From: <u>Moua, Louansee</u>
To: <u>DowntownWestD6</u>

Subject: Fw: Letter on Item 10.2: Downtown Strategy 2040 and implications for future Google development

Date: Monday, May 24, 2021 12:12:53 PM
Attachments: DT Strategy 12 18 2018.pdf
WPUSA Downtown Strategy EIR.pdf

From: Jeffrey Buchanan <jeffrey@wpusa.org> Sent: Tuesday, December 18, 2018 10:34 AM

To: Carrasco, Magdalena <Magdalena.Carrasco@sanjoseca.gov>; The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; Peralez, Raul <Raul.Peralez@sanjoseca.gov>; Arenas, Sylvia <sylvia.arenas@sanjoseca.gov>; Jimenez, Sergio <sergio.jimenez@sanjoseca.gov>; Jones, Chappie <Chappie.Jones@sanjoseca.gov>; Davis, Dev <dev.davis@sanjoseca.gov>; Rocha, Donald <Donald.Rocha@sanjoseca.gov>; Khamis, Johnny <johnny.khamis@sanjoseca.gov>; Diep, Lan <lan.diep@sanjoseca.gov>; Nguyen, Tam <Tam.Nguyen@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Cc: Herbert, Frances <frances.herbert@sanjoseca.gov>; Torres, Omar <Omar.Torres@sanjoseca.gov>; Ramos, Christina M <christina.m.ramos@sanjoseca.gov>; McGarrity, Patrick <Patrick.McGarrity@sanjoseca.gov>; Sandoval, Vanessa <vanessa.sandoval@sanjoseca.gov>; Ramirez, Lucas <lucas.ramirez@sanjoseca.gov>; Fong, Mason <Mason.Fong@sanjoseca.gov>; Gomez, David <David.Gomez@sanjoseca.gov>; Ponciano, Frank <Frank.Ponciano@sanjoseca.gov>

Subject: RE: Letter on Item 10.2: Downtown Strategy 2040 and implications for future Google development

There may have been an issue with earlier attachments. Please use these files. Thanks! -Jeffrey

From: Jeffrey Buchanan [mailto:jeffrey@wpusa.org]

Sent: Tuesday, December 18, 2018 10:14 AM

To: 'magdalena.carrasco@sanjoseca.gov' <magdalena.carrasco@sanjoseca.gov>; 'mayoremail@sanjoseca.gov' <mayoremail@sanjoseca.gov>; 'Raul.Peralez@sanjoseca.gov' <Raul.Peralez@sanjoseca.gov>; 'sylvia.arenas@sanjoseca.gov' <sylvia.arenas@sanjoseca.gov>; 'sergio.jimenez@sanjoseca.gov>; 'chappie.jones@sanjoseca.gov' <chappie.jones@sanjoseca.gov' <dev.davis@sanjoseca.gov' <dev.davis@sanjoseca.gov' <dev.davis@sanjoseca.gov>; 'donald.rocha@sanjoseca.gov>; 'johnny.khamis@sanjoseca.gov' <johnny.khamis@sanjoseca.gov' <lan.diep@sanjoseca.gov>; 'Ian.diep@sanjoseca.gov' <ityclerk@sanjoseca.gov' <cityclerk@sanjoseca.gov' <cityclerk@sanjoseca.gov' <cityclerk@sanjoseca.gov' <cityclerk@sanjoseca.gov'

Cc: 'Herbert, Frances' <\fraces.herbert@sanjoseca.gov\rightarrow; 'Torres, Omar' <\fraces.herbert@sanjoseca.gov\rightarrow; 'Ramos, Christina M' <\frac{christina.m.ramos@sanjoseca.gov\rightarrow; 'McGarrity@sanjoseca.gov\rightarrow; 'Sandoval, Vanessa' <\frac{vanessa.sandoval@sanjoseca.gov\rightarrow; 'Ramirez, Lucas' <\frac{lucas.ramirez@sanjoseca.gov\rightarrow; 'Fong, Mason' <\frac{Mason.Fong@sanjoseca.gov\rightarrow; 'david.gomez@sanjoseca.gov\rightarrow; 'david.gomez@sanjoseca

'frank.ponciano@sanjoseca.gov' <frank.ponciano@sanjoseca.gov>

Subject: Letter on Item 10.2: Downtown Strategy 2040 and implications for future Google development

Greetings:

Please see the attached letter ("DT Strategy 12_18_2018.docx") on today's item 10.2 on the EIR and General Plan amendments for the Downtown Strategy 2040.

