

Minutes of the Meeting
Board of Directors
San Jose Downtown Association

May 8, 2015

A meeting of the Board of Directors of the San Jose Downtown Association, a non-profit California organization, was held at Founders Floor, 2 N. First St., San Jose, CA.

The following directors were present at the meeting: Bates, Buchholz, Burroughs, Cord, Gudeli, Hamilton, Hyland, Maida, Marques, Naran, Neale, O'Connor, Pulcrano, Randall, Rewkiewicz, Serpa, Springall, Tortora, Vail, Vuckovich and Wong.

The following directors were absent from the meeting: Bartl, Gomez, Hattley, Kline, Kuprina, Le, Matsushima, Nichols and Roney.

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

President Neale called the meeting to order at 8:12 a.m. and welcomed guest Jean Cohen, District 3 Policy & Legislative Advisor.

Neale thanked Founders Floor for hosting the meeting, Board member Sherrie Vail for sponsoring the breakfast, and Café Eden for catering.

Minutes of the April 10 public board meeting were unanimously approved as distributed to Board members.

President's Report

a) Executive Committee vacancy

- Neale reviewed that Art Bernstein's BOD resignation has created a vacancy on Exec. Committee.
- Neale announced that Ryan Sebastian and Kymberli Brady have resigned from BOD and he thanked them for their service.
- Neale asked Board members interested in serving on Exec. to express their interest to Neale or Knies.

b) Organizational Issues/Committee Snapshots for May 2015 were distributed.

New Business

a) Budget FY 2015-16 approval

- O'Connor thanked the Finance Committee for their work on the FY 2015-16 Budget. He explained that SJDA is presenting a conservative budget and that a revenue of -\$80K vs. last year's +\$22K reflects spending of ice rink surplus from previous year.
- A letter of explanation regarding the deficit projection is included (page 9).
- Annual budget is a "living document" and can be updated at any time during the year. Budget updates are reviewed monthly by the Finance Committee. Neale welcomed board members to attend Committee meetings.
- O'Connor presented, as approved by the Executive Committee, the FY 2015-16 Budget to the board for approval.

- On a motion from Cord and seconded from Pulcrano, the Board approved, as recommended by the Finance Committee and Executive Committee, the FY 2015-16 Budget.

b) Board discussion on Commercial Conversions

- Neale reviewed the need for a consistent organizational position (for ED, staff, and DDC) on conversions of commercial buildings to residential use. Neale encouraged healthy dialogue to ensure that SJDA's advocacy is aligned with Board.
- Business Development Manager Echeverria presented an overview on topic of Commercial Conversion, developmental trends, and public policy land use discussions in order to set context for the Board.
 - Current Trends: Development Boom; Mainly Residential; Conversion of Older Commercial to Residential (i.e. Lincoln Law Building, Marshall Squares).
 - New Transit Investment is running parallel to development
 - Downtown SJ is a Small Job Center: only 3.5% of total combined office and R&D workspace in Santa Clara County.
 - Downtown Goals based on Envision SJ 2014 General Plan 48,500 New Jobs & 10,360 New Residential Units
 - o Jobs to Housing Imbalance
 - o Mixed-use transit oriented employment center
 - o Zoning is "Use Agnostic"
 - Aligning Goals with Reality: unable to reach jobs goal with developable space available
 - Potential Strategies:
 - o Preserve key sites near transit for commercial
 - o Minimum density
 - o Expand "downtown" in General Plan and Zoning Code
 - o One-to-one replacement of commercial space
 - o Ground-floor commercial uses: i.e. tech/co-working
- Board members engaged in discussion. Topics included:
 - Parking availability impact upon office development
 - Needed improvements to schools, parks, and cleanliness
 - Retail creates a sense of place for people
 - BART will make commercial property development financially feasible
 - Need for forward thinking architectural style
 - Look at other successful examples of zoning restructuring
 - BART construction should not constrain development
 - The City has treated parks as a liability rather than an asset
 - SJSU sees downtown as a selling point to new staff
 - Current want for class A office space (not so for B or C)
 - City owned SAP arena needs capital investment and will remain an active asset to downtown
- Neale thanked the Board for the good dialogue and summarized that the consensus is to not restrain development and SJDA will get more feedback from Planning staff, District 3 Council member and Mayor. Dialogue will continue so as to ensure consistent advocacy by SJDA.

c) BART downtown station options

- Board was provided with copies of VTA/BART's Conceptual Site Plans for East and West station options (pages 13-14). Advocacy Committee and Exec. Committee have reviewed and discussed.
- West option: conflicts with 1st and 2nd Street transit mall, would require additional expense to "bridge" VTA Light Rail; impacts

historic buildings and more small businesses; closer to Diridon Station.

- East option: at City Hall and closer to SJSU; less impact to historic building and small businesses; is recommended by VTA.
- VTA has formed a Community Working Group to review proposals. Knies is sitting on this committee as SJDA rep.
- Ultimately SJDA will be asked regarding its downtown station preference.

Executive Director's Report

- Knies reviewed items of importance on the Calendar of Committees (page 2)
 - Downtown Farmers' Market opened. Market will be held every Friday thru November 20 (except July 3) from 10 a.m. - 2 p.m. on San Pedro Street between Santa Clara St. and St. John Street.
 - SoFA Architecture & Design Crawl - May 13 at SoFA Market, plus other SoFA venues.
 - The first Board "mixer" was well attended on April 14 at Mezcal. Knies encouraged members to attend the next mixer on June 10 at the Capitol Club. An August mixer with other non-profit Board partners is in planning stage.
 - Music in the Park - June 18, Performances by Freshlyground and Sister Carol at Plaza de Cesar Chavez.

Other Matters

- Neale reviewed that Knies and Zelalich are meeting with Parks & Recreation Department regarding Parks Management District proposal to direct development fees into St. James Park improvements.

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