



# Memorandum

**TO:** City Council

**FROM:** Mayor Chuck Reed  
Vice Mayor David Cortese  
Councilmember Kansen Chu  
Councilmember Nancy Pyle  
Councilmember Forrest Williams

**SUBJECT:** NORTH SAN JOSÉ AREA  
DEVELOPMENT POLICY

**DATE:** September 21, 2007

**APPROVED:**

**DATE:**

## RECOMMENDATION

Approve Item 11.2 (a) and (b) as recommended in the September 10, 2007 staff memorandum.

Direct staff to present to City Council a status report of the North San Jose Neighborhood Planning Task Force work program in November 2007. Topics to be presented should include:

- An inventory of government owned lands in North San Jose and Alviso;
- An inventory of total employment lands in North San Jose and Alviso;
- A potential school site analysis, and an explanation of school financing mechanisms;
- A report on school capacity, and process associated with re-districting if applicable;
- An analysis of the need to retain a schools financing consultant;
- An analysis of whether or not PDO/PIO funds could finance parks;
- An analysis of sites available, if any, for a sports complex in the North San Jose area;
- A report on urban design guidelines, a plan for retail amenities, and a transportation improvements plan; and
- An analysis of our compliance with the North San Jose litigation Settlement Agreement.

Approval of Item 11.2 (a) will enable the City Council appointed North San Jose Neighborhoods Planning Task Force to pursue an aggressive work program and add value and assist staff in the preparation of an Implementation Strategy.

Approval of Item 11.2 (b) will enable staff to advance for review and approval by the Planning Commission and the City Council, all residential and industrial development projects currently in the pipeline that qualify for Phase 1 under the adopted North San Jose Area Development Policy. Staff is further directed to return to City Council for approval prior to the issuance of building permits for Phase 2 industrial and residential projects per the provisions of the North San Jose Area Development Policy.

Staff is further directed to provide City Council a report on the Task Force process each time a pipeline residential or industrial Phase I project comes before the Council for approval.

## **BACKGROUND**

The 2003-2006 'Getting Families Back to Work' Study Sessions and the Council adopted November 2003 Economic Development Strategy highlighted the need for positioning San Jose for a strong economic recovery. Two specific Economic Development Strategy initiatives relating to the goals of growing our economy and city revenues, and increasing prosperity included:

- Initiative #6: Improve Speed, Consistency, and Predictability of the Development Review Process, and Reduce Cost of Operating in San Jose; and
- Initiative #11: Revise Key Land Use and Transportation Policies to Reflect the New Realities of the San Jose Economy.

Plans to transform North San Jose were approved in 2005. Today, this Council approved Vision North San Jose Area Development Policy has materialized into several development applications that are in review by City and Redevelopment Agency staffs. Every opportunity must be given to staff to process development projects that are consistent with Council direction. Not to do so would result in an erosion of our competitive advantage in the Silicon Valley and throughout the world. Quality of life factors such as the provision of parks and open space, schools, and community facilities to name a few, must also be given top priority as we attempt to create environments that support our workers and families.

The current development activity described in the staff report validates the measures we took as a City Council in 2005 to set San Jose on a course of economic success when the Silicon Valley rebounded. If the development projects approved and in review move forward, San Jose stands to gain significant economic benefit. It is also estimated that over \$80 million would be collected at the time building permits are issued for each of these projects, which could fund the needed transportation and roadway infrastructure to mitigate impacts of development in North San Jose. Several thousand permanent direct and indirect jobs as well as hundreds of construction jobs would result from these development projects as well.

The North San Jose Neighborhoods Planning Task Force, appointed by the City Council on August 28, 2007, has agreed to pursue an aggressive work program over the next 6 months. Three meetings have already been held, and guiding principles for parks and schools have been developed. The Task Force Work Program acknowledges the areas that are of critical importance to the future viability of the corporate and residential community in North San Jose, including design guidelines, transportation and infrastructure improvements, parks, schools, police, water supply and flood control, and retail amenities, required to support the growth envisaged in the Vision 2030 Plan. Concerns of the Task Force must be given serious consideration in the preparation of the Implementation Plan. Staff must also be cognizant of limitations set by state law, as well as the terms of the North San Jose Settlement Agreement. Our commitment to the implementation of the North San Jose Policy is supported by the Proposed Redevelopment Agency budget with \$15 million to be a flexible source of funds to address community needs for roads or other infrastructure and facilities that cannot be funded from other sources.

Your support of the recommendation is appreciated.