In the letter we raise concerns about the impacts of these planning amendments and the Environmental Impact Review on Google's future development in the Diridon Station Area and how this aligns with the City's commitment to a transparent and comprehensive approach to planning and environmental review for Google's future development as a part of Council's December 4th vote approving our Memorandum of Understanding with Google.

Given the ways these GPAs and the EIR related to Google specifically, we encourage the City Council to ensure staff accounts for the value of any legislative changes under the Downtown Strategy 2040 for Google's future development and ensures our negotiations capture that value within the Google's Community Benefits Plan process identified within our MOU with Google.

For the record, I am also attaching Working Partnerships USA's earlier October 2018 letter commenting on the Draft EIR.

Thank you for your consideration.

Best, Jeffrey

Jeffrey Buchanan Director of Public Policy Working Partnerships USA Office: 408.809.2135

Cell: 408.221.3570 www.wpusa.org

WORKING PARTNERSHIPS USA

12/18/2018

Mayor Sam Liccardo and Members of the City Council City of San Jose 200 East Santa Clara St., 3rd Floor San Jose, CA 95113

Dear Mayor Liccardo and Councilmembers,

Subject: GP17-010/GPT17-002/PP15-102 - Proposed Downtown Strategy 2040 and related City-initiated General Plan Amendments.

On behalf of Working Partnerships USA, I would like to share the following comments and suggestions about the Downtown 2040 Strategy and specifically to recommend that the City Council directs staff to accounts for the value of this legislative change to Google's future development within the Google Development Agreement's Community Benefits Plan.

On October 22nd, 2018 Working Partnerships USA submitted a letter (see attached) expressing concerns that the Downtown 2040 Strategy ("the Strategy") did not take adequate steps to address the unmitigated development and environmental impacts that adding 3 million square feet of office space downtown would have on rising housing costs, residential displacement, traffic and traffic related air quality, particularly when it comes to accounting for the thousands of low wage service workers likely to work within the operations of these new offices. Service worker wages have remained stagnant in San Jose as housing costs continue to climb, creating pressure for many to move to the Central Valley in search of more affordable housing and generating even more vehicle miles traveled and environmental impact. While the City has taken steps towards a commercial linkage fee which could help mitigate some of these impacts, more can and should be done within our planning to ensure future development and plans address environmental impact of such displacement.

Furthermore, we raised concern about how the planning amendments and the approval of an environmental impact review for the Strategy would benefit Google's future development without a transparent, public discussion of the relationship between the Strategy and Google's prospective plans. The City of San Jose's vote on December 4th to enter into a Memorandum of Understanding with Google laid out the process for future planning amendments and environmental reviews in relation to Google's forthcoming development application. With the Council planning to consider the Downtown 2040 Strategy as a consent calendar item, where Google's name is not even mentioned in the memorandum, raises additional questions about transparency on planning changes related to the Google project.

During that December 4th Council vote, the staff and Council expressed a commitment to a transparent and public process to consider the environmental impacts and any future General Plan amendments regarding Google's future development. The staff memo also stated, "The City anticipates that all the necessary planning, design, and regulatory plans and policies necessary for Google's master plan project approval (including the Development Agreement) will be presented together for Planning Commission review and recommendation, and then for City Council consideration." Now, just two weeks after approving this memo, General Plan amendments and the approval of an EIR are being considered without adequate noticing or debate about the impact of these decisions on Google's future plans.

