

COYOTE VALLEY SPECIFIC PLAN

TASK FORCE MEETING February 7, 2005

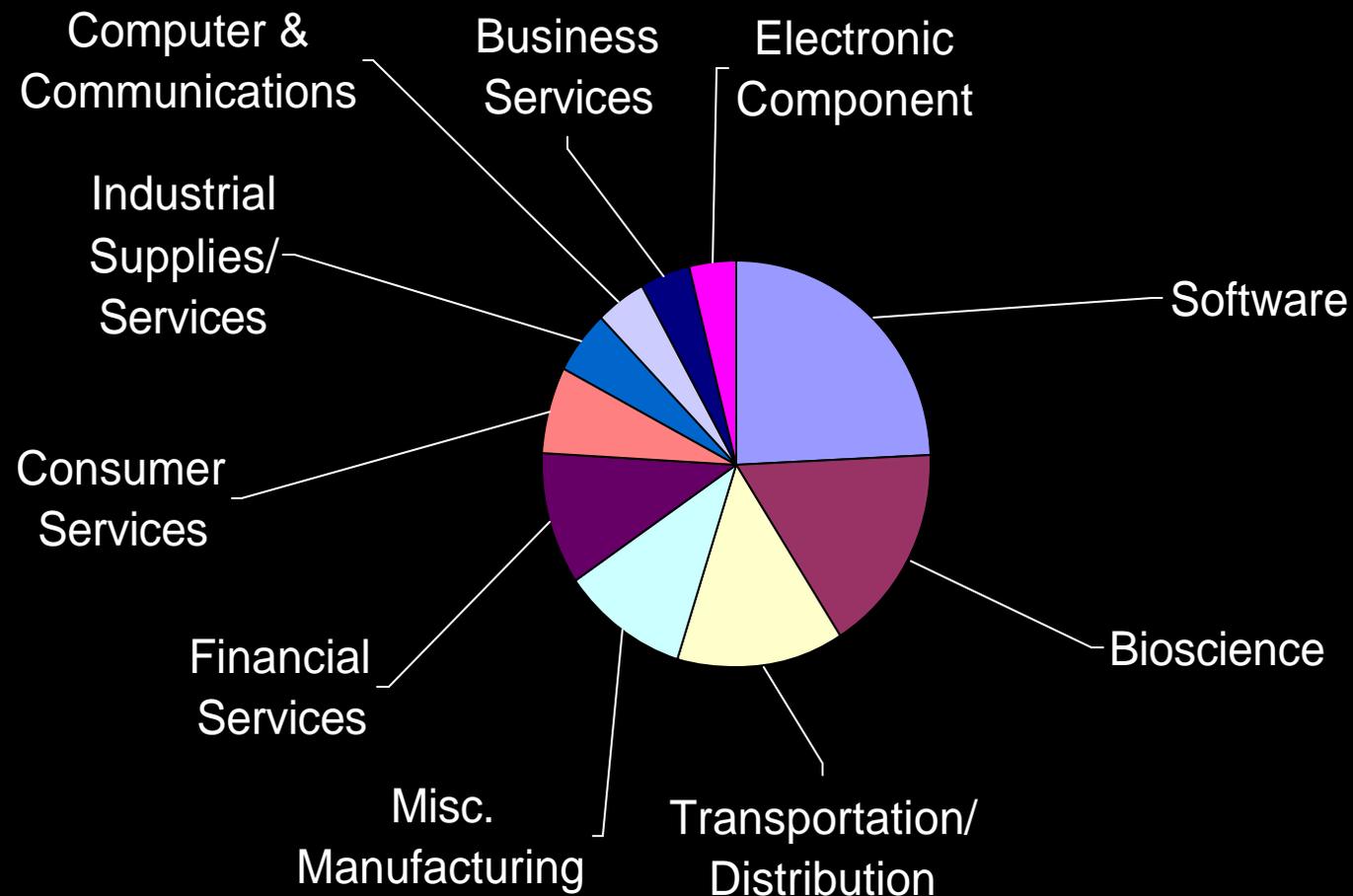
WORKPLACE MARKET CONSIDERATIONS



COYOTE VALLEY SPECIFIC PLAN

SAN JOSE WORKSPACE DEMAND BY KEY INDUSTRY THROUGH 2020

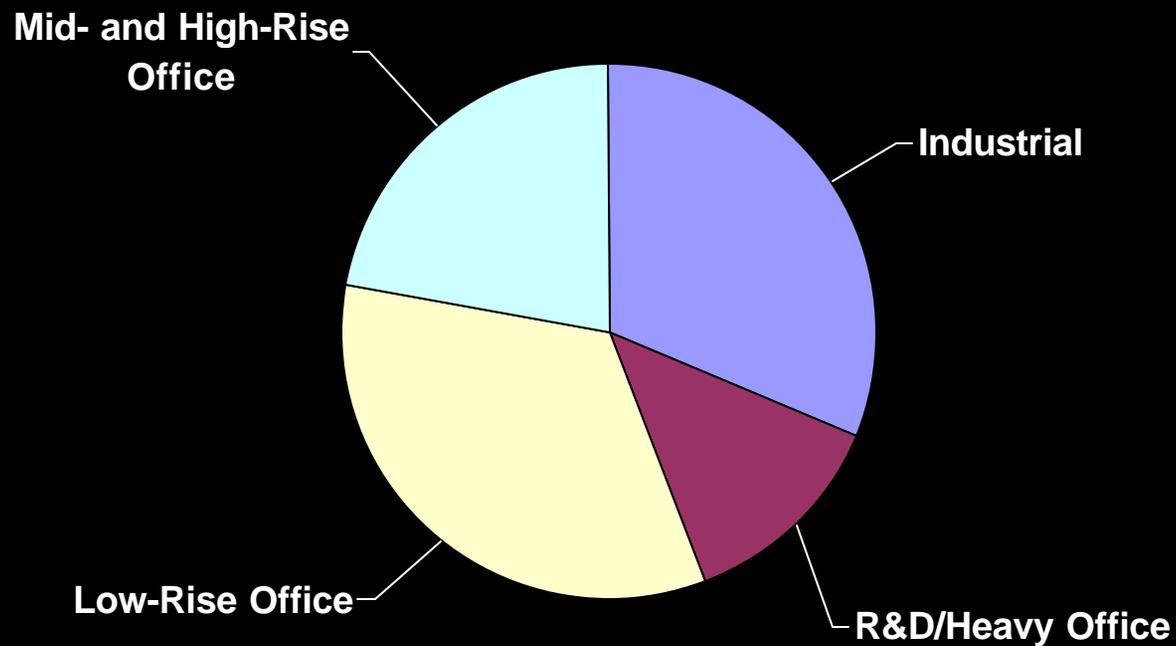
