

M E E T I N G M I N U T E S

Meeting: Evergreen Visioning Project Meeting #12

Date: May 12, 2004

The twelfth meeting of the Evergreen Visioning Project Task Force was held on May 12, 2004 in the Eastridge Mall Community Room at 7:00 PM.

Task Force Attendees: Councilmember Dave Cortese, Alan Covington (Charrette participant), Bill Kozlovsky (Quimby Creek), Bob Gill (Sikh Community), Chris Corpus (Charrette participant, KONA), Daniel Gould (Silver Creek Valley Country Club), Daniel Jacobs (Meadowlands), Garth Cummings (Charrette participant), Gordon Lund (Groesbeck), Homing Yip (EHRAG), Ike White (Mt. Pleasant), Khanh Nguyen (Charrette participant, West Evergreen SNI), Lillian Jones (Charrette participant), Maria Lopez (Charrette participant, West Evergreen SNI), Mark Milioto (Evergreen Little League), Mike Alvarado (Charrette participant), Scott Nickle, Tom Andrade (Charrette participant, EESD Superintendent), Steve Moore (Evergreen Valley Church), Victor Klee, Vikki Lang (Evergreen Little League – alternate), Vince Soncayawon (EBPA, charrette participant)

Members of the Public: Tony Seebach, Katja Irvin

Development Community: Joe Sordi, Mike Keaney, Mark Day, Bo Radanovich, Gerry De Young, Jeff McMullen, Patrick Spillane, Bonnie Moss, Jessica Heinzelman

Staff: Laurel Prevetti (PBCE), Richard Keit (RDA), Rabia Chaudhry (D8), Britta Buys (PBCE), Dave Mitchell (PRNS)

I. WELCOME AND INTRODUCTIONS

Councilmember Cortese welcomed the group and asked them to introduce themselves. He then made two announcements:

- i. Hitachi Global Storage Technologies (Hitachi GST) had decided to relocate their worldwide corporate headquarters to the Dade Behring building on Yerba Buena Road. The memorandum of understanding between Hitachi GST and the City of San Jose will go before the San Jose City Council on May 18, 2004. Hitachi GST will relocate 600 management levels jobs to the Yerba Buena Campus and plans to invest over 50 million dollars in tenant improvements to the site. The MOU consists of a lease with an option to buy the Yerba Buena Campus.
- ii. The District 8 Council Office and the Evergreen Community Roundtable are sponsoring the Second Annual Bus Trip to Sacramento to protest the impact of the Governor's May Revised Budget to education. He urged task force members to tell their friends about this important trip and encouraged them to take part.

Before inviting Prevetti to address the task force, Cortese asked the group to remember the ground rules when making comments. He asked them to make their points directly and succinctly.

II. RESPONSE TO TASK FORCE REQUEST FOR ECONOMIC ANALYSIS FOR INFRASTRUCTURE NEEDS

Laurel Prevetti presented an understanding of how the financing would work for the overall EVP. She began by restating the group's interest in having traffic improvements and community amenities installed in Evergreen. The question is, how do we create enough units in order to fund the amenities but also ensure we have a traffic policy with which we can live and that appropriately supports the proposed land uses? In the City of San Jose, development pays its own way. City ordinance requires developers to pay for parks, sewers, traffic, etc. Normally this is localized to an area around the project site. Development in Evergreen could have continued in a similar fashion, with each property developing separately and mitigating separately. EVP has enabled the property owners to come together and do not only individual (local) improvements but regional ones as well. This is similar to what was done with the Evergreen Specific Plan. The developers involved with the ESP paid approximately \$17,000/unit in improvements. We are in a similar situation now but the magnitude is much wider. Therefore, as we look at desired parkland, highway improvements, etc, we need to recognize that the way we can accomplish these is by allowing the developers to generate units.

Cortese asked Prevetti how task force members can continue to negotiate land use without knowing what the dollar translation is for the amenities (sum total or cost per unit). Prevetti said that the staff has estimated the total cost for the amenities to be between 250 and 300 million dollars.