The Strategy included General Plan amendments and an environmental impact review detailing program and project level impacts, which the Strategy explicitly states are relevant to Google's presumed future project. Surprisingly, Google and the Google Transit Village are referenced 24 different times within the Strategy's Draft EIR. The Strategy provides a number of benefits to a future Google plan:

- By making amendments to the Envision San Jose 2040 General Plan adding commercial office growth to the Downtown Area, which includes most of the land where Google has acquired property to date and will likely develop its future campus, Google may no longer need to seek such amendments within its own Development Application.
- Approving a program-level EIR benefits future developments by analyzing likely environmental impacts from different types of development within existing land use within a geographic area, providing a baseline of environmental impact that is already mitigated and approved under the California Environmental Quality Act. An approved program-level EIR makes the CEQA process less onerous for future developments in terms of environmental impact already be accounted for within program level analysis. While the Strategy is clear that projects within the area will need to conduct their own EIRs, projects like Google's will benefit from being able to "tier" off the Strategy's initial impact analysis, potentially requiring their own plan to mitigate fewer impacts and making their CEQA process that much easier. Having greater certainty and fewer impacts to address in the CEQA process provides a direct financial benefit to a developer through a potentially less lengthy and less contentious environmental review process in the future, allowing developments to move forward more quickly. Some specific ways in which this EIR likely overlaps with the future Google project include:
 - The EIR includes an alternative for "Intensification of West of SR 87" citing that "Google is considering proposing a transit oriented development project (commonly referred to as the Google Village Project) in the DSAP area" as rationale for reviewing an alternative which would add an additional 1.2 million square feet of commercial growth capacity to areas that overlap with Google's recently acquired property. Google's future EIR will almost certainly tier off this specific scenario, including its traffic analysis.
 - o In addition to program level review of a broad range of impacts, the Strategy accounts for project-level impacts of traffic and traffic-related air quality and noise impacts of Downtown development projects. The EIR is clear that the future Google project would see similar impacts in relation to traffic-related air quality and noise impacts as those reviewed in the Strategy.

Additionally, we find the timing of the development of these planning amendments to transfer growth within the General Plan from Coyote Valley to Downtown (which now includes Diridon Station Area¹) raises further questions. The original Notice of Preparation for the Strategy was posted October 6, 2015 and did not include additional commercial office or residential growth Downtown. It was not until after the City began secret negotiations with Google, which included 18 City officials signing Non-Disclosure Agreements (NDAs) with the company, including former Director of Planning Harry Freitas signing his NDA on February 9, 2017, that a proposal to add growth to Downtown above what was include in the Envision San Jose 2040 Plan emerged.

We now know, as the EIR states, that Google intends to build a 6—8 million square foot commercial, mixed-use development within a roughly 50 acre footprint in and around the Diridon Station Area. The Diridon Station Area Plan only plans for 5 million square feet of total office development across its entire 240 acre area, most of which

¹ On November 28, 2017 the City Council approved adding the Diridon Station Area to the Downtown Growth Area under the General Plan.

is contained within the planning area of the Strategy. The Planning Department amended the Notice of Preparation for the Strategy on March 10, 2017 adding 3 million square feet of additional commercial office development to Downtown, and later referenced within its EIR, circulated on September 7, 2018, Google's intentions for development as emblematic of growing office demand Downtown. These decisions, and the City's failure to release correspondence between Planning Department and Google before or after these NDAs were signed, raises questions on the relationship between this policy's development and the City's private negotiations with Google.²

Setting aside questions on transparency on how Google's negotiations with the City of San Jose and the development of this policy intersect, it seems clear that Google's future proposed development process will likely benefit from any legislative decision to approve the Strategy's General Plan amendments and its environmental impact review. If the City Council chooses to approve the Strategy, it should direct staff to ensure it accounts for the value of this legislative change to Google's future development within the Google Development Agreement's Community Benefits Plan.

