

# **Development Activity Highlights and Five-Year Forecast (2014-2018)**



**Prepared by:**

**City of San Jose  
Department of Planning, Building and Code Enforcement  
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# Development Activity Highlights and Five-Year Forecast (2014-2018)

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# **Development Activity Highlights and Five-Year Forecast (2014-2018)**

## **I. PURPOSE**

The *Development Activity Highlights and Five-Year Forecast (2014-2018)* is a report issued annually by the Department of Planning, Building and Code Enforcement. The report serves several functions. First, the report assists the Office of the City Manager in estimating future construction-related tax revenues that generate funds for the City's Capital Improvement Program. Second, the report provides City policymakers and staff with key data for periodic assessment of the rate, type, and location of development activity in San Jose. Lastly, the report is a tool for distributing information on major development projects to the general public.

## **II. SUMMARY**

Development in San Jose has clearly rebounded over the past two years right alongside notable improvements in the local economy. News headlines have celebrated the fact that San Jose just eclipsed the number of jobs that it had before the recent recession—a key milestone that only a small number of cities nationwide can claim. But this recovery has not yet translated into a comparable increase in construction activity. Specifically, while residential development has seen a strong resurgence, non-residential development has failed to attract levels of investment commensurate with a full-fledged economic recovery. In particular, there is yet to be any significant amount of new retail and office construction, and tenant improvements (alterations) are showing only a very subtle uptrend.

Fortunately, several high-profile economic development projects are now in the entitlement process. It is unclear that this anticipated growth will be sustainable, and accordingly this forecast is based on a conservative view of the future. For historical context, this outlook anticipates a significantly different recovery cycle than was experienced during prior economic/construction cycles over the past 15-20 years: (1) Technology Boom (1996-2003), an extremely robust era when annual construction valuation was generally in the \$1.0 to \$1.5 billion range (peaking at an incredible \$2.0 billion in 2000); and, (2) Housing Boom (2003-2008), a slower but steadier stretch when annual construction valuation was about \$900 million, and strength in residential activity somewhat offset slack in non-residential activity.

In consideration of the various economic factors that have resulted in subdued development these past five years, analysis suggests only moderate activity levels going forward, with permit valuation of approximately \$750-\$800 million per year. The following summary discusses current development activity and trends for each major land use category (residential, commercial, and industrial), providing some insight as to what may occur over the forecast period (2014-2018).

## **Residential Development**

- *New housing production in San Jose exceeded 4,000 dwelling units per year during the late-1990's, and then declined to an average of just over 3,000 units per year from 2001-2006. With onset of the recent recession, activity dropped off sharply to about half the prior pace, or an average of 1,500 units per year. However, beginning in late-2010/early-2011, activity began to rebound, with fiscal year 2011/12 reaching a five-year high of 2,973 units (well above the staff forecast of 2,000 units).*
- *Staff forecasts that residential construction activity will slow from last year's spike. While apartment activity to-date has remained quite strong, and some limited for-sale development has begun to emerge, a recent flattening of occupancy and rental rate trends suggest greater caution ahead. San Jose rents have been steadily rising at a 10%-plus rate for the last three consecutive years so that affordability is a growing concern. Furthermore, with heightened job security, property values rebounding (yet still well below the peak), and record low interest rates, some tenants will no doubt find home ownership an increasingly attractive alternative, thereby suppressing future rental demand.*
- *Over the five-year forecast period, new construction activity is expected to continue at the relatively moderate pace of 2,250 to 2,500 units per year. High-density, multi-family housing should comprise roughly 90% of all units, and include more high-rise development in Downtown. With many reputable builders having used the recent downturn as an opportunity to position themselves for the future, it seems clear that momentum in new housing construction will continue over the near term.*

## **Commercial Development**

- *After a five-year-long boom in commercial construction activity that spanned the late-1990's to early 2000's, during which time total permit valuation averaged over \$500 million per year, activity since has generally averaged less than half that level. In fiscal year 2011/12, commercial construction activity was flat overall from the prior year, with new construction at its lowest level in almost 20 years offset by tenant improvements (alterations) that rose to a four-year high. Activity was in-line with the staff forecast (\$225 million).*
- *Staff forecasts that commercial construction activity for fiscal year 2012/13 will continue the moderate levels of the "post boom" era, with total permit valuation amounting to \$225 million. This activity will be driven by some limited amount of new construction, but primarily steady tenant improvements (alterations) activity, which should once again make up the majority of building permit valuation.*
- *For the five-year forecast period, commercial construction activity is forecast to remain flat. While an economic recovery has clearly taken hold in the Bay Area, this*

*recovery is uneven, with the majority of near-term office and retail development occurring in locations further north (i.e., San Francisco and the Peninsula). However, several mixed use/employment center projects (e.g., Hitachi, Flea Market, etc.) have begun initial site preparations, and other retail-only projects (e.g., Almaden Ranch, Sun Garden, etc.) should move forward as well. Even so, these projects will not result in any significant change to the flat activity trend.*

### **Industrial Development**

- *Similar to commercial activity, industrial construction activity averaged nearly \$500 million per year in permit valuation over the five-year period of 1997-2001. Since that time, however, activity has registered just a small fraction of that figure, dipping to sub-\$100 million lows following the Great Recession. In fiscal year 2011/12, as with commercial development, industrial activity was mixed—new construction remained near an almost decade low, yet tenant improvements (alterations) rose to a four-year high. Overall, activity amounted to \$136 million, slightly above the staff forecast of \$125 million.*
- *Staff finds industrial construction activity in the early stages of a modest, multi-year rebound in fiscal year 2012/13, with total permit valuation reaching \$200 million in the current fiscal year. In the near term, this increase is essentially guaranteed, as year-to-date activity has been boosted by Cisco Systems’ construction of two four-story parking garages (at their main “Site 4” campus), and a few notable alterations projects involving interior building additions (e.g., Synaptics’ relocation to 1109-1251 McKay Drive in the International Business Park).*
- *Based on current activity trends, industrial construction will likely remain low over the forecast period. The most promising development proposal, just filed in early January, is Samsung Semiconductor’s plan to build a new 10-story office building at their existing site on the northwest corner of North First Street and Tasman Drive. Other projects of a speculative nature are not assumed to be moving forward within the forecast timeframe given persistently high vacancy rates and lease rates that are increasingly attractive but may not justify the associated risk. Tenant improvements should outpace new construction for some time to come, a pattern more typical of recessionary periods.*

### **III. FIVE-YEAR FORECAST (2014-2018)**

The Department of Planning, Building and Code Enforcement’s five-year forecast of development activity is summarized in Tables 1 and 2 (next page). Construction valuation is expected to fall roughly 10% from last year, totaling \$800 million during fiscal year 2012/13. A more gradual decline is expected throughout the remainder of the forecast period, as moderate activity levels should prevail in the absence of any new economic paradigm.

**Table 1**  
**Construction Valuation: FY 07/08 to FY 17/18**

Fiscal Year	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18
	<b><u>Actual Valuation<sup>1</sup> (in millions)</u></b>					<b><u>Projected Valuation (in millions)</u></b>					
<b><u>New Construction</u></b>											
Residential	\$171	\$129	\$88	\$317	\$431	\$300	\$275	\$275	\$300	\$300	\$300
Commercial	\$200	\$89	\$152	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75
Industrial	\$119	\$140	\$68	\$8	\$11	\$50	\$75	\$75	\$25	\$25	\$25
Subtotal	\$489	\$359	\$308	\$400	\$517	\$425	\$425	\$425	\$400	\$400	\$400
<b><u>Alterations</u></b>											
Residential	\$79	\$65	\$67	\$82	\$85	\$75	\$75	\$75	\$75	\$75	\$75
Commercial	\$170	\$144	\$124	\$153	\$167	\$150	\$150	\$150	\$150	\$150	\$150
Industrial	\$175	\$107	\$51	\$85	\$125	\$150	\$125	\$125	\$125	\$125	\$125
Subtotal	\$424	\$316	\$242	\$320	\$376	\$375	\$350	\$350	\$350	\$350	\$350
<b>GRAND TOTAL</b>	<b>\$914</b>	<b>\$675</b>	<b>\$550</b>	<b>\$719</b>	<b>\$894</b>	<b>\$800</b>	<b>\$775</b>	<b>\$775</b>	<b>\$750</b>	<b>\$750</b>	<b>\$750</b>
<b><u>Tax Exemptions</u></b>											
Residential	*	*	*	*	*	\$(50)	\$(50)	\$(50)	\$(50)	\$(50)	\$(50)
Commercial	*	*	*	*	*	\$(25)	\$(25)	\$(25)	\$(25)	\$(25)	\$(25)
Industrial	*	*	*	*	*	\$(25)	\$(25)	\$(25)	\$(25)	\$(25)	\$(25)
<b>Net Total (Taxable)</b>						<b>\$700</b>	<b>\$675</b>	<b>\$675</b>	<b>\$650</b>	<b>\$650</b>	<b>\$650</b>

\*Note: Data on actual tax exemptions not available at the time of this report.

<sup>1</sup>Valuation figures adjusted to 2012 dollars, per Bureau of Labor Statistics Consumer Price Index (CPI), San Jose-San Francisco-Oakland, all items index.

**Table 2**  
**Residential Units and Non-Residential Square Footage: FY 07/08 to FY 17/18**

Fiscal Year	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18
	<b><u>Actual<sup>1</sup></u></b>					<b><u>Projected</u></b>					
<b><u>Residential (Units)</u></b>											
Single-Family	245	160	103	66	140	250	250	250	250	250	250
Multi-Family	1,300	911	470	2,142	2,833	2,000	2,000	2,000	2,250	2,250	2,250
TOTAL	1,545	1,071	573	2,208	2,973	2,250	2,250	2,250	2,500	2,500	2,500
<b><u>Non-Residential (sq.ft., in thousands)</u></b>											
Commercial	1,250	1,000	750	500	500	500	500	500	500	500	500
Industrial	250	500	250	0	0	250	500	500	250	250	250
TOTAL	1,500	1,500	1,000	500	500	750	1,000	1,000	750	750	750

<sup>1</sup>NOTE: Data on residential units based on the Building Division's *Permit Fee Activity Report*.

