

**From:** [Moua, Louansee](#)  
**To:** [DowntownWestD6](#)  
**Subject:** Fw: FAQ's Regarding Potential Google Project  
**Date:** Monday, May 24, 2021 12:14:03 PM  
**Attachments:** [Diridon Station Area Plan - Potential Google Project FAQs.pdf](#)

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**Sent:** Monday, July 30, 2018 4:28 PM

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**Subject:** FAQ's Regarding Potential Google Project

Honorable Mayor and Councilmembers,

While you were on summer recess, we developed FAQ's regarding the potential Google development project and posted them at [diridonsj.org/faq-google-development](http://diridonsj.org/faq-google-development). They are also attached to this email.

The FAQ's are a resource answering 18 questions that are commonly asked by residents or the media. We anticipate adding additional questions and answers over time.

As you know, an extensive community engagement process is underway regarding plans for the Diridon Station Area. I encourage you and your staff to review the complete collection of

information available at [diridonsj.org](http://diridonsj.org) (e.g., event calendar, key documents, meeting summaries) and to promote the website to your network. Note that under [Contact](#), viewers can be added to our email list for project updates and upcoming events.

Feel free to contact me if you have any questions.

Best regards,

Kim

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## FREQUENTLY ASKED QUESTIONS

### ***1. Why does the City want Google in San Jose at Diridon Station? Why did the City select Google to have an Exclusive Negotiations Agreement?***

In 2011, after three years of extensive community input from more than 5,000 residents and more than 50 public meetings, the City Council unanimously adopted the Envision 2040 General Plan, to determine how San Jose would develop in the next three decades. A critical component of the Envision 2040 Plan focused on creating a vibrant Downtown, as the community emphasized its desire for a more prominent commercial, social, and cultural destination, and embraced expansion of our relatively diminutive Downtown to a scale more appropriate for a city of 1 million people. The Envision 2040 Plan called for adding 48,500 jobs, along with 10,360 housing units, to Downtown.

Three years later, in 2014, the City Council adopted the Diridon Station Area Plan to transform the 240-acre area of Downtown's western side into a vibrant destination for people to live, work, visit, and play. The Plan was created over five years, with extensive involvement from the Diridon Station Area Good Neighbor Committee. Developing the Diridon Station Area according to the Plan would bring new urban-style mixed-use development; improved parks, trails and public spaces; safe, convenient pedestrian and bike connectivity; many more transit options and users; and new housing, shops, and jobs.

To achieve this vision, the Good Neighbor Committee and City of San José anticipated that the central zone of the Diridon Station Area would be designed as a cohesive, master-planned development to ensure the kind of high quality, public realm and amenity-rich place that the Plan envisioned. Since half of the properties in the central zone are owned by four public agencies—City, the Successor Agency to the Redevelopment Agency (SARA), Santa Clara Valley Transportation Authority (VTA), and Caltrain—and the rest were mostly smaller parcels owned by a variety of owners, securing an anchor developer would be difficult. Also, after the end of Redevelopment Agencies in California in 2011, there was no longer a public entity with the authority and resources to purchase properties for purpose of land assembly and contribution to an anchor private development.

