



## SAAG SOLUTION GROUP SUMMARY

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### *Solution Group:* **JOBS, EDUCATION, AND ECONOMIC DEVELOPMENT**

The following is a summary of the Jobs, Education and Economic Development Solution Group meetings that were held on May 24, 2018 and June 25, 2018. The group identified desired outcomes and potential solutions that are organized by topic.

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#### 1. **Main Topics**

- a. Job Quality and Pipelines
- b. Education System
- c. Local Businesses
- d. Value Capture, Agreements and Accountability
- e. Process-Oriented Questions and Comments.

#### 2. **Overall Themes**

- a. The group expressed an overall concern about the social equity effects of Google coming to San Jose, including concerns about new service jobs not paying enough for workers to afford living in San Jose; impacts on citywide housing prices and subsequent displacement of lower income households; and the potential for the benefits to bypass long-time residents. Currently, many residents, particularly on the east side, are “job patching” - or needing to piece together income from a variety of jobs and business ventures. Group members expressed desire for the Google project to make things better, not worse, for these residents.
- b. The group generally agreed that economic development and educational strategies should build upon existing resources and programs, rather than creating new ones. This recognizes the good work going on and the need for more funding to scale up, as well as the legal/administrative constraints and short-term nature of setting up new, special programs.
- c. The group discussed the links between jobs and housing, and recognized the need to provide more affordable housing so lower-wage workers can live near their place of employment and to reduce displacement pressures so that existing

residents can stay and benefit from the investments and opportunities presented by a Google development in the Diridon Station Area.

- d. Two group members asked about the ability of the City to request or demand different requirements or extra fees from Google, noting that it does not seem like the City would do this for other developers, land owners, or companies that are planning to locate in San Jose. They questioned the purpose, desirability, and implications of treating Google in this manner.

### **3. Desired Outcomes and Potential Solutions by Topic**

#### **Job Quality and Pipelines**

##### Desired Outcomes

- New jobs should offer living wages to cover the cost of housing in San Jose and reduce the potential for needing to commute long distances.
- Employment and business opportunities should benefit long-time, lower-income residents.
- New development should help diversify San Jose's economy such that residents of all skill and educational levels have more opportunities.
- There should be career pipelines that offer meaningful opportunities for existing residents and youth to get good jobs in the tech industry and other higher-paying sectors.

##### Potential Solutions

- a) Adopt a local hiring policy to provide jobs for long-time residents
- b) Increase capacity and strength of a range of sectors through networking, collaboration and sharing of resources.
- c) Pursue equitable innovation (e.g., linkages between sectors/companies with middle-wage opportunities such as manufacturing)
- d) Use responsible contractors
  - Google should commit to responsible contracting standards to ensure contracted out jobs are good quality jobs with fair and safe working conditions. Google and long-term tenants must commit to hiring companies recommended by industry watch-group [responsiblecontractorguide.com](http://responsiblecontractorguide.com) to ensure good working conditions in the property services industry.
- e) Use Project Labor Agreements, which establish the terms and conditions of employment for construction projects, to help ensure quality, stable job opportunities for local workers, quality construction, and community benefits
  - Employ skilled craft unions through the construction phase for the commercial and residential developments.
  - Create pipelines to good jobs through local union apprenticeship programs
  - Service Labor Agreements: provide worker retention to ensure service workers retain their jobs and do not face mass layoffs if building owners or future tenants changes service providers during operations (e.g., worker retention ordinance in City of Santa Clara used for Levi's Center construction)

- f) Help fund job training programs
- g) Support housing access for local workforce (e.g., access for teachers and school employees, particularly those working in highest-poverty schools)
  - o To help address the growing challenges in recruiting and retaining teachers, Google should partner with school districts that are attempting to address the teacher housing shortage, and explore innovative approaches such as land transfers, revolving loan funds, pre-development financing, or financial or technical assistance to help districts develop teacher housing locally. (e.g., Landed an existing nonprofit developer)
- h) Enhance existing pipelines (e.g., education, apprenticeship, trades, universities and community colleges)
- i) Increase resources for local job training programs such as:
  - o Existing local work and pre-apprenticeship programs - educational programs targeting disadvantaged populations to prepare for apprentice programs for trades (e.g., City's TOP program - Prop 39, a trade operation program for at-risk)
  - o San Jose Works - program for kids to gain work experience in Tech and advanced Manufacturing
  - o NextFlex program that connects to manufacturing and R+D jobs, and Flexfactor that provides training at high school level.
  - o Work experience and training opportunities for mid-career individuals not only for the youth (e.g., older, mid-career needing resume reactivation to reskill/upskill)
  - o Resources targeted for low-income communities
- j) Remove barriers to employment opportunities (e.g., ban the box, sanctuary campus, access to housing)
- k) Partner with Google to create/enhance job pipelines

## **Education System**

### Desired Outcome

- Development should support local schools with additional resources and innovation, recognizing that the pipeline for good job opportunities begins with quality education.