Source: San Jose Office of Economic Development; EPS



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SAN JOSE WORKSPACE DEMAND BY BUILDING TYPE THROUGH 2020

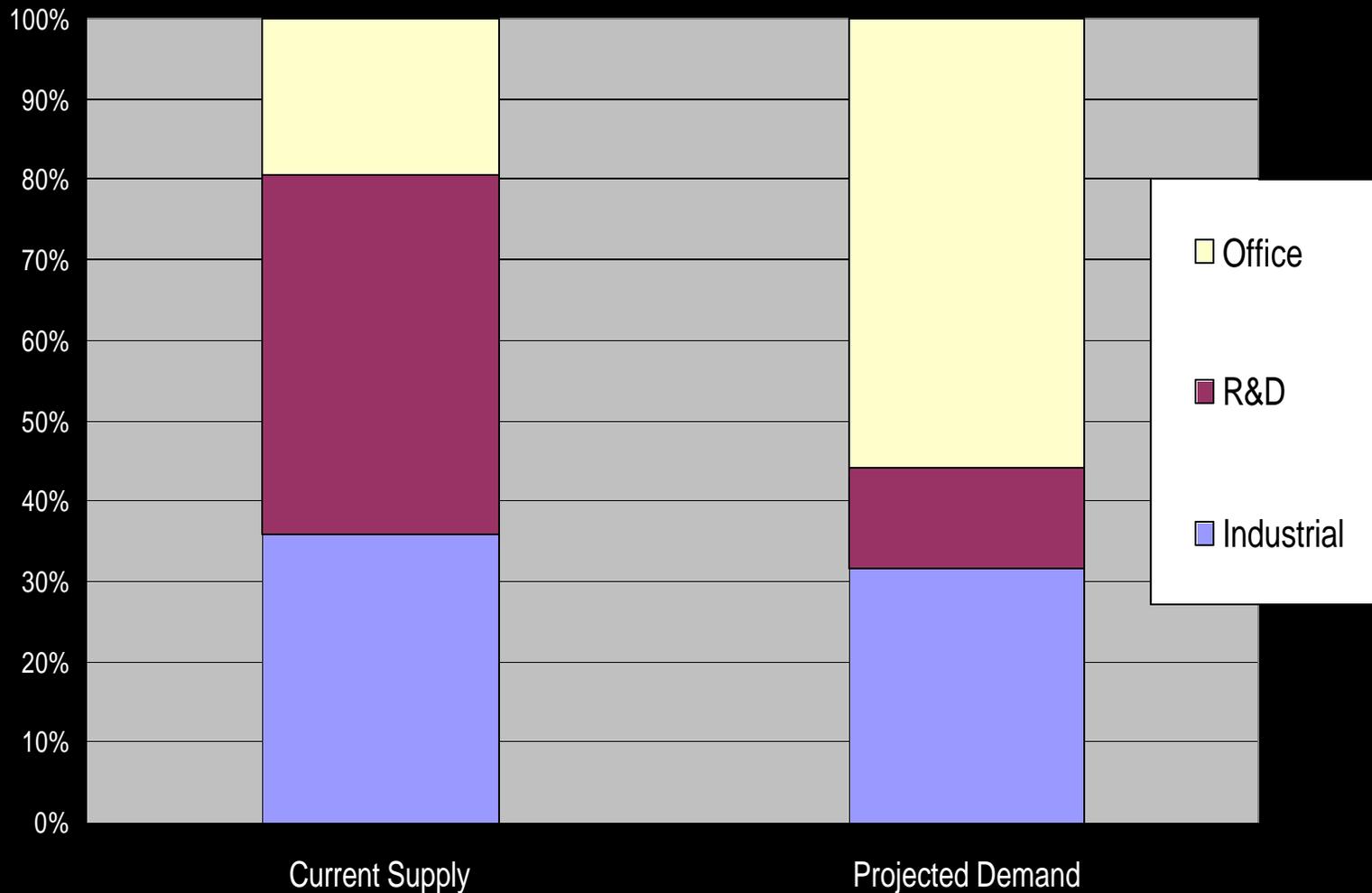
Source: San Jose Office of Economic Development; EPS



