

**From:** [Klein, Nanci](#)  
**To:** [Downtown West Project](#)  
**Subject:** Fw: Outline for ULI Diridon Presentation/Other uses  
**Date:** Friday, January 8, 2021 7:42:51 AM  
**Attachments:** [BasicDSAPPT\\_LPS.docx](#)

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Klein, Nanci has shared a OneDrive for Business file with you. To view it, click the link below.

 [BasicDSAPPT\\_LPS.docx](#)

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Hi there,

Sending some emails on Nanci Klein's behalf.

Thank you, Tara Reid

### **Nanci Klein**

Director of Economic Development | Director of Real Estate  
City of San Jose  
(408) 507-0430 - cell

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**From:** Severino, Lori <Lori.Severino@sanjoseca.gov>  
**Sent:** Thursday, September 17, 2020 3:28 PM  
**To:** Walesh, Kim <Kim.Walesh@sanjoseca.gov>; Klein, Nanci <Nanci.Klein@sanjoseca.gov>  
**Subject:** RE: Outline for ULI Diridon Presentation/Other uses

Hi Kim,

Thanks for getting this started. I added more to your outline – see attached. I was mainly thinking about your ULI presentation, but agree that most of it can also be used for other purposes.

I am waiting for confirmation and details from Milan about Monday's event (they are coming off a 2 week closure/off-site retreat).

Here's what I'm thinking for next steps:

- I will make sure all of our slideshows are in one place so we can pull slides together easier.
- I will prepare a draft ppt for the AACSA event, and send around for review
- You can adapt that ppt for ULI, and I can help pull in other slides as needed
- Talk about Equitable Development with the Core team to develop a shared definition (led by Planning team) – I added my thoughts into the outline

Thanks!

Lori

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**From:** Walesh, Kim  
**Sent:** Thursday, September 17, 2020 12:47 PM  
**To:** Severino, Lori <Lori.Severino@sanjoseca.gov>; Klein, Nanci <Nanci.Klein@sanjoseca.gov>  
**Subject:** Outline for ULI Diridon Presentation/Other uses

Lori and Nanci,

I started an outline for new/updated basic Diridon/Dntn West presentation.

Intent

- A 20-minute version oriented toward people who have no /very little knowledge about the Station Area and Google project.
- Kim will use for ULI webinar on 9/29
- Could be used for community partner events (Lori: what do we need for Monday 9/21 ACCSA event?)
- Elements of this we can use to refresh Council on the 'basics' at the beginning of the Nov. 16 Study Session

Let's decide how best to work on pulling this together. Lori—what's your suggestion?

Thanks,

Kim

## Basic DSA/Downtown West Presentation

### Intent

- A 20-minute version oriented toward people who have no /very little knowledge about the Station Area and Google project.
- Kim will use for ULI webinar on 9/29 (assume no knowledge of SJ)
- Can be used for community partner events
- Elements of this we'll use to refresh Council on the 'basics' at the beginning of the Nov. 16 Study Session

### San Jose: Largest City in Bay Area

- Map showing SJ in Bay Area...Google have something?
- Old core but most population growth happened post WWII – creating challenges with sprawl
- Fast residential development + annexations also led to low jobs to housing ratio relative to neighboring cities
- General Plan focuses growth around transit – especially downtown – to improve fiscal, environmental, and social sustainability

### The Diridon Station Area

- Downtown in flight path of SJC – which has affected building heights
- 250 acres, one mile long, on western edge of city's downtown
- Surface parking lots, old industrial buildings

### Transit Center, Planned for 8X Growth

- Freeway divides downtown from City's main train station
- Currently is a hub for several local and regional services
  - Adding BART, High-Speed rail, and more passenger services (hopefully!)
  - Estimated to increase passengers 8-10x
- Station expansion project = opportunity to make transit work better for people (including improved accessibility for transit-dependent populations)

### Community-Driven Station Area Plan (2014)

- Despite transit and downtown proximity, much of the surrounding area is parking lots and old industrial buildings
  - Station expansion project = opportunity to catalyze renewal of surrounding area
- Diridon Station Area Plan adopted in 2014

- After five year of extensive community input, Good Neighbor Committee
- To transform the 240 acre west side of Downtown, with the transit station at its (figurative) center, into a vibrant mixed use destination
- All the desirable urban elements: improved parks, trails, and public spaces, pedestrian and bike connectivity; many more transit options and users; new housing, workplaces, and shops
- Enhance sense of community by bridging Downtown, station, and surrounding neighborhoods

### **Fragmented Ownership, No Redevelopment Tools**

- Anticipated at least the central zone would be designed as a cohesive, master-planned development to ensure the kind of high quality public realm and amenities that the Area Plan envisioned
- Problem: Small parcels owned by a variety of private and public owners
- Post-Redevelopment: no city tools to purchase property for land assembly or incentivize developer interest

### **Google!**

- First SV company to intentionally locate major operation adjacent to major transit, in city center... a new model tech campus integrated into a living city
- Had resources to assemble enough properties without subsidy to realize the vision
- Opportunity to be a long-term owner-operator stakeholder in the area (develop over 20+ years)
- Interested in hearing from community early and often to help shape their project
- City launched engagement process in early 2018 to update vision for the area and get ideas for Google's development

