

Coyote Valley Specific Plan
Summary of Workplace Focus Group Comments

151 West Mission Street, Room 202B

Wednesday, November 17, 2003

8:00 a.m. to 10:00 a.m.

Attendees:

Kelli Greene (Clinimetrics), Matt Jorgensen (Xilinx), Mark Kendall (Kenmark Real Estate Group), John La Hyah (IBM), John Osborne (Altera Corporation), Dana Pesce (Cisco), Sean Prasad (JDS Uniphase), and Eric Tan (Novellus Systems)

Consultants and City Staff:

Doug Dahlin (Dahlin Group) Roger Shanks (Dahlin Group) Ken Kay (KenKay Associates) Jim Musbach (Economic Planning Systems) Teifion Rice-Evans (Economic Planning Systems) Eileen Goodwin (APEX Strategies) Laurel Prevetti (PBCE), SalifuYakubu (PBCE), Susan Walsh (PBCE), Nanci Klein (Office of Economic Development), and Alejandra Herrera.

The following comments were received:

1. Single/Multi-Use Tenant Buildings & Campus/Mixed-Use Environment:

- There is a need to create a balance:
 - Need corporate environment but need to have access to services.
 - Need to preserve the workplace etiquette (i.e. do not want “smell of Taco Bell”).
- Restaurants need offer lunch and dinner to remain economically viable, and to meet the service needs for the workplace.
- Mixed-use works well with the growth strategy. We need to be flexible and allow for future uses to be added over time and encourage the synergy. Flexibility in design is important.
- Traffic issues are a concern. Building infrastructure is hard to predict.
- The appeal of mixed uses varies with the type of business. For instance, mixed-use environments do not work as well for engineering.
- Structured parking typically costs more than surface parking per unit of parking space. A requirement to construct structured parking could be a problem for developers in the near term before there is enough density to justify the cost.
- Q: Does everyone need to be on same campus? A: *For IBM sales and service personnel do not have to be housed in a main campus. Engineers may however, need to be housed together. Because of the availability of sophisticated*

telecommunication and computing tools, “place” is a lot less important today than in the past. Interactive web conferencing is getting more popular.

2. Security Issues:

- Security is of the utmost importance in campus design. Massing allows for synergy and a sense of security. Technology can be used to facilitate security and surveillance, and the security program in the workplace should be balanced with the use of space.

3. Location Criteria/Amenities:

- Important amenities include: multi-use within building, cafeteria, health club, social areas, post office, bank and retail places to entertain customers. The key is a lot of flexibility.
- Good freeway access for commuters and for customers is essential.
- Companies still want to preserve some corporate identity, even in mixed-use environments.
- Energy is big issue in the workplace. Cogeneration plants needs to go somewhere. Reliable energy supply is a criterion that we use in the selection of a workplace environment. Energy reliability and the energy source is a huge issue for research and development.
- We do not want employees to feel trapped at work. They need to be surrounded by an environment that is exciting and offers various opportunities for socializing.
- Planning should include opportunities for the sharing of buildings by some big and small tenants.
- Some companies would require hotels nearby to accommodate and entertain their corporate clients.
- Image and consolidation are also important for marketing. Real estate location is an expression of market position to some clients.
- Water elements are an attractive amenity for business and for employees.
- Q: How successful was Rivermark from a former Sun employees perspective? Not a lot of people used Rivermark as a home community. The price of the smaller homes in Rivermark is so high that many people choose to purchase much bigger homes in the outlying areas for the same price. The convenience aspect wasn't enough to entice them to stay at Rivermark. The mixed-use is very successful. Sun didn't get much value out of their cafeteria because mixed use was so popular.
- Agilent - The availability of certain amenities in close proximity to workplace could be a major attraction. The amenities include:
 - Shared uses facilities (e.g. Flint Center)
 - Corporate meeting centers
 - Soccer fields and basketball courts for corporate use

- Picnic areas
- May need some destination retail.
- Rubber Tired Transit (comments):
 - If limited parking, where will visitors park? They may end up parking in the neighborhoods.
 - Use of personal automobiles is better suited to the culture of long working hours at engineering firms.
 - Long transit headways and the relative unavailability of public transportation compared to other urban areas do not make transit a viable alternative to the automobile. (e.g. In China or in New York you can raise your hand and get a taxi in a few minutes).
- Companies on North First Street with workforces of 1,200+ people and located on transit have a hard time getting employees to use transit even with the offer of transit passes.

4. Density Access:

- Q: How will density impact access? A: *Travel time into IBM will double with higher density.*
- IBM sees two benefits:
 - Interchange on Bailey
 - Flooding will be improved in Coyote Valley
- Santa Teresa may be slower in the north-south direction.

5. Bioscience Cluster:

- Bioscience needs zoning flexibility and proximity to incongruous uses is often a problem. Difficult to go into multi-story areas. Need to be close to clients and be able to draw them in.
- If able to draw other bioscience companies with us, we may go to Coyote Valley.

6. Structured Parking:

- Hitachi is planning to use structured parking due to land values. After work people need convenient parking at night.
- The example of the United Artists theatre in the Downtown area is a good example of how lack of parking made them less competitive with other theatres. Customers needed to pay for parking and didn't want to pay so they went to other theatres and United Artists Theatre was not competitive. People will bypass Coyote Valley is parking is not plentiful.
- Parking structure has an unfavorable cost versus return factor.

- Can we develop flexibility in zoning to allow parking structure in the 2nd phase of a project? It would be important to build in flexibility for growth and financial concerns.
- Structured parking makes good sense. Sharing with other users is better.
- The workplace must have convenient parking.
- Need security in a parking structure. Women employees sometimes do not feel safe in a parking structure unless it is well lit and very busy like Santana Row.
- Q: How many firms in this room have structured parking? A: *Three to four firms currently use structured parking.*
- Impressed with Stockholm's cabs and their use of technology. A taxicab rider may find out how traffic is on certain routes, and can pay by credit card. A lot of connections and payment methods are electronic.
- In Copenhagen a driver can even find out how many parking spaces are available in certain downtown areas.

7. Airport Access:

- Q: How critical is airport access? A: It is very critical to most firms business. Caltrain is also important.
- It is very important for internal travel and customer use.
- Can we put a more upscale alternative access to airport in Coyote Valley? (Something that we would be able to have other CEOs use)
- Q: Are there any plans to expand San Martin Airport? A: Yes, we are looking at it.

8. Implementation/Phasing:

- Need flexibility
- Q: Is telecommuting as significant feature of your business? A: Very important part of business for IBM (70% not in office). General use is high and engineering use is lower.
- Phasing: 60 million square feet of office is now vacant. It could take 7-8 years to fill the vacant office space. The 5,000 jobs required as a trigger to development of the Plan are not expected until 2012 (Jim Musbach, EPS).
- Q: What type jobs are expected in Coyote Valley? A: *Big ones will be software and bioscience (Jim Musbach EPS).*