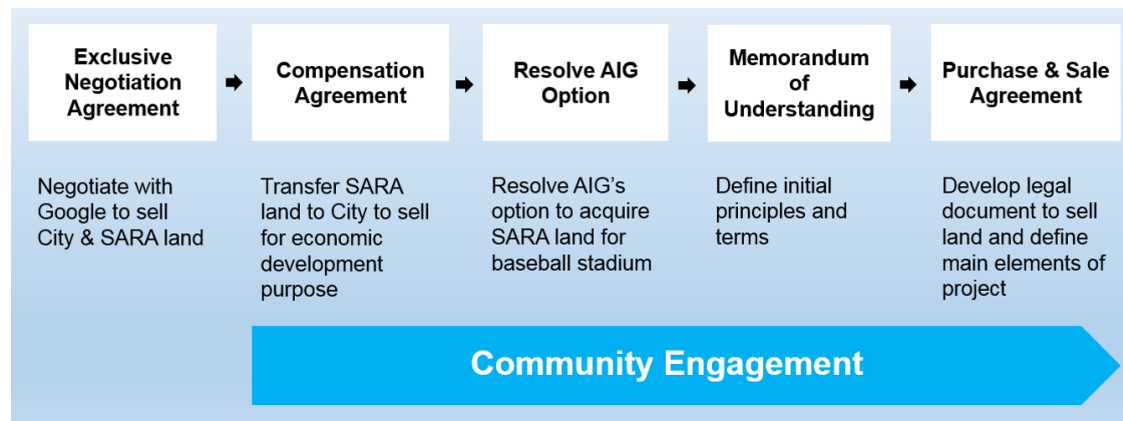
Concurrently, the San Jose Mayor and Office of Economic Development staff had been in touch with Google, encouraging the company to consider expanding into San Jose and consider locating in Downtown. Google expressed interest in the Diridon Station Area early in 2017 and shared the Station Area Plan's vision of a transit-rich, amenity-rich, pedestrian-friendly, mixed-use destination. As a potential anchor developer, Google has the resources to assemble enough properties without subsidy to help realize the shared vision, and be a long-term stakeholder in the area. For these reasons, the City decided to enter into an [Exclusive Negotiations Agreement](#) with Google, as a practical, timely way to explore a potential sale of public property and partnership to help implement the [Diridon Station Area Plan](#). The City Council approved the commencement of direct negotiation with Google in June 2017.

Achieving the community-inspired vision for a vibrant urban center outlined in both the Envision 2040 General Plan and the Diridon Station Area Plan would bring many benefits over San Jose's historical pattern of sprawling growth: a transit-oriented city core would reduce carbon emissions, mitigate worsening freeway traffic, provide housing opportunities with easy access to

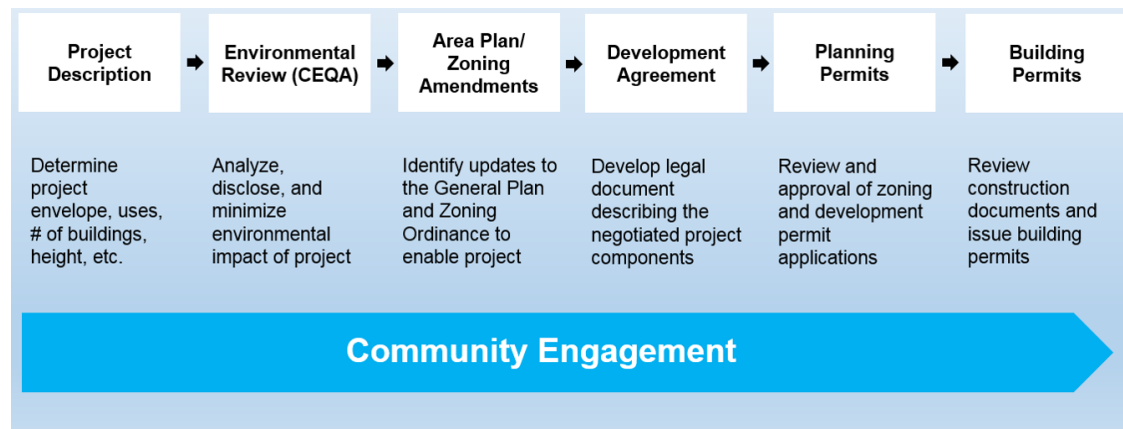
transit, bolster arts and cultural vitality, offer a unique urban lifestyle in the South Bay, and generate substantial revenues for chronically underfunded public services.

**2. What is the timeline for development of the Diridon Station Area? What is the timeline for the potential Google development? What are the steps?**

**PHASE I: CONCEPT DEVELOPMENT AND LAND SALE (2018)**



**PHASE II: PROJECT APPROVAL (2019-2020+)**



The Diridon Station Area Plan anticipated that development of the Diridon Station Area would take place over 20+ years, with the involvement of many private property owners and developers as well as public agencies.