### **Sale of Public Lands at Fair Market Value (Dec, 2018)**

- June 2017: Council direction to explore potential sale of public property, and shared goals for development (ENA)...No incentives or subsidies; pay fair market value for land
- City required by State to sell formerly owned by Redevelopment Agency for economic development purposes
  - In the DSA: sold several small, disjointed properties totaling 6.5 acres to Google
- Sold 4.3 acre old "Fire Training Site"—proceeds used to build new Training in to less urban area
- Option to purchase 10.5, contaminated, capped off surface parking lots
- These sites were not in developable condition - would have required a lot of \$\$ - being part of a master plan enables their redevelopment
- Google purchased XX areas total

### **Shared Development Vision: MOU Signed (Dec 2018)**

- MOU: high-level statement of intent
  - “to create a vibrant, welcoming and accessible urban destination consisting of a mix of land uses that are well integrated with the intermodal transit station, adjacent neighborhoods, and Downtown. This shared vision embodies a commitment to place making, *social equity, economic development, environmental sustainability, and financially viable private development*. The City and Google intend to collaborate and innovate in the development of this urban destination to bring opportunity to the local community and create new models for urban and workplace design and development.”
- 15 Goals
- Agreed to negotiate a Development Agreement, which would include a Community Benefits Plan
- Ban the word “campus”

### **The Downtown West Project**

- Show/describe what the Project is..

### **DSAP update**

- City initiated a broader update of the DSAP to incorporate the new station concept, Downtown West, and other recent plans...

### **Extensive Community Engagement Process**

- We’ve been managing an extensive process of seeking, receiving, and considering community input to guide these efforts
- Provide some memorable indicators of how much we’ve invested:
  - 30+ months so far
  - Amount of money invested (dedicated staff, consultant team)
  - Other indicators: number of meetings, hours of meetings, website hits? [\[refer to Sept 16 SAAG slide\]](#)
  - Made extra effort to reach out beyond the usual suspects (e.g., micro-grant program)
- **Community input has made a difference...** in nature of project, in concerns to be addressed through city policy and community benefits negotiation (section that follows identifies community concerns/input and how addressed)

### **More Housing, More Mixed-Use, More Height**

- Slide showing ‘before’ (DSAP 2014) and ‘after’ – land use and heights
- Downtown West is requesting land use designation changes to allow housing – currently regulations would allow very little

- They are also proposing a greater level of mixing between residential, office, and retail – which we think will lead to a better outcome
- Council eliminated proximity to the airport as a constraint on heights, based on studies
- Based on staff's initial concepts, new development on sites beyond Downtown West would add about 7,000 housing units and \_\_\_\_ square feet of commercial development
- LU and Height changes would increase housing capacity from about 900 (remaining under 2014) to 12,000 (**confirm**)

### **Community Concern: Affordable Housing and Anti-Displacement**

- This can be a photo, with talking points....
- Fear that development will exacerbate rising rents and gentrification and lead to displacement of people who have called SJ home for many years...Regional housing crisis
- Pain of family members and friends having to leave due to escalating rent increases, declining real wages
- Growing homelessness

### **Response: Progressive Citywide Policies Enacted**

- Use prior list of major policies enacted, plus
  - Commercial Linkage Fee
  - Anti-Displacement Strategy (new tools for protecting renters)

### **For Station Area**

- 25% Affordable Housing Plan (and 25% MOU goal?)
- ½ Mile “Neighborhood Stabilization Study Area” for Preservation and protection tools
- Goal to retain affordability of existing housing and no net loss of low-income renters

### **Community Concern: Pathways to Opportunity, Mobility, Career Success**

- Diversity of tech industry relative to SJ's diverse population, lack of resources and opportunities for kids in the lower-income areas (disproportionately Latino and immigrant communities)
- Response:
  - High opportunity place for low-skilled, lower income residents and their kids
  - Ladders of opportunity, where first rung

### **Issues and Insights**

- Inclusive prosperity is more sustainable prosperity

- —we know this, but how make it happen. Growth and investment can create a better city, only with intentionality...policy framework that promotes fairness, projects aligned with community aspirations and needs
- Identity and Belonging—
  - Have thriving community that continually welcomes new people and new investment, without displacing current residents. SJ has always been welcoming of people from other countries, parts of the US.
  - That can embrace the best of what the tech sector has to offer, but retain our roots and the part of our identity that is a working class city, values a mix of people with different backgrounds, skills, and interests.
- Racial history, racial equity, and development
  - We have heightened awareness of structural and institutional racism, and heightened commitment to address this head on.
  - Two years ago, didn't 'see' racial equity perspective on development, now we are growing our collective knowledge about the history of racist planning and development – and building capacity for advancing equity
    - Office of Racial Equity, GARE
    - Goal to reduce racial disparities (such that race is not a predictor of wellbeing outcomes), while improving outcomes for all
- Equitable development
  - Recognizes the role of the government and private sector in contributing to disparities overtime and in shaping structures of opportunity today
  - Considers distribution of benefits and impacts resulting from private and public investments
  - Aims to expand resources and opportunities for segments of the community (people and places) that have experienced disinvestment and marginalization
  - Builds capacity to respond to equity concerns going forward.
  - Having good intentions is a start, but it's not enough – we need to consider unintended consequences and be accountable to outcomes

Real problems, no easy solutions, but right problems to be wrestling with...