Data on non-residential square footage estimated based on construction valuation in the Building Division's *Permit Fee Activity Report*.

## **IV. CONSTRUCTION TAXES AND EXEMPTIONS**

The City of San Jose imposes a series of construction-related taxes that are generally used to finance the construction and improvement of facilities and infrastructure systems that provide capacity beyond the needs attributed to a particular development. These taxes are in addition to cost-recovery fees charged for processing and reviewing applications for development approvals and permits. The largest construction-related tax revenue sources are described below.

### **Building and Structure Construction Tax**

The Building and Structure Construction Tax is imposed upon the construction, repair, or improvement of any building or structure where a building permit is required (except for authorized exemptions- see below). The proceeds from this tax are restricted in use to the provision of traffic capital improvements on major arterials and collectors, the acquisition of lands and interest in land, and the construction, reconstruction, replacement, widening, modification and alteration (but not maintenance) of City streets.

### **Construction Excise Tax**

The Construction Excise Tax is imposed upon construction, alteration, repair, or improvement of any residential or commercial structure (except for authorized exemptions- see below). The tax does not apply to industrial development. This is a general purpose tax that may be used for any “usual current expenses” of the City. The City Council has historically used the majority of these funds for traffic infrastructure improvements.

### **Residential Construction Tax**

The Residential Construction Tax is imposed upon any construction of a one-family dwelling unit or multi-family units or any mobile home lot in the City. This tax is collected and placed in a fund used to reimburse private entities that have constructed a portion of an arterial street that is wider than what is normally required in connection with residential development. The funds are also used to construct median landscaping and other street improvements.

### **Exemptions**

Certain construction-related tax exemptions are provided in San Jose. These exemptions apply only in certain areas and/or to certain types of land uses, and are generally designed to accomplish one of the following objectives:

1. Reduce the economic constraints involved in the development of housing in high risk areas and/or housing for very-low income households;

2. Implement a separately administered funding arrangement that finances infrastructure and public service needs in an area only with revenue generated by development in such area (e.g., Evergreen Specific Plan Area); and,
3. Provide exemptions required by State or Federal law (e.g., hospitals, churches).

Planning staff estimates that \$100 million in construction valuation will be exempted each year over the forecast period, or approximately 15% of total valuation during this time (see Table 1 on page 4).

## **V. MAJOR DEVELOPMENT ACTIVITY DATA**

Planning staff has collected a significant amount of data on development activity, which is the foundation for the five-year forecast contained in Section III of this report. These data focus on recent “major” projects with the highest likelihood to have the most significant impact on the forecast. Major projects are defined as residential projects greater than 50 dwelling units, commercial projects greater than 25,000 square feet, and industrial projects greater than 75,000 square feet. This data collection effort has identified over 23,000 dwelling units and approximately 13.5 million square feet of non-residential space submitted for Planning approval since January 1, 2008.

The development activity data on the following pages is first divided into three major land use categories-- residential, commercial, and industrial. Then, individual projects are divided into four subcategories based on project status— projects completed, projects under construction, approved projects (construction not yet commenced), and projects pending City approval.

**Major Residential Development Activity  
Projects of 50+ Dwelling Units, Submitted Since 1/1/08**

File Number	Filing Date	Project Name	Tracking APN	Street Location	Planning Area	Housing Type	No. of Units	Proj. Mgr	Approval Date
<b><u>Projects Completed</u></b>									
PDA07-006-03	12/12/08	Crescent Village Apts	097-33-113	SE/c Zanker & River Oaks	North	MF	1,750	MD	1/15/09
PDA08-039-01	7/7/09	University Villas Apts	230-14-026	N/s Campbell, 250' ely El Camino Real	West Valley	MF	138	LX	4/26/10
PD08-071	12/17/08	Santana Row (Levare)	277-40-011	NW/c Olin & Hatton	West Valley	MF	118	SZ	4/23/10
PD09-001	1/20/09	Brookwood Terrace Apts	472-05-075	S/s E. San Antonio, opp. S. 28th	Central	MF	84	SZ	6/15/09
<b>Total</b>							<b>2,090</b>		
<b><u>Projects Under Construction</u></b>									
PD08-056	8/29/08	Epic Apts	097-15-026	SE/c River Oaks & Seely	North	MF	769	ES	1/23/09
PD07-033	4/13/07	The Verdant/Latitude Apts	097-07-086	NW/c Zanker & Tasman	North	MF	704	JB	11/30/07
PD11-031	9/8/11	Vista Montana Park Apts	097-52-028	B/s Vista Montana, bet Tasman & N. 1st	North	MF	444	JH	10/14/11
PD08-001	1/7/08	Pepper Lane Mixed Use	254-15-072	SE/c Berryessa & Jackson	Alum Rock	MF	371	RM	10/10/08
PDA08-036-01	11/4/08	River Oaks Apts (West)	097-33-036	NE/c Zanker & River Oaks	North	MF	293	MD	12/19/08
PD11-025	3/11/11	Rosemary Family/Senior Apts	235-05-012	SE/c N. 1st & Rosemary	North	MF	290	LX	8/26/11
PD12-002	1/17/12	La Moraga Apts (Hitachi)	706-04-013	NE/c Cottle & Hwy 85	Edenvale	MF	275	JB	5/4/12
PDA07-090-02	5/26/11	Riverview Mixed Use (Phase 1)	097-06-038	W/s N. 1st, 450' sly Rio Robles	North	MF	271	LX	8/2/11
PD07-007	1/10/07	Fruitdale Station (Phase 2)	284-02-008	SE/c Southwest Expwy & Fruitdale	Willow Glen	MF	256	SM	3/21/08
PD07-088	10/9/07	Morrison Park Apts	261-01-054	SW/c Cinnabar & Stockton	Central	MF	250	LM	8/1/08
PDA05-066-01	11/3/11	Santana Row (Misora)	277-46-001	SE/c Winchester & Stevens Creek	West Valley	MF	220	LX	2/3/12
PD09-006	2/27/09	Meridian Mixed Use	277-20-006	SW/c W. San Carlos & Meridian	Central	MF	218	ES	6/8/09
PD12-040	9/14/12	Orvieto Family/Senior Apts <sup>1</sup>	455-09-064	W/s Monterey, 300' sly Umbarger	South	MF	198	LX	1/11/13
PD07-036	4/13/07	Baypointe Apts (North)	097-07-031	W/s Baypointe, 370' nly Tasman	North	MF	183	JB	11/30/07
PD08-023	3/11/08	Baypointe Apts (South)	097-07-072	NE/c Baypointe & Tasman	North	MF	174	JB	8/1/08
PD11-009	3/9/11	Vicino Townhomes	277-38-006	W/s S. Monroe, 450' nly Hwy 280	West Valley	SF	104	LX	9/30/11
PD11-003	1/21/11	Cottages at Mirassou	659-57-010	SW/c Ruby & Aborn	Evergreen	SF/MF	104	LX	7/29/11
PD09-033	10/21/09	Ford Apts	678-53-004	N/s Ford, 550' ely Monterey	Edenvale	MF	95	LX	7/16/10
PD11-023	7/21/11	Centered on Capitol Townhomes	589-19-063	NE/c N. Capitol & Sierra	Berryessa	MF	94	LX	11/18/11
PDA04-071-01	9/29/10	Mayfair Court Apts	481-18-013	W/s McCreery, 230' sly Alum Rock	Alum Rock	MF	93	JN	3/15/11

**Major Residential Development Activity  
Projects of 50+ Dwelling Units, Submitted Since 1/1/08**

File Number	Filing Date	Project Name	Tracking APN	Street Location	Planning Area	Housing Type	No. of Units	Proj. Mgr	Approval Date
PD10-024	11/2/10	Brookside Homes	575-02-027	W/s Guadalupe Mines, 2000' sly Camden	Almaden	SF	89	LX	9/16/11
PD11-008	3/7/11	Westbury Homes	464-22-030	N/s Blossom Hill, 250' ely Cahalan	Edenvale	SF	86	LX	9/7/11
PD05-045	6/22/05	Oakwood Apts (annex)	299-37-031	SE/c Saratoga & Blackford	West Valley	MF	84	RR	9/28/05
PD10-026	11/5/10	Messina Gardens (Phase 2)	254-06-037	SW/c N. Capitol & Mabury	Alum Rock	MF	77	JN	6/10/11
PD11-026	7/28/11	The Meridian at Willow Glen	447-05-012	NE/c Hillsdale & Yucca	Willow Glen	SF	51	ME	11/18/11
<b>Total</b>							<b>5,793</b>		