Approval of a potential Google development is a multi-year process that will have many steps and ongoing community engagement.

In 2018 (Phase I), the focus is on community engagement, concept development, and the sale of key publicly owned lands. By the end of 2018, City staff will recommend a Memorandum of Understanding and Purchase and Sale Agreement for City Council consideration. The Memorandum of Understanding is a high-level statement of intent between the City and Google,

including the key elements of Google's development and the benefits to the community. The Purchase and Sale Agreement will state the price and terms to sell public land to Google.

Phase II (Project Approval) is expected to begin in 2019 and last at least two years. Civic engagement will continue throughout this period. In Phase II, Google will submit a specific project plan to the City Planning Department which will start the regular entitlement (permitting approval) process for their development project. At the same time, the City will initiate updates to the Diridon Station Area Plan to consider new factors—such as the lack of a baseball park, potential increases to building height limitations, and Google's envisioned mix of land uses. The necessary approvals include, but are not limited to: site approval plan, design review, environmental clearance under the California Environmental Quality Act (CEQA), amendments to the adopted Diridon Station Area Plan, rezoning to reflect details of the proposed development and change in conditions. The work also will involve preparation and approval of a Development Agreement (described below). City Council will have ultimate approval of the environmental impact analysis, the planning permits, the Development Agreement with Google, the rezoning actions, and the updates to the Diridon Station Area Plan, with recommendations from the Planning Commission and other advisory bodies

Following project approval, Google would begin applying for building permits. It is expected that the project will be constructed in several phases over at least 10 years.

### ***3. Is Google being subsidized to come to San Jose? Will they receive tax or fee breaks?***

No.

Google has not asked for subsidies or tax breaks, and the San Jose City Council provided explicit direction last June 20, 2017 when the Exclusive Negotiations Agreement was adopted (see this [Council Memo](#)) that: "The City shall obtain fair market value for the sale of any publicly owned parcel, and the City shall not subsidize the development with taxpayer dollars."

### ***4. What land does Google want to buy? Why sell the land for private development?***

Google has expressed interest in purchasing 5 main sites which were formerly owned by the San Jose Redevelopment Agency and are now owned by the "Successor Agency to the Redevelopment Agency" (SARA). These 5 sites, made up of 9 individual parcels, total about 6.5 acres. Currently, [these sites](#) are mainly surface parking lots serving Caltrain users and SAP patrons. The sites also include the Stephen's Meat site, Patty's Inn, and a building currently used by San Jose Taiko. There is no residential housing on this land.

Google has also expressed interest in 2 sites (made up of 7 individual parcels) owned by the City of San Jose and comprising about 15 acres. One is the Fire Training Site—4.3 acres with several aging buildings used for training firefighters. The other site is known as Lots A/B/C; it lies to the west of the SAP Center, is currently used for SAP patron parking, and is roughly 10.5 acres.

*Why sell the 5 former Redevelopment Agency properties?*

These properties must be sold according to the State-approved plan governing termination of redevelopment agencies. The City does not have the resources to buy the properties itself, and

wants to see the area developed by an anchor developer, consistent with the Diridon Station Area Plan.

When the State of California terminated redevelopment agencies in 2011, they developed very specific regulations for how local authorities must sell or otherwise dispose of properties owned by local redevelopment agencies. Under these regulations, properties must be disposed of according to a State-approved "[Long Range Property Management Plan](#)" (Plan). The Plan approved in 2014 for the former San Jose Redevelopment Agency identified that the Diridon properties were to be transferred to the City for redevelopment. The approved process requires the City to enter into a "Compensation Agreement" with the other 13 taxing entities to sell the properties at fair market value, and then provide payments to the taxing entities in proportion to their shares of the base property tax. In January 2018, the City and County determined, using professional appraisers, the fair market value of the Diridon properties to be \$67 million (\$237 per square foot).