The City's MOU with Google stated, "The City's expectation of a community benefit contribution would be premised on, among other factors, the additional value Google receives as a result of the legislative changes that may be approved by the City Council that enhance the value of both the City Properties and the Google Properties..." It is important for the City Council to ensure staff includes the full range of public policy decisions made to benefit Google within this value capture analysis in order to negotiate a community benefits package the both reflects the full benefit Google's development will receive from public decisions and investments and to ensure enough resources to mitigate the project's future impact on our working families. Decisions that clearly benefit Google need to be included in this analysis, and staff should be keeping track of these items as the development process continues.

Furthermore, we encourage the City Council to direct Google to account for displacement impacts identified in Working Partnerships USA's October 22, 2018 letter in any future project-level EIR conducted towards its proposed Development Agreement. Tech development's reliance on low wage service subcontractors and techdriven growth will create large numbers of low wage workers who in turn are likely to feel displacement pressures. Google's future plan and its EIR should account for these factors.

Sincerely,

Jeffrey Buchanan

Director of Public Policy Working Partnerships USA Office: 408.809.2135 Cell: 408.221.3570

www.wpusa.org

² The City has failed to turn over documents, including correspondence between Planning Department and Google, in a timely fashion, and to respond with the legally required determination(s), to California Public Records Act requests by both the First Amendment Coalition and Working Partnerships USA over the course of 2018, as set forth in the Verified Petition for Writ of Mandate filed by FAC and WPUSA in Santa Clara County Superior Court on November 9, 2018 (First Amendment Coalition et al v. San Jose, Santa Clara Superior Court Case No. 18cv338053)

WORKING PARTNERSHIPS USA

10/22/2018

Department of Planning, Building, and Code Enforcement ATTN: Jenny Nausbaum 200 East Santa Clara St., 3rd Floor San Jose, CA 95113

Dear Ms. Nausbaum,

Subject: Draft Environmental Impact Report (EIR) for the Downtown Strategy 2040

The following comments on the Draft EIR for Downtown Strategy 2040 ("the Strategy") are submitted on behalf of Working Partnerships USA, a community organization bringing together the power of grassroots organizing and public policy innovation to drive the movement for a just economy in Silicon Valley by tackling the root causes of inequality and poverty.

Tech companies like Google, Adobe and others planning to expand in downtown San Jose and other such firms the City hopes to attract to new commercial office space depend on the work of many thousands of cafeteria workers, janitors, security guards, shuttle drivers, groundskeepers, laundry attendants, massage therapists, and other service workers. According to a study by the Bay Area Council Economic Institute, the tech industry generates approximately 4.3 jobs in local goods and services for each additional direct tech job, and has the largest jobs multiplier of any industry. This means that for every new direct tech job in Downtown San Jose, four service jobs are created such as food service employees, janitors, ride-share drivers, and nurses. We want to ensure that the perspectives of the thousands of tech service workers likely to be working in Downtown San Jose are accounted for in this development process, as proposed project's like Google's 8 million square foot Google Village, referred to numerous time in this document, move forward. Tech service workers working in the millions of additional square feet of commercial office space proposed to be added under this plan also stand to be impacted by this plan as local employees, commuters, and residents. We believe that the Downtown Strategy 2040 can be improved to achieve superior environmental impact mitigation through increased trip internalization, creating neighborhoods which are more inclusive and diverse, better mitigating the impacts of traffic and air quality hazards.

While we appreciate the plan's efforts to address the City's fiscal issues, we remain concerned that adding either 3 or 4.2 square feet of additional office space downtown adding X workers in the strategy or listed alternatives while only adding 4,000 units of additional housing Downtown for new workers, without assurances of how much of that housing will be affordable to growing numbers of low wage service workers, will only lead to additional growth-induced impacts. It is troubling that the EIR did not examine any alternatives that included additional affordable housing construction. By not allowing additional housing, the Strategy will produce results in longer commutes, increases traffic congestion, degradation of

Also see "The New Geography of Jobs", Enrico Moretti. First Mariner Books. 2013.