**Approved Projects (Construction Not Yet Commenced)**

PDC09-006	1/27/09	Flea Market Mixed Use	254-17-084	Both sides Berryessa, wly UP railroad	Berry./Alum Rock	SF/MF	2,082	LX	10/20/09
PD07-090	10/23/07	Riverview Mixed Use	097-06-038	W/s N. 1st, 450' sly Rio Robles	North	MF	1,308	JB	4/4/08
PDC07-015	2/15/07	Newbury Park Mixed Use	254-04-076	NE/c N. King & Dobbin	Alum Rock	SF/MF	972	AB	12/18/07
PD05-087	11/18/05	Hitachi Site Mixed Use	706-04-013	NE/c Cottle & Hwy 85	Edenvale	SF/MF	936	JR	6/2/06
PD12-039	10/11/12	South Village (Hitachi)	706-04-013	NE/c Cottle & Hwy 85	Edenvale	SF/MF	836	JB	12/20/12
PD12-035	8/15/12	Village Park Apts (Hitachi)	706-04-013	NE/c Cottle & Hwy 85	Edenvale	MF	649	JB	12/20/12
PD11-030	9/8/11	Tasman Apts	097-52-013	B/s Vista Montana, bet Tasman & N. 1st	North	MF	554	JH	10/14/11
PDC08-061	11/3/08	Ohlone Mixed Use	264-14-131	SW/c W. San Carlos & Sunol	Central	MF	537	ME	11/9/10
PDC12-009	4/4/12	Santana Row	277-33-004	SE/c Winchester & Stevens Creek	West Valley	SF/MF	456	LX	8/7/12
PD12-009	3/1/12	Verona/Vicenza at Montecito Vista	455-09-062	W/s Monterey, 300' sly Umbarger	South	MF	439	SD	11/30/12
PD12-007	2/16/12	River Oaks Apts (East)	097-33-102	N/s River Oaks, 200' ely Research	North	MF	438	LX	5/25/12
PDC05-101	10/14/05	Vendome Place	259-05-024	NW/c N. 1st & Taylor	Central	MF	433	LX	4/17/12
PDC08-036	6/20/08	Libitzky Mixed Use	249-09-001	NW/c N. 10th & E. Taylor	Central	MF	403	LX	1/25/11
H07-008	2/16/07	The Carlisle Apts	259-35-007	SW/c N. Almaden & W. St. John	Central	MF	347	MS	12/7/07
PD08-027	4/4/08	Flea Market (North, Phase 1)	254-17-084	Both sides Berryessa, wly UP railroad	Berry./Alum Rock	SF	242	LX	12/15/10
PDA11-007-02	8/8/12	The Collection Townhomes	237-03-070	SW/c E. Brokaw & Oakland	Berryessa	SF	240	LX	11/20/12
PD12-028	6/26/12	Cottle Station Mixed Use (Hitachi)	706-04-013	NE/c Cottle & Hwy 85	Edenvale	MF	234	JB	11/19/12
PD08-046	7/16/08	Century Center Mixed Use (Phase 1)	230-29-022	SW/c N. 1st & Century Center	North	MF	220	LX	4/29/11
PDC09-002	1/8/09	Century Center Mixed Use (Phase 2)	230-29-022	SW/c N. 1st & Century Center	North	MF	220	LX	8/25/09
H09-004	2/11/09	Donner Lofts	467-20-018	SE/c E. St. John & N. 4th	Central	MF	156	SZ	10/9/09
CP11-034	5/10/11	North San Pedro Apts	259-23-016	NE/c Hwy 87 & Bassett	Central	MF	135	LX	12/14/11

**Major Residential Development Activity  
Projects of 50+ Dwelling Units, Submitted Since 1/1/08**

File Number	Filing Date	Project Name	Tracking APN	Street Location	Planning Area	Housing Type	No. of Units	Proj. Mgr	Approval Date
PDC08-067	12/23/08	Summerwind Apts (annex)	477-19-060	NW/c McLaughlin & Summerside	South	MF	103	LX	9/18/12
PD11-011	3/14/11	Markham Terrace Apts	477-23-021	E/s Monterey, 700' nly Tully	South	MF	102	LX	7/15/11
PDC09-033	12/17/09	Senter Road Family Apts	497-41-098	E/s Senter, 600' sly Tully	South	MF	102	LX	9/21/10
PDA04-076-02	12/16/11	Ajisai Gardens Apts	249-37-006	SE/c E. Taylor & N. 7th	Central	MF	102	LX	6/1/12
PD04-103	5/10/04	Fiesta Senior Apts	274-14-142	NE/c W. San Carlos & Buena Vista	Central	MF	95	EM	8/25/04
PD08-015	2/11/08	Japantown Senior Apts	249-39-011	W/s N. 6th, 200' sly E. Taylor	Central	MF	85	SZ	5/7/10
PDA07-013-01	3/26/12	22nd & William Townhomes	472-01-021	S/s William, 350' wly S. 24th	Central	SF	67	LX	7/9/12
PD09-030	10/2/09	Westmount Square	249-09-009	SE/c E. Mission & N. 10th	Central	SF	60	SZ	11/30/09
PD09-039	11/23/09	Edwards Mixed Use	264-37-060	SW/c Edwards & S. 1st	Central	MF	50	SZ	7/2/10

**Total**

**12,603**

**Projects Pending City Approval**

PDC12-028	11/21/12	iStar Site Mixed Use	706-08-008	NW/c Monterey & Hwy 85	Edenvale	SF/MF	720	JB	---
PD12-031	7/18/12	Flea Market (North, Phase 2)	254-17-084	Both sides Berryessa, wly UP railroad	Berry./Alum Rock	MF	494	LX	---
H12-020	1/16/13	San Pedro Square	259-32-044	SE/c Bassett & Terraine	Central	MF	406	JR	---
H12-022	1/9/13	One South Market Apts	259-40-093	SW/c Market & Santa Clara	Central	MF	312	SD	---
PD12-013	3/29/12	Ohlone Mixed Use (Phase 1)	264-14-131	SW/c W. San Carlos & Sunol	Central	MF	263	ME	---
PDA08-029-01	9/13/12	Virginia Terrace Condos	472-18-051	SW/c E. Virginia & S. 6th	Central	MF	238	LX	---
PD12-008	3/1/12	Murano at Montecito Vista	455-09-060	W/s Monterey, 300' sly Umbarger	South	MF	191	SD	---
PD12-036	8/14/12	North Tenth Street Apts	249-08-004	W/s N. 10th, bet Vestal & E. Mission	Central	MF	166	LX	---
PDC11-005	4/7/11	Race Street Terrace	261-42-072	Bet. Race & Grand, 300' sly Park	Central	MF	70	LX	---

**Total**

**2,860**

**GRAND TOTAL**

**23,346**

Footnotes: (1) Includes PD08-061 (92 units)

File Number Prefixes: PDC= Planned Development Rezoning; PD= Planned Development Permit; H= Site Development Permit; CP= Conditional Use Permit

**Major Commercial Development Activity  
Projects of 25,000+ Square Feet, Submitted Since 1/1/08**

<b>File Number</b>	<b>Filing Date</b>	<b>Project Name</b>	<b>Tracking APN</b>	<b>Street Location</b>	<b>Planning Area</b>	<b>Square Footage (approx.)</b>	<b># of New Guest Rooms</b>	<b>Proj. Mgr</b>	<b>Approval Date</b>
<b><u>Projects Completed</u></b>									
SP08-046	8/14/08	Equinix (Phase 1)	706-09-102	NW/c Great Oaks & Hwy 85	Edenvale	125,000		SD	10/9/09
CP08-071	8/29/08	Hyatt House	097-03-138	SE/c N. 1st & Hwy 237	North	116,000	160	CB	12/10/08
PD10-025	11/5/10	M8trix Casino/Hotel (Phase 1)	230-29-065	SE/c Airport & Old Bayshore	North	89,000		JH	3/18/11
PD08-054	8/12/08	Samaritan Medical Center	421-37-012	NE/c Samaritan & S. Bascom	Cambrian/Pioneer	75,000		ES	3/24/09
PD09-021	6/11/09	Bellarmino (Academic Building)	261-11-005	NE/c Elm & Emory	Central	55,000		SD	11/13/09
PD09-040	12/2/09	Valley Christian Schools	684-05-019	Ely term. Skyway	Edenvale	50,000		JC	8/25/10
PD09-018	5/7/09	Lincoln Office/Retail	429-06-070	SE/c Lincoln & Willow	Willow Glen	41,000		SZ	5/21/10
PD10-011	6/15/10	Bellarmino (Life Center/Gym)	261-11-005	NE/c Elm & Emory	Central	40,000		JN	1/14/11
<b>Total</b>						<b>591,000</b>	<b>160</b>		
<b><u>Projects Under Construction</u></b>									
SP09-057	9/16/09	Zero Waste Facility	015-38-005	N/s Los Esteros, term Grand	Alviso	283,000		RB	12/22/11
PDA07-049-01	12/28/11	Coleman Landings <sup>1</sup>	230-46-068	NW/c Coleman & Newhall	North	252,000		SD	2/3/12
CP08-057	6/26/08	Brokaw Commons	237-03-074	NW/c Oakland & Brokaw	Berryessa	102,000		ES	10/22/08
CP10-059	11/9/10	Courtyard Marriott @ First	097-14-108	SE/c N. 1st & Hwy 237	North	99,000	157	JN	4/20/11
PD07-007	1/10/07	Fruitdale Station (Phase 2)	284-02-008	SE/c Southwest Expwy & Fruitdale	Willow Glen	30,000		SM	3/21/08
PD07-055	6/6/07	SBIA Evergreen Center/Mosque	652-13-001	E/s Ruby, 250' nly Murillo	Alum Rock	28,000		JB	3/21/08
PD10-027	11/22/10	Chinmaya Mission	612-53-046	NE/c Clayton & Hickerson	Alum Rock	26,000		JC	3/21/11
PD11-013	5/5/11	Foxworthy Retail	451-06-066	NW/c Almaden & Hillsdale	Willow Glen	25,000		JN	7/15/11
PD07-033	4/13/07	The Verdant/Latitude Apts	097-07-086	NW/c Zanker & Tasman	North	25,000		JB	11/30/07
H10-018	9/17/10	First United Methodist Church	467-19-078	NE/c E. Santa Clara & N. 5th	Central	24,000		LX	4/8/11
<b>Total</b>						<b>894,000</b>	<b>157</b>		

