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Ron Gonzales

A tale of two 'states'



Jim Beall

To Mayor Gonzales, city is in great shape; in Supervisor Beall's reality, county faces problems

SAN Jose Mayor Ron Gonzales' annual State of the City gathering was, as has become the custom, a community celebration, with Congress members on hand or on video to add political heft, and civic awards handed out by the dozens.

It was a feel-good event. Gonzales' speech was hyperbolically upbeat, in stark contrast with the more somber, problem-oriented State of the County address by Supervisor Jim Beall a day earlier.

"The state of the city is spectacular," Gonzales declared in his speech Thursday at the convention center. "San Jose has momentum! We're on a roll, baby!"

Some of the bragging was justified. The mayor hailed additions to the housing supply.

Construction started on 1,000 new homes in or reasonably near downtown; building permits issued for 4,500 new homes citywide; actual and proposed investments in affordable housing, and new offices and hotels under way in the city's center.



Rob Elder

conserve electricity in its 157 buildings was clearly practical; the suggestion that all the power needed in Santa Clara County be generated here seemed more far-fetched.

But ringing calls for energy creation are much in vogue. "Never again will we allow out-of-state generators to turn off our lights," Gov. Gray Davis said in his

State of the State speech. "I believe Silicon Valley should become more energy self-sufficient," Gonzales echoed.

The mayor has taken considerable heat for opposing construction of a Calpine generating plant in San Jose, and as though to offset this, he talked at length about what he called "The San Jose Smart Energy Plan." (Could the title have been prompted by a recent Mercury News editorial calling the Calpine decision "dumb"?)

It sounded as though Gonzales will accept pint-sized "clean and green" power plants in San Jose's industrial areas, to serve companies like Cisco, while wishing off on other cities the big generating plants that supply electricity for homes in San Jose. Watch for this to be offered as a "regional" plan.

It was on the subject of downtown that the mayor was most selectively self-congratulatory. "Last year I said that downtown is hot. This year — it's sizzling!" he proclaimed. As evidence, he cited an agreement which will bring a nightclub to San Jose (with a public subsidy) and hailed yet another large redevelopment

The call center in City Hall, a one-stop problem-solving line.



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Graffiti vanishes quickly in San Jose these days ...



Los Esteros, an affordable housing complex on Oakland Road in North San Jose.



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... And so do downtown parking spots.

contract with yet another large real estate developer; if it sounds familiar, it's because it is, and who knows, maybe this time it will work. But meanwhile, even with one new garage under construction and others planned near the proposed new city hall, the downtown core still has an acute shortage of parking.

Granted, downtown is a glass half full/half empty, and I can't fault a mayor for boosting his city. Significant privately financed development of major new buildings is in progress. Major renovations of two historic theaters, the Jose and Fox, will be financed partly with city money, partly with private funds. And the city will build and share a major new library with San Jose State.

But I thought it odd that Gonzales did not even mention the proposed new downtown City Hall, which will cost more than \$100 million more than first estimated, thanks largely to redesigns the mayor wanted.

It seemed odder still that Gonzales took no note whatsoever of the current downturns in the national economy in general and technology profits in particular, although both

undoubtedly will affect San Jose this year. "We have a strong economy," he said. "And as the capital of Silicon Valley, San Jose is an essential location for high tech."

Well, yes. But both Adobe Systems, the single large technology presence downtown, and Cisco Systems, which Gonzales is counting on to anchor development of Coyote Valley, have recently lowered their earnings forecasts, and could, if that continues, cut back on planned expansions. Cisco is San Jose's largest employer. Any retrenchment there could affect San Jose as profoundly as Lockheed's cutbacks once hit the Valley. And a deepening economic downturn almost certainly would put a pall on downtown redevelopment.

I did not expect doom and gloom from the mayor. But it would have been nice to get some hint that he sees a connection between the economy and the city.

As though they were accomplishments of his administration, Gonzales took credit for voter decisions in the last election to create an urban growth boundary, to build more li-

braries and parks, and to extend BART to San Jose. "We listened. We responded. And we delivered," he said, talking about "what we have done for traffic relief," as though deliverance from congestion already were at hand, rather than a decade hence.

To be sure, Gonzales was the first mayor to develop a concrete vision of BART to San Jose, and while he played no visible major role in passing the tax to finance it, he deserves considerable credit for persuading Gov. Davis to add millions of state budget dollars. The mayor also raised much of the money for the park and library campaigns.

What applies there also affects any assessment of his performance in general. He has been fortunate to hold the office during flush times, and it is impossible to know precisely what to credit to his skill and what to a good economy. Unfortunately, if we're now in a downturn of any duration, we may have a better opportunity to find out.

Rob Elder is editor of the Mercury News.