The [Compensation Agreement](#) reflecting this price has been approved and executed by 13 of the 14 taxing entities, as of July 10, 2018. After approval by all taxing entities, the properties will be transferred to the City to sell for the agreed on price. The Compensation Agreement states that the properties must be transferred to the City and the City must dispose of the property by December 31, 2018.

*Why sell the 2 City properties?*

The [Fire Training Site](#) (4.3 acres) includes an aging City facility used to train firefighters, and the City has long-envisioned replacing it with a modern facility that can better serve the Fire Department's needs. Given its proximity to Diridon Station, the site presents a major opportunity for transit-oriented development and inclusion as an integral component of a master-planned Google project. Revenue the City receives from sale of the property to Google would fund construction of a new Fire Training Center elsewhere in the city.

The 2014 Diridon Station Area Plan identified the Fire Training Site as a potential public park site (chiefly because it was publicly owned land). The City will update the Plan to provide equivalent acreage of park/public space elsewhere in the Station Area.

Google has also expressed interest in purchasing what are known as Lots A, B, C (about 10.5 acres) [next to the SAP Center](#). These sites are currently large surface parking lots, which SAP Center uses for parking (1,440 spaces). The soil beneath the parking lots is contaminated, and the severe extent of contamination, and the high cost of its remediation has been a barrier to redevelopment. Ownership by Google could enable development of the site for more uses than just parking, and better integration of the site with the station and nearby areas. The contamination could be remediated and the parking replaced underground or in a structured facility.

## **5. Why doesn't the City buy the former Redevelopment Agency land?**

The City does not have the resources to buy the properties itself and wants to see the area developed privately consistent with the adopted Envision 2040 Growth Plan, including adding

significant jobs and high-density housing Downtown and strengthening the City's fiscal base for services.

The City lacks the funding to purchase the former Redevelopment Agency parcels and assemble the other parcels without incurring debt. If the City bought the land, the City would have to take out debt to pay for it, and then the City would have less money to pay for services like police, fire, and park services.

In addition, Google's private development would support the longstanding City vision for job growth in our Downtown, and a stronger tax base to fund public services. San Jose is a very fiscally constrained city and will be for the foreseeable future. The underlying reason is that San Jose has an imbalanced structure – it has a very large resident population/housing base relative to its narrow job/workplace base. In fact, San Jose is the only "Top 20" city in the United States that has a larger resident population than job base. San Jose is by far the most imbalanced and fiscally challenged city in the South Bay. A key goal of San Jose's plan for growth—the Envision 2040 General Plan—is to add 360,000 new jobs by 2040 to increase fiscal strength, reduce carbon emissions from travel, and give more residents opportunity to work closer to home. According to the plan, 48,500 of those jobs should be located in the Downtown. So far, the City has added 70,000 jobs toward its citywide 360,000 goal. An additional 20,000 jobs in the Diridon Area, and the associated tax revenues, would help the City meet its goals of providing better services to residents.

The cost to provide services to San Jose's existing housing stock far exceeds the property and sales tax revenue generated by those properties and their residents. The opposite is true for industrial, office, and retail lands—the cost of providing services to these 'job-supporting' uses is substantially less than the revenues received from them. Job-supporting lands—e.g. office, retail, or industrial—not only cost less to service, but they produce net property tax and other revenues that the City can spend on services for residents.

#### **6. *How will San José taxpayers know they are getting a good deal on the property sales?***

The [Exclusive Negotiations Agreement](#) that the City of San Jose entered into with Google in June 2017 is for the potential sale of the properties in the Diridon Station Area owned by the Successor Agency to the Redevelopment Agency (i.e., 5 main sites made up of 9 individual parcels, about 6.5 acres), and properties owned by the City of San Jose (i.e., 2 main sites made up of 7 parcels, about 15 acres).