¹ "Technology Works: High-Tech Employment and Wages in the United States" Technology Works: Hi-Tech Employment and Wages in the United States, 2012, p. 5, available at http://documents.bayareacouncil.org/TechReport.pdf.

air quality, increased greenhouse gases, and causes other transportation-related environmental impacts.² As leading advocates for tech service workers, we are concerned that the Downtown Strategy 2040 will not create enough housing that is affordable to the thousands of additional low-wage service workers in jobs working on-site or indirectly with new commercial office operation in Downtown San Jose, thereby undermining the plan's goal of limiting vehicle miles traveled. Low-wage workers like tech service workers are more likely to travel longer distances because of the housing affordability crisis spreading across Silicon Valley.³ Within the potential Google Village alone, our partners in Silicon Valley Rising estimate the potential for an additional 8,000-10,000 service contract workers as food service workers, janitors, security officers and shuttle bus drivers alone if the development's operation mimic those in Google's Mountain View operations. Low wage service workers are also increasingly being displaced to other cities in Northern California further away from San Jose and accessible regional transit options. likely leading those who continue working in the region to need to spend extra time in cars on the road. Our partners in Silicon Valley Rising surveyed tech service workers and found a majority of those surveyed have families with children.⁴ A study by UC Santa Cruz's Everett Program researchers on contracted workers in Silicon Valley found that 22% of Silicon Valley's contract industry workers live in households with multiple unrelated families because of the lack of affordable housing.⁵ We estimated in a 2016 report that the majority of tech's blue collar workers were Black or Latino⁶⁷, whereas tech's engineers and leadership are majority white and overwhelmingly male. Google's tech employees are 1% Black and 3% Hispanic.8

Also, despite commitments by the City of San Jose to address the Google Village within its own Environmental Review, it is troubling that this project not only references the Google Village 14 times, but that this proposal would add between 1.2 and 2.4 million square feet of commercial office space in the area where Google has continued to buy land (where currently 5 million square feet is envisioned). It is also troubling that the document addresses some of the development impacts of a potential Google project before the company has even submitted a development application and without providing mitigations for those impacts. This seems entirely inappropriate, and the City should consider leaving additions to Diridon Station Area office growth, and references to specific project-specific impacts of that office growth, to future project-level environmental reviews submitted through the project development process.

The best way to address the growth induced impacts is to create affordable housing that is carefully targeted toward the diverse mix of new workers in Downtown San Jose. Because of the insufficient efforts to add housing at the appropriate levels of income, and of the lack of attention to low-wage workers' potential impacts on transportation and traffic, the EIR fails to comply with CEQA's mandate to provide complete and accurate information, especially project-specific information, about foreseeable environmental impacts of the project.

²

³ "The highly paid technical and business services workers who live in Silicon Valley have relatively short commute times, since they typically work nearby. It's middle- and lower-income workers — teachers and firefighters, security guards at tech campuses, waiters at restaurants — who have been priced out of the Peninsula and are spending much more time in traffic" https://ww2.kqed.org/news/2016/04/07/insearchof-cheaper-housing-silicon-valley-workers-face-long-commutes/

⁴ In two surveys of cafeteria workers at Intel and Cisco conducted by UNITE HERE found that 53% and 70% of surveyed cafeteria workers had families with children. Survey conducted in January and October 2016 respectively.

⁵ See Silicon Valley Technology Industries Contract Workforce Assessment. Chris Benner and Kyle Neering. University of California Santa Cruz. March 29, 2016. Available at

http://www.everettprogram.org/main/wpcontent/uploads/Contract-Workforce-Assessment.pdf

⁶ See Tech's Invisible Workforce. A report by Working Partnerships USA and Silicon Valley Rising. March

⁷. Available at http://www.wpusa.org/Publication/TechsInvisibleWorkforce.pdf

⁸ https://www.google.com/diversity/

1. The EIR's discussion of Transportation/Traffic and its Transportation Impact Analysis (TIA)'s are incomplete without more clarity on the type and level of affordable housing.

