries (Draft Amendment)



Google's Downtown West Project

GARDEN
ALAMEDA

- ~ 7.3 M sf Office
- 4,000 Housing Units
(studying up to 5,900 units)
- ~ 500 K sf Active Use
(Retail, Cultural, Arts, Education
etc.)
- ~ 15 acres Parks + Plazas + Green
Spaces



GOOGLE
ILLUSTRATION

**Illustrative massing reflects the combination of density allowed in project's zoning and applicable Downtown West design standards and guidelines*



SAN JOSE DIRIDON STATION AREA
COMMUNITY ENGAGEMENT

CITY OF
SAN JOSE
CAPITAL OF SILICON VALLEY

3 Pathways of the Downtown West Project

Development Review (entitlements)

Environmental Review (CEQA)

Development Agreement (including a
Community Benefit Plan)



Negotiating the Downtown West Development Agreement

Development Agreement 101

- Development Agreements are common tools for significant development projects that require many years to achieve build-out of the project.
- Intended to provide certainty about the rules, regulations, and responsibilities that govern both parties over the length of the Development Agreement.
- The primary benefit to the developer is certainty. The City benefits both from certainty and from community benefits derived from the project.
- City Council will consider approval of the Development Agreement along with the other project elements.

Starting Point: MOU Approved Dec 2018

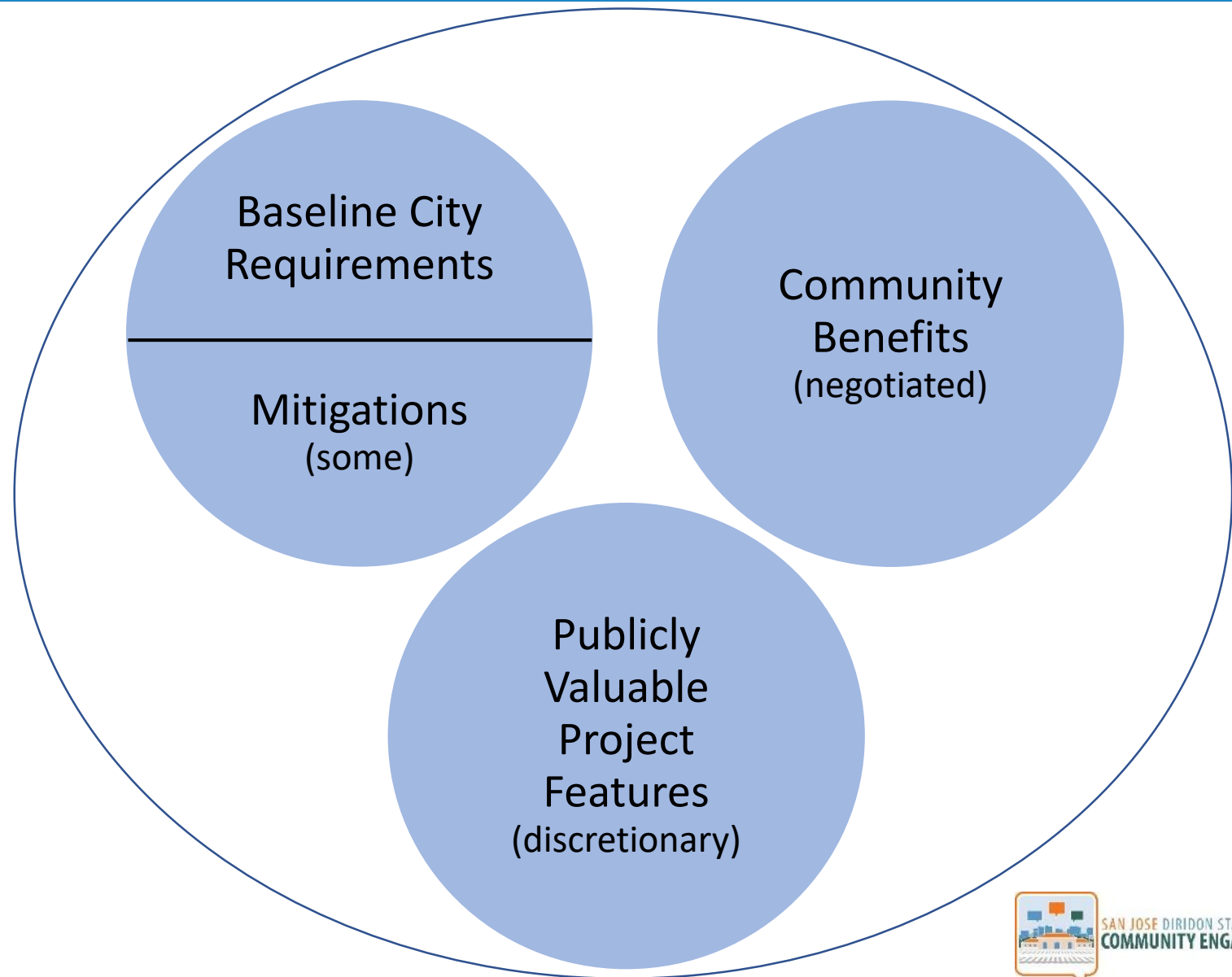
- The Memorandum of Understanding (MOU) with Google provides a starting point for negotiating a future Development Agreement.
- According to the MOU, the Development Agreement is expected to include certain provisions:
 - Vested project approvals (e.g., traffic capacity, design guidelines, affordable housing plan)
 - Community Benefits Plan, including allocation of funds for community benefits by category and timing/phasing of community benefit delivery