In January 2018, the City and County determined, using professional appraisers, the fair market value of the Successor Agency properties to be \$67 million (\$237 per square foot). A fair market price is typically determined by looking at the sales of comparable parcels in the area. The terms of all of the prior sales of privately-owned parcels in the Diridon Station area—including each of Google's purchases of those private parcels—are public, and have been widely reported in *Mercury News* and other media. The valuation of \$237 per square foot, compares favorably to those other transactions, and exceeds by 2.5 times the valuation of parcels in the Diridon Station area only a year before Google's interest in the parcels became public, based both on prior sales and appraisals.



Each of the public agencies that will receive revenue from the sale of the former Redevelopment Agency-owned parcels—including the City, the County, and several school districts—have reviewed the terms for the land sales.

### ***7. Why is the City intending to sell, rather than lease, the land to Google?***

Google is interested in owning the sites to create a cohesive, master-planned development for the long term. In San Jose, the public properties are relatively small and are located within the set of private properties Google now owns. By contrast, the ground leases that Google has for public properties in Mountain View are for very large, contiguous public sites.

Also, as described previously, the City lacks the funding to purchase the former redevelopment agencies properties and can realize ongoing fiscal benefits to the city's tax base from private ownership and development.

### ***8. What kind of jobs will Google create in San Jose?***

At Google's current sites across the Bay Area, there are a variety of technical and non-technical jobs. At this early stage in the long-term development process, Google does not know the specific business units that will be located in San Jose.

Enrico Moretti, economic professor at UC Berkeley, found that each new tech job is likely to stimulate creation of four to five non-tech jobs in other companies. Roughly 40% of the non-tech work is professional—like lawyers, doctors, architects--and the remaining 60% is non-professional, such as store clerks, restaurant servers, or drivers.

### ***9. What is an Exclusive Negotiation Agreement?***

An Exclusive Negotiation Agreement (ENA) is an agreement between the City and a developer that specifies a period in which the parties will negotiate exclusively on the acquisition of property or a development. After a public hearing, the City Council approved the [ENA](#) between the City of San Jose and Google on June 20, 2017. It specified a period of one year to negotiate, but anticipated that additional time could be needed to resolve the negotiations, giving the City Manager the flexibility to extend the ENA for an additional year, if needed. The negotiations were recently extended to June 20, 2019.

### ***10. By the end of 2018, City Council is expected to consider a staff-recommended Memorandum of Understanding and Purchase and Sale Agreement. What is a Memorandum of Understanding? What is a Purchase and Sale Agreement?***

#### *Memorandum of Understanding (MOU)*

A Memorandum of Understanding (MOU) is an outline of mutually accepted terms and expectations between parties as they work toward a common objective—and is typically at the “20,000 foot” concept level. An MOU is legally non-binding, but is a very public statement of intent and expectation. It is a common first step before a more specific, legally binding agreement.

The following major topics are expected to be addressed in the City-Google MOU:



1. Shared Vision and Goals for the Google Development--underlying values and principles, physical outcomes and qualities, anticipated public amenities
2. Goals for Community Benefits, Contributions and Commitments--including process for calculating community benefit value once the development project is defined and finalized in the future
3. City Taxes and Fees
4. Approach to Infrastructure Planning and Financing
5. Concepts for Development Timeline and Provisions (including phasing)
6. Steps and Timeline for Land Entitlement and Project Approval
7. Topics for the Development Agreement
8. Possible Revisions to Diridon Station Area Plan
9. Google Role in Inter-Agency Station/Rail/Area Planning
10. Strategies for Access and Parking (including evolution over time)
11. Cooperation with Sharks Sports and Entertainment
12. Potential Street Closures
13. Air Space Height Limitation
14. Possibility of Districtwide Energy/Water Systems
15. Intention for Continued Community Outreach

In February 2018, the City initiated an engagement process to share information and gather input on the vision and goals for the Diridon Area and potential Google development, and on desired community benefits. This feedback will inform the City Administration and City Council, as well as Google, as they shape the MOU.