**Major Commercial Development Activity  
Projects of 25,000+ Square Feet, Submitted Since 1/1/08**

File Number	Filing Date	Project Name	Tracking APN	Street Location	Planning Area	Square Footage (approx.)	# of New Guest Rooms	Proj. Mgr	Approval Date
<b><u>Approved Projects (Construction Not Yet Commenced)</u></b>									
PDC12-019	7/24/12	M8trix Casino/Hotel	230-29-065	SE/c Airport & Old Bayshore	North	709,000	600	SY	8/28/12
PD11-024	7/20/11	Almaden Ranch	458-17-018	SE/c Almaden & Chynoweth	Cambrian/Pioneer	377,000		LX	5/19/12
PDC09-017	6/2/10	Harker School (Upper Campus)	303-25-001	NE/c Saratoga & Hwy 280	West Valley	316,000		JC	9/27/11
PD12-015	4/13/12	Village Oaks (Hitachi)	706-04-013	NE/c Cottle & Hwy 85	Edenvale	308,000		JB	9/27/12
PDC09-006	1/27/09	Flea Market Mixed Use	254-17-084	Both sides Berryessa, wly UP railroad	Berry./Alum Rock	262,000		LX	10/20/09
PD11-027	8/2/11	Sun Garden Retail Center	477-07-013	E/s Monterey, 300' sly E. Alma	Central	257,000		JC	10/21/11
PD12-014	4/4/12	Santana Row	277-33-004	SE/c Winchester & Stevens Creek	West Valley	230,000		LX	10/26/12
PD08-062	6/23/08	Marriott Residence Inn	230-29-109	SW/c N. 1st & Skyport	North	216,000	321	JD	2/10/09
PD09-016	4/23/09	Regional Medical Center (Phase 2A)	481-05-021	SW/c McKee & N. Jackson	Alum Rock	161,000		SD	11/4/09
H08-044	12/5/08	Askari Self Storage	241-12-012	E/s Oakland, 350' sly Service	Berryessa	103,000		JC	6/24/11
PDC12-009	4/4/12	Santana Row	277-33-004	SE/c Winchester & Stevens Creek	West Valley	80,000		LX	8/7/12
PD08-018	2/20/08	Orchard Supply Hardware	447-05-018	E/s Yucca, bet Foxworthy & Hillsdale	Willow Glen	51,000		ES	8/15/08
PD07-090	10/23/07	Riverview Mixed Use	097-06-038	W/s N. 1st, 450' sly Rio Robles	North	45,000		JB	4/4/08
PD07-039	4/25/07	Whole Foods Market	261-01-098	NW/c The Alameda & Stockton	Central	44,000		HL	9/28/07
SP08-046	8/14/08	Equinix (Phase 2)	706-09-102	NW/c Great Oaks & Hwy 85	Edenvale	40,000		SD	10/9/09
PDC08-061	11/3/08	Ohlone Mixed Use	264-14-131	SW/c W. San Carlos & Sunol	Central	30,000		ME	11/9/10
PD08-001	1/7/08	Pepper Lane Mixed Use	254-15-072	SE/c Berryessa & Jackson	Alum Rock	30,000		RM	10/10/08
PDC07-015	2/15/07	Newbury Park Mixed Use	254-04-076	NE/c N. King & Dobbin	Alum Rock	25,000		AB	12/18/07
<b>Total</b>						<b>3,284,000</b>	<b>921</b>		

**Projects Pending City Approval**

PD12-019	7/19/12	Coleman Highline Office	230-46-062	NW/c Coleman & Newhall	North	683,000		JB	---
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**Major Commercial Development Activity  
Projects of 25,000+ Square Feet, Submitted Since 1/1/08**

<b>File Number</b>	<b>Filing Date</b>	<b>Project Name</b>	<b>Tracking APN</b>	<b>Street Location</b>	<b>Planning Area</b>	<b>Square Footage (approx.)</b>	<b># of New Guest Rooms</b>	<b>Proj. Mgr</b>	<b>Approval Date</b>
PDC12-028	11/21/12	iStar Site Mixed Use	706-08-008	NW/c Monterey & Hwy 85	Edenvale	414,000		JB	---
PDC10-022	10/26/10	The Plaza at Evergreen	670-29-020	W/s Capitol, 1500' sly Quimby	Evergreen	200,000		JB	---
PD08-069	11/26/08	Flea Market Mixed Use (North)	254-17-084	Both sides Berryessa, wly UP railroad	Berry./Alum Rock	104,000		LX	---
PD11-021	6/27/11	Santana Office Park	277-38-002	W/s S. Monroe, 450' nly Hwy 280	West Valley	90,000		LX	---
<b>Total</b>						<b>1,491,000</b>	<b>-</b>		
<b>GRAND TOTAL</b>						<b>6,260,000</b>	<b>1,238</b>		

Footnotes: (1) Includes PDA08-040-01 (17,750 sq.ft.)

File Number Prefixes: H= Site Development Permit; CP= Conditional Use Permit; PDC= Planned Development Rezoning; PD= Planned Development Permit

**Major Industrial Development Activity  
Projects of 75,000+ Square Feet, Submitted Since 1/1/08**

<b>File Number</b>	<b>Filing Date</b>	<b>Project Name</b>	<b>Tracking APN</b>	<b>Street Location</b>	<b>Planning Area</b>	<b>Square Footage (approx.)</b>	<b>Proj. Mgr</b>	<b>Approval Date</b>
<b><u>Projects Completed</u></b>								
H09-002	1/14/09	Brocade (Phase 1)	097-03-139	SE/c N. 1st & Hwy 237	North	<u>580,000</u>	CB	10/9/09
<b>Total</b>						<b>580,000</b>		
<b><u>Projects Under Construction</u></b>								
SP11-046	11/29/11	Public Storage	477-22-028	SW/c Tully & Old Tully	South	<u>115,000</u>	JB	3/29/12
<b>Total</b>						<b>115,000</b>		
<b><u>Approved Projects (Construction Not Yet Commenced)</u></b>								
PD12-024	6/4/12	North First Campus	101-02-011	SW/c N. 1st & Component	North	2,800,000	JB	11/5/12
H12-008	5/17/12	101 Tech	101-03-007	Wly term. Atmel, 200' nly Hwy 101	North	666,000	SD	10/22/12
PD00-027	3/2/00	237@First	015-39-006	NW/c N. 1st & Hwy 237	Alviso	612,000	AC	6/19/00
PD08-030	4/22/08	Skyport Plaza (Phase 2)	230-29-056	W/s N. 1st bet Skyport & Sonora	North	558,000	JB	8/8/08
H08-002	1/8/08	Boston Properties (Zanker)	097-33-104	NE/c Zanker & Montague	North	533,000	CB	12/17/08
H09-002	1/14/09	Brocade (Phase 2)	097-03-139	SE/c N. 1st & Hwy 237	North	420,000	CB	10/9/09
PD07-081	9/18/07	Legacy on 101 Office	101-02-015	W/s Orchard, 750' nly Charcot	North	<u>398,000</u>	JB	12/21/07
<b>Total</b>						<b>5,987,000</b>		
<b><u>Projects Pending City Approval</u></b>								
H13-001	1/3/13	Samsung Semiconductor	097-53-026	NW/c N. 1st & Tasman	North	<u>680,000</u>	SD	---
<b>Total</b>						<b>680,000</b>		
<b>GRAND TOTAL</b>						<b>7,362,000</b>		

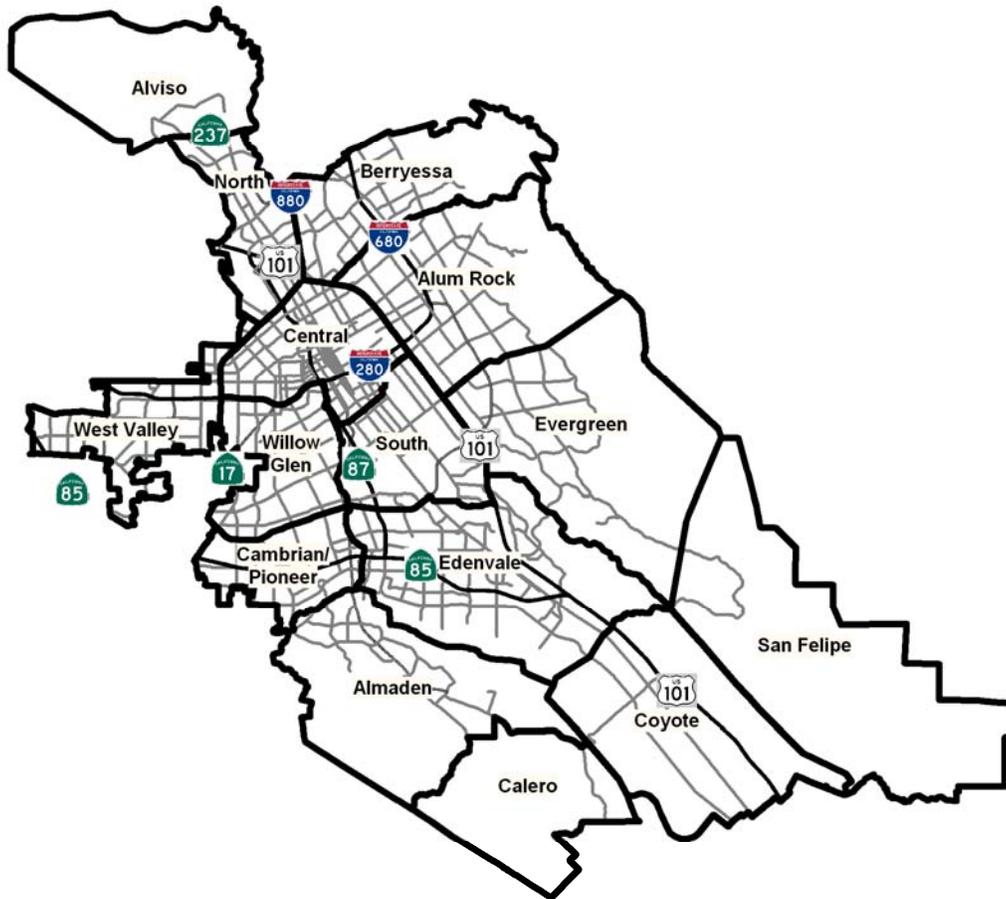
Footnotes:

File Number Prefixes: H= Site Development Permit; CP= Conditional Use Permit; PDC= Planned Development Rezoning; PD= Planned Development Permit

