



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Councilmember Esparza
Councilmember Jimenez

SUBJECT: SEE BELOW

DATE: 9/16/2022

Approved

Date: 9/16/2022

SUBJECT: Monterey Corridor Working Group Report

RECOMMENDATION

Accept the Monterey Corridor Working Group Report.

BACKGROUND

Established by Mayor Liccardo in 2019, the Monterey Corridor Working Group, led by Councilmember Esparza and Councilmember Jimenez, was tasked with identifying opportunities and challenges within the Monterey Corridor to promote economic vitality, catalyze economic development, and promote livability and a sense of place. Our aim is to restore the Monterey Corridor as the prized “Southern Gateway to San Jose.” The Monterey Corridor is one of the City’s main industrial and manufacturing hubs, with also has a blend of commercial, residential, and recreational uses.

As an industrial and manufacturing hub, the Monterey Corridor is an economic engine for San Jose providing quality jobs for workers without a 4-year degree while also providing products and services necessary for many other industries to operate. To continue and grow these job opportunities, especially with the City’s need to address our jobs to housing imbalance, our industrial and manufacturing businesses along the Monterey Corridor must be protected and supported. This is confirmed within the City’s Envision 2040 General Plan which identifies employment growth areas within the Monterey Corridor and by the Metropolitan Transportation Commission (MTC) naming the Monterey Corridor as a Priority Production Area, which identifies clusters of industrial businesses and prioritizes them for economic development investments and protection from competing land uses.

Along with our industrial businesses, the Monterey Corridor features commercial businesses primarily in the retail and hospitality sector. While these businesses were negatively impacted by the pandemic, we are seeing new and continued investment into these businesses along the

Monterey Corridor. Whether it is investments to revitalize a hotel currently in the planning process or a retail business expanding from Southern California, we are seeing more private investment into the Monterey Corridor and this trend will continue and accelerate as more recommendations from the report are implemented.

While the Monterey Corridor is an economic hub for the City, there is also opportunity for strategic residential development, including the Capitol Caltrain Station Area Plan which was approved this year with a target plan completion date next year. To preserve existing jobs and support job growth, residential development must be strategic, and I thank our Planning staff for their extensive evaluation of land uses within the Monterey Corridor to accomplish this.

The Monterey Corridor is also an emerging Sports and Recreation hub, providing additional economic growth opportunities and much needed open space for our residents along the Corridor. This includes significant investments into: Sharks Ice which just completed an expansion project making it the largest indoor ice rink under one roof in North America, San Jose State University's Athletic Facilities including the Spartan Athletic Center project, and the Santa Clara County Fairgrounds, which have entered Exclusive Negotiating Agreements with the San Jose Earthquakes, Major League Cricket, and San Jose State University to develop the Fairgrounds.

The City and other government agencies such as Santa Clara County, VTA, and Caltrain are also making significant investments into the Monterey Corridor to improve transportation, beautification, and economic development.

And while the pandemic created challenges and caused delays, I am incredibly proud and thankful for the so many staff, partners, stakeholders, and residents that committed to the improving the Monterey Corridor through the Monterey Corridor Working Group.

Thank you to the City Staff on this multi-departmental effort, specifically the City Manager's Office, Office of Economic Development, Department of Parks, Recreation and Neighborhood Services, Department of Planning, Building, and Code Enforcement, and Department of Transportation.

Thank you to Santa Clara County, Santa Clara Valley Transportation Authority, High Speed Rail, Santa Clara County Roads and Airports, and San Jose State University for their support and involvement to producing the report and recommendations.

Last but not least, thank you to our residents and stakeholders for their knowledge and feedback in developing this report: Residents Mulissa Willette and Russell Failing; Kristen Brown and Jason Baker representing Silicon Valley Leadership Group; Jon Gustafson and Richard Rocha representing Sharks Ice; Abe Andrade representing the Fairgrounds Management Corporation; Jim Zubillaga representing Coastal Lumber; Erik Schoennauer representing Granite Rock; Rene Ramirez representing HomeFirst; Jean Cohen and Will Smith representing the Mechanical, Electrical, Plumbing & Fire Sprinkler Union; Jill Rodby representing the Monterey Corridor Business Association; and Lisa Weis representing The Plant Management.

The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.