

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

September 18, 2012

A regular meeting of the Board of Directors of the San Jose Downtown Property Owners' Association (POA), a non-profit California corporation, was held at SJDA office, 28 N. First St., Suite 1000, San Jose, CA 95113.

Board members present: Souza, Mattson, Ortbal, Berg, Hammers, Cosgrove and Ryan.

Members absent: Schneider, Kline, Keit and Utic.

Also present were Executive Director Scott Knies, Deputy Director Blage Zelalich and Operations Manager Eric Hon.

Hammers called the meeting to order at 8:35 a.m.

Hammers asked Hon to begin the meeting with the Operations Report, which was emailed in advance to members and attached in the agenda packet.

Operations Report

- Hon said many of the recent service calls have been related to vagrants and the homeless. He reported that Groundwerx has been trained on doing vulnerability assessment surveys as part of the County's Housing 1,000 (H1K) program. By working closely with social service providers and conducting the surveys, Groundwerx staff is looking to help monitor and follow up specific cases.
- VTA has renewed its contract with Groundwerx for enhanced cleaning of the light rail tracks along the transit mall and other transit stops for \$53,045.
- Hon said a lot of progress has been made on the Hwy 87 light project at Santa Clara. Members of the beautification subcommittee served on the selection panel, along with others selected by the City's Office of Cultural Affairs (OCA). The panel selected Dan Corson as the artist and provided feedback. In August, Corson presented a revised proposal, which was very well received by members. Pending the approval of Caltrans, the installation of this project is targeted for 2013.
- Hon said there are other beautification projects currently in progress. The mural at the parking lot wall along Almaden Blvd. will be completed by September 30. This nearly fifth of a mile stretch is being painted with a leaf design and the adjacent properties approve of the work.
- The installation of festoon lights along the transit mall is in progress, but has been delayed because of VTA requirements. The project will still be completed before the holiday season as per the beautification subcommittee's direction.
- Hon also said that he is working with Liberty Lighting to begin the restoration of the up lights on the Santa Clara/Almaden Blvd. median. The parts have been ordered, but will take approximately six weeks to arrive.
- Hon is working with Kathy Finley on other projects to be completed by 2012. Finley has made recommendations for alternatives to hanging baskets in San Pedro Square and has been working closely with a mosaic artist for the tile wall on Second St.

Minutes

- The meeting minutes from June 22 as distributed to the board prior to the meeting were unanimously approved.

President's Report

- Hammers and Knies met with Mayor Reed to discuss business retention/recruitment and the city's mandated wage requirements. The Mayor was concerned about some of the experiences of business owners, who in many cases experience a lot of delays in the permitting process. The delays hinder the ability of new businesses to establish themselves and ultimately makes San Jose seem difficult to work with. Mayor Reed indicated that he will make the improvement of the permitting process a priority and supports the PBID's new Business Development Manager.
- Hammers said Mayor Reed was also interested in learning more about the district's prevailing wage requirements on maintenance activities and was open to exploring alternatives, which would allow the PBID to provide more services under the new term.
- Hammers asked Hon to walk the board through the budget. Hon said the original FY 2012-13 budget approved by the board in April represented only a half-year budget because the district was not renewed until June. The budget in the board packet has been updated and reflects a full year. The revised budget includes additional revenue from new assessment dollars and new programs such as the Enhanced Security Pilot Program and Business Development.
- Knies said originally the plan was to reduce the ambassador services to fund the enhanced security pilot program, but staff now recommends holding off the reduction to re-evaluate the conditions after the six month pilot.
- Knies added that the current budget is based on a half-year of cost estimates because the RFP for services just went out and there may be some adjustments pending the new vendor agreement starting January 2013.
- Knies also pointed out the beautification and maintenance line items. He said the maintenance budget has increased given the rapid expansion of projects but now the emphasis has been on keeping costs flat. The focus has been on installing more lights and murals, which do not require the same level of ongoing maintenance as planters and flower baskets.
- Cosgrove asked if \$50K was enough for the security pilot program. Knies said it's a six-month budget representing 32 hours of service per week at the current Secondary Employment Rate.
- Ortbal suggested a mid-year budget review because the board may need to reallocate some funds after the pilot project and new vendor contract.
- Hammers said he sees the proposed budget as a bridge from the original PBID plan to the renewal plan and its new services. He said the next budget will have a full year under the new plan.
- Ortbal asked staff to review the reserve contingency policy and to bring that back to the board during the mid-year budget review.
- Ortbal said he has recently been involved in some discussions regarding Hwy 87 clean up efforts. The PBID had been contributing \$5K to this project and partnering with the City's Department of Transportation (DOT), which does not have any funds to continue participation in this program.
- Hon said Caltrans has increased their efforts along the 280/87 interchange and at many of the downtown on ramps. Caltrans will not

commit to a regular schedule, but are responsive and when they perform the work, the outcome surpasses the PBID's efforts.

- Berg said one of the reasons he supported this project was because of the matching City funds. Mattson added that there will always be outside projects, but the PBID should stay focused on its primary objectives.
- Knies said these are all valid points, but the 280/87 interchange is an important gateway to downtown and a significant part is within the PBID boundaries. He said staff would develop a new plan for Hwy 87 and present to the board for consideration. For now, the \$5K allocation for Hwy 87 will remain in the budget.
- The revised budget for FY 2012-13 was unanimously approved by the board.

Old Business: Services and Renewal

- Hammers said the RFP was released yesterday, September 17 and a pre-proposal conference will be held Monday, September 24. The responses to the RFP are due October 12.
- Hammers said the amendment to the current PBID contract with the City is going to City Council this afternoon. This amendment will allow the PBID to move forward with the Enhanced Security pilot program.
- Zelalich said that if the amendment is approved the Secondary Employment posting will be sent out by SJPD. She said staff developed a two month schedule and it will likely take a couple of weeks to get officers signed up.
- Knies directed the board to the job scope for the PBID Business Development position on page 11 and 12 of the packet. This position will be hired before the end of the year. The City is also hiring a "small business ally" position. Both positions will be posted, interviewed and hired at the same time with PBID and City staff in close coordination.
- Knies asked the board to continue to provide feedback on goals for this program. Souza said it would be helpful to track the expediting process. Berg said there needs to be a cultural change to address the problems faced by small business owners. Ryan agreed and suggested adding stronger language in the scope about supporting businesses, which will ultimately help the City. Cosgrove said vacancy rates seem to be a clear measurement of success for this program.
- Knies thanked members for their comments and will work on incorporating them into the scope.

The meeting was adjourned at 10:03 a.m.