

Minutes of the Meeting
Board of Directors
San Jose Downtown Association

May 13, 2011

A members only meeting of the Board of Directors of the San Jose Downtown Association, a non-profit California corporation, was held at P.F. Chang's China Bistro, 98 S. Second Street, San Jose, CA.

The following directors were present: Avila, Borkenhagen, Brady, Cassetta, Cottle, Hamilton, Higgins, Knox, Kolstad, Neale, Russell, Ryan, Sahn, Saso, Skaggs, and Wong.

The following directors were absent from the meeting: Bernstein, Cabrera, Carr, Conway, Essadki, Friedman, Gagliardi, Goldberg, Leathers, Lopez, Mather, Miller, Nicoletti, Rajakumar, Roney, Soriano and Springall.

Also present were Scott Knies, Blage Zelalich, Paula Saidy, Payal Shah, Helen Hayashi, Eric Hon, Rick Jensen, Ellen Lee and Karen Luebben.

Vice President Geri Wong presided. Wong called the meeting to order at 8:25 a.m. and introduced Lola Spencer, Operating Partner for P.F. Chang's, who welcomed the group. Wong led the group in noting important upcoming dates, including the opening of the Music in the Park series on June 2; a reception on June 3 to fete sponsors and artists who will be represented on this year's new Downtown Doors; the June 27 City Bites event that will feature more than 19 restaurants and the return each Friday until the end of November of the SJDA-sponsored Farmers' Market.

Minutes of the April 8 meeting of the Board were approved as distributed.

Vice President's Report

- Wong offered her observations of the status of San Jose's Redevelopment Agency. The agency is shrinking to eight employees with a \$19M budget. Knies characterized the fate of California's RDAs as "fluid", given the Governor's proposal to eliminate all redevelopment agencies is still pending. The City Council accepted a 2011-12 RDA budget last week but limited resources leave the agency unable to initiate new projects. Wong added that the agency's leadership had unambiguously confirmed that SJDA should expect no further funding from the RDA for FY 2011-12 beyond the \$250,000 already contracted.

New Business

- Treasurer Neale led the Board in a recap of the latest revisions to SJDA's FY 2011-12 budget that goes into effect July 1, 2011. The Board approved a budget in March based on \$395K in RDA funding; that figure ended up at \$250K. The latest cut of \$145K represents a belt tightening required to absorb a total \$400,000 year-over-year reduction in RDA funding. Knies said that efforts to increase revenue were largely responsible for closing the \$400K gap. These measures include an anticipated \$100K increase in BID fee revenue enabled by modest adjustments approved by the Board for the 2011-12 fee schedules; a \$150K enlargement of revenues from events' concessions and admissions plus \$50K net from the 25th anniversary celebration. In addition, a

\$150K cut in expenses is slated that will be captured largely from public space programming formerly supported by RDA. Sahn cautioned that the \$50K anticipated from the 25th anniversary celebration will not be a repeating income source in subsequent years. The current revision of the budget was adopted unanimously by the board in response to a motion from Cottle that was seconded by Skaggs.

- Zelalich outlined a framework proposed by the planning committee for the association's 25th anniversary celebration, and invited participation in designing the event. A volunteer working group open to the Board and others has envisioned a celebratory, enjoyable fundraiser that will net a minimum of \$50K. The selected location is the Armory at N. Second and Divine Streets, a seldom used space that the committee anticipates will pique the curiosity of members. The committee hopes to attract about 600 attendees and tickets have been pegged in the \$125 to \$150 range. The need for four committees has been defined and volunteer leadership assigned.
- Board members formed working groups around the four committees, divided into separate small groups for discussion, and reported back to the full board on their progress:

Sponsorship: Co-chair Saso was joined by Cottle, Ryan, Shah and Saidy. Co-chair Bernstein was unable to attend the meeting. The group tweaked a schedule of sponsorship opportunities with a top opportunity at \$10K (presenting sponsor). Additional sponsorships (\$5K range and \$2,500 range) with commensurate benefits will be sought. Saso volunteered to approach Bank of America on behalf of the committee. The committee also plans to enlist the advice and support of SJDA's newly hired Sponsorship Manager, Payal Shah.

Program: Co-chairs Wong and Knies were joined by Higgins, Neale, Cassetta, Sahn, Borkenhagen and Luebben. The group agreed to provide a unique experience without a program focused exclusively on speeches or a space defined by assigned seating (perhaps focus ticket sales on ten-packs rather than tables.) They envisioned:

- Featuring Downtown's history and decades of transformative change as the evening's theme with the rich archive of video and stills gathered by the association featured prominently -- perhaps with ways to "plug-in" using smart device downloads.
- Exploiting the armory's varied venues (open spaces, semi-private nooks, balcony and outdoor spaces) for an evening that features food, music and downtown's history. A sound test is critical to define possibilities for focusing attention on program features. Concert-style overhead video screens are a possibility if the sound test supports it.
- Championing benches sponsored by participating business, uniquely decorated and integrated into the evening's open-space décor, then auctioned off and placed (with donor attribution) in downtown.
- Offering other fund-producing activities (i.e. shooting gallery).

Design: Co-chairs Brady and Skaggs, were joined by Avila, Kolstad, and Jensen. The Design workgroup sought to create "an experience, not a dinner" and proposed:

- a "street festival atmosphere" that represents downtown's neighborhoods framed by street lighting and park benches
- large murals and/or suspended banners to enrich the neighborhood focus, with projection onto walls and historic banners incorporated

- a balcony area with tables that overlook the neighborhood-focused areas below.
- prominent use of the association's "treasure trove" of photos and videos.
- a transit-focused element, perhaps with a ticketed VTA tour originating at the event on one of the Historic Trollies.
- decorations would also potentially include some of the items to be auctioned.

Donations: Co-chair Russell was joined by Knox, Hamilton, Hayashi, and Hon. Co-chair Essadki was unable to attend the meeting. The Donations group, charged with gathering items that can be auctioned and utilized for the event to reduce costs, reported that their group had decided to seek about 25 unique "experiences" rather than giving high priority to big-ticket merchandise. Elements common to the desired donations include:

- one-of-a-kind experiences with well-known figures such as celebrity chefs, the Mayor, or nationally-ranked athletes, OR
 - experience-focused packages that were worthy of a \$1,000 starting bid such as a Hawaiian vacation, or a hotel-based package that included more than a single night stay plus a spa package and shows, etc.
- Zelalich announced that an invitation to the next meeting of the 25th anniversary planning Committee on May 25 will be e-mailed to the entire board. The respective sub-committee chairs will continue to follow up with their groups in the meantime.
 - Wong distributed "carrot cash" to all present and reminded them to visit the Farmer's market later the same day and each Friday until the end of November.

Wong adjourned the meeting at 9:32 a.m.