The minimum affordable housing required of developers is 15% affordable units or in-lieu fees, following the City's standard affordable housing requirements. The city's BMR ordinance targets affordability levels at or below 120% of AMI for ownership units and at or below 80% AMI for rental units. For a number of years, Downtown Housing construction has been exempt from providing affordable units or fees to support construction of such units and it is unclear if such exemptions will continue. The Downtown High Rise exemption for Affordable Housing Impact Fees is not noted in the EIR. The plan does not stipulate which types of housing will receive affordable designation (rental or owned, microunits or two bedrooms, on-site or off-site). The types of housing that receive affordable designation will impact tech service workers. Micro-units will not serve working families. Rentals are more likely to be obtainable than ownership units for low-wage workers, absent down-payment assistance.

The housing strategy is not likely to meet the housing needs of Downtown San Jose's thousands of low-wage service workers. The EIR does not provide a breakdown of the types of employment or income levels of workers projected in Downtown San Jose with the addition of 3 or 4.2 million square feet of office space in the Strategy or listed alternatives. Based on estimates from our Silicon Valley Rising partners, we estimate that Google Village along may require between 8,000 and 10,000 subcontracted cafeteria workers, janitors, security guards, shuttle drivers, and other facilities workers based in Downtown San Jose. This estimate does not include other service workers providing the numerous other amenities or services, many made available by Google and other employers, such as massage therapists, hair stylists, laundry attendants, Uber/Lyft drivers, fitness instructors, gym attendants, etc., and other induced goods and service jobs created by tech's jobs multiplier. Without additional requirements to shape the types of housing created (ie. 2-3 bedroom units rather than micro units or co-living spaces) we predict that the housing will likely the family housing needs of low-income workers in Downtown San Jose.

We recommend creating an alternative within the EIR adding additional units of housing and providing for appropriate levels of affordability in new housing. None of the alternatives address the growth impacts of the project like the demand for additional housing created by adding office space. Today even many directly-employed tech workers are having trouble affording market-rate housing, therefore the plan could benefit from an alternative that adds additional housing and sets forth policy to set aside affordable units for low and moderate-income workers as well. ¹⁰ Family size and situation of low-income tech workers will vary, including both single-earner and dual-earner households, and both large-family, and single-individual households. The mix of affordable unit allocations should reflect that diversity. An alternative housing strategy should include a provision to ensure that a percentage of each type of unit is set aside for low-income households, ideally with a better mix of family housing. We also strongly recommend adding a provision which gives first priority to households who work in San Jose or in communities at greatest risk of displacement when evaluating potential tenants for the area's affordable housing, in order to ensure increased trip internalization. These preferences are allowable under HUD rules if they do not have a discriminatory effect.

The EIR does not address induced employment growth caused by the tech's service sector multiplier. As previously mentioned, the tech industry creates approximately 4.3 goods and services jobs for each direct tech job. According to economist and multiplier expert Enrico Moretti: "With only a fraction of the jobs,

⁹ Our estimate is based on internal estimates provided by UNITE HERE Local 19, SEIU USWW, and Teamsters Local 853.

 $^{^{10}\,}https://www.theguardian.com/technology/2017/feb/27/silicon-aa-cost-of-living-crisis-has-americashighest-paid-feeling-poor$

the innovation sector generates a disproportionate number of additional local jobs and therefore profoundly shapes the local economy". Moretti uses Apple in Cupertino as an example, "Incredibly, this means that the main effect of Apple on the region's employment is on jobs outside of high tech." Studies of jobs multipliers distinguish between "tradable" and "non-tradable" sectors. Tech is in the "tradable" sector because it sells goods in regions other than where they are produced. According to the Bay Area Council Economic Institute Report, one new tech job creates approximately 4.3 jobs in local "non-tradable" sectors, meaning sectors whose goods or services are consumed in the same region as where they are produced. These 4.3 "non-tradable" jobs include localized services like restaurants, hotels, healthcare and personal service etc. Moretti estimates that for every five jobs that are created, two will be for professional jobs such as doctors, nurses and lawyers, while three will be for unskilled occupations like restaurant and hotel workers or retail clerks etc. The DSEIR predicts that employment in the

