

Minutes of the Meeting
Board of Directors
San Jose Downtown Association

March 11, 2016

A meeting of the Board of Directors of the San Jose Downtown Association, a non-profit California organization, was held at Oracle, 488 Almaden Blvd., San Jose, CA.

The following directors were present at the meeting: Bates, Buchholz, Burroughs, Cord, Gomez, Hattley, Kuprina, Marques, Naran, Neale, Nichols, O'Connor, Ramirez, Randall, Rewkiewicz, Serpa, Vail, Vuckovich and Wong.

The following directors were absent from the meeting: Bartl, Bentz, Hyland, Matsushima, Millares, Osuka and Springall.

Also present were: Peggy Bradley, Corinna Dixon, Nate Echeverria, Eric Hon, Rick Jensen, Scott Knies, Joe Noonan, A'Dreana Quevedo, Jason Su, Chloe Verrey and Blage Zelalich.

President Vuckovich called the meeting to order at 8:20 a.m.

Vuckovich thanked Doug Bartl for providing the Oracle meeting site and continental breakfast.

Vuckovich reported that the Finance Committee is recruiting and that Ramirez has agreed to chair the Nightlife Committee.

Minutes of the February 12 meeting were approved as distributed to Board members with Randall opposed.

President's Report

- Resignation of Board member
Vuckovich announced the resignation of Rebecca Kline, Malwarebytes. He encourages tech-company representation on the Board.
- Music in the Park
Sponsorship Manager Joe Noonan presented the changing programmatic style of Music in the Park as balancing community appeal and VIP experiences. The 2016 summer concerts include Los Lobos, Ozomatli and Tower of Power and provides Board opportunities for sponsorship and VIP engagement. (MIP outline included as page 9 of agenda packet)

New Business

- Gross Receipts Tax position
Vuckovich and Knies reviewed the Dec. 2015 proposal by Scott Myers-Lipton, sociology professor at SJSU, for a city-wide gross receipts tax (GRT) that could increase the city's current business tax as much as 1,000% for some businesses. Proceeds would be deposited in the City's general fund and may be used for any purpose of the city. Supporters plan to submit a draft petition of the measure this month and gather 20,000+ signatures to qualify for the Nov. 2016 ballot. (Copy of GRT Ordinance proposal was distributed to members in January).

At the March 3 Executive Committee meeting, the Committee voted unanimously to support the concept of updating the City's business income tax, generating twice the current total amount collected, dependent on the GRT not being on November ballot.

Earlier this week at the March 8 City Council meeting, a super majority of the Council approved Mayor Sam Liccardo's proposal to double the current San Jose business tax which could generate \$24 million annually. This proposal would need to be approved by San Jose voters on the November ballot. Also, the Council approved a quarter cent sales tax increase for 15 years for San Jose which could generate \$40 million annually for the June ballot.

As a result of these actions by the City Council, Lipton has suspended his petition drive for the GRT proposal.

Members discussed this multi-faction compromise as a positive result for the city and SJDA members.

- Strategic Planning Focus Area recommendations
SJDA's six Strategic Priorities for 2016-17, as presented at the February 12 Board-only meeting, were reviewed. SJDA staff leads have proposed tactics for each of the priorities.
(Draft of SJDA Strategic Priorities 2016-17 included as page 11-12 of agenda packet)
 1. Transform St. James Park / Activation of public spaces.
 2. Alternative revenue sources/generation.
 3. Assess programs (keep/drop). Programmatic time/cost analysis.
 4. Improve outreach and prioritize needs of retail members.
 5. Minimize impact of homeless on downtown businesses and livability.
 6. Improve Marketing of downtown and SJDA/develop new audiences.

There was a spirited discussion at the March 3 Executive Committee meeting and this morning of how the tactic to "advocate and support downtown housing options, including Permanent Supportive Housing" achieved board strategic objective to minimize impact of homeless on downtown businesses and livability.

Wording was edited to "advocate and support countywide housing options, including Permanent Supportive Housing" to better express SJDA's willingness to engage in productive coordination and communication between other organizations to support housing programs regardless of location and not make it appear all such housing should be located downtown.

Executive Director's Report

Knies reported that Harry Freitas, San Jose's new director of Planning, Building & Code Enforcement, will present at SJDA's April 15 public meeting.

Business Development Manager Nate Echeverria is compiling information on the challenges faced by small independent businesses. SJDA hopes to assist with reform from the inside for the City's Planning Department.

Knies reviewed that plans to establish a Community Development Corporation (CDC) as a separate 501(c)(3) are continuing.

O'Connor encouraged greater independence by weaning SJDA off of City funding sources.

Organizational Issues/Committee Snapshots for March 2016 were distributed.

Vuckovich adjourned the meeting at 9:30 a.m.