

Minutes of Special Meeting
Board of Directors
San Jose Downtown Property Owners' Association

June 28, 2011

A special meeting of the Board of Directors of the San Jose Downtown Property Owners' Association (POA), a non-profit California corporation, was held at Adobe Systems, 28 N. 345 Park Ave., San Jose, CA 95110.

Board members present: Berg, Knox, Nardi, Burnell, Utic, Ortbal and Hammers.

Board Members absent: Mattson, Souza.

Also present were Executive Director Scott Knies, Deputy Director Blage Zelalich, Operations Manager Eric Hon, Elva Guitron, Legacy Partners, Diane Milowicki, San Jose Department of Transportation, Richard Keit Redevelopment Agency and Rich Mongarro, SGI Program Director for Groundwerx.

Hammers called the meeting to order at 8:30 a.m.

- Hammers welcomed the group. Ortbal introduced Milowicki and said she would be assisting with the PBID renewal process for the City.
- Hammers introduced Richard Keit, who is the managing director of the Redevelopment Agency. Keit replaced Janet Kern as RDA representative.

Minutes

- The meeting minutes from May 17 were emailed to the board prior to the meeting. The minutes were unanimously approved.

President's Report

- Hammers announced the launch of the Groundwerx iPhone mobile application. The free app is available for download at the iPhone App store.

Service Reduction

- Knies referred to page 12 of the board packet, PBID operations report and noted the meetings staff has had with various departments such as SJPd, Housing and PRNS.
- Zelalich said the introductory meeting with Lt. Tim Porter went well. The PBID is exploring how to improve communication between SJPd and ambassadors. SJPd's shift change used to happen every six months, which made it difficult to establish relationships. Shift change is now nine months, so staff now has more time to develop and maintain relationships.
- Mongarro added that the police department would need some time to transition and figure out how to deal with fewer resources based on recent layoffs.
- Hammers said this is a significant shift in philosophy because four years ago, the police were not ready to have these conversations.
- Hammers asked about different policing models in other PBID cities. Knies said there are examples such as Philadelphia, where the ambassadors participate in roll call and are on radio contact with police.
- Ortbal recommends the PBID present SJPd with a service model proposal, like DOT's garage security model and give SJPd something to respond to.
- Knies agreed, and said the concept of presenting proposals could be applied to the Housing Department and Parks Department as well.

- Berg asked if a subcommittee needs to be formed, or should the board work on this as a whole? Ortbal and Hammers suggested that staff should make recommendations and the board is available to help as needed. Knies said staff will create a matrix identifying the areas where the PBID may have a role.
- Ryan asked if the matrix would identify all the City's service reductions? Knies said all the service reductions have not been identified at this time. Ortbal said the matrix would be a work in progress because the City is still sorting things out given their budget impacts. Ryan said there doesn't have to be a solution for each area, but it may be useful to have the information in the future where services might be reduced or phased out.

Boundaries

- Knies reminded the board where the district boundaries conversation left off. At the previous meeting the board asked staff to make recommendations on which areas should be considered for annexation. Referencing pages six through eight of the board packet, Knies began the discussion on location three, Little Italy. He said staff recommends the inclusion of Little Italy, but suspects some of the property owners in this area may not be supportive.
- Knies said location four, the Julian St. area, is comprised of condos, apartments and a smattering of retail. The HOA's have inquired previously about the PBID. The condo owners in this area are most interested in beautification.
- Hammers suggested staff approach the HOA's and perhaps bring a current condo owner from the PBID.
- Berg recommends caution when approaching other areas and reminded the board that these groups can't be forced into joining the PBID and the leader in each area may not necessarily represent all of the property owners.
- Knies said staff sees potential value in locations three, four and eight for expansion.
- Ortbal requested that location six should also be considered given its close proximity to City Hall.
- Berg suggested the board consider only the retail portion of location seven, which lies on Second St.
- Ryan said contracting with some of the smaller areas instead of annexation might be more appropriate because there are a lot of unknowns. One advantage of a contract is that it can be severed.
- Ortbal asked if a revenue forecast could be developed. Knies said that would be something the consultant, Progressive Urban Management Associates (PUMA) could do. PUMA was same consultant that worked on formation in 2007.
- Knies said staff would forward the renewal timeline to the board again before the July meeting.
- Hammers asked if the consultant contract must go out to bid. Ortbal said the City recognizes the history with PUMA and believes some reduced costs will result from their familiarity with our district. The City will verify that the bid process is not necessary given the circumstances.
- Hammers asked if the board wanted to have PUMA call into the next meeting to answer some questions before the board makes a decision on expansion areas. Members discussed the proposal on pages 9, 10, 11 of the packet and encouraged staff to have PUMA assist on some of the questions raised by the Board regarding the PBID renewal.
- A motion was made to add a \$50K line item in the FY 2011-12 budget for the consultant. The motion was unanimously approved.

- Hammers confirmed the \$50K will come from the FY 2011-12 fund balance and directed staff to begin working with PUMA on preliminary recommendations while a contract is drafted with the City and PUMA.

PBID Operations Report

- Hon gave a brief update on various items from the operations report. He said the City invoice for year one of the tree maintenance program was received and the total amount was less than budgeted.
- Knies said this was a positive development because it may be possible to get the four-year plan completed in only two years, which would benefit the property owners.
- Hon also gave an update on his progress in finding a vendor for the Groundwerx mobile kiosk. He said he's found a large manufacturer and a few local builders who can make one also. There is a large disparity in cost; a manufactured kiosk would be approximately \$11K, while a custom built model would be about \$4K. Hammers said it may be worthwhile to have one built at a reduced cost and directed staff to bring the full proposals to the next meeting.
- Meeting adjourned at 10:05 a.m.