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WORKSPACE CURRENT SUPPLY VS. DEMAND IN SAN JOSE THROUGH 2020

Source: BT Commercial; San Jose Office of Economic Development; EPS



COYOTE VALLEY SPECIFIC PLAN

MARKET ANALYSIS FINDINGS AND RECOMMENDATIONS

■ WORKPLACE

■ Potential Driving Industries –

Software

Computers

Electronics

Internet

Bioscience

■ Buildout –

Goal of 50,000 jobs likely to take several decades

Feasibility aided by providing wide mix of building types to capture broadest market

■ Mix of Workplace Types --

Future industries will demand more office space, including higher density buildings

Still need R&D and low-rise development

San Jose's Workplace-Related Goals, Strategies, and Potential Solutions

- GOAL – Improve San Jose employment base/fiscal condition
 - Strategy – Attract as much “driving industry” as possible
 - Potential Solution – Offer wide variety of locations to capture broadest market, including campus opportunities as well as mid-to-high-rise and multi-tenant space

- GOAL – Improve balance of regional traffic by distributing jobs
 - Strategy -- Have significant employment in southern San Jose
 - Potential Solution – Entitle a minimum of 50,000 jobs in CVSP

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CVSP WORKPLACE IN REGIONAL CONTEXT

- Job Growth in CITY of San Jose expected to be greater than in all but two other Bay Area COUNTIES (SF, Alameda)