Community Benefits Plan

- The City would expect Google to **share a portion of the value created** by the City Council's legislative actions with the City through a Community Benefits Plan. (MOU Section IV.E, page 7-8)
- The Parties recognize that the Development Agreement negotiations shall **take into account the financial viability** of any project developed by Google, and the development-related priorities of the City and community. (Section IV.D, page 6)

Public Benefits Framework

Benefits to
the public will
come from
three
different
sources



Project will Bring Substantial Public Benefits

Even before community benefits linked to the DA are considered, implementation of the Downtown West project will bring benefits to the community, including:

- 4,000 homes, including affordable homes
- Commercial linkage fees for affordable housing
- Parks and open space
- Publicly available parking that meets the City's obligation to SAP center
- Public art
- Deep sustainability toward Climate Smart goals (GHG, VMT)
- Up to 5,700 construction jobs

Significant Progress on City Requirements

- Affordable housing requirement
- Parks requirement
- Parking requirement
- Transportation access/circulation requirement
- Infrastructure requirement

MOU - Community Benefit Categories

- Affordable housing, displacement prevention and mitigation
- Education, workforce training, and career opportunities
- Small business opportunity
- Historic and cultural preservation, public art
- Public space, trails, and mobility
- Community nonprofit support, including homeless services
- Habitat and environmental sustainability

Council Direction to Prioritize (Dec 2018)

- Affordable Housing
- Displacement Prevention & Community Stabilization (including preservation and protection)
- Education, Training, and Jobs

Interim Insights

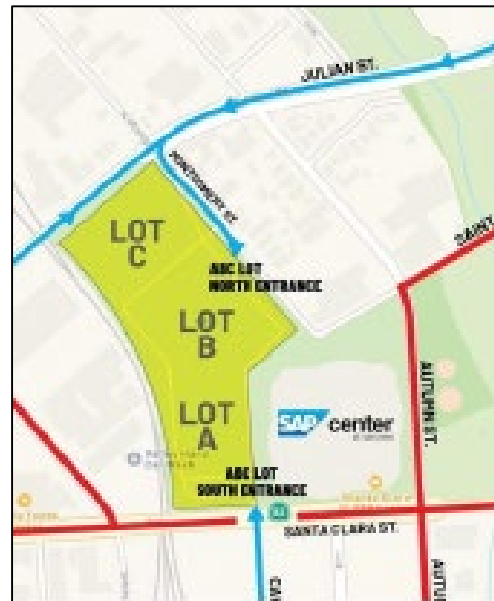
- Feasibility is an important concern: community benefits are realized if the project is built; the value proposition must remain for San Jose investment
- More housing is a public benefit and a city priority, but is currently challenging; value lies on office side

Complexities and Risks

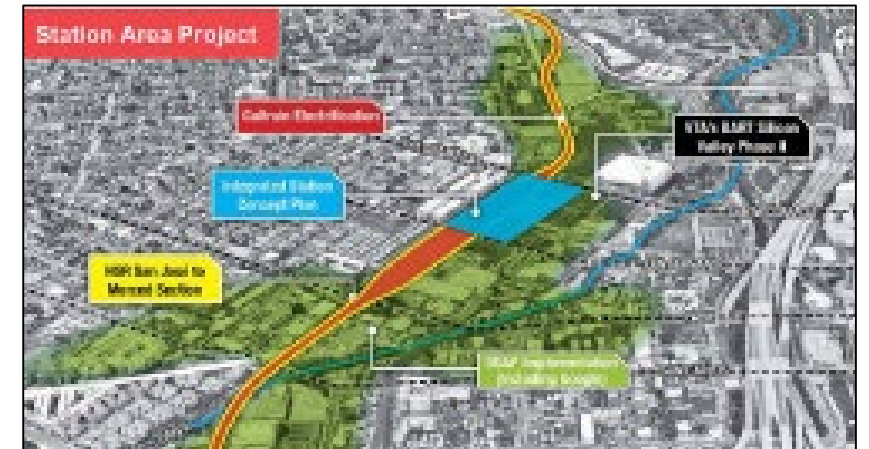
Downtown Crane Policy



Lots ABC, Sharks Parking



Diridon Integrated Station Concept Plan



Anticipated Elements of Community Benefit Plan

Pending resolution of key risks:

1. Affordable Housing above City requirement
2. Investment Funds for “Community Stabilization” and “Opportunity Pathways” (*What should be the relative balance between these two?*)

Next Steps on Development Agreement

- Finish the DA negotiations
 - Business terms
 - Affordable housing commitment
 - Community benefits (elements, amount, timing)
- Finish related agreements: Parks, District Utilities, Infrastructure, Transportation
- Present the recommended Development Agreement at next SAAG meeting (Q1), prior to Planning Commission and City Council hearings in Spring 2021