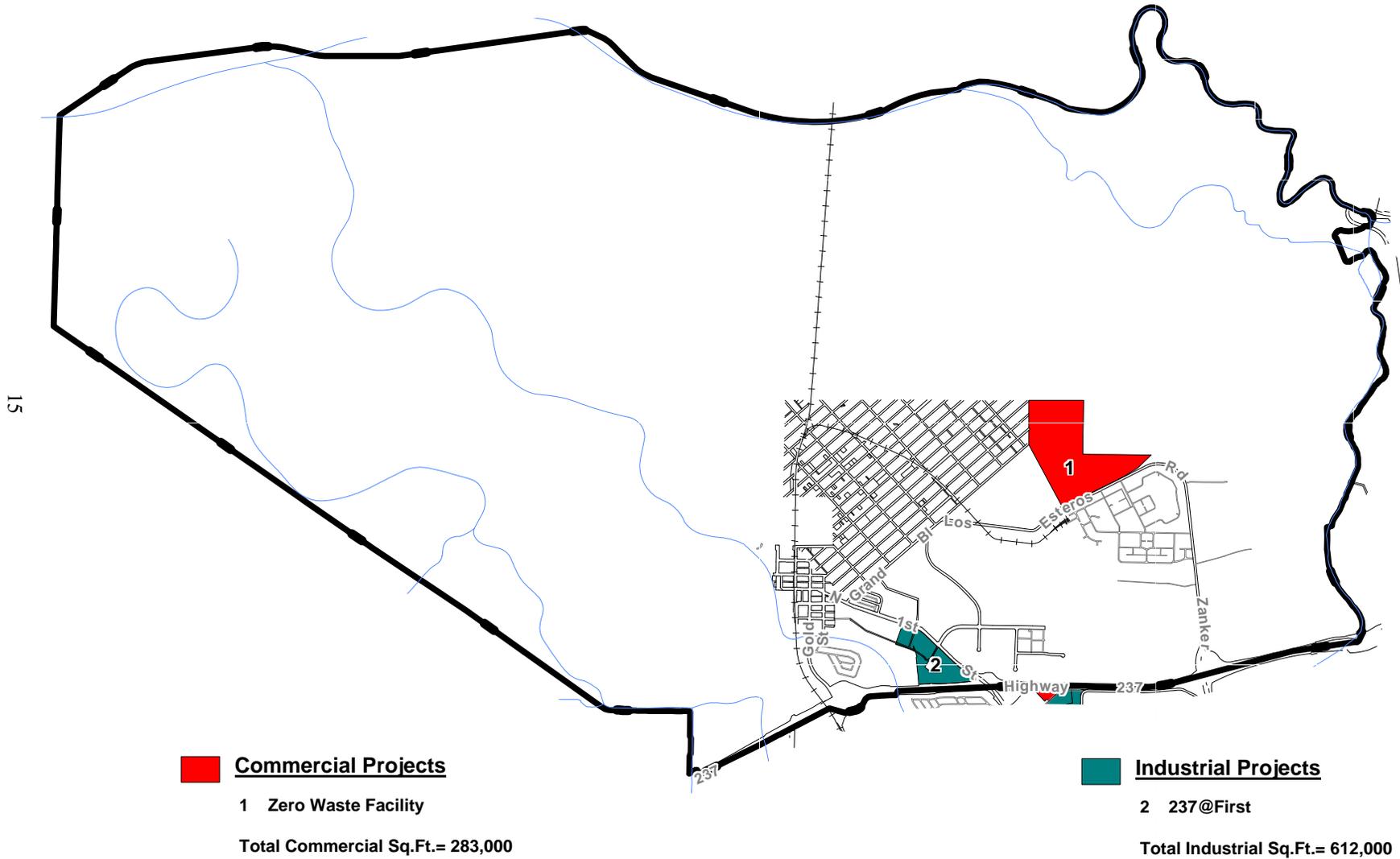
## VI. MAJOR DEVELOPMENT ACTIVITY MAPS (PLANNING AREAS)

San Jose is divided into a total of fifteen (15) planning areas (see Figure 1, below). The individual planning area maps that follow include projects in all status categories submitted since January 1, 2008. These maps can be used in conjunction with the data contained in Section V of this report to allow closer analysis of the rate, type, and location of major development activity in the City. (Note: map exhibits are not provided for the Calero, Coyote, or San Felipe planning areas, as no major development activity occurred there and/or these areas are outside the City's Urban Service Area and Urban Growth Boundary).

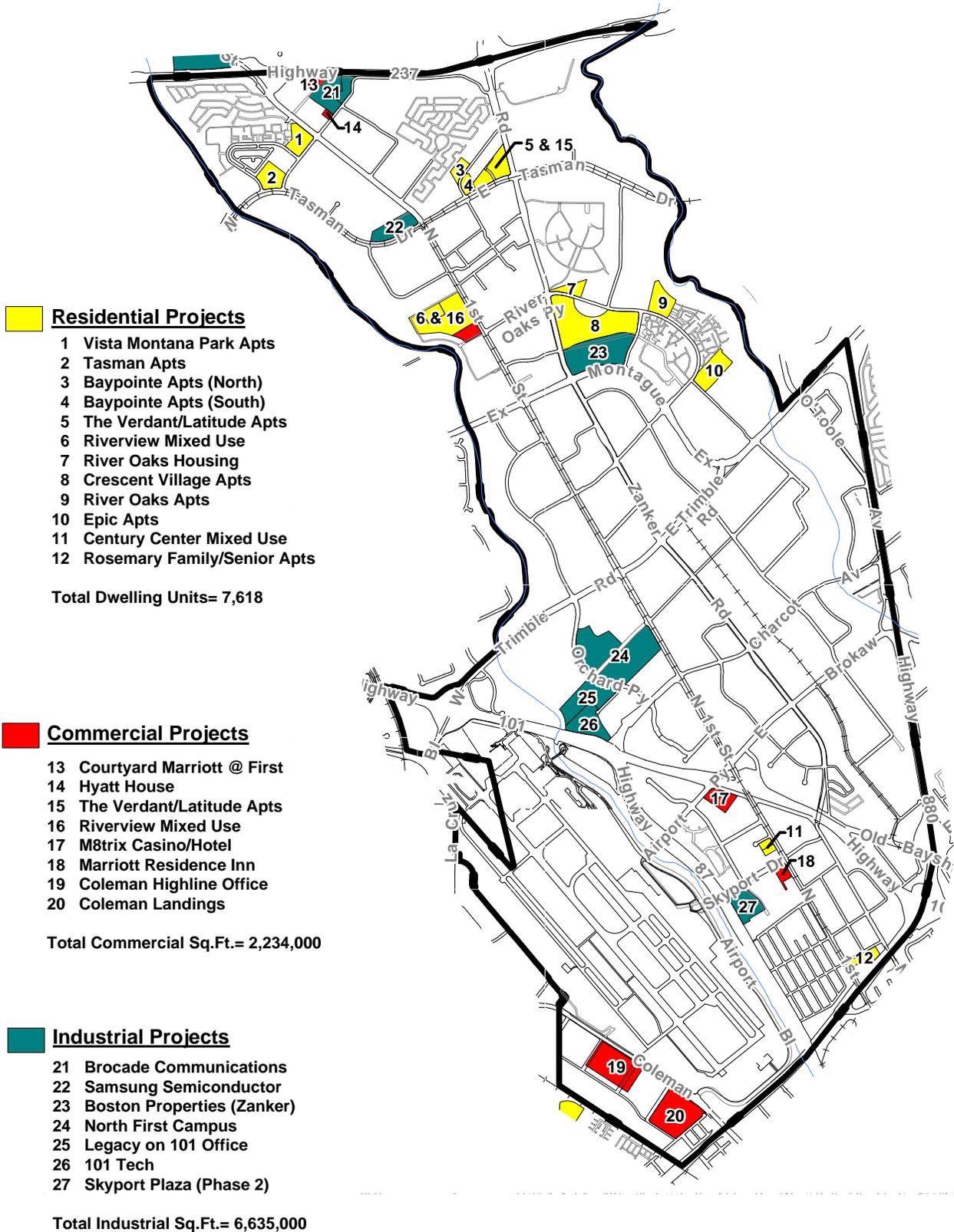
Figure 1: San Jose Planning Areas



# Alviso Planning Area Major Development Activity



# North Planning Area Major Development Activity

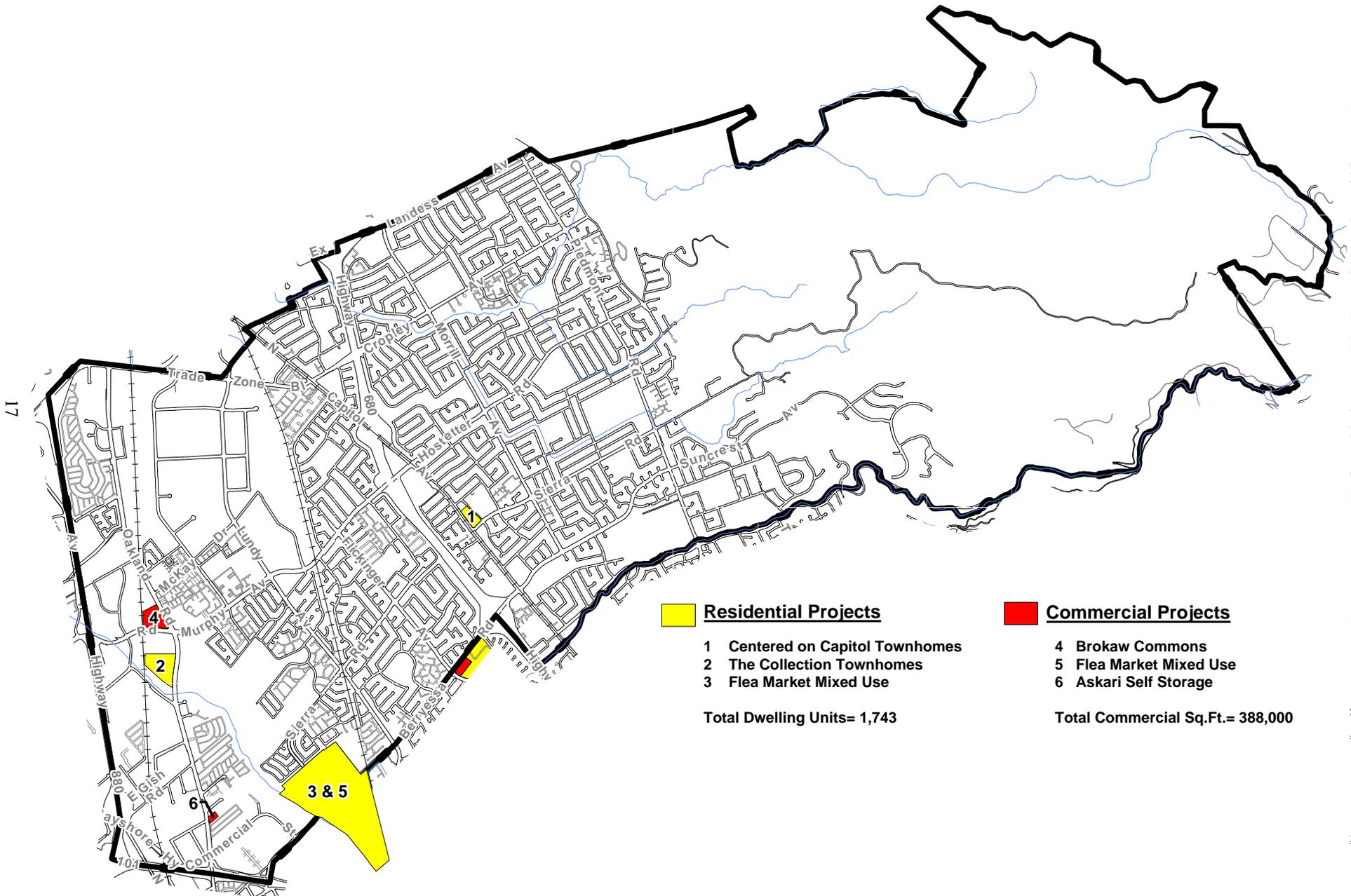


- Residential Projects**
- 1 Vista Montana Park Apts
  - 2 Tasman Apts
  - 3 Baypointe Apts (North)
  - 4 Baypointe Apts (South)
  - 5 The Verdant/Latitude Apts
  - 6 Riverview Mixed Use
  - 7 River Oaks Housing
  - 8 Crescent Village Apts
  - 9 River Oaks Apts
  - 10 Epic Apts
  - 11 Century Center Mixed Use
  - 12 Rosemary Family/Senior Apts
- Total Dwelling Units= 7,618

