



May 12, 2022

Nanci Klein
City of San Jose
Director of Economic Development

Harry Freitas
County of Santa Clara
Director of Roads and Airports

Subject: NSJADP Settlement Agreement

Dear Nanci Klein and Harry Freitas:

Over the last 2+ years the City of Santa Clara (Santa Clara) has been working with the City of San Jose and the County of Santa Clara (County) on a modification to the North San Jose Area Development Policy (NSJADP) settlement agreement. This change to the settlement agreement would allow San Jose to modify the NSJADP, and it is our understanding that modifying the NSJADP is one of San Jose's top priorities to meet their housing goals. Santa Clara is extremely supportive of housing within the County and has worked diligently to help San Jose as a regional partner to achieve San Jose's housing goals, while also assuring that necessary transportation improvements are provided to serve the existing and new residents alike. The current NSJADP settlement agreement commits San Jose to certain transportation improvements, and it has been Santa Clara's position that any modification to development in that area must continue that general commitment. Santa Clara has always been and continues to be committed to providing transportation infrastructure that support new housing in Santa Clara, San Jose, and the County.

Due to the timing of San Jose's amendment to the NSJADP and the status of negotiations between San Jose and the County, Santa Clara is currently in the process of entering into a two-party amendment to the NSJADP settlement agreement with San Jose. Based on our last meetings and discussion with both the County and San Jose, it's our understanding that resolution between the two jurisdictions will need further discussion and negotiation. We encourage San Jose and the County to engage in such discussions expeditiously; we are fully supportive of the continued negotiations and would be happy to participate at any time, as requested.

We believe that the proposed amendment to the settlement agreement promotes additional housing opportunities, which would be beneficial for the region, and also satisfies the

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need for additional transportation improvements for the County expressway system. The settlement agreement includes approximately \$41.5 million of transportation improvements, with approximately up to 50% of the funds for the County expressway system.

We appreciate the effort of both the County and San Jose staff and look forward to continued collaboration on the NSJADP and many other regional efforts.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Pineda', with a long horizontal flourish extending to the right.

Manuel Pineda
Assistant City Manager/Chief Electric Utility Officer