Task force member Alan Covington said that he would like to hear about the developer fee structure and how it is set. He is fearful that whatever developer fees were paid in the past were clearly not enough to properly mitigate. He also asked if the fee structure is adjusted for inflation. Prevetti responded yes, adding that parkland development fees are reviewed by the City Council periodically. Fees are pegged to the real estate market. The fees generated by this project would be for parkland, taxes, etc and would go towards our amenities list.

Task force member Bill Kozlovsky observed that we are looking at two numbers, the price of the transportation improvements and the price of the amenities. The development community will have to tell us what they can afford to do per unit.

Task force member Steve Moore observed that the numbers will be affected by density. Lower density development will yield lower dollars for amenities. Prevetti commented that this is all part of the financing plan that needs to be put together. We need to determine whether to pursue a community facilities district or the issuance of bonds, the latter being more complicated because the bond market will want to know what security is being offered. Although low-density single-family homes draw a higher premium, our Guiding Principles tell us we need to consider other types of housing. Task force member Mike Alvarado added that the group needs to know about the housing types under discussion

and the associated pricing. He also asked how much of the burden District 8 would be expected to bear since the Highway 101 traffic congestion isn't just an Evergreen problem.

Development community member Bo Radanovich explained that that all of the properties under discussion are connected and the development community is trying to create a land use vision that can fund the amenities list. The original ESP assigned over and above the required city fees. A typical \$600,000 home would require between \$35,000 and \$42,000 per unit in impact fees. The typical components that go into the cost of a home are impact fees, site improvement fees, construction costs and overhead. Each property owner is in a different place. The Legacy property, under its current industrial land use designation, doesn't have to contribute anything in terms of additional fees. If the task force decides to not support development of the Pleasant Hills property then either the amenity list will have to be paired down or the remaining properties will have to take on more units. Cortese said that the task force has been presented unit ranges on everything but the Pleasant Hills site. He asked if based on what has been presented thus far, whether or not the amenities can all be funded. Radanovich responded that the developers feel they can double what was provided during the ESP. Still, it depends on whether all the properties do high density or just a few, whether transit oriented development occurs on Arcadia, multifamily homes on Evergreen Valley College, a range of ESP type homes (7-8 units per acre) on the industrial property, etc. The task force should also consider prioritizing the amenities list into near, medium and long term, so we know what to tackle first.

Task force member Garth Cummings asked if there was a simplified model where we can enter in the densities on one side and see how the numbers are generated on the other side. This would greatly assist him in his decision-making. Prevetti said the traffic impact data would help the group in deciding their comfort level and how many units, amenities. Radanovich asked the group to keep in mind that impact goes beyond traffic. It also includes schools, parks, retail, etc.

Task force member Dan Jacobs asked what the constraining factors were in the developers only being able to go double of what was done in the ESP. Radanovich said that if the housing prices are too high then they would be out of range for the market. If they're priced too low then they won't generate the dollars for the amenities.

Task force member Scott Nickle asked how close 250 to 300 million dollars is towards covering the amenities. Prevetti said that it comes very close to covering the cost. She added that the staff is being sure to not double-count by coordinating with other development opportunities in the area such as SNI and RDA business development. Alvarado said that it would be useful to do some sort of scorecard in order to keep track of the various factors involved in the number crunching number. Radanovich agreed, adding that it would also aid in matching the land use proposals against the Guiding Principles to ensure consistency.

Task force member Ike White asked if units are being generated just to finance the amenities list. Also, will any of the amenities themselves generate dollars? Prevetti said the amenities list can be revamped to reflect this.

Task force member Mark Milioto asked to see where the amenities would actually be placed. Cortese responded that once we have completed reviewing the Pleasant Hills

property we could get to this stage. Pleasant Hills' inclusion/exclusion from the list of opportunity sites will tremendously affect the rest of the process.

Task force member Dan Jacobs asked if Evergreen would have to pay for all of the Highway 101/Yerba Buena/Capitol improvements. Prevetti said that the possibility of federal dollars is slim. There is a slightly better possibility of state dollars but that is at least five years out. Staff is pursuing the option of EVP outlaying the dollars for this improvement and then be reimbursed by the state. Cortese added that he recently spoke with Pete Cipolla, General Manager of the Valley Transportation Authority and Evergreen resident. The VTA wants to be more involved with EVP. Cipolla asked Cortese if there would be available from EVP monies beyond what is designated for the 101 improvements. Cortese told Cipolla that he would first need to know from VTA the exact costs of the 101 improvements as well as need a guarantee of reimbursement before he could answer his (Cipolla's) other questions.

