Transmitted Via Electronic Mail

April 7, 2016

Ms. Shirley Lewis, Co-Chair Mr. David Pandori, Co-Chair Honorable Members of the City of San Jose General Plan Task Force 200 East Santa Clara Street, 3rd Floor San Jose, CA 95113

RE: Comments and Recommendations for Envision San Jose 2040 4-Year Review Task Force Goals and Outcomes

Dear Co-Chairs Lewis and Pandori and Honorable Members of the General Plan Task Force:

On behalf of the San Jose General Plan Task Force Members who are signatories on this comment letter, we respectfully submit the following comments and recommendations regarding the Envision San Jose 2040 4-Year Review Task Force proceedings, goals, and outcomes.

We want to thank staff from the Departments of Planning and Housing for their diligence and responsiveness as the Task Force convenes and grapples with complex decisions about how best to advance our shared vision of the city's growth. We have appreciated the opportunity to hear from our esteemed Task Force colleagues as we discuss the challenges of growing jobs while addressing the ongoing affordable housing crisis. In particular, the Task Force's recently adopted preliminary recommendations to 1) incorporate greater flexibility into the Urban Village framework, 2) support innovative strategies to best facilitate the development of affordable housing with the 25 percent or more area-wide goal per Urban Village of affordable units, and 3) establish a 1:1 near-term Jobs to Employed Resident Ratio goal by 2025---are important steps that get us closer to transforming the General Plan from an aspirational vision of the city to an implementable blueprint for an economically robust, sustainable, and livable San Jose.

However, we are disappointed that the General Plan 4-Year Review Task Force scope of work and goals outlined (by the city) did not seek to meaningfully assess and identify the most promising economic development strategies---namely, growing quality jobs--- to remediate the seemingly intractable Jobs-Housing Imbalance. Specifically, the narrow scope of each Task Force meeting and overall truncated timeline for dialogue, information gathering, and outcomes, required us to make preliminary recommendations on jobs and housing policies without the opportunity to consider the most effective economic development tools and strategies that aim to improve the quality of life of our residents. It is not enough to pursue strategies that consider only the aggregate jobs-housing imbalance, without examining the specific types of jobs and wages. In fact, innovative policies and strategies are needed to grow middle-income, skilled jobs if we want to not only alleviate the

affordability crisis, but also to preserve Silicon Valley's economic dynamism. A report recently concluded that by 2020, we are predicted to grow only 31,000 middle-wage jobs annually in the Bay Area. Further, the share of Bay Area middle-wage jobs is projected to decline relative to the proportion of low- and higher-wage jobs.¹ Due to the General Plan Review Task Force's narrow work plan, we recommend the following policies receive thoughtful consideration by staff and the City Council during the forthcoming General Plan Update proceedings:

Good Jobs Ordinance

Craft a *Local Hiring/Local Business/Apprentice Utilization Program* to be brought to City Council for consideration during the formal General Plan Update process would be consistent with the priorities set by the City Council during the June 23, 2015 priority setting session. This Program proposal is detailed in the Memorandum issued by Councilmember Ash Kalra (dated June 23, 2015).² Seven city council members voted to prioritize a *Local Hiring/Local Business/Apprentice Utilization Program*---making it among the top five priority policy issues for the city.

> Surplus Land Ordinance

Staff is currently developing recommendations regarding the implementation of the City's existing surplus sale/lease procedure. We propose incorporating provisions for area standard wages and local targeted hiring as a condition of the sale or lease of surplus land. A current precedent of a similar policy exists in San Francisco, where they adopted an ordinance requiring the inclusion of prevailing wage, apprenticeship, and local hiring requirements in the sale and lease of City-owned property for housing development.³

Development Agreement Standards

Determine a uniform set of goals and requirements for future Development Agreements that include prioritizing area standard wages and local/apprenticeship hiring from disadvantaged communities for projects as key components.

These aforementioned policies are critical opportunities to advance the city's economic development goals and directly benefit our workers and residents. In particular, they meaningfully grow quality jobs and establish a skilled, local workforce while also paying livable wages that serve to alleviate the affordability crisis. Moreover, they are consistent with the General Plan's goals, policies, and action items enumerated below:

Goal IE-6 – Broad Economic Prosperity: Provide widespread access to diverse employment and training opportunities in San José and strive to increase job growth, particularly jobs

¹ Economic Prosperity Strategy (2014), available at:

http://www.spur.org/sites/default/files/publications_pdfs/Economic_Prosperity_Strategy_print.pdf

² City of San Jose City Council Member Ash Kalra Memorandum. Prioritize Good Jobs Memorandum (June 23, 2015), available at http://sanjose.granicus.com/MetaViewer.php?view_id=&event_id=735&meta_id=523275

³ San Francisco Local Hiring Policy for Construction Fact Sheet, available at: http://sfdpw.org/sites/default/files/FileCenter/Documents/2081-5%20Local%20Hire%20Fact%20Sheet.pdf

that provide self-sufficient wages and health care benefits, to allow the community to broadly share in the region's prosperity.

Policies – Broad Economic Prosperity

- IE-6.1 Provide incentives that promote the creation of high-quality jobs across all industries.
- IE-6.2 Attract and retain a diverse mix of businesses and industries that can provide jobs for the residents of all skill and education levels to support a thriving community.
- IE-6.3 Attract job opportunities accessible to all of San José's residents, particularly residents in low-income neighborhoods.

Action - Broad Economic Prosperity

O IE-6.4 Partner with educational, civic, labor, and business institutions to provide job training programs that meet the needs of business and industry, including programs that enable the unemployed, under-employed, or economically or socially disadvantaged to enter or move up in the labor force. Connect local businesses with such programs, organizations, or educational institutions.

We welcome opportunities to collaborate with staff in developing the suggested tools to support economic development. Thank you for the opportunity to comment on the current General Plan 4-Year Review. We view this process and the forthcoming General Plan Updates adopted by the City Council as crucial opportunities for ensuring that the City of San Jose is a place where communities from diverse backgrounds, including low-income people of color and working families may live, grow, and thrive.

Respectfully submitted,

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