- Commercial Projects**
- 13 Courtyard Marriott @ First
  - 14 Hyatt House
  - 15 The Verdant/Latitude Apts
  - 16 Riverview Mixed Use
  - 17 M8trix Casino/Hotel
  - 18 Marriott Residence Inn
  - 19 Coleman Highline Office
  - 20 Coleman Landings
- Total Commercial Sq.Ft.= 2,234,000

- Industrial Projects**
- 21 Brocade Communications
  - 22 Samsung Semiconductor
  - 23 Boston Properties (Zanker)
  - 24 North First Campus
  - 25 Legacy on 101 Office
  - 26 101 Tech
  - 27 Skyport Plaza (Phase 2)
- Total Industrial Sq.Ft.= 6,635,000

# Berryessa Planning Area Major Development Activity



# Central Planning Area Major Development Activity



**Residential Projects**

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>1 North Tenth Street Apts</li> <li>2 Libitzky Mixed Use</li> <li>3 Westmount Square</li> <li>4 Vendome Place</li> <li>5 Japantown Senior Apts</li> <li>6 Ajisai Gardens Apts</li> <li>7 North San Pedro Apts</li> <li>8 San Pedro Condos</li> <li>9 Donner Lofts</li> <li>10 The Carlyle Apts</li> <li>11 One South Market Apts</li> </ul> | <ul style="list-style-type: none"> <li>12 Morrison Park Apts</li> <li>13 Brookwood Terrace Apts</li> <li>14 22nd &amp; William Housing</li> <li>15 Fiesta Senior Apts</li> <li>16 Meridian Mixed Use</li> <li>17 Race Street Terrace</li> <li>18 Ohlone Mixed Use</li> <li>19 Virginia Terrace Condos</li> <li>20 Edwards Mixed Use</li> </ul> |
|---|--|

Total Dwelling Units= 4,477

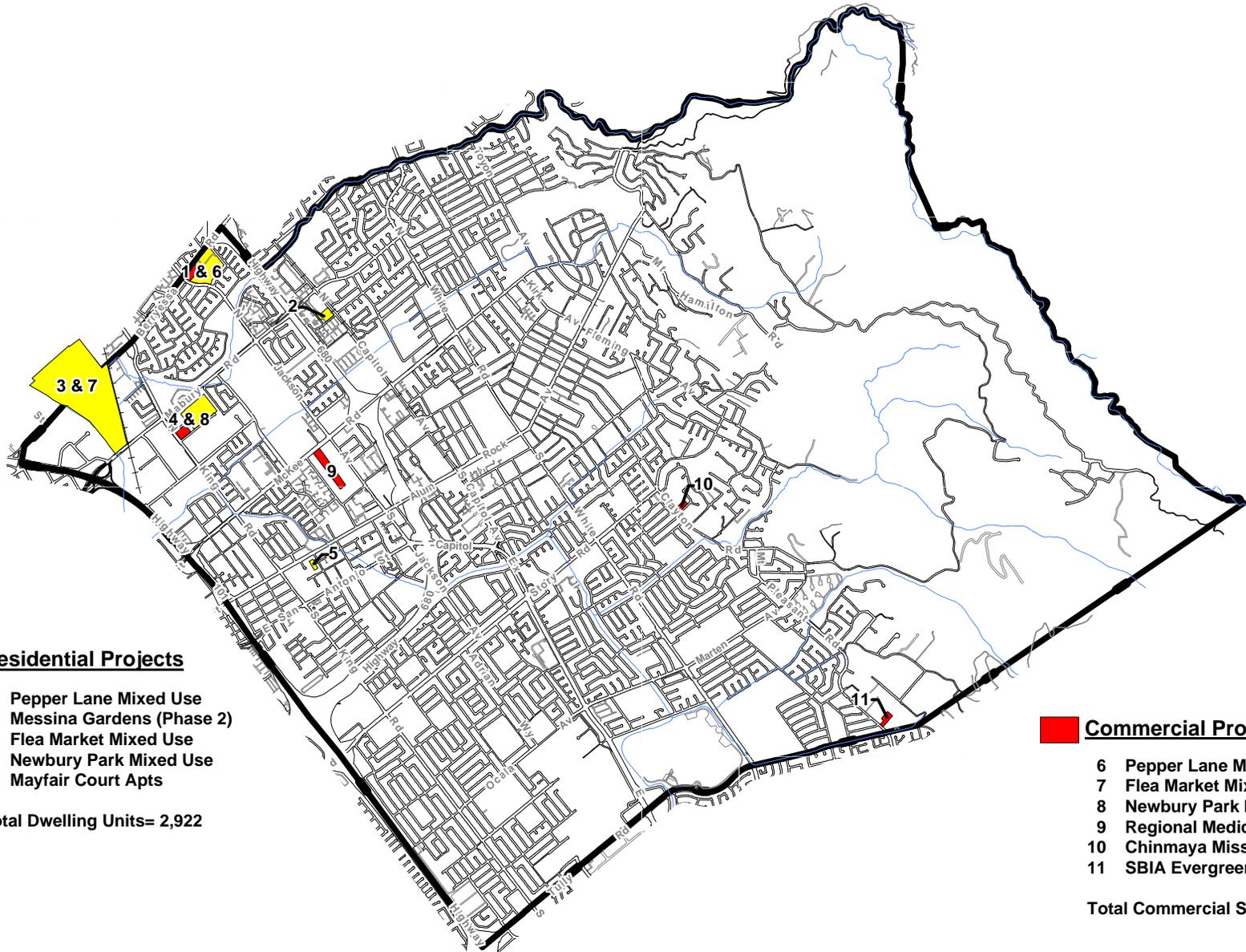
**Commercial Projects**

- 21 Bellarmine College Preparatory
- 22 First United Methodist Church
- 23 Whole Foods Market
- 24 Ohlone Mixed Use
- 25 Sun Garden Retail Center

Total Commercial Sq.Ft.= 450,000

# Alum Rock Planning Area Major Development Activity

19



**Residential Projects**

- 1 Pepper Lane Mixed Use
- 2 Messina Gardens (Phase 2)
- 3 Flea Market Mixed Use
- 4 Newbury Park Mixed Use
- 5 Mayfair Court Apts

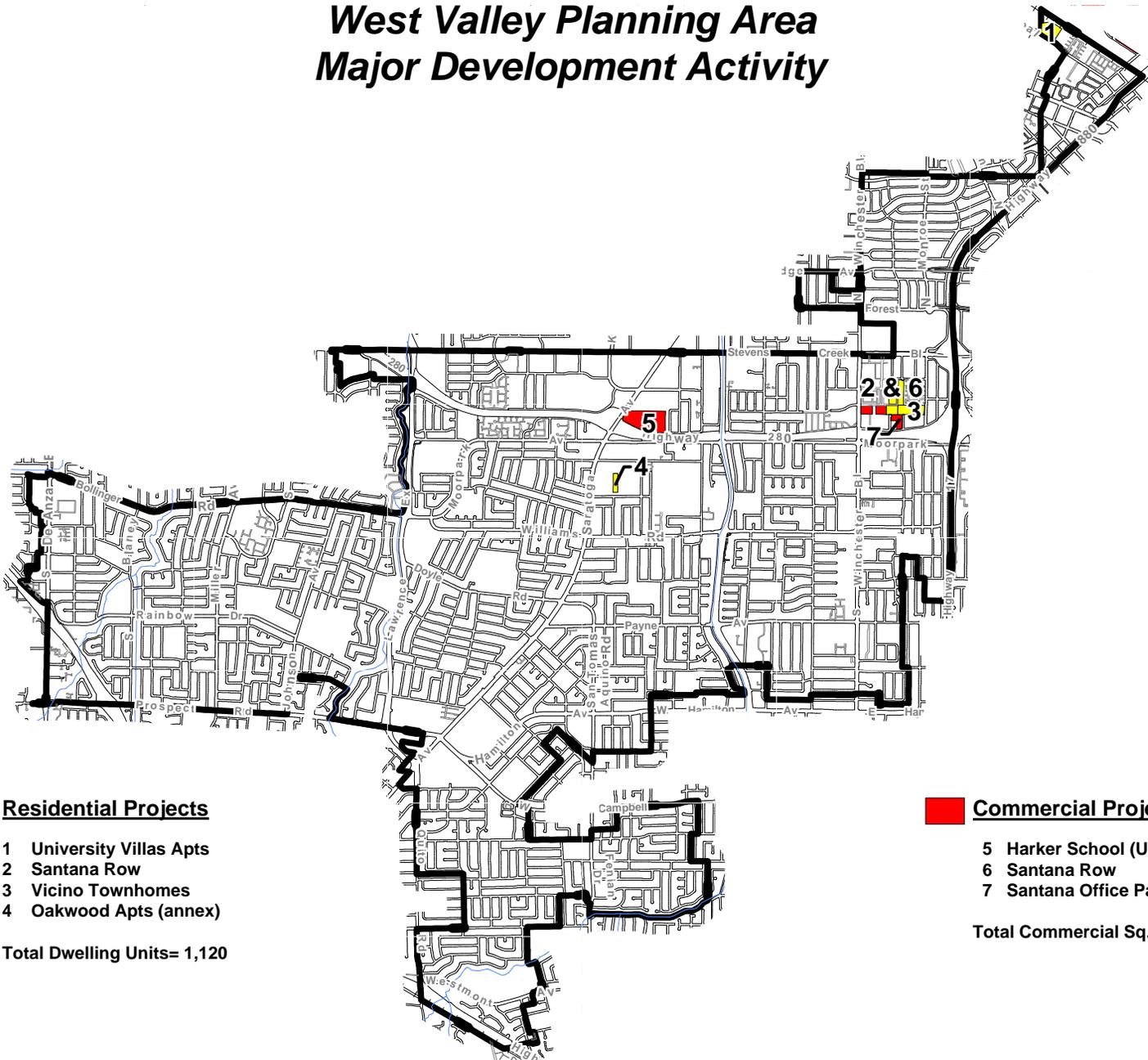
Total Dwelling Units= 2,922

**Commercial Projects**

- 6 Pepper Lane Mixed Use
- 7 Flea Market Mixed Use
- 8 Newbury Park Mixed Use
- 9 Regional Medical Center
- 10 Chinmaya Mission
- 11 SBIA Evergreen Center/Mosque

