

Minutes of the Meeting
Board of Directors
San Jose Downtown Association

August 12, 2011

A public meeting of the Board of Directors of the San Jose Downtown Association, a non-profit California corporation, was held at PricewaterhouseCoopers, 488 Almaden Blvd., Suite 1800, San Jose, CA.

The following directors were present: Bernstein, Borkenhagen, Brady, Cassetta, Cottle, Gagliardi, Higgins, Knox, Kolstad, Mather, Miller, Roney, Russell, Sahn, Saso, Skaggs, Springall and Wong.

The following directors were absent from the meeting: Cabrera, Carr, Conway, Essadki, Friedman, Goldberg, Hamilton, Lopez, Leathers, Neale, Nicoletti, Rajakumar, Ryan, and Saso.

Also present among the audience of 70 plus participants were Kathy Weeks, Andrew Kutsenda, Ellie Smith, Nick Nichols, Josie DiNardo, Robby Bancroft, Eric Heckman, Joe Noonan, Ruth Pangilinan, Adolfo Gomez, Phil Hood, Jim Crawford, Alex Chernett, Jim Lawson, Colleen Valler, Henry Cord, Susannah Greenwood, Anna Murrietta, Carlo Nardi, Michael Catterlin, Anselu Bossacoma, Pete Adams, Vicky Hasheider, Todd Trekell, Ryan Sebastian, Sal Pizzaro, Kim Tran, Helen Ebert, Lee Wilcox, Gretchen Baisa, Todd Wilkinson, Andrew Soss, Michelle Soss, Dustin Yoder, Chuck Hammers, Suzanne St John Crane, Tina Morrill, Sam Liccardo, Ragan Henninger, Marie Millakes, Scott Knies, Blage Zelalich, Paula Saidy, Helen Hayashi, Eric Hon, Rick Jensen, Jenna Tenorio, Ellen Lee and Karen Luebben.

Bernstein called the meeting to order at 8:22 a.m. and introduced Byron Carman, Manager of Experienced Recruiting for the host organization, PricewaterhouseCoopers, who welcomed SJDA members and spoke briefly of their firm and its activity in Silicon Valley. Bernstein thanked Carman and PricewaterhouseCoopers for hosting the meeting and welcomed representatives of several new businesses including Mike Catterlin of TechShop San Jose, Andrew and Michelle Soss from the home and mortgage financing firm Stewart & Soss, Phil Hood of the Enter Music Network designed to reach drummers and other musicians, Kim Tran of Crema Coffee Roasting Company, and Todd Wilkinson, CEO & Founder of Wordwatch that helps small businesses compete effectively for Google ad words. A motion to approve the minutes of the June 10 meeting of the Board was made by Cottle and seconded by Higgins. The minutes were unanimously approved as distributed via email.

President's report

- Bernstein directed attention to the listing of August and September events included in the agenda packet, then introduced

Zelalich who summarized preparations for the 2011-12 season of Downtown for the Holidays:

- a) \$240K of the targeted \$320K budget for the event has been pledged under the leadership of Sam Liccardo, Carl Guardino and Mayor Reed, with Sun Power and Virgin America playing leading sponsorship roles. These funds will be directed 50% to Christmas in the Park, 30% to Downtown Ice and 20% to a marketing and decoration fund for the holidays that will be administered by SJDA.
 - b) Zelalich announced that Hawaiian Airlines will return as the title sponsor for Downtown Ice in the upcoming season and directed attention to the article featured in the August issue of Downtown Dimensions.
- Zelalich also pointed out the Save the Date cards for the association's 25th Anniversary celebration on October 22.

New Business

- Tina Morrill was nominated to the Board of Trustees of the San Jose Downtown Foundation by Brady and seconded by Higgins. The nomination was unanimously approved by the Board. Morrill replaces former trustee Jane Przybysz who resigned her position when she moved out of state.
- Zelalich announced that input was being sought for internal review regarding the continuation of Music in the Park (MIP) in its current format. She provided context for the discussion by giving a summary of the "dynamic environment" in which MIP has been offered during its 23-year history. The series began as a lunch-time offering and evolved toward its current format of an afternoon/evening series that brings 5,000 to 7,000 persons downtown each Thursday evening during the summer. Zelalich pointed out that although MIP's budget is \$650K of an overall \$3.3M budget, it is the association's primary fundraiser that enables other programming, such as the Farmers' Market, Starlight Cinemas, and advocacy and policy work on behalf of the association's members. She also recounted steps taken to mitigate undesired effects of MIP including the realignment of marketing partnerships with radio stations that promote the concert series; changes of talent and setup for the event; development of partnerships with non-profits that offer constructive activities for youths at the concert site during and after performances; and deployment of additional security both on the concert site and in post-concert gathering areas. Bernstein reiterated that the request for input was part of an ongoing evaluation by the association's Board of Directors and Executive and Finance Committees and opened the floor for comments from the audience, which included:
 - Make the MIP series "more family friendly."
 - MIP has a "PR challenge" but adding more police "sends the wrong message."
 - Marijuana has been more in evidence recently.

- MIP patrons have done “thousands of dollars” of damage to a restaurant close by the park.
- A recent increase in negative activity including marijuana was also noted.
- A manager of a nearby restaurant said his establishment sits empty during the concerts, then experiences an “overserved rush” post-concert.
- The recent annual meeting of the Downtown Residents Association urged “solutions not elimination.”
- The quality of the MIP audience has “degraded” and suggested that alcohol sales had contributed.
- Get higher quality music that will bring people who will come back for other events and venues such as museums.
- Arts in the Park should be the new evolution for MIP.
- Events have a target audience and programming needs to reflect the target rather than “trying to do everything.”
- Tweak the MIP series rather than “throw it away.”
- The increased presence of marijuana and gang members at the event is troubling and makes one question the elements contributing to the evolution of San Jose’s culture.
- MIP makes downtown vibrant so do not “throw the baby out with the bathwater.”
- No smoking (of any substance) should be enforced at MIP
- Gang units should be included in the policing of the event.
- How radio stations promote the series should be examined.
- Businesses have been attracted to downtown San Jose because of activities like MIP.
- The youths who currently attend MIP are the “feeder generation” for future downtown businesses.
- There has been an uptick in vagrancy and gangs downtown throughout the week, not just Thursdays, but that downtown “desperately” needs people to come.
- All events create negative as well as positive effects, but that “little towns quit while great cities fix it.”
- Zero tolerance has to be adopted toward negative behaviors.
- Tweak content and strengthen security.
- Use local talent for the series.
- Focus on matching the series content to the demographic considered desirable for downtown.
- MIP attracts two distinct crowds: one that actually attends the series and another that “stands outside and causes problems
- MIP needs to change dramatically to offset the public relations “black eye” the series now generates.

Bernstein thanked the audience members for their input and adjourned the meeting at 9:21 a.m.