Task force member Homing Yip asked if the monies generated by the development community would go solely to Evergreen. Doesn't any of this money go towards the City's General Fund? Prevetti responded that the money would go entirely to Evergreen. Yip continued by expressing his concern at the numbers cited by Radanovich with regard to impact fees and development. Cortese recommend tabling this issue until we move further along in the process as it will come up again and at the point it does, we will be better educated.

III. DISCUSS REFINED LAND USE CONCEPTS FOR PLEASANT HILLS GOLF COURSE

Mark Day re-presented the two possible schemes for this site. Scheme A allows for approximately 1150 units while scheme B would contain about 900 units. He said that given this property's distance from light rail, making it a transit oriented development site isn't feasible. He pointed out the possibility of connecting this site to Fernish Park and the Thompson Creek Trail. He then opened up for questions.

White commented that at a recent Pleasant Hills neighborhood association meeting, many negative questions came up in terms of this site's development. Many residents would like to see the golf course remain. Whatever is determined to be here, White asked that he be allowed to help represent the ideas to the neighborhood. He also stated that the neighborhoods south of this property would like to see here something clean and aesthetically pleasing. Prevetti asked if it would help if the green spaces were pushed to the perimeter of the property. White responded that much of the perimeter currently has trees and the neighbors would like to see that feature. Jacobs asked if the City has much flexibility in terms of trees (type, number). Prevetti said that if it's decided that development will occur on this property then first it will be annexed into the City of San Jose. The City will then have land use and environmental jurisdiction and can certainly regulate matters like trees.

Task force member Victor Klee restated the residents' interest in seeing trees around the perimeter. He recommended letting a nine-hole golf course remain here, somewhere along the edge, and place homes in the interior.

Alvarado asked how this site will be viewed as a community asset. Some trees currently on the property are at the end of their life-spans. He asked if the property could be opened up and the configuration be changed so the site changes into asset. He cited a current concern of neighboring residents, that the development will simply be dropped onto the site and it will be isolated. He asked about the possibility of a promenade or boulevard, similar to the proposals for the Arcadia site.

Nickle commented that Vista Verde Drive, particularly the portion that runs north/south, has become a garbage dump. Having homes face this street might help in reducing vandalism.

White offered the idea of extending Guluzzo Drive through the property to White Road.

Cortese offered the idea of linking Fernish Park to Lake Cunningham Regional Park via a pedestrian overcross somewhere in the area.

Task force member Tom Andrade commented that Tully Road is the current boundary separating the Mount Pleasant Elementary School District from the Evergreen Elementary School District.

Alvarado commented that the walk down Tully Road is currently an unprotected corridor. If the Pleasant Hills site is opened up, it might encourage more east/west pedestrian motion.

Day commented that a municipal golf course is usually around 100 acres. Perhaps a permanent golf course is added somewhere along the edge and homes are placed at the center.

Cummings commented that a single retail store likely can't sustain itself and this idea needs to be developed further. Task force member Vince Songcayawon said that he would like to see a medical practice come here.

Task force member Vikki Lang asked if the sidewalk currently on White Road will extend to Tully. If so, some of the trees will be lost.

Task force member Dan Gould said he would like for full consideration to be given towards preserving the golf course.

Alvarado asked if there were any plans for the Barone property. Radanovich said he believes it is owned by a church.

White said he would like to solicit comments from area residents as well as the Pala Rancho Cabana Club. Day recommended the conversation be ended here, adding that he has noted the various comments offered by the task force.

IV. PRESENT AND DISCUSS DRAFT OUTREACH PLAN

Bonnie Moss addressed the group and informed them that they are not being asked to outreach to the community just yet because they (the task force) still needs to hear about traffic impacts. The handout she distributed is simply a preview of what is felt will work in

terms of engaging the community. It is a combination of face-to-face meetings, feedback intake and reaching out to local media. She explained that the task force would soon be receiving a tool kit for their use in reaching out to community groups.

V. ADJOURN

The meeting adjourned at 9:05PM.