Downtown areas allowable growth will increase from 11.2 million square feet currently to 14.2 million square feet in 2040 under proposed project conditions, an increase of 3 million square feet or roughly 10,000 jobs, with an alternative allowing even 1.2 million more square feet. If 70% of these employees are direct tech employees, then in the long term, tech's multiplier effect will create 43,000 induced jobs in the nontradable sector. Of those 43,000 jobs, 25,800 will be non-professional, presumably low-wage jobs. Without access to local affordable housing, many of these 25,800 low-wage workers will have to drive long distances to serve tech workers in Downtown San Jose. We urge the City to consider the environmental impacts of these tens of thousands of potentially-induced low-wage jobs in terms of added vehicle miles traveled, air quality, noise, traffic and parking needs.

Draft EIR does not provide "project-specific" analysis CEQA, given that there are several decisions still to be made later about major project components, which could dramatically change the long-term and short-term environmental impacts to nearby land uses. Several decisions, including decisions about the size and scope of the Google Village, changes in height policies connected to the One Engine Inoperative policy, the design of the Diridon Station, the layout of transit lines, the use of Constructing Staging Areas for future transit projects, the management of construction related traffic, and other intended development proposals in the pipeline will shape many of the impacts identified in this report. For these reasons, this EIR should not be considered project-specific.

The transportation, parking and vehicle miles traveled estimates will be impacted by inadequacy of affordable housing. Traffic impacts could increase significantly if indirect and induced low wage workers added to the traffic and transit analysis. Any low-wage service workers shut out of Downtown San Jose housing, or who are able to continue to afford housing near other transit routes are likely to drive and to drive long distances. Low wage workers who do not live in San Jose are likely to have longer commutes than their median- to high-wage counterparts who are more likely to be able to afford market rate options in San Jose or closer to work. The bulk of the Strategy's transportation strategy are likely to be moot for low-wage service workers without affordable housing on site. Many tech service workers live too far away to benefit from any potential transit improvements. The EIR does not state whether a Downtown San Jose employer's TDM programs are required to address transportation impacts of subcontractors.

Alternatively, more affordable housing can increase transit use. The more that the housing produced is affordable and accessible to all Downtown San Jose workers, the more likely that they will choose to live in the project area, and to walk, bike or take transit to work (increasing internal trips). Increased housing affordability will increase motivation for Downtown San Jose workers of both low and moderate income levels to live where they work and to become riders of Downtown and Diridon Station transit services. Increasing trip internalization for Downtown's low-wage workers will be better for the physical environment than the trip internalization of their tech employee counterparts because low-wage workers

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¹¹ BACEI Report pg. 25

2. The Strategy does not take the necessary steps to address air and construction impacts.

The plan does not support the primary goals of the current Regional Air Quality Plan based on greenhouse gas emissions reduction 2040 targets¹²: The Downtown Strategy 2040's contribution to greenhouse gas emissions (GHG) and climate change for the 2040 timeframe is determined by the Bay Area Air Quality Management District to be "significant and unavoidable." The increase in Greenhouse Gas emissions are not likely to be mitigated by the proposed strategies in the city's plans for GHG reduction. The dramatic increased in VMT based on the increased development capacity downtown will lead to 167, 117 metric tons of CO2 emissions.

The plan will lead to unmitigable air quality impacts that will have significant impacts on the nearby community and to new residents of the area¹³: The report cites that the full build-out of the Downtown Strategy 2040 would result in a significant increase in criteria pollutants in the Bay Area, contributing to existing violations of ozone standards. The criteria pollutants include increases in nitrogen oxides, carbon monoxide, fugitive dust, and particle materials 10 and 2.5. These pollutants are shown to cause excess cancer risk and increasing the hazard index for other health risks.

The plan will have significant impacts on nearby sensitive receptor sites that are likely to increase adverse health impacts¹⁴: As quoted Appendix B "Air Quality and GHG Analysis," the BAAQMD CEQA Air Quality Guidelines consider exposure of sensitive receptors to air pollutant levels that result in an unacceptable cancer risk or hazard, to be significant. Sensitive receptors, which include vulnerable population including children under 14, the elderly over 65, athletes, and people with cardiovascular and chronic respiratory diseases. The report notes that the downtown area includes many current proposed sites with high concentrations of sensitive receptors such as residents, schools, hospitals, daycare centers, or retirements homes. According to the summary of the report analysis of increased health risks, the DTS 2040 Plan would "permit and facilitate the development of new sensitive receptors, such as new homes, in locations near arterial and collector roadways, highways, and stationary sources of TAC emissions. Screening levels indicate that sensitive receptors within the DTS 2040 Plan Area would be exposed to levels of TACs and/or PM2.5 that could cause an unacceptable cancer risk or hazard near highways and stationary sources."

The proposed EIR is likely to result in significant construction particles being released as part of the increased housing and office development to be relatively short, based on announced development projects like the Google development, it appears that the Downtown area is likely to see sustained development and construction activity over the next 20 years. This construction activity, supercharged by the 25% increase in the commercial development capacity will lead to significant and unmitigable environmental impacts. The report notes that "emissions commonly associated with construction activities include fugitive dust from soil disturbance, fuel combustion from mobile heavy-duty diesel- and gasoline-powered equipment, portable auxiliary equipment, and worker commute trips. During construction, fugitive dust, the dominant source of respirable particulate matter (PM10) and

¹² GREENHOUSE GAS EMISSIONS assessment, Pages 141-149 http://www.sanjoseca.gov/DocumentCenter/View/79629

¹³ AIR QUALITY assessment, Pages 51-71 http://www.sanjoseca.gov/DocumentCenter/View/79629

¹⁴ Existing Conditions, Air Quality Assessment, Pages 57-59 http://www.sanjoseca.gov/DocumentCenter/View/79629

¹⁵ Construction Emissions, Air Quality Assessment, Page 62 http://www.sanjoseca.gov/DocumentCenter/View/79629

fine particulate matter (PM2.5) emissions, is generated when wheels or blades disturb surface materials. Demolition and renovation of buildings can also generate fugitive PM10 and PM2.5 emissions. Uncontrolled dust from construction can become a nuisance and potential health hazard to those living and working nearby." The report also notes the traffic generated by diesel-powered of most construction equipment can result in substantial nitrogen oxide (NOX), Particle Material 10 (PM10) and Particle Material 2.5 (PM2.5) emissions. Moreover, these environmental effects are exarcebated by the commutes of construction workers and the building coatings that are sources of Reactive Organic Gases (ROG) emissions. Worker commute trips and architectural coatings are dominant sources of reactive organic gases (ROG) emissions.

3. The Strategy does not address the RHNA mandated by the state's housing element law

California's housing element law requires local governments to consider projected housing needs by income level to guide planning decisions. The Association of Bay Area Governments (ABAG) identified the following housing needs: 20,843 affordable housing units in San Jose (2014-2022). 59.4% of the housing needs identified by ABAG's Regional Housing Needs Assessment (RHNA) in San Jose are for affordable units (9,233 very-low income units, 5,428 low-income units, 6,188 moderate-income units). The City of San Jose's affordable housing efforts and the plan within the Strategy differs significantly from the distribution of housing needs identified by ABAG. The plan does not appear to help advance RHNA's affordable housing needs outright (only requiring 15% percent inclusionary policy or in-lieu fees, and as noted earlier ignoring San Jose's Affordable Housing exemption for Downtown High Rise construction). An alternative that included plans to add significant amounts of affordable housing to meet San Jose's RHNA would add additional clarity to the Strategy.

We hope the City will take the time to address the issues raised here and improve the Strategy and its EIR so that it addresses the needs all of local workers on tech campuses and thereby better mitigates its environmental impacts.

Sincerely,

Jeffrey Buchanan

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Director of Public Policy Working Partnerships USA Office: 408.809.2135 Cell: 408.221.3570

 16 ABAG Final Regional Housing Need Plan, San Francisco Bay Area 2014-2022 $\underline{ https://abag.ca.gov/planning/housingneeds/pdfs/Final\%20RHNA\%20(2014-2022).pdf}$