Total Commercial Sq.Ft.= 453,000

# West Valley Planning Area Major Development Activity



**Residential Projects**

- 1 University Villas Apts
- 2 Santana Row
- 3 Vicino Townhomes
- 4 Oakwood Apts (annex)

Total Dwelling Units= 1,120

**Commercial Projects**

- 5 Harker School (Upper Campus)
- 6 Santana Row
- 7 Santana Office Park

Total Commercial Sq.Ft.= 716,000

# Willow Glen Planning Area Major Development Activity



**Residential Projects**

- 1 Fruitdale Station (Phase 2)
- 2 The Meridian at Willow Glen

Total Dwelling Units= 307

**Commercial Projects**

- 3 Fruitdale Station (Phase 2)
- 4 Lincoln Office/Retail
- 5 Orchard Supply Hardware
- 6 Foxworthy Retail

Total Commercial Sq.Ft.= 147,000

# South Planning Area Major Development Activity



**Residential Projects**

- 1 Summerwind Apts (annex)
- 2 Markham Terrace Apts
- 3 Senter Road Family Apts
- 4 Montecito Vista Mixed Use
- 5 Orvieto Family/Senior Apts

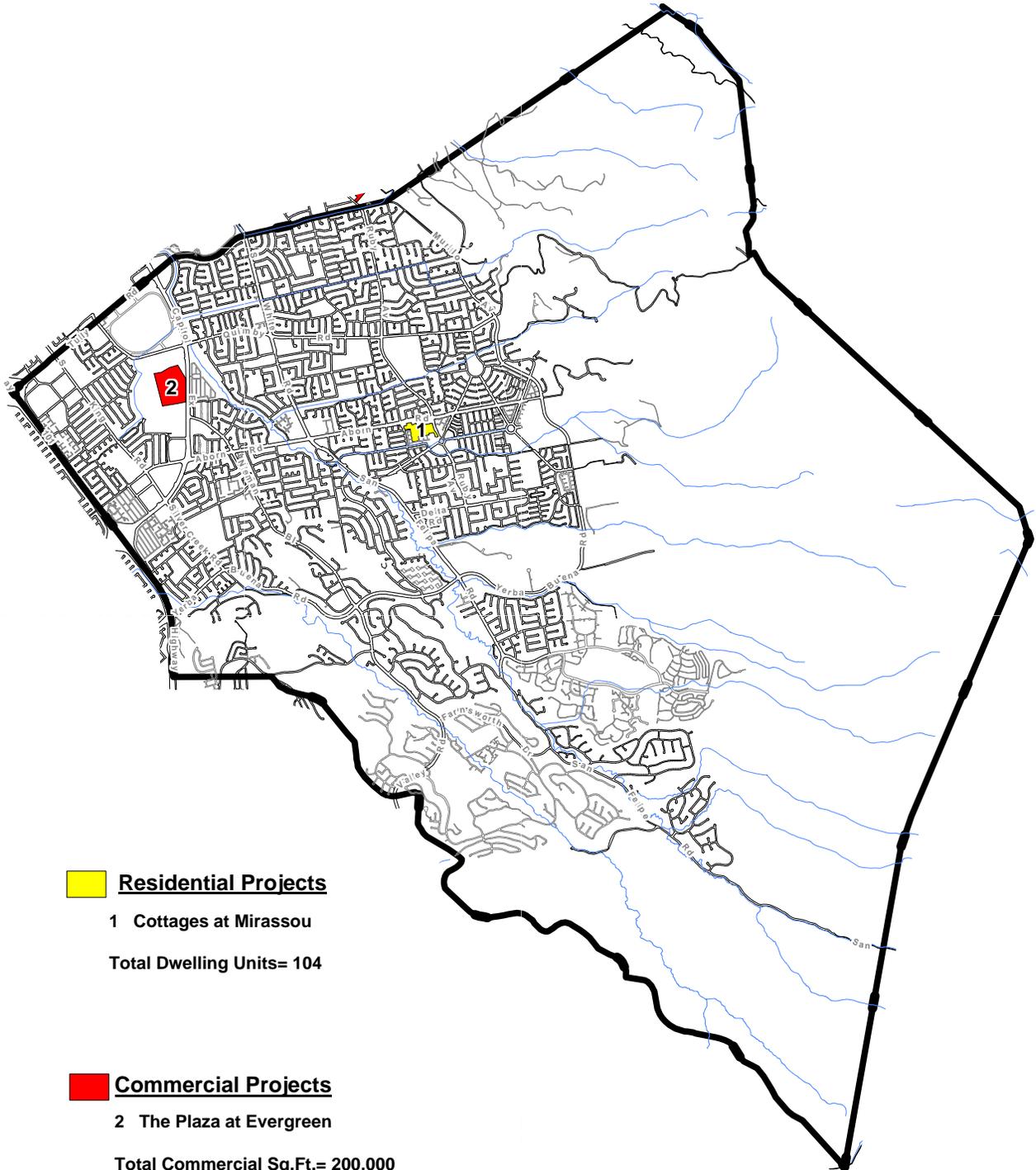
**Total Dwelling Units= 1,135**

**Industrial Projects**

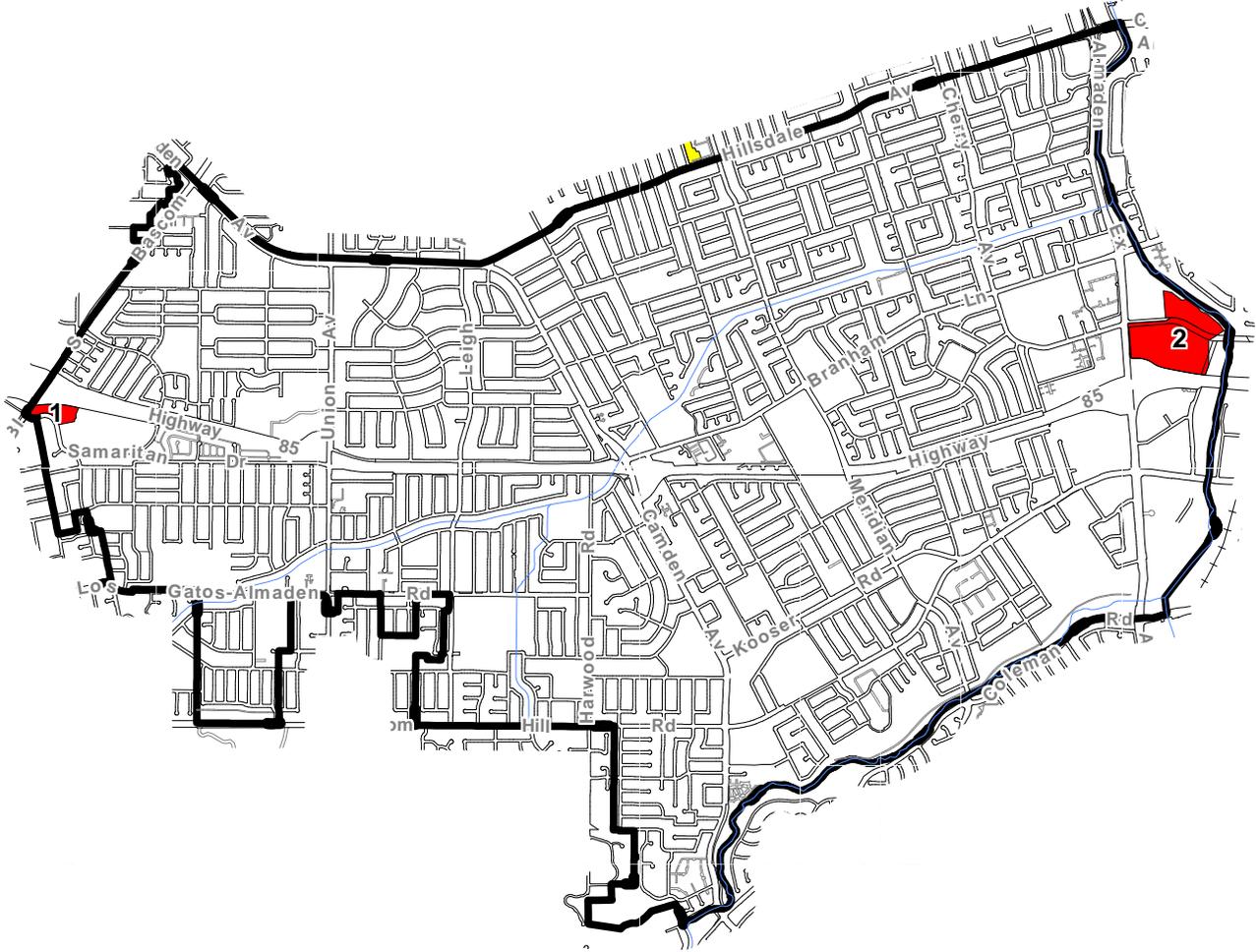
- 6 Public Storage

**Total Commercial Sq.Ft.= 115,000**

# Evergreen Planning Area Major Development Activity



# Cambrian/Pioneer Planning Area Major Development Activity

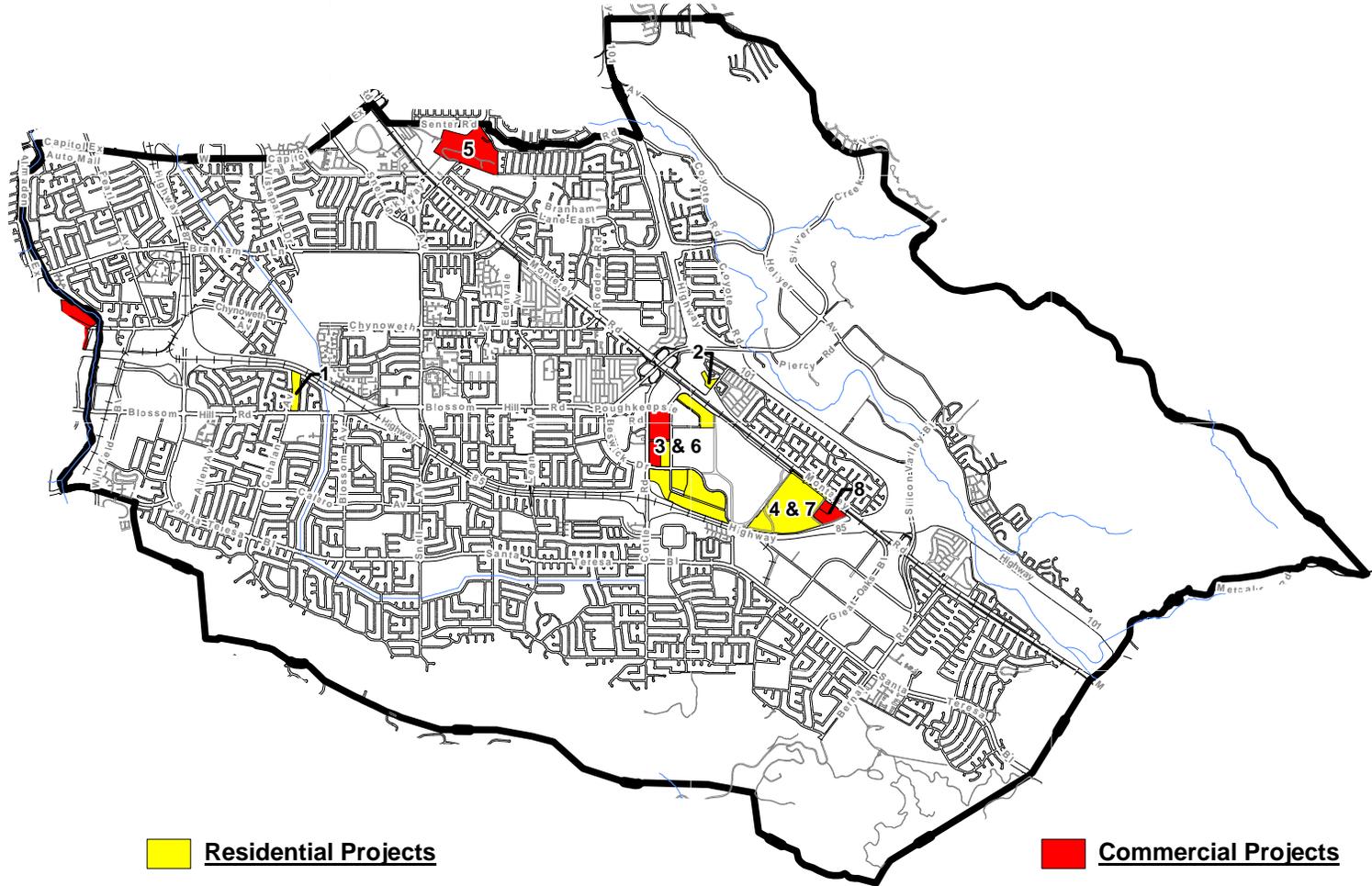


**Commercial Projects**

- 1 Samaritan Medical Center
- 2 Almaden Ranch

Total Commercial Sq.Ft.= 452,000

# Edenvale Planning Area Major Development Activity



**Residential Projects**

- 1 Westbury Homes
- 2 Ford Apts
- 3 Hitachi Site Mixed Use
- 4 iStar Site Mixed Use

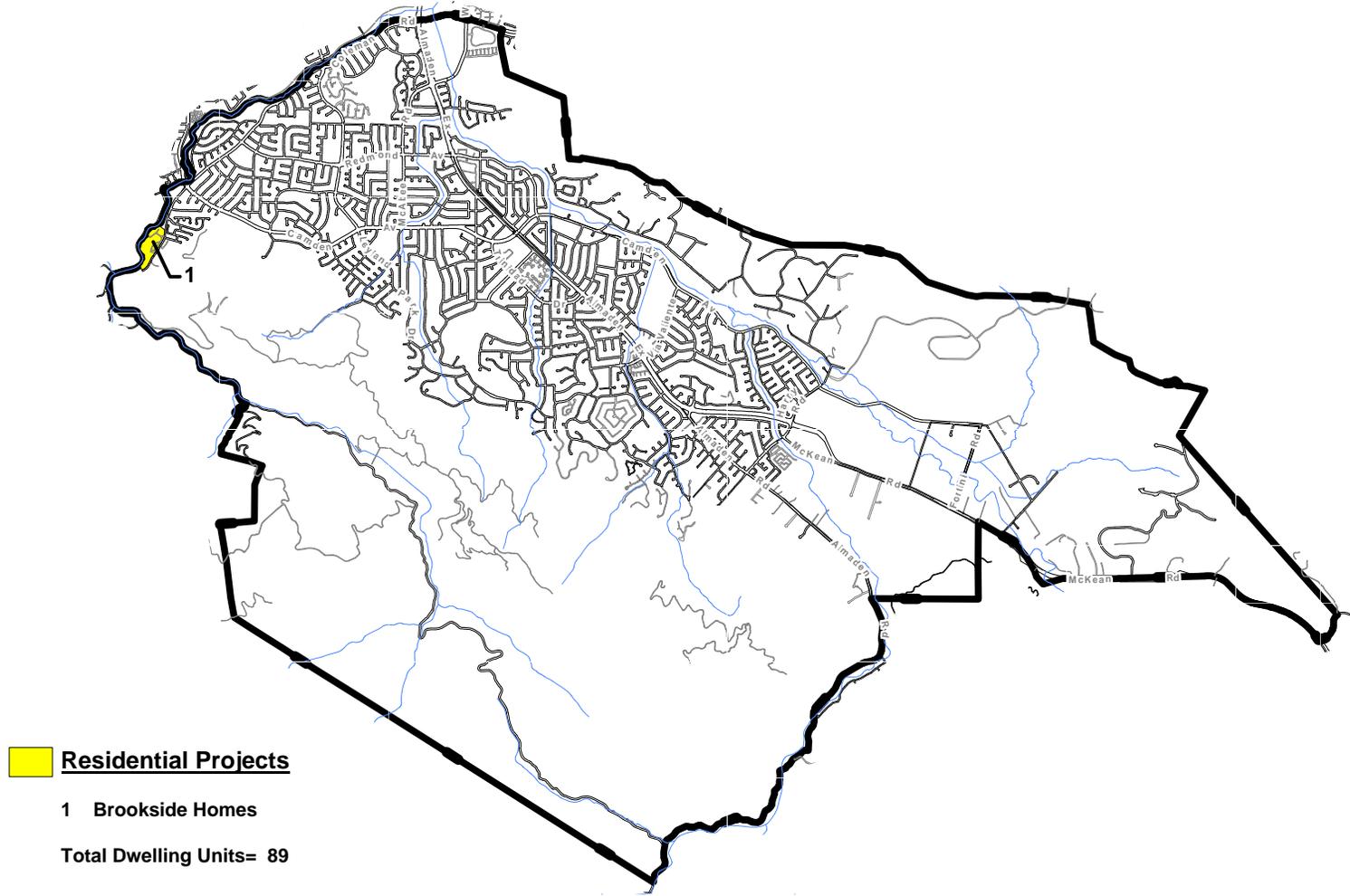
Total Dwelling Units= 3,831

**Commercial Projects**

- 5 Valley Christian Schools
- 6 Hitachi Site Mixed Use
- 7 iStar Site Mixed Use
- 8 Equinix

Total Commercial Sq.Ft.= 937,000

# Almaden Planning Area Major Development Activity



## **VII. APPENDIX: SOURCES**

The Department of Planning, Building and Code Enforcement utilized a variety of information sources in the preparation of this report. These sources are described below.