#### *Purchase and Sale Agreement (PSA)*

A Purchase and Sale Agreement (PSA) is a legally binding document that sets out the prices and terms for real estate transactions. The PSA outlines the rights and obligations of both buyer and seller. Typically, several documents accompany the PSA such as the Deed of Trust, Legal Description, Plat Map, and Title Insurance. The PSA for the former Redevelopment Agency properties will reflect the \$67 million price approved by the San Jose City Council, the County of Santa Clara, the Successor Agency to the Redevelopment Agency (SARA) Oversight Board, and the taxing entities. There is also expected to be a PSA for two city sites: the Fire Training site, and Lots A, B, C next to SAP Center.

The MOU and PSA are expected to go to Council for review and approval by December 2018.

Taken together, these two agreements will give the City enough certainty about what Google intends to build and the benefits to the San Jose community, and give Google enough certainty to invest in the next stage of planning a specific development project.

The MOU can be considered a high-level preview of the Development Agreement.

#### **11. What is a Development Agreement?**

A Development Agreement is a contract between a City and a developer that is adopted by ordinance. The agreement sets the obligations of both parties, and the standards and conditions that govern the development of the property. It contracts the developer to provide

benefits to the City, such as infrastructure improvements, public open space, monetary payment into funds, or other community benefits, in exchange for certainty about development standards, such as zoning laws, that will apply over the course of the development, from project entitlement through construction. A Development Agreement reduces risks associated with development and enhances the City's ability to obtain public benefits beyond those achievable through existing ordinances and regulations.

***12. If the City sells the land to Google, what assurance is there that Google would actually deliver on the expectations laid out in the Memorandum of Understanding?***

A Development Agreement, as described above, stipulates the obligations of the parties and can outline a variety of tools to ensure timely development. Tools can include timeframes for development and penalties, including monetary penalties, if the developer does not meet specified timeframes. Other binding requirements could limit or eliminate entitlements for portions of the property if the developer does not perform in a timely fashion.

***13. How will community benefits be addressed?***

Community benefits will be addressed in the Memorandum of Understanding (anticipated end of 2018) and the Development Agreement (anticipated end of 2020).

The Memorandum of Understanding will be a high-level statement of goals, intent and expectation approved by Google and the City, and will be created before further investment by both sides in defining, reviewing and approving a specific development project and related actions (such as amending the Diridon Station Area Plan). The Development Agreement will be the specific contract between Google and the City that will outline legally enforceable obligations of both parties; City Council will approve the Development Agreement toward the end of the project approval process (expected process timeframe 2019-2020). A Development Agreement enables the City to obtain community benefits beyond those achievable through existing ordinances and regulations.

Input from the City-led community engagement process, which started in February 2018, and will be ongoing, will help shape the language of the MOU and specific obligations in the Development Agreement.

***14. What is being done about affordable housing and potential displacement?***

Throughout the [civic engagement process](#) for the Diridon Station Area, stakeholders have raised housing affordability and displacement as top concerns and are providing input on how to address them. Feedback from the Station Area Advisory Group and residents participating in the engagement activities will inform, not just the current discussions about the Diridon Station Area and potential Google development, but ongoing citywide efforts as well. The potential solutions on affordable housing, displacement, and related issues will be summarized in a Comprehensive Report at the end of the first phase of the community engagement process in September 2018.

The City has a strong commitment to ensure that all its residents have decent, safe, and affordable housing. The City is actively working to address the affordable housing shortage and displacement pressures occurring in San Jose, including:

