



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Del D. Borgsdorf

**SUBJECT: JOBS/HOUSING/
TRANSPORTATION POLICY
UPDATES**

DATE: December 1, 2004

Council District: Citywide
SNI Areas: All

INFORMATION

INTRODUCTION

As part of its effort to support Silicon Valley's next wave of innovation, City and Agency staff are working on updates to our land use and transportation policies to enable job-generating industries to expand. The updates have brought together staff from the Redevelopment Agency, Office of Economic Development, Department of Transportation, Department of Planning, Building and Code Enforcement, and the City Attorney's Office. We believe that these policy updates will drive continued business prosperity and high quality of life for residents by balancing economic goals with housing, transportation, environmental, and open space strategies.

Efforts are underway to evaluate and revise three interdependent policies that together should position San José to meet the needs of a new competitive era:

- Vision North San José (also known as the North San Jose Area Development Policy Update)
- Downtown Strategy 2000
- Revised Transportation Impact Policy (formerly known as the Level of Service Policy Update)

A brief description of each is presented below.

It is expected that each of these policy updates will come to the City Council for action during the first six months of 2005. The Administration is working to schedule a Study Session in January, immediately following one of the City Council's afternoon sessions, to discuss the three

policies together. The Revised Transportation Impact Policy and Vision North San José package are expected to be presented to the City of San José Planning Commission in January and February 2005 respectively and to the City Council the following month in each case. The Downtown Strategy is scheduled for City Council in Spring of 2005 after the completion of an updated environmental impact report.

OVERVIEW

Vision North San José: City research and recent expansion decisions by companies such as eBay and BEA Systems demonstrate that growth companies want North San José to become a mid-rise, pedestrian friendly environment with business support amenities and mid-rise housing nearby. The current environment, initiated 30 years ago, features primarily low-rise industrial buildings.

To ensure the ongoing attractiveness of North San José, proposed revisions to the North San José Development Policy would allow taller buildings to be built near the light rail, adding up to 20 million square feet of R&D and office development (potentially 68,000 jobs). Approximately 25,000 additional housing units, primarily mid-rise apartments, could be built near transit through the conversion of industrial land freed up through increased industrial densities. The City Council's Driving a Strong Economy Committee has received a couple of status reports on the preparation of this proposed update, also known as the North San Jose Area Development Policy Update.

Downtown Strategy 2000: The completion and adoption of the Downtown Strategy 2000 would strengthen the development potential of the Greater Downtown area by allowing higher density infill development, encouraging replacement of underutilized uses, and expanding land use intensities. This would set the stage for the first high-rise housing developments in the South Bay, further diversifying San José's housing options. The Downtown's continued evolution into a vital urban place to live, work, shop and play would be advanced significantly through the adoption of the Strategy.

Revised Transportation Impact Policy: A key prerequisite for permitting the increased densities of the two plans above is to strengthen San José's transportation policy to build a balanced transportation system, manage congestion, and improve neighborhood livability. This proposal would broaden the options for mitigating traffic congestion in targeted areas such as transit corridors, business districts, specific plan areas, and Greater Downtown. Rather than simply widening intersections so they become pedestrian and transit unfriendly, developers would have to provide other improvements to offset congestion impacts, such as pedestrian and bicycle facilities, transit enhancements, and traffic calming. The City Council's Building Better Transportation Committee participated in several discussions regarding the element of this updated Transportation Impact Policy, formerly known as the Level of Service (LOS) Policy Update.

PUBLIC OUTREACH

Extensive public outreach is underway for all three efforts. Community meetings, EIR scoping meetings, and other forums have provided an opportunity for interested individuals, property owners, businesses, developers, and other organizations to provide input in the formulation of these policies. This outreach effort will continue, including updates to the City's website regarding the proposals and public hearings before the Planning Commission and City Council. More detail on the input received to date will be provided to the Council at the January Study Session.

Del D. Borgsdorf
City Manager