### **Data Collection and Analysis**

The Department's development project database was the primary initial resource for information on applications submitted to the City. Spreadsheets and Geographic Information Systems (GIS) were also used to manage and display this empirical information in a more readily comprehended format. Architectural drawings, aerial photographs, and fieldwork were also used to evaluate site-specific issues that could have affected the anticipated cost or timing of a project's construction.

Planning staff conducted and/or participated in a series of interviews/discussions with people with a variety of perspectives, including City staff processing development applications, developers or their representatives, and others working in the development industry or related fields, such as the City's Housing Department and Office of Economic Development. These discussions surfaced important information on specific development projects as well as provided a forum for review of the economic assumptions underlying the report's five-year forecast.

### **Review of Publications**

Planning staff consulted several publications that made an important contribution to the preparation of this report, including: the Silicon Valley Business Journal, The Registry Real Estate Journal, the San Jose Mercury News, the Silicon Valley Leadership Group's *Projections 2011*, Joint Venture Silicon Valley Network's *2013 Index of Silicon Valley*, PwC and the Urban Land Institute's *Emerging Trends in Real Estate 2013*, the Bay Area Council Economic Institute's *Regional Economic Assessment of the San Francisco Bay Area*, the U.S. Census Bureau's *Census 2010 and American Community Survey*, Marcus & Millichap's *Market Research Reports*, and Cassidy Turley's *Market Reports*.