- Under its inclusionary housing ordinance, the City requires that a percentage (15% if on-site, and 20% if off-site) of homes in any new development be affordable. In some cases, the developer will instead pay a fee that the City uses to develop rent-restricted affordable housing on a separate site. When developers challenged these requirements, the City defended its inclusionary ordinance all the way to the California Supreme Court and prevailed.
- Additionally, the Mayor and the City Council have set a five-year goal to facilitate the construction of 15,000 new market-rate homes and 10,000 new affordable (rent-restricted) homes by 2022. On June 12, the City Council approved an Affordable Housing Investment Plan which prioritizes how City funds will be invested in new affordable developments and a Housing Crisis Response Workplan which outlines strategies to accelerate housing production.
- The City Council also has significantly strengthened tenant protections to help residents stay in their homes in the face of rising rents. ([Click here](#) to view all recent Housing-related ordinance updates). For example:
  - Last year, the City reduced the maximum allowed rent increase in rent-stabilized apartments from 8% to 5%, and authorized the creation of a rent registry to enable better enforcement of rent restrictions.
  - The City passed [Ellis Act](#) requirements on owners who remove apartments from the rental market to provide relocation benefits to impacted tenants, and a requirement to replace rent-stabilized apartments in the new development.
  - The City passed a [Tenant Protection Ordinance](#) to strengthen tenants' rights by limiting the ability of a landlord to terminate a lease based on 13 listed just causes. Starting in July 2018, the City will invest \$500,000 to provide legal services for low-income tenants and landlords. The goal of the grant is to promote housing stability by providing landlord/tenant counseling, education and referrals, and legal assistance to tenants facing unlawful evictions. In addition, the City is developing an affordable housing preference for residents who are experiencing certain types of displacement caused by Ellis Act evictions and expiring affordability restrictions, including an anti-displacement preference for residents who live in gentrifying areas that are highly likely to result in displacement.

Recognizing the regional nature of the housing shortage, the City also collaborates with other agencies and organizations in the Bay Area to develop and implement strategies, most notably through the CASA (The Committee to House the Bay Area) process. San José is also partnering with several nonprofit groups as part of a [PolicyLink](#) cohort to learn about additional anti-displacement tools used throughout the U.S.

***15. Why has the initial one-year term of the ENA been extended? Why have individual task dates in the Schedule of Performance been pushed out?***

When the [ENA](#) was signed in June 2017, it envisioned that the original Schedule of Performance (for individual tasks) might need to change, and that the original one-year term of the ENA may need to be extended due to complexities or unexpected events. The ENA authorized the City Manager to extend the date of any specific task in the Schedule of Performance (such as MOU/PSA Council consideration), and to extend the initial one-year term of the ENA by one year.

In October 2017, the City Manager extended the original date to bring the MOU and PSA to Council from March 31, 2018 to May 31, 2018. In December 2017, the date was extended to August 31, 2018. This was to account for the longer timeframe required to determine the fair market value for the Successor Agency public properties, and the subsequent start of the civic engagement process.

Recognizing that the initial civic engagement effort will not be complete until September 2018, on June 8, 2018 the City Manager extended the date to bring the MOU and PSA to Council from August 31, 2018 to December 31, 2018. And, since the initial one-year ENA term expires on June 20, 2018, the City Manager extended the term by one year to June 20, 2019.

***16. Silicon Valley Rising has written that “Google’s plans rely on major public contributions from residents in San Jose, including investing over \$10 billion in taxpayer dollars to make Diridon Station the biggest transit hub on the West Coast.” Is this accurate?***

The plans to make major public investments in transit systems at Diridon Station—including BART, CalTrain, and High-Speed Rail—preceded Google’s interest in the site, and will continue regardless of Google’s presence. For example, BART first became a reality for Downtown San José with the voters’ approval of Measure A in 2000. These public investments will improve mobility for thousands of South Bay commuters, regardless of Google’s presence.

The \$10 billion figure cited dramatically exceeds the cost to expand Diridon Station. Nonetheless, it is certainly true that all the transit system improvements—which serve many cities throughout the Bay Area—will cost several billions of dollars, including more than \$7 billion for the BART extension from Warm Springs in Alameda County to the City of Santa Clara, \$2 billion for CalTrain electrification from San Francisco to San Jose, and tens of billions for California High Speed Rail. San Jose residents comprise only a small fraction of the taxpayers funding those transit improvements, and they all depend on a combination of federal, state, regional, and local funding sources.

