

Business

Google San Jose: Can the search giant prevent traffic, housing woes?



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News Group

PUBLISHED: July 16, 2017 at 7:00 am | UPDATED: July 17, 2017 at 7:22 am

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SAN JOSE — Google will be traveling a razor’s edge of love and hate all the way to its planned new 20,000-worker San Jose campus as it brings jobs and star power to a city that needs both while delivering extra helpings of the ills that have sparked public ire against Silicon Valley’s big technology companies.

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The potential downsides to Google's planned campus in the heart of downtown check all the boxes on the list of Bay Area horrors: escalating traffic, overburdened transit systems, skyrocketing housing costs, displacement of lower-income people.

That puts Google at the epicenter of the Bay Area controversy over the power of huge tech companies to transform communities — often not for the better. But as one of the world's leading innovators and economic engines, the search giant has a unique opportunity to do it right.

“The amount of wealth they've been able to create is just unprecedented in the history of our country,” said Malo Hutson, UC Berkeley professor of city and regional planning. “Their obligation, really, is to the citizens, the young people, the people who are concerned about traffic, the environment.”

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There are plenty of examples close to home and further afield of tech companies doing it wrong — at least in the eyes of those who feel they're paying the price. Rapid tech growth in San Francisco and Seattle created booming economies but is blamed for jammed roads and the shattered dream of home ownership for the masses. Both cities have seen protests and community resistance to more tech expansion.

“We just saw working class neighborhoods be destroyed,” said Sarah Sherburn-Zimmer of the Housing Rights Committee of San Francisco, an advocacy organization. “Google and these companies have never come out fighting for better housing.”

In Seattle, Amazon supports a homeless shelter and plans to install one in an Amazon building, but the firm's tremendous growth has made it a target.

“The dynamic of the tech job boom, and Amazon in particular, is the rapid appreciation of rents and housing prices and the displacement that we’re seeing of lower-income people no longer being able to survive in the city,” said Seattle city council member Mike O’Brien.

But Google already is being applauded for the proposed location around Diridon Station, where \$10 billion in transit improvements are planned, including BART and high-speed rail service. And in talks with San Jose officials about the campus plan, Google has expressed “strong interest” in affordable housing, “not just for, as they call it, their Googlers,” said San Jose council member Don Rocha, who supports the project but objected to giving staff the authority to extend negotiations with Google for the sale of city-owned land.

The plan Google is discussing with San Jose city officials involves 6 million to 8 million square feet of tech offices and research-and-development space in an area of about 240 acres. The campus would provide open spaces for public recreation, along with entertainment and retail options, city officials have said. The project is intended to fit with the Diridon Station Area Plan, which calls for up to 2,588 housing units. How many dwellings would be built in connection with the planned Google campus, and who would pay for construction, remains unclear.

Also remaining to be seen is whether San Jose officials will pressure Google to combat worsening traffic, rising housing costs and displacement of residents. Councilman Rocha concedes that the city’s hunger for jobs weakens its negotiating position.

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“I’m excited as heck about it, and I don’t blame city hall for falling all over themselves a little bit to make this happen,” Rocha said. “We don’t want to screw this up. The stakes are high.”

Google said it was too early to discuss its plans for the San Jose development.

But if the obligation falls heavily on Google to address issues arising from its San Jose development, the outcome won't necessarily be terrible, observers said.

Google's decision to put the project in a city, rather than a suburb, and around the Diridon Station train and bus hub is "the right way to go," said University of Michigan Ross School of Business professor Jerry Davis, who studies corporate responsibility.

"In an ideal case this will limit the number of auto commuters and people taking the Google bus from San Francisco," Davis said.

In Google's home city of Mountain View, the company has made significant efforts to deal with housing and traffic issues, said Mountain View vice-mayor Lenny Siegel. Google has put its employees into traffic-reducing commuter buses, encouraged bicycling and attempted to build housing on its property but was stymied by resistance from residents fearful of more traffic and of Mountain View becoming a "company town," Siegel said. The firm, which is starting work on another huge new Mountain View campus, has told city officials there it may build 2,500 to 3,000 housing units, and it's urging the city to allow a total of 10,000 units for the whole development.

"Short of not growing, Google has tried to do the right thing," Siegel said.

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UC Berkeley's Hutson proposed several ways Google could support the community in San Jose.

“One of the things they could do is make investments in local public education — that could go up to community colleges and universities,” Hutson said. “They could start investing in the public infrastructure. The most basic one obviously is just to go out and build some housing.”

Google has a duty to the community to help create a local culture “where the streets are brought to life” by opening up ground floors of new office structures to amenities such as shops, galleries and public-event spaces, said Benjamin Grant, urban design policy director for the San Francisco Bay Area Planning and Urban Research Association.

“They’re going to have to really orient their buildings to the public realm,” Grant said, adding that Google should minimize parking on the campus to promote a walkable community and cut traffic.

Many who live, work and make art in the development zone, however, worry about what San Jose will lose.

A number of businesses in the area are being bought out to make way for the new campus. Google’s development partner, Trammell Crow Company, made an offer to Ilya Neizvestny, who owns the Montgomery Street building where he operates his Pawin’ Around dog daycare and is launching his Paws Onsite in-office dog-sitting service. Neizvestny wouldn’t disclose the amount offered. He said the price was fair, but he doesn’t want to leave, so he has proposed that Google buy his building and move his business onto its campus.

At the nearby School of Visual Philosophy on Auzerais Avenue, retired entrepreneur Doug Crafts of Los Gatos rents an art studio to make his metal sculptures. The building’s owners have agreed to sell the property.

“This is all to be turned into more plain-vanilla condos,” Crafts, 55, said. “Condos aren’t what create a downtown culture.”

A few blocks away from the School of Visual Philosophy, Patricio Buendia stood outside his rental home where he lives with his wife and two children. He drives for a living, his wife works in a uniform-pressing shop, and both make minimum wage, he said.

“Right now it’s so hard,” Buendia said. “I have to just cope with what comes.”



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