

Hi SAAG members,

I'm forwarding an email from Jeffrey Buchanan, the Working Partnerships representative on the SAAG, per request (see below).

In addition, we are looking to schedule the next SAAG meeting for Thursday, August 22nd, 6:00 PM. Please hold this date on your calendar for now. I will send out an outlook invite once it's confirmed.

Thanks!

Lori

From: Jeffrey Buchanan [<mailto:jeffrey@wpusa.org>]
Sent: Monday, June 17, 2019 11:31 PM
To: Severino, Lori <Lori.Severino@sanjoseca.gov>
Subject: Sharing report on Google's potential impact on rents in San Jose

Lori: Any chance you can share this email with SAAG members?

Greetings!

Last week Working Partnerships USA released a new report examining the impact of Google's proposed San Jose mega-campus at Diridon Station on families who rent in San Jose and Santa Clara County. The report includes a series of forecasts by an independent research firm, Beacon Economics (a firm with a history of working with California cities and industry groups including the California Apartment Association and a number of chambers of commerce), examining the potential impacts on rising rents from Google's San Jose office development in the absence of building additional housing and what kind of housing response would be necessary to prevent further rent increases and displacement. The report was covered by a range of media including San Jose Spotlight, Mercury News, NBC Bay Area and KQED.

The key findings include:

- Google's downtown San José expansion could **cost renters \$235 million in higher rent each year** unless the company commits to significant housing production.
- Google and the City of San José can prevent these rent hikes (and the ensuing super-commutes, overcrowding and displacement) by subsidizing the development of **5,284 affordable homes** and helping produce **12,450 market-rate units**.
- Without sufficient housing built in conjunction with the Google project, San José families would pay **five times more in higher rent** (\$127.4 million each year) than the City expects to **collect in property tax revenue** from the project (\$24.8 million/year).
- By the time Google's campus is built, **rent burdens for Asian, African American and Latino families would rise significantly**, making it even more difficult for communities of color to remain in San José.

The most exciting finding in the report is that **these rent increases can be avoided**. The report included a set of recommendations for how Google and the City of San Jose can share responsibility to build or subsidize over 5,000 units of affordable housing and protect tenants in order to prevent further rent increases, displacement, overcrowding and super-commutes as part of the Google development. The

recommendations build off the City's MOU with Google and include a number of ideas proposed by the Station Area Advisory Group and within the DSAP.

- **Read the [full report here](#).**
- **Read a summary of the policy recommendations [in this San Jose Spotlight oped](#).**
- **Watch a summary video of the findings on [Facebook](#).**

Please let me know if you have any question about the report and recommendations. There have been a few questions raised about the report in the media that we would be gladly provide additional context on if folks have questions.

We hope the report and the recommendations help to further the robust conversation we've had at the SAAG and provide a potential roadmap of reasonable but concrete steps Google and the City of San Jose could take together to prevent future rent hikes and create a model for development without displacement.

We look forward to working with all of you to find solutions to ensure San Jose residents have the freedom to remain in San Jose over the coming months as Google presents its development plan and the SAAG get the opportunity to provide input on this development.

Best,
Jeffrey

Jeffrey Buchanan, Director of Public Policy
Working Partnerships USA
Office: 408.809.2135
Cell: 408.221.3570
www.wpusa.org