

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

May 11, 2010

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 the SJDA office, 28 N. First St., Suite 1000, San Jose, CA 95113.

Board members present: Kern, Berg, Ortbal, Mattson, Ryan, Hammers and Utic.

Board Members absent: Burnell, Knox.

Also present were Executive Director Scott Knies, Deputy Director Blage Zelalich, Operations Manager Eric Hon, Andria Souza, Legacy Partners, Allen Ishibashi, San Jose Redevelopment Agency, Tom Ferguson, Diane Milowicki and Ralph Mize, City of San Jose Department of Transportation, Rich Mongarro, SGI Program Director for Groundwerx.

Utic called the meeting to order at 8:40 a.m.

Minutes

- The March 16, 2010 meeting minutes emailed in advance to the board were unanimously approved.

President's Report

- Knies introduced Andria Souza from Legacy Partners. Kevin Fitzpatrick, also with Legacy Partners, has resigned from the board. Legacy Partners recommended Souza to fill the unexpired term left open with Fitzpatrick's departure. Knies added that a board vacancy can be filled with a majority vote of the board. The board unanimously elected Souza to the board.
- Members inquired about the status of the open seat due to Cyril Isnard's resignation in December. Knies said he would follow up with the Fairmont Hotel on their general manager status. Isnard's former seat, Berg and Mattson are up at the end of 2010 and would be elected at the Annual Meeting in October. The resident seat held by Mattson is likely to draw the most interest and a nominating process needs to be in place for next PBID meeting (July).

New Business

- Utic said the board must set the assessment rate for FY 2010-11. The assessment rate will determine the budget for FY 2010-11. Ortbal said the board's recommendation for the assessment rate would go to the City Council in June because only the City has the authority to implement the assessment. Knies added some additional background information. Under PBID law, assessment rates can be increased from zero to five percent annually. He reviewed the board's decision-making process from previous years and referred to the proposed budget, which was included in the board packet.
- Knies said the budget proposal from staff includes a 3% assessment increase and a new expense line item for tree maintenance of \$90K.

- Hon updated the board on a recent meeting on tree maintenance between City, Redevelopment and PBID staff. The meeting revealed that there are approximately 3,500 trees in the downtown, about 500 of those located in the parks. The Parks Department is responsible for funding their own tree maintenance. The City also has a tree-trimming contract with a contractor for a rate that is lower than the RDA, about \$100 per tree. Based on that price and with a four-year cycle of doing structural pruning to every tree, the PBID could trim a quarter of the estimated downtown trees each year for approximately \$90K.
- Hon said RDA would address the short-term tree trimming issues raised at previous meetings until the above plan could be operational.
- Knies asked about the trees in street medians, the track-side row on the transit mall and other public spaces, estimating that these trees make up about ten percent of the downtown street trees within the PBID.
- Ortbal said the City already budgets \$15K annually to address trees in the medians and public spaces and these funds can be used in the new downtown street tree plan with the PBID.
- Ortbal reviewed the Department of Transportation (DOT) proposal (included in board packet). As part of the proposal, the City will create a tree management plan and the City arborist will manage the project, developing a four-year maintenance schedule to address all PBID trees. Ortbal said such a management plan could be developed by the fall.
- Utic asked how the City will divide which are City responsibility and which are property owner responsibility.
- Mize said that Our City Forest is completing the Almaden Valley portion of its citywide tree survey. He can have them survey the PBID area next and use the survey info to identify the species, condition, location and then establish a pruning cycle. It will take three months to complete the PBID survey. Members discussed the higher price to maintain palm trees; the need for spraying to control pest/disease infestations; replacing damaged trees; the different tree species planted downtown; clarified what the City funding is used for in the current year; the City's baseline funding limitations; and discussed public outreach in the district to property owners as well as tree contractors wearing Groundwerx vests.
- The board discussed the pros and cons of contracting with the City to perform tree maintenance versus having the PBID perform the service by hiring contractors. Ryan asked if the PBID would be obligated to the doing tree maintenance for the entire four year cycle to cover all the trees? Ortbal responded (along with other members) that the PBID is only authorized for two and a half more years and any tree maintenance plan would have to be conditioned to take into account ongoing availability of funds.
- Berg moved and Utic seconded that the board approve the proposed budget and review the tree maintenance plan as it is developed between the PBID, City and RDA. Hammers asked the board to consider a 2.9% increase and the motion was amended.
- The board unanimously approved the FY 2010-11 budget, which includes a 2.9% increase in district assessments and the \$90K expenditure for tree maintenance.

Old Business

- Hon said the funding agreement for Hwy 87 with the City of San Jose was nearly complete. He expected to have an executed agreement by the end of May and anticipates the Hwy 87 clean up work to begin in late June or early July.
- Hon gave a brief update on the beautification project. The 18 black intersection planters in the demonstration area have been moved to the Repertory Theatre Plaza. The 30 street planters have been grouped into smaller clusters along the demonstration area. Each group will have a unique planting scheme. These planters have also been sealed to prevent leaking. A color change and new plants for the demonstration area and repertory plaza will take place this week.
- New planters for Phase 3 have been ordered. This includes storefront planters for the demonstration area and wall planters at South Second St. and San Fernando, San Carlos and South First St., Paseo de San Antonio and South Third St. Installation is targeted for the end of June. Decorative festoon lighting for the Repertory plaza and replacement festoon lighting in SoFA will also be installed by the end of June. The installation of the vine bed at San Carlos, between South Second and Fourth streets will complete Phase 3.

PBID Operations report

- The operations report was emailed to the board prior to the meeting. Hon reviewed some of the highlights, such as the new Groundwerx uniforms for clean team members and refinishing of 12 transit mall benches.
- Hon also gave an update on his research of iphone applications. Hon has received some preliminary costs for developing a downloadable application for members to report issues to Groundwerx. He needs additional time to identify the exact features of the application, which may affect the cost and development time. Hon is considering the pros and cons of developing a multiplatform application that works on the iphone, Blackberry and Droid smart phones.
- Hon has also contacted City Source, the company that developed the application for Councilman Pete Constant (District 1). Hon is waiting for a proposal from City Source.
- Groundwerx program director, Rich Mongarro, reported to the board about his efforts in improving the effectiveness of Groundwerx ambassadors. Mongarro hopes to not only increase ambassador visibility, but to have the ambassadors take a more proactive role in identifying and reporting potential crime and public safety issues. Mongarro began providing supplemental ambassador training in April to address these issues.

Meeting adjourned at 10:15 a.m.