### Potential Solutions

- a) Encourage innovative educational experiences in the K-12 pipeline.
- b) Incorporate job training into educational programming
- c) Invest in assistive technology in classrooms - to increase, maintain, or improve the capabilities of students with a disability
- d) Focus on career ladders in growth sectors (e.g., Work to Future program that will provide 1,300 jobs to youth this Summer)
- e) Support early childhood education (universal pre-K for 4 year olds to bridge gap for families that don't qualify for head start but can't afford pre-school) and childcare for

lower-income households, recognizing that early years provide a foundation for future career and childcare programs/in home daycare allow parents to work and support the family

- f) Leverage Google-owned platforms like YouTube to address cyber bullying.
- g) Increase resources for restorative justice programming in schools, which uses peer mentoring and social interventions to help troubled kids stay in school (this is an alternative to traditional disciplinary actions like suspension and expulsion, which have lifelong impacts on educational and employment opportunities) – recognizing that school discipline is one of the most clear areas where you see racial disparities (e.g., Oakland Unified)
- h) Support partnership/mentorship programs through San Jose State University (SJSU) and local community colleges; preference to support public schools over private institutions outside San Jose, such as Stanford and Santa Clara University.
  - o Note that 85% of SJSU students come from Santa Clara County
  - o Make sure SJSU students have better chance at getting a job with Google
- i) Consider a school as part of the Google development: innovative/creative 22nd century educational model that prepares students to work in tech
  - o Concerns with this idea include:
    - Access and potential for inequities – privileging some people over others
    - Would rather see funds go to the School District than to a special school
    - Instead, target any new funding to support existing schools that need it the most.
- j) Build upon existing resources and programs rather than creating new ones (e.g., teachers, libraries, colleges, workforce development, high school vocational programs, building trades apprenticeship program, etc.)
- k) Consider taxes, in-lieu fees that support the existing school system.
  - o Prefer that Google to pay into a public school levy (similar to an infrastructure improvement district) to support existing schools versus creating/running a new program/school because there are constraints on receiving and spending outside funds. The lack of funding to pay teachers and staff enough to live here is the largest need. With sufficient funding, schools can prepare youth for the jobs of the future.
- l) A member of the public described the Year Up program, which is aimed at reducing barriers for urban youth to gain access to employment. It is a national workforce program that connects urban youth with corporate internships in Silicon Valley, seeking to close the “Opportunity Divide” by providing the skills, experience, and support that will empower them to reach their potential through professional careers and higher education.

## **Local Businesses**

### Desired Outcomes

- Mitigate impacts to local business and non-profits that are experiencing rising rents and wages and must compete with tech companies for labor and space.

### Potential Solutions

- a) Support for Small Businesses:
  - The City of San Jose has a program (BusinessOwnerSpace) for connecting immigrants and small businesses to resources, addressing barriers like technology, communication and skill training.
- b) Support non-profits, which connect people to resources and will have higher demand for services as housing/economic insecurity continues/grows
  - Prepare a community impact study (independent) to determine plan for addressing housing problem and demand for social services: funds for organizers, community centers, programs, etc.
- c) Partner/work with local businesses such as those located on The Alameda (between I-880 and Diridon Station Area) though catering, events, patronage, and other creative means
- d) Compensate organizations and businesses that are displaced by redevelopment
- e) Require a percentage of retail space to be subsidized for local, small businesses (e.g., One Market in SF where first few floors are retail and San Jose Airport that provides space for local restaurants)

### **Value Capture, Agreements and Accountability**

#### Desired Outcomes

- Agreements with Google should capture the value created by public decisions, and reinvest in education and job-related programs, among other community benefits.
- Agreements should include mechanisms that ensure accountability.

#### Potential Solutions

- a) Data needs/requests:
  - Request Google provide more data on the types of jobs that will be created and the related incomes and benefits, both among their directly hired workforce and any contractors likely to be a part of this project. (This data can be used to help understand impact on housing effects too.)
- b) Funding:
  - Community Benefit Agreement (e.g., Working Partners: consider high quality jobs as a community benefit that should go in the agreement: look into other examples of CBAs like Oakland Port)
  - Development Agreement
  - Commercial Impact Fee: consider charging per new jobs rather than square foot
  - Infrastructure Assessment District/levy
- c) Accountability

- Require Google to monitor the quality of jobs in the development using an annual report to the community on the hiring of local workers, and the wages and benefits paid to any workers on the site, including Google, the developer, any tenants and contractors including project wide and employer by employer data.

#### **4. Process-Oriented Questions/Comments**

- a) What is the best way to measure the jobs/housing balance? Is there a different metric to use? Current numbers show that San Jose has a strong jobs deficit, but how does that factor in larger households? The upcoming census data?
- b) Could the city do an Equity Analysis?
- c) What is the point of an MOU? Why does Google get different rules? Why don't they just follow the existing rules and process?
- d) What is the role of the SAAG? How much should we focus on Google and their role to solve big problems around housing?
- e) How would the City monitor and implement an agreement over the long-term if businesses turnover? Be flexible and evolve.