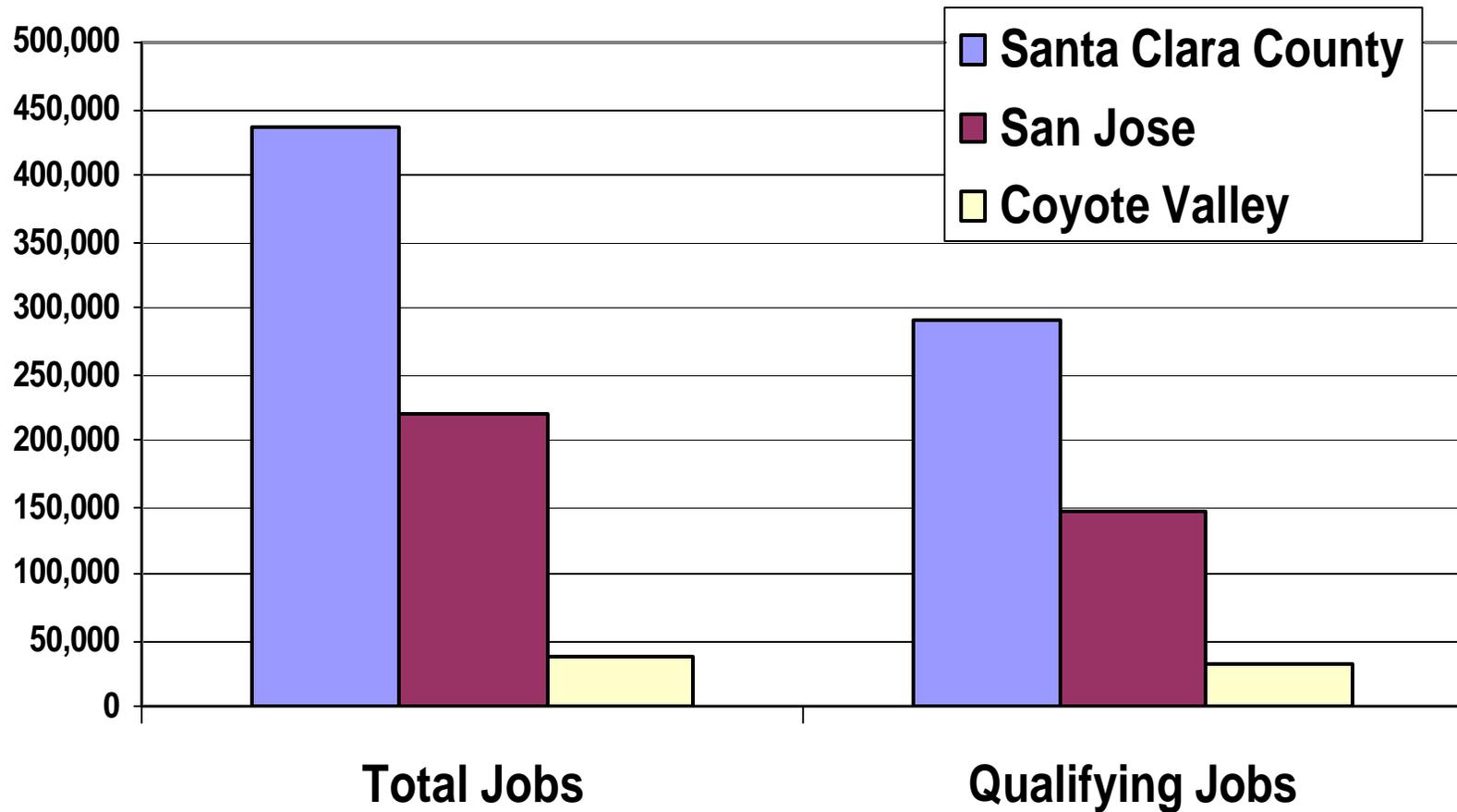
▪ Job Growth Expected 2005-2030	<u>Total Jobs</u>	<u>“Qualifying” Jobs</u>
Santa Clara County:	436,000	291,000
San Jose:	219,000	146,000
Coyote Valley:	~36,000	~32,000

- Coyote Valley build-out expected through at least 2040 due to:
 - Market demand/absorption
 - Infrastructure phasing
 - Property Owner participation
- Can expect to reach 5,000 job mark in Coyote Valley around 2012

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Projected Job Growth, 2005-2030

Sources: ABAG; EPS



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CVSP IN BROADER WORKPLACE CONTEXT

- Coyote Valley can accommodate only a fraction of San Jose Jobs

Total Space in Demand thru 2030	66 million SF
<u>Less Reuse of Vacant Space*</u>	<u>- 13 million SF</u>
New Space in Demand	= 53 million SF
<u>Less Likely Absorption in CVSP</u>	<u>- 10 million SF</u>
Other Space Required in San Jose	= 43 million SF

(* Assuming 20% of vacant space is obsolete)

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CVSP IN BROADER WORKPLACE CONTEXT

- Still much new development required in other San Jose subareas
 - North First Street = 20 M SF capacity proposed in NSJ Update
 - Greater Downtown = 10 M SF proposed in DT Strategy Plan
 - Edenvale = 8 M SF of development potential

COYOTE VALLEY SPECIFIC PLAN

HOW DO JOBS IN COYOTE VALLEY AFFECT JOB GROWTH IN OTHER PARTS OF SAN JOSE?

Conclusions:

1. San Jose is creating workplace choices for future employers in Downtown, along transit corridors, in suburban locations, and in Coyote Valley.
2. Jobs won't be assigned to Coyote Valley at expense of other areas; planning simply provides options for broadest possible range of employers.
3. Major development/redevelopment of other San Jose subareas is expected to occur even with development in Coyote Valley.
4. Goal of Coyote Valley's fiscal self-sufficiency means other areas of San Jose won't subsidize Coyote Valley.
5. Workplace development in Coyote Valley advances the goal of alleviating traffic congestion through job distribution.