These transit investments are intended to support a more environmentally sustainable land use pattern, and are consistent with the community’s shared vision for Downtown San José, which calls for 48,500 jobs in Downtown by 2040. The City consistently urges major employers to locate close to transit because – more than any other type of land use (residential, retail, or entertainment) – transit-oriented office employment drives transit ridership and mitigates traffic congestion. In other words, we can best leverage our large public investments in transit by locating large employers close to transit stations.

***17. What is the Diridon Integrated Station Concept Plan? Will the community have input into this?***

By 2040, the number of people passing through Diridon Station is expected to increase almost tenfold to 140,000 daily. Accommodating this larger volume of people requires a complete redesign and transformation of the current historic train depot into a modern intermodal facility. This will be accomplished through the Diridon Integrated Station Concept Plan (Plan), a joint effort of the City, VTA (Santa Clara Valley Transportation Authority), Caltrain, and the California High Speed Rail Authority--the “Diridon Partner Agencies”.

The Diridon Partner Agencies have hired a world-class team of station designers led by the Dutch architecture/urban design firm Benthem Crouwel and the global engineering firm Arcadis to work with the Partner Agencies on the project.

The Plan has two primary parts: (1) a station design component and (2) an organizational component. The first part will determine how BART, Caltrain, High Speed Rail, and other transit modes will come together efficiently at the station. The Plan will describe the approximate location and shape of the station building, specify how the station will integrate with the surrounding city, and set optimal access points and routes for pedestrians, bicycles, and cars. The second organizational part of the Plan will describe how the four Partner Agencies will work together and with other key stakeholders to design, build, and ultimately operate the station.

The planning effort is expected to start in August 2018, with an initial Phase complete by June 2019.

The San Jose City Council, on May 22, 2018, adopted Councilmember Dev Davis' recommendation to "develop a robust public outreach and engagement effort from the onset that engages the communities surrounding Diridon Station to ensure meaningful public input. The public outreach and engagement process should begin with a kick-off meeting with stakeholders in District 3 and 6, including their respective Councilmembers." An outreach plan is currently being developed, which will integrate with the Station Area Advisory Group and Diridon Area civic engagement activities.

***18. Why did some City staff and elected officials sign Non-Disclosure Agreements in Spring of 2017? Are they still operative? What is a Non-Disclosure Agreement?***

A Non-Disclosure Agreement (NDA) is a contract that creates a confidential relationship between a person or entity that holds confidential information or a "trade secret", and a person to whom the information will be disclosed. It is common for purchasers of multiple real estate sites to seek NDAs with the land owner in the very early exploratory stage of real estate projects while both parties are assessing a potential deal, in order to prevent land speculation by other developers. To the extent that such speculation makes a larger land assemblage financially untenable, it does so to the detriment of both the buyer and the seller. For that reason, the City has entered into NDAs in other instances in which large employers have sought to assemble multiple parcels.

Google requested that key City employees and officials sign NDAs in the February-May 2017 time period when a potential Exclusive Negotiations Agreement was being considered and a draft recommendation was being developed for City Council consideration.

On June 9, 2017, the Administration publicly released its [Council memo](#) recommending the [Exclusive Negotiations Agreement](#), which included the recommended Agreement as an attachment. City Council considered and adopted this recommendation at its June 20, 2017 meeting.

As soon as the City publicly announced its intent to negotiate on June 9, 2017, the transaction no longer remained confidential. Accordingly, since that date, no City official has been bound to confidentially by any NDA, according to City Attorney Rick Doyle. All negotiations have

proceeded without any NDA-imposed requirement of confidentiality, and City-created documents remain subject to public disclosure under existing local, state, and federal law.

Government entities and government employees who enter into NDAs remain subject to the Public Records Act requirements for disclosures. For example, in February 2018, the City received a Public Records Request for the executed NDAs related to the Google-Diridon Station land sale and potential development. The City fulfilled that request, and provided the documents to the public.

In addition, the City has followed—and will continue to follow—all sunshine requirements related to this project, including the requirement that proposed agreements be publicly